

**GOVERNMENT OF INDIA
MINISTRY OF RAILWAYS**

**LOK SABHA
UNSTARRED QUESTION NO. 3943
TO BE ANSWERED ON 23.12.2015**

REVIEW OF FUNCTIONING OF RAILWAYS

**3943. SHRI NALIN KUMAR KATEEL:
SHRI D.K. SURESH:**

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Government has constituted any committee(s) to review the functioning of the various wings of the Indian Railways such as Rail finance, administration, Railway Board, etc.;**
- (b) if so, the details thereof;**
- (c) whether the Government has received the review reports from these committees;**
- (d) if so, the details of suggestions made in the review reports to improve the Railways systems; and**
- (e) the steps taken to implement the suggestions received by the Railways from these committees?**

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION No. 3943 BY SHRI NALIN KUMAR KATEEL AND SHRI D.K. SURESH TO BE ANSWERED IN LOK SABHA ON 23.12.2015 REGARDING REVIEW OF FUNCTIONING OF RAILWAYS

(a) & (b): The following Committees have been constituted by the Ministry of Railways in the recent past basically on the review of the functioning of Railways:-

- i) Committee on Modernization of Indian Railways headed by Shri Sam Pitroda.**
- ii) Dr. Bibek Debroy Committee for mobilization of resources for major railway projects and restructuring of Railway Ministry and Railway Board.**
- iii) High Level Committee to identify factors, issues and avenues for improving financial health of Railways under the chairmanship of Shri D.K. Mittal.**
- iv) High Level Safety Review Committee (Kakodkar Committee)**

(c): Yes, Madam.

(d) & (e): The details of the recommendations made by the above Committees and the status of implementation of the recommendations of these Committees are given as under:-

- i) The Sam Pitroda Committee made 113 recommendations covering 15 areas including those pertaining to modernization of tracks and bridges, signaling system, rolling stock, stations and terminals, Public Private Partnership (PPP) initiatives, utilization of land and air space, construction of dedicated freight corridors, high speed passenger corridors, expeditious**

implementation of 'priority projects', harnessing Information & Communication Technology and Safety.

Railways have already initiated action for implementation of most of the recommendations pertaining to elimination of level crossings and unmanned level crossings, mechanized maintenance of track, introduction of new generation locomotives, high speed potential LHB coaches, upgradation of suburban coaches, green toilets on all passenger trains, development of modern high pay to tare ration wagons, enhancement of customer amenities at stations and on trains, development of various PPP models to attract private investment, feasibility studies of high speed and semi high speed corridors, construction of freight corridors, implementation of electrification, introducing of mobile ticketing and trials of train protection warning system etc.

ii) The Bibek Debroy Committee contains various recommendations on reforms and restructuring which includes the following:-

- Railway Board to function like Corporate Board for Indian Railways.**
- Reorganize Group 'A' services into two streams – Logistics and Technical.**
- Empowerment of General Managers & decentralization of powers to Divisional Railway Managers.**
- Separation of off-line activities such as Medical, Schools & Security**

- **Zonal Construction Organizations to be brought under one or more Public Sector Undertakings.**
- **Lateral inflow of talent from outside in technical and non-technical departments.**
- **Establish a responsive and transparent Accounting and Costing system.**
- **Set-up a Railway Regulatory Authority of India (RRAI) independent of Ministry of Railways with powers and objective of Economic Regulation including tariff regulation, safety regulation, fair access regulation, service standard regulation, licensing/enhancing competition and setting technical standards.**
- **Discontinue in phases, separate Rail Budget.**
- **Subsidies to be borne by Union Government and passenger concessions by respective Ministries.**

Recommendations of the committee pertaining to accounting reforms, empowerment of zones and divisions, integration of Information Technology (IT) and cleaning initiatives and setting up of an investment advisory committee have been taken up for implementation. Recommendations such as organizational restructuring, setting up of regulator with over arching powers, etc. require in depth examination and extensive consultations as their implementation entail large scale changes in the existing systems.

- iii) The D.K. Mittal Committee has suggested ways and means to improve the financial health of Indian Railways. It has**

suggested short-term, medium term, long-term measures for improvement in the areas of goods, passenger tariff revenues. It has also suggested on measures that can be taken for long term resource mobilization and to improve efficiency and productivity of Indian Railways.

Implemented initiatives in the following Areas:

A. Inclusion of Suggestions in the Budget Speech: Increase in Cancellation charges as well as Introduction of premium catering services, was announced in the Budget 2015-16 implemented.

B. Short term suggestions implemented:

1. Obtaining Mobile numbers at the time of booking for facilitating Short Message Services (SMS) based services, Ticketing machines for unreserved ticketing, enhancement of capacity of internet ticketing.

2. Dynamic pricing on premium trains, increase in number of coaches to 24, On board entertainment have been introduced.

3. Automatic freight rebate scheme in empty flow direction has been extended to other Zonal Railways.

4. Energy cost is being reduced through bilateral power purchase agreements. Energy audit of key consumption points of 500 Kwh and replacement of existing lighting with LED lighting on Railway premises undertaken.

5. A Memorandum of Understanding (MOU) with Ministry of New & Renewable Energy (MNRE), Bureau of Energy Efficiency (BEE) and Ministry of Power (MOP) was also recently signed which will help develop strategies for

reducing power consumption, costs and utilization of renewable energy resources. Process for installation of Solar panels on Rooftops has been initiated and an MOU has been signed with Solar Energy Corporation of India to undertake development of solar power generation facilities on Railway Premises.

6. Prioritization of projects in critical areas of Doubling, gauge conversion, new lines, electrification, signaling etc has been done to optimize returns on investment and to improve capacities on high density corridors. Indian Railway Finance Corporation (IRFC) has been permitted to issue tax free bonds.

- iv) The Kakodkar Committee has made 106 recommendations covering various aspects viz. General Safety Matters, Organizational Structure, Empowerment at Working Level, Safety related Works and Issues, Filling up of vacancies in critical safety categories and Manpower Planning Issues, Plugging the shortage of critical Safety Spares, External Interferences – Removal of Encroachment and Sabotage, Upgradation of Signaling, Telecommunication and Train Protection System, Upgradation of Rolling Stock, Track, Bridges, Elimination of Level Crossing, Human Resource Development with emphasis on Education and Training Institute on Indian Railways, Eco-System and Safety Architectures on Indian Railways.**

Out of 106 recommendations, 68 recommendations have been fully accepted and have been taken up for implementation.