

## Chapter 2: Traffic - Commercial and Operations

The Traffic Department comprises four streams viz., Commercial, Traffic, Coaching and Catering & Tourism. The activities related to these streams are performed by the concerned directorates headed by Additional Members/ Executive Director. At the RB level, the Traffic Department is headed by Member Traffic.

The activities such as marketing, traffic development, improvements in quality of railway service provided to customers, regulation of passenger/ coaching/ freight tariffs, monitoring of collection, accountal and remittance of revenues from passenger/ freight traffic are managed by Commercial Directorate. The activities such as planning of transportation services – both long-term and short-term, management of day to day running of trains including their time table, ensuring availability and proper maintenance of rolling stock to meet the expected demand and conditions for safe running of trains is, however, managed by Traffic Directorate.

The management of passenger and parcel services is done by Coaching Directorate and activities related to catering and tourism is managed by Catering & Tourism Directorate.

At the zonal level, the Traffic Department consists of two departments, viz., Operating Department and Commercial Department. These are headed by Chief Operations Manager (COM) and Chief Commercial Manager (CCM) respectively, who are under charge of General Manager of the concerned Zonal Railway. At the divisional level, the Operating and Commercial Departments are headed by Senior Divisional Operations Manager (Senior DOM) and Senior Divisional Commercial Manager (Senior DCM) respectively who are under charge of Divisional Railway Manager of the concerned Division.

The total expenditure of the Traffic Department during the year 2014-15 was ` 8,431.45 crore. Total Gross traffic receipt during the year was ` 156710.54 crore<sup>1</sup>. During the year, apart from regular audit of vouchers and tenders etc., 1305 offices of the department including 787 stations were inspected.

This chapter includes one review on Up-gradation of passenger amenities at stations including modernization of stations in IR covering all Zonal Railways. This review contains audit observations on implementation of passenger amenities as per extant orders/ instructions and passenger amenity works executed by Railway Administration. In addition, 14 Audit Paragraphs

<sup>1</sup> Explanatory Memorandum on Railway Budget 2016-17

highlighting irregularities on idling of assets; approval of annual rate of interest on delayed payment below the prescribed IRR; splitting of work into five tenders; non-utilization/ idling of rolling stocks wagons; inadequate/improper agreement for revenue sharing; etc. are also included

## 2.1 Up-gradation of passenger amenities at stations including modernization of stations in Indian Railways

### 2.1.1 Introduction

Indian Railways (IR) is world's fourth largest Railway network with over 66,030 Route Kms and around 7,137 stations as on 31 March 2015. In IR, during 2014-15, 13,098 trains carried 22.53 million passengers per day through long distance trains. Being the most economical and convenient mode of transport, there is a continuous increase in passenger traffic. There has been a growth of 56 *per cent* in number of passengers since 2004-05. In view of various announcements pertaining to “Improvement of Passenger Amenities at stations and Modernization of stations” have been made in budget speeches in successive years. Accordingly, existing level of Passenger Amenities at stations/ terminals are subjected to continuous process of up-gradation and augmentation to handle growing demand and rising expectations. IR have endeavoured to ensure adequate passenger amenities at stations. Towards this end, IR has categorised stations into seven categories (A1, A, B, C, D, E and F) based on the annual passenger earnings for provision of passenger Amenities commensurate with the number of passengers handled at stations.

Further, IR had identified stations for development as Adarsh Stations, World class stations and Modernisation of stations through up-gradation of existing amenities to bring about visible improvements. RB issued revised comprehensive guidelines (September 2012) for provision of Passenger Amenities at stations of various categories, followed by instructions issued in June 2013 regarding amenities for physically challenged and in August 2013 for development of stations as Adarsh stations.

### 2.1.2 Audit objectives

Audit conducted a review to assess;

- Status of implementation of RB's directives pertaining to up-gradation of passenger amenities for general as well as disabled/physically challenged passengers, better cleanliness and security of passengers at Stations/Terminals with special emphasis on RB's directives of September 2012, June 2013 and August 2013.
- Efficiency and economy in execution of works related to Passenger Amenities in a time bound manner,
- Maintenance of amenities provided at Stations/Terminals and their purpose.

### 2.1.3 Audit criteria

Provisions and instructions contained in the following documents were the source of audit criteria for conducting this review:

- Chapter IV of Indian Railways Works Manual regarding planning for provision of facilities at Railway stations
- Instructions issued by the RB in September 2008 for security of passengers
- Instructions of September 2012 and August 2013 issued by RB regarding provision of passenger amenities at various category of stations in IR;
- Instructions issued by RB from time to time for development of selected stations into World class and Adarsh Stations
- Guidelines issued by the RB in June 2013 for provision of facilities to physically challenged /persons with disability

### 2.1.4 Scope and Audit methodology

This review covered three years period from 2012-13 to 2014-15. Suburban stations categorized as C category were excluded. The audit methodology included collection of data from the records maintained in Commercial, Engineering, Accounts, Security, Medical and Construction Organizations of Zonal, Divisional Headquarters and their subordinate offices. Joint inspections of selected stations along with Railway officials were also conducted along with photographic evidence of deficiencies. A passenger survey was also conducted at all the selected stations of various categories through a questionnaire, results of which are placed along with the audit findings at appropriate places.

### 2.1.5 Sample size

For evaluating the passenger amenities, stations were selected from various categories. The sample size of stations adopted for detailed study in this review is given below:-

**Table 2.1**

Category of stations	No. of Stations	Percentage of stations to be selected for detailed study.	No of stations selected
<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>
A1	73	25 per cent of Col. 2 subject to minimum of 3 stations of different Divisions	44
A	283	25 per cent of Col. 2 subject to maximum of 4 stations of different Divisions	54
B	268	25 per cent of Col. 2 subject to maximum of 4 stations of different Divisions	80*

Category of stations	No. of Stations	Percentage of stations to be selected for detailed study.	No of stations selected
D	846	25 per cent of Col. 2 subject to maximum of 5 stations of different Divisions	104*
E	4114	20 per cent of Col. 2 subject to maximum of 5 stations of different Divisions	106*
F	2192	10 per cent of col. 2 subject to maximum of 3 stations	48
Adarsh	968	25 per cent of Col. 02 subject to maximum of 5 Stations (1 station from A-1,A,B,D and E category)	78
	8744	<b>Total</b>	514

\*Stations under judgmental sampling were also selected on the basis of their remote geographical locations, religious, historical and tourist importance in 'B', 'D' and 'E' category of stations

### 2.1.6 Earlier Audit coverage

Issues regarding passenger amenities in IR were earlier included in C&AG's Report No. 9A of 2002 (Railways) and Report No. PA 26 of 2008-09 (Railways). In these Reports, Audit commented on under-utilization of funds, deficiencies in provision of passenger amenities at stations, delay in execution of passenger amenity works and inadequate maintenance of passenger amenities at stations.

In the Action Taken Note (ATN) on Report No.9 of 2002, RB stated (September 2004) that Zonal Railways have regularly been directed that efforts should be made to fully utilize the funds allotted under Plan Head-53 'Passenger Amenities'. Zonal Railways have also been instructed to prepare Master Plans for all Stations where improvements in passenger amenities are planned and changes/modifications should be minimized to avoid delays.

Further, vide Report No.6 of 2007 (Railways), Audit also commented on the poor/inadequate maintenance of cleanliness at stations. In their ATN, RB stated (December 2008) that a monitoring and reporting system has been developed and the action taken by Zonal Railways for improvement in cleanliness is to be reported on monthly basis for RB's appraisal.

Based on the above replies and assurance given by RB, Audit reviewed the records maintained by Railways regarding provision of passenger amenities and cleanliness of the selected stations (as per sample given in Para 2.1.5 above). Audit also reviewed the utilization of funds allotted under Plan Head-53 (PH-53). Results of audit findings are discussed in the subsequent paragraphs.

### 2.1.7 Audit Findings

#### 2.1.7.1 Provision and utilization of funds for Passenger amenity works under Plan Head-53

Funds are allotted to each Zonal Railway every year for execution of passenger amenity works at station/ platforms. Audit reviewed the records of budget allotted and utilization of funds over the last three years (2012-13 to 2014-15) and noted non-utilization of allotted funds over a number of Zonal Railways. Standing Committee on Railways in its Nineteenth Report (2012-13) presented before the 15<sup>th</sup> Lok Sabha also expressed their concerns on underutilization of funds allocated for passenger amenities. The details of Budget Grant (BG), Final Grant (FG) and Actual Expenditure (AE) during the last three years over Indian Railways are mentioned below:

**Table-2.2- Budget Grant, Final Grant and Actual Expenditure**

(` in crore)

Zonal Railway	2012-13			2013-14			2014-15		
	Budget Allotted	Actual Expenditure	Excess /Saving	Budget Allotted	Actual Expenditure	Excess /Saving	Budget Allotted	Actual Expenditure	Excess /Saving
<i>1</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>7</i>	<i>8</i>		<i>11</i>	<i>12</i>	<i>13</i>
CR	29	30.82	1.82	58.4	59.7	1.3	68.28	67.86	-0.42
ER	126.69	119.27	-7.42	113.3	99.61	-13.69	78.13	70.71	-7.42
ECR	41.91	35.31	-6.6	53.39	45.15	-8.24	48.39	44.89	-3.5
ECoR	33.39	29.09	-4.3	35.94	36.92	0.98	47.7	44.53	-3.17
NR	54.31	58.08	3.77	71.45	73.57	2.12	125.8	85.46	-40.34
NCR	72.36	63.18	-9.18	74.97	62.33	-12.64	81.4	72.32	-9.08
NER	14.15	13.87	-0.28	18.59	19.57	0.98	27.86	22.34	-5.52
NFR	67.23	64.82	-2.41	45	41.89	-3.11	52.62	44.71	-7.91
NWR	18.94	22.57	3.63	28.38	30.12	1.74	35.05	35.58	0.53
SR	69.81	73.14	3.33	68.12	70.25	2.13	74.83	69.87	-4.96
SCR	86	88.34	2.34	97.12	96.51	-0.61	82.97	77.28	-5.69
SER	57.85	59.33	1.48	45.72	47.26	1.54	56.71	53.23	-3.48
SECR	65.8	60.76	-5.04	42.87	44.69	1.82	36.76	36.12	-0.64
SWR	37.61	37.88	0.27	28.02	29.47	1.45	33.7	31.88	-1.82
WR	50.7	49.35	-1.35	49.84	47.64	-2.2	45.24	42.66	-2.58
WCR	30.78	31.32	0.54	53.58	48.46	-5.12	59.88	54.65	-5.23
<b>TOTAL</b>	<b>856.53</b>	<b>837.13</b>	<b>-19.4</b>	<b>884.69</b>	<b>853.14</b>	<b>-31.55</b>	<b>955.32</b>	<b>854.09</b>	<b>-101.23</b>

Analysis of data given in the above table revealed that-

- Over the last three years (2012-13 to 2014-15), IR had not fully utilized the funds allotted for the passenger amenities. In 2012-13, `19.40 crore; in 2013-14, `31.55 crore and in 2014-15, `101.23 crore were not utilized.

- In five Railways (ER, ECR, NCR, NFR and WR), funds were not fully utilized in all the three years. Non-utilization of funds more than 10 *per cent* as against the budget allotted was noticed in four Railways (ER, ECR, NCR and NFR).
- In 2012-13, eight Railways (ER, ECR, ECoR, NCR, NER, NFR, SECR and WR) were not able to utilize the funds, whereas in 2013-14 seven Railways (ER, ECR, NCR, NFR, SCR, WR and WCR) and in 2014-15, none of Railways except NWR could utilize the funds allotted.
- Separate budget provisions for amenities/ security for women commuters had not been made by any Railway.

Above analysis clearly shows that over the review period, budget allotted could not be fully utilised. It also counters the RB's statement vide their ATN on Report No.9 of 2002, wherein it was stated that ZRs have regularly been directed to fully utilize the funds allotted for passenger amenity works. Further, on one hand fund allotted was not fully utilized and on other hand works were lying incomplete due to fund constraint. Non-utilization of allotted funds by ZRs adversely affected the timely completion of the important passenger amenity works as commented in the Para 2.1.7.10 of this Report.

#### **2.1.7.2 Master Plan for passenger amenities**

To meet the expectations of the travelling public, IR had categorized stations into seven categories (A1, A, B, C, D, E, & F). RB vide letter No.2012/LM (PA)/3/5 dated 11/09/2012 prescribed a quantitative scale for provision of minimum essential passenger amenities for each category of stations and provided norms for augmentation of recommended amenities based on actual passenger traffic handled at stations. This categorization was to remain unchanged for the next five years till next review becomes due. Master Plan in respect of the amenities assessed to be provided at a station was required to be drawn.

After conducting a survey to ascertain requirement of Minimum Essential Amenities (MEA) and desirable amenities required to be provided at each stations, ZR prepared a Master Plan to formulate action plan for providing these amenities. A web based Indian Railway Project Sanction and Management (IRPSM) module exists in each ZR to capture the data base of passenger amenities at each station. Any additions/ modifications to the passenger amenities based on the assessed requirement needs to be updated in IRPSM.

Review of records of ZRs pertaining to Master Plan and maintenance of data in IRPSM revealed that –

- NR, SER and WCR had not been prepared Master Plan for passenger amenities.
- Malda Division (ER), Visakhapatnam & Sambalpur Divisions (ECoR), Ratlam Division and Vadodara Division (WR) had not prepared the Master plans as per the provisions made by RB.
- All the Zonal Railways except WR had updated IRPSM data.
- As per chapter IV of Indian Railway Works Manual planning for provision of facilities to be provided at Railway stations is to be done by Engineering department. Available data on Ratlam Division of WR indicates that this work is pending due to inter departmental disputes between Engineering & Commercial department.

### **2.1.7.3 Provisions for Minimum Essential Amenities (MEA)**

As per RB's directives (September 2012), MEA such as booking facility, drinking water, waiting hall, seating arrangement, platform shelter, adequate platform level, foot over bridge etc. was required to be provided at all categories of stations. Further, with a view to improving customer satisfaction, Desirable Amenities are also to be provided depending upon earnings and relative importance of the Stations.

Audit examined position regarding MEA provided at 436 selected stations of various categories (A1-44, A-54, B-80, D-104, E-106 & F-48 stations) during joint inspection (between April 2015 to June 2015) of stations on all Zonal Railways. Deficiencies noticed in provision of MEA are discussed in the subsequent paragraphs.

#### **(i) Drinking Water Taps**

Considering the importance of this amenity, Railway Administrations need to ensure proper arrangement of drinking water at all the stations.

- Review of 436 selection stations of various categories, Audit noticed that at 86 stations, drinking water taps were not provided as per the norms prescribed by the RB in its instructions of September 2012.
- In Indore and Nagda stations of WR, it was noticed that water taps were choked and appeared very shabby as depicted in the picture mentioned below.

	
<p>Water fountains in shabby condition at Nagda A category station (WR)</p>	<p>Water logging around water fountains at Indore A1 category station (WR).</p>

- Water taps at suitable locations to serve passengers of General and Second class were not provided in two stations of A category (Rudrapur city - NER, Saharanpur – NR); six stations of B category (Kendujhar, Gorakhnath - ECoR, Ramanathpuram- SR, Narsinghpur & Shivpuri-WCR, Hapa-WR; 28 stations of 'D' category, 39 stations of E category and 37 stations of F category.

#### (ii) Level of Platforms

As per norms specified under MEA in RB directives of September 2012, high level Platforms were required to be provided at stations of A1 & A category, Medium level platforms at stations of B & D category and Rail level Platforms at stations of E & F category. RB also reiterated (September 2012) its directives of August 2006 that high level Platforms were to be provided irrespective of category at stations handling Mainline Electrical Multiple Unit (MEMU)/ Diesel Electrical Multiple Unit (DEMU) trains.

Audit review revealed that:

- High Level platform had not been provided at Kolhapur (CR) of A category.
- Medium Level Platform had not been provided at three stations of D category viz., Deshnok (NWR), Rajim (SECR) and Dakania Talav (WCR).
- The high level platform was not provided at B, D, E & F category of stations dealing with MEMU/DEMU trains on any of the selected stations over Zonal Railways.



Inconvenience to passengers while boarding/ alighting from EMU trains at Atul 'E' category station (WR)

From the above findings, it is evident that non-provision of adequate level of platforms as specified by RB caused difficulties to passengers in boarding and alighting from trains at such stations. This also compromises the safety of passengers.

### (iii) Foot Over Bridges (FOBs)

Foot Over Bridge (FOB) is an important passenger amenity and passenger safety item, provided to facilitate movement of passengers from outside the station to any platform and from one platform to another. FOBs ensure safety by preventing trespassing of railway track by passenger. FOB of six meter width with cover were required to be provided at stations of A1 and A category, whereas these were required to be provided at all stations of B and D category during doubling/ gauge conversion works wherever they are not available.

Audit review of records of selected stations revealed that

- Covered FOBs of the prescribed size had not been provided at 18 stations of A1 category and at six stations (CR-Lonavala, Sainagar Shirdi; NCR-Banda, Aligarh, Etawah, Agra Fort) of A category.
- FOBs had not been provided at 10 stations (CR-5 and one each in ER, NR, NCR NER and NFR) of B category and 32 stations (CR-7, ECR-2, NR-1, NCR-5, NWR-3, NER-4, NFR-4, SECR-1, SWR-4 and WR-1) of D category.

### (iv) Platform Shelters

In the norms specified in MEA, RB stipulated that area of platform shelter to be provided was 500 sqm in A1 stations, 400 sqm in A stations, 200 sqm in B stations and 50 sqm in D stations. Shade trees were to be provided on F category stations.

Audit examined the position in selected stations over ZRs and found that-

- Platform shelter was not provided at two stations of A category (Parasnath-ECR & Rourkela-SER); five stations of B category (Matheran, Devlali, Pandharpur & Sangli of CR and- Raiwala of NR); 12 stations (CR-4, SER-4 and one each on ECR, NR, NWR and WR) of D category.
- At three A1 category stations (Nasik Road-CR, Dhanbad-ECR and Lucknow-NR) and three A category stations (Lonavala & Sai Nagar Shirdi of CR, Rudrapur City of NER), area of platform shelters was not provided as per the norms mentioned in the RB's instructions of September 2012.
- In eight B category stations (CR-2, ECoR-1, NR-4, SER-1), eight D category stations (CR-2, SER-2, NR-1, NWR-2, SECR-1) and in 40 stations of E category (CR-7, ER-2, ECR-1, NR-1, NCR-1, NER- 1, NFR- 2, NWR-5, SECR-4, SER-7, SWR-2, WR-4, WCR-3) platform shelters were not provided as per specified norms.
- Shade trees on platforms were not found planted at 11 stations (CR-1, NCR-3, NWR-1, NER-1, SR-1, SER-3, WR-1) of F category.

	
<p>Platform shelter not provided at the end of platform and FOB has been provided at the end of platform at Bolpur station (B category)</p>	<p>Platform shelters not provided at the end of platform at Mumbai Central A1 station (WR) where general as well as coaches of other important Mail/Express trains stop.</p>

#### (v) Other amenities

Deficiencies noticed in other MEA to be provided at stations are mentioned in the table 2.3 below:

Table 2.3

Passenger Amenities	Category of stations, where amenities to be provided	Deficiencies noticed in stations	Railway involved
Waiting Halls	A1, A, B, D, E	Waiting hall of prescribed area were not provided in 39 stations	A1-2 (one each on NER and SWR); A-7 (two each on CR, SR, and one each on ECoR, NWR, WCR); B-10 (two each on ECoR, NR and one each on CR, SR, SCR, SECR, SWR, WR); D-10 (four in WR, two in CR and one each in ECoR, NER, SR, SWR), E-7 (CR-2, ER-1, NCR-1, SR-2 and WR-1)
Provision of Urinals	A1, A, B, D, E	14 stations	A- 1 (SR); B-2 (SR-2); D-8 (ER-1, NWR-1, SR-2, ECR-3, WR-1); E-3 (SR-2, WR-1)
Water Coolers	A1, A, B, D	13 stations of D category	ER-4, ECoR-2, NR-1, NWR-2, NFR-3, SWR-1
Lighting arrangements	All category	03 stations	ECR-Sakri of B category; NER-Palikalán & Nepalganj of D category
Public Address System	A1, A and B	03 stations of B category	CR-Devlali, NR-Raiwala, NER-Haldwani
Standard signage	A1, A and B	29 stations	A1-1 (Dhanbad-SER); A-4 (one each in CR, NWR, NCR and SWR); B-24 (CR-2, ER-1, ECR-1, ECoR-2, NR-2, NCR-3, NER-1, NWR-1, NFR-1, SR-4, SECR-1, WR-2, WCR-3)
Electronic Train Indicator Boards	A1 and A	02 stations of A category During passenger survey, 44 <i>per cent</i> passengers expressed their dissatisfaction with the location of indicator boards.	Lonavala (CR) and Ara (ECR)

Above findings show that ZR Administration was not able to fully provide even minimum passenger amenities that should be provided at all stations as per RB's instructions of September 2012. Absence of these amenities at stations as pointed above resulted in compromising passengers' safety and comfort.

**2.1.7.4 Provision of Desirable Amenities**

RB (September 2012) issued directives for provision of Desirable Amenities at the stations. These include Retiring Rooms, Waiting Rooms, Cloak Room, Public Address System etc required to be provided depending upon category, need and relative importance of the station.

Audit examined, status of Desirable Amenities provided at 388 selected stations of various categories on Zonal Railways (A1- 44, A -54, B-80, D-104& E-106 stations). The results of audit examinations are as under:-

**(i) Pay and Use Toilets**

Though provision of Pay and Use toilets at end of the platforms and in circulating area is a desirable amenity, RB instructed (June 2006) that toilets at all A1, A, B, D and E category stations should be gradually converted into pay and use toilets.

Audit scrutiny revealed that this amenity was not provided at 210 (54 *per cent*) stations of selected 388 stations. This included Delhi Cantt. (NR), Pali Marwar (NWR) Rudrapur city, Azamgarh (NER) of A category, 30 stations of B category, 74 stations of D category and all stations of E category except Khandala, Khapri (CR), Udhagamandalam, Cuddalore Port (SR) and Dodaballapur (SWR).

**(ii) Stalls for Essential Goods and Medicines**

As per RB's directives of September 2012, this facility was to be provided at A1, A, B and D category stations. Audit examination of records of 282 selected stations pertaining to the review period revealed that-

- Stalls for essential goods were not provided at 24 stations of A1 (55 *per cent*), 45 stations of A category (83 *per cent*), 73 stations of 'B' category (91 *per cent*) and 101 stations (97 *per cent*) of D category.
- Stalls for medicines were not found provided at 27 stations (61 *per cent*) of A1 category, 48 stations (89 *per cent*) of A category, 76 stations (95 *per cent*) of B category and all the selected stations of D category.

**(iii) Separate Entry & Exit Gates**

RB advised (September 2012) ZRs that in order to decongest station entrances, separate entry /exit gates are to be provided at stations. All unauthorized entry points into station irrespective of their class should be closed. Review of status in this regard revealed that:-

- Even in A1 and A category stations, separate entry and exit gates were not provided at all the stations. Out of the selected 44 A1 category stations, at eight stations (Lokmanya Tilak Terminus, Nasik Road & Nagpur of CR; Sealdah of ER; Chhapra of NER; Tirupati of SCR; Kharagpur of SER and Ernakulam of SR), this facility was not provided. Further, at 28 stations of A category (CR-4, ECoR-1, ECR-3, NCR-2, NER-4, NFR-1, NR-1, NWR-2, SCR-1, SECR-1, SR-3, SWR-1, WR-3, WCR-1), separate entry and exit gates were not available. This has deprived the passengers of a smooth and safe entry/ exit and passengers are exposed to risks of pick-pocketing and molestation. It also hampers diligent ticket checking at gates due to incoming and outgoing crowd of passengers using the same gate.
- Despite RB's instruction for closure of unauthorized entry points, Audit noticed existence of unauthorized entry points at 21 stations (CR-3, ECoR-1, ECR-1, ER-1, NER-3, NFR-1, NR-1, SCR-1, SECR-2, SR-1, SWR-2, WCR-2, WR-2) of A1 category and 30 stations (CR-4, ECoR-3, ECR-1, ER-1, NER-4, NFR-2, NR-2, SCR-1, SECR-2, SR-3, NCR-2, SWR-1, WCR-2, WR-2) of A category. Railways failure to close these unauthorized entry points meant security of the passengers at these stations is compromised.
- During passenger survey, inadequacy of entry and exit gates at stations on ER, NWR, SER, SR, SWR, WCR and WR was pointed out by passengers.

**(iv) AC VIP/Executive Lounges, Food Plazas**

With a view to provide value added services at a charge, Railway Minister in Budget speech 2012-13 announced setting up of AC Executive Lounges at important stations offering facilities such as Wi-Fi, internet, buffet services, wash and change, concierge services for pre-departure and post arrival assistance to passengers. RB (September 2012) further instructed Zonal Railways to provide AC VIP Lounge/ Executive Lounge at A1 category stations under desirable amenities.

Out of the 44 selected stations of A-1 category, AC VIP/ Executive Lounges were provided for public only at Bangalore City (SWR) and Tata Nagar (SER) stations. Audit further observed that VIP lounges though provided at CR, ER, ECoR, NR, NFR, NER, NWR and SCR, were not made available for public on payment basis.

**(v) Modern Trolley with Rail Yatri Sevak**

To assist senior citizens and women passengers in boarding and alighting from trains along with their luggage, RB instructed (December 2010) ER to provide

Modern Trolley with Rail Yatri Sevak at Howrah and Sealdah stations as pilot project for one year. Subsequently, this scheme was extended to six more stations viz., New Delhi (NR), Mumbai Central (WR), Chennai (SR), Ahmedabad (WR), Bengaluru (SWR) and Thiruvananthapuram (SR).

Audit review revealed that Modern trolleys with Yatri Sevak had been provided at New Delhi (NR), Howrah and Sealdah (ER) stations. However, the facility was yet to be provided at Chennai (SR), Bengaluru (SWR) and Thiruvananthapuram (SR) stations. Further, Yatri Sevaks were not provided at Mumbai Central and Ahmedabad (WR) though the trolleys had been provided. Due to this, difficulties in boarding and alighting from trains along with luggage continue to be experienced by senior citizen and women passengers at these stations.

#### (v) Other amenities

In addition to above, audit noted deficiencies in provision of other desirable amenities at the selected 388 stations of various categories, which are tabulated below:

**Table 2.4**

Desirable amenities	Category of stations, where amenities to be provided	Deficiencies noticed in stations	Railway involved
<b>Cloak Rooms</b>	A1, A and B	A-7 stations B-41 stations	NER-3, NR-2, ECR-1, ECoR-1. CR- 2, ER-1, ECR-3, ECoR-6, NR-4, NWR-3, NER-5, NFR-3, SR-3, SCR-1, SECR-4, SER-1, SWR-1, WR-1, WCR-3
<b>Enquiry Counter</b>	A1, A and B	A-2 stations B-35 stations	NER-1, SR-1. CR-4, ECR-1, ECoR-4, NR-3, NCR-1, NER-1, NFR-2, SR-6, SCR-1, SWR-5, WR-3, WCR-4.
<b>Public address system</b>	D	11 stations	ECR-1, NER-2, NWR-2, NFR-1, SR-1, WR-4
<b>Automatic Teller Machine (ATM)</b>	A1, A and B	Out of 178 selected stations, in 160 (90 per cent) stations.	All Railways involved
<b>Train Coach Indicator System</b>	A1	2 stations	Chhapara-NER and Chennai Central-SR
<b>Automatic Vending Machines</b>	A1	31 stations	CR-3, ER-2, ECR-2, ECoR-3, NR-2, NCR-3, NWR-3, NER-3, NFR-2, SCR-1, SECR-2, SER-2, SWR-2, WR-1
<b>Water vending machines</b>	A1 and A	Out of 44 selected A1, stations, in 42 stations and in all the 54 selected A stations.	All Railways involved

Deficiencies in provision of passenger amenities under desirable norms specified in the comprehensive instructions issued by RB (September 2012) indicates lack of proactive approach on the part of Zonal Railway Administrations in implementing RB's directives. Further, this also indicates lack of monitoring and control mechanism at RB level. This compromises the passenger comfort and safety at stations.

### 2.1.7.5 Facilities for physically challenged passengers

RB in its directives of September 2012 and June 2013 prescribed guidelines for the facilities required to be provided for physically challenged passengers at stations. These primarily included facilities like ramp, non-slippery walkway, drinking water taps, exclusive toilets etc. The long term facilities included exclusive parking, inter-platform transfer facility, engraved platform edges, medical assistance booths, escalators/lifts and Battery Operated Cars for disabled and old age passengers at Railway Stations.

Audit reviewed the amenities provided for physically challenged passengers at 178 selected stations of A1 (44), A (54) and B (80) categories and noticed that most of these amenities had not been provided. Some of the issues are highlighted as under:

- (i) **Wheel chairs:** Wheel chairs were provided at all the selected stations of A1, A and B category. However, at Malipur station (NR) and Cansaulim station of SWR, wheel chairs though provided were found to be in dilapidated and unusable condition.

	
Defective Wheel Chair at Malipur Station.	Wheelchair in a dilapidated condition at Cansaulim station of SWR

- (ii) **Standard ramps:** Standard ramp was not provided at 21 stations of A1 category (48 per cent), at 44 stations of A category (81 per cent) and 71 stations of B category (89 per cent).
- (iii) **Exclusive toilets:** At seven A1 category stations (16 per cent), 15 A category stations (28 per cent) and at 49 B category stations (61 per cent), exclusive toilets for physically challenged passengers were not provided.

(iv) **Separate ticket window:** At 10 A1 category stations (23 per cent), 30 A category stations (55 per cent) and 65 B category stations (81 per cent), exclusive ticket window for physically challenged passengers was not provided.

(v) **Non- slippery walkway from parking lot to station building:** This had not been provided at eight A1 category stations (18 per cent), nine A category stations (17 per cent) and at 30 B category stations (38 per cent).

As evident from above, due to non-provision of facilities earmarked for physically challenged passengers at stations, they continue to face hardships during their movement at stations despite specific instructions issued by RB in this regard.

#### 2.1.7.6 Development of Adarsh Stations

While presenting Railway Budget (2009-10), Minister of Railways announced (July 2009) that selected stations shall be developed as Adarsh Stations where improvement in ticketing, circulating area, signage, easy access and exit will be focused upon, with a view to provide enhanced level of passenger facilities within a year.

Accordingly, RB had issued instructions from time to time on Adarsh Stations Scheme, the latest being Circular No. 2009/TG-IV/10/PA/Adarsh Station dated 13/08/2013 prescribing facilities to be invariably provided at 1,052 stations identified for development as Adarsh Stations.

Audit noticed that 968 stations were declared as Adarsh stations over IR as of March 2015, where passenger amenities works have been upgraded as required for Adarsh station. RB also advised to change the focus from mere beautification to utility, comfort, cleanliness and security. Out of these 968 stations, Audit test checked 78 stations of various categories (A1- 6, A-27, B-18, D-16 and E-11).

Audit noticed that amenities such Pay & Use toilets, High level platforms, FOBs, Signages etc were not provided as per the norms prescribed by RB in their circular dated August 2013. Out of the selected stations, Pay & Use toilets were not provided on 38 stations; High level platforms were not provided on four stations; FOBs were not provided on seven stations. Details deficiencies were mentioned in **Annexure I**.

#### 2.1.7.7 Development of World Class Stations/ Modernization of stations

For development of stations into World Class stations, RB issued guidelines (November 2006) and initially identified 19 stations. Further, RB issued (March 2009) master circular advising the ZRs about management of various activities

connected with development of World Class stations. Number of stations identified for development of world class stations was increased to 50 stations in June 2010.

The MoR in budget speech (February 2011) stated that not much headway could be achieved in development of stations as World Class Stations because of their high costs. The Expert Group on Modernization of IR, constituted (September 2011) by MoR, recommended (February 2012) modernization of 100 major stations at a cost of `1.10 lakh crore in five years under Public Private Partnership (PPP). Consequently, Indian Railway Station Development Corporation Ltd (IRSDC) was developed (April 2012) for development/ re-development of stations, up-gradation of passenger amenities to serve the Passenger needs through PPP mode.

Audit noticed that though ZR Administrations had taken initiatives such as nomination of dedicated project team, preparation of inspection reports, appointment of architect and technical consultants etc., no concrete action was taken to develop the 50 identified stations into World Class stations.

Audit further reviewed the records of IRSDC and noticed that initially five stations viz. Bijwasan (NR), Habibganj (WCR), Anand Vihar (NR), Chandigarh (NR) and Shivajinagar (CR) were entrusted to IRSDC as pilot project for modernization. Subsequently, three more stations namely, Surat (WR), SAS Nagar (Mohali-NR) and Gandhi Nagar (WR) were also entrusted to IRSDC for modernization. Audit noticed that:

- Agency/ consultants for conducting feasibility study have been awarded for six stations (Chandigarh, Habibganj, Shivajinagar, Bijwasan, Anand Vihar and Surat) at the cost of `24.87 crore during the period September 2012 to October 2014. The feasibility reports which were targeted to be completed during June 2013 to January 2016, has not been completed in respect of any station (January 2016).
- The reasons for delay in submission of feasibility report as stated by IRSDC were frequent revisions in Master Plan; delays in approval of Master Plan by Railways and local authorities.

Even feasibility study for any of the selected stations has not been completed though more than three years have passed since the creation of IRSDC.

#### **2.1.7.8 Development of Railway Stations in association with Ministry of Tourism (MoT)**

As per joint directives issued (October 2012) by the Ministry of Railways and MoT, it was decided to develop stations having tourist/pilgrim importance. The

cost of development was to be shared equally by these two ministries. RB identified following 24 stations in 10 Zonal Railways in association with MoT and directed the concerned ZRs to prepare suitable detailed estimates for individual works at each station.

**Table-2.5 Name of stations identified for joint development**

Zonal Railways	Name of Stations
ER	Belur, Tarapith, Tarkeshwar & Farfura Sharif
NR	Amritsar, Haridwar, Raebareli & Varanasi
NFR	Dooars, Guwahati & Kamakhya
SR	Madurai, Rameswaram & Thiruvananthapuram
SCR	Aurangabad, Hyderabad, Nanded and Tirupati
ECR	Gaya
ECoR	Puri
NCR	Agra
NWR	Ajmer & Jaipur
SWR	Hospet

As per consent given by MoT, approximate cost of work for each station under various categories was taken as `12 crore (for A1 category), `11 crore (for A category), `5 crore (for C category), `9 crore (for D category) and `6 crore (for E category). A variation up to 20 per cent of the cost of the work for each station could be allowed subject to the total cost not exceeding the estimated cost as mentioned in the guidelines.

Audit reviewed the status of work of joint development of above identified stations and important audit findings are discussed Zone wise in following paragraphs:

**Eastern Railway:-** An outlay of `42.50 lakhs was provided and the work was sanctioned during 2012-13. Audit however, noticed that the work of joint development of four identified stations on ER is still in initial stage. It was also noticed that for the development work, neither were funds received from Ministry of Tourism nor ER Administration had incurred any expenditure during 2013-14 and 2014-15 despite the work appearing in Works Programme of 2013-14 and 2014-15.

**Northern Railway:-** Four stations viz., Amritsar, Haridwar, Raebareli and Varanasi have been identified for joint development. However, neither detailed

estimate was prepared for executing works on these stations nor fund allotments were made by MoR or MoT since October 2012.

**Northeast Frontier Railway:-**Initially, three stations viz., Kamakhya, Dooars and Guwahati were identified for joint development in the year 2012-13. Subsequently, Dooars station was replaced with New Jalpaiguri in the year 2014-15. Audit observed that neither detailed estimates were prepared to execute works nor fund allotments made since October 2012.

**Southern Railway:-**The work of development of Madurai, Rameswaram and Thiruvananthapuram stations was sanctioned during the year 2012-13 at a cost of `33 crore. As against the share of `16.50 crore, MoT has so far released only `4 crore for all the three stations. Three contracts were awarded in July 2014 and December 2014 only in respect of Thiruvananthapuram station with completion date of March 2015, January 2015 and June 2015 respectively. However as on date, audit noticed progress of 2.32 *per cent* only. Further, detailed estimates for Madurai and Rameswaram stations are yet to be sanctioned even after a lapse of two years.

**South Central Railway:-** The work of development of Tirupati, Hyderabad, Nanded and Aurangabad Stations was sanctioned during the year 2012-13 at a cost of `47.22 crore. Release of funds by either of the Ministries was not found on record. Further, even after lapse of more than two years, detailed estimates for the development works at these four stations are yet to be sanctioned.

**East Central Railway:-** Only Gaya station of A1 category has been identified for joint development at an anticipated cost of `11 crore with both the Ministries contributing `5.50 crore each. Though ECR Administration prepared estimate of `6.60 crore for completion of work by February 2015, physical progress of the work was only five *per cent* till September 2015. Further, the details of amount released by MoT were not on record.

**East Coast Railway:-** Construction of Tourism Complex at Puri station was awarded in September 2014 which was to be completed by June 2015. The work, awarded at a total cost of `12.96 crore, comprising civil engineering works (`11.54 crore), S&T works (`1.13 crore) and electrical works (`0.29 crore). However, the work is still not complete (as on December 2015). Further, though the project to be executed on a 50:50 cost sharing basis by MoR and MoT, the MoT has not released any fund for the project by the end of December 2015.

**North Central Railway:-** Work at Agra station was sanctioned in 2012-13 at a cost of `11 crore for completion by December 2015. Audit noticed that physical progress in work was only 50 *per cent* whereas financial progress was 38 *per cent* as on September 2015. Against the share of `5.50 crore, only `2 crore has been received from MoT.

**North Western Railway:-** Work for joint development of Jaipur and Ajmer stations was sanctioned in the year 2012-13 at an estimated cost of `22.45 crores (`11.81 crores for Ajmer and `10.64 crore for Jaipur). Despite, receiving funds of `5.20 crore from MoT in September 2014 for the work at Jaipur station, no progress in this regard was observed by Audit till March 2015.

**South Western Railway-** Hospet station was identified for joint development in October 2012. However, the development work is in initial stage as the approval of General Arrangement Drawings (GAD), submitted (September 2014) to RB is still awaited (December 2015).

From the above findings, it may be concluded that delay in finalization of estimates of development works for stations on SWR, NER and NR; and slow progress of works at stations on ECR, NWR, SR and NCR reflects laxity on part of Zonal Railway Administrations in project execution. As a result, joint development of stations of tourist importance to give intended amenities to tourists coming from various parts of the country and the world could not be achieved. This is adversely affecting the image of the country as these stations are frequented by foreign tourists and need to be developed to attract more tourists.

#### **2.1.7.9 Passenger amenities through MPLADS, individuals, NGOs, Trusts, Charitable Institutions, Corporates etc.**

As per directives (October 2013 and November 2014) of RB, ZRs were to execute passenger amenity works on Deposit terms under the Member of Parliament Local Area Development Scheme (MPLADS) in consonance with the guidelines (September 2012) for provision of various passenger amenities. These included construction of approach roads to railway stations, circulating area, additional toilets for passenger, platforms, FOBs, platform shelters, provision of drinking water, escalators, solar lighting at stations, provision of firmly fixed waiting chairs/benches, amenities for physically challenged persons (ramps, separate toilets, etc). RB also instructed that a proper account of such

works taken up under MPLADS was required to be maintained by Zonal Railway.

In addition, RB issued (September 2014) guidelines for provision of passenger amenities through various individuals, NGOs, Trusts, Charitable Institutions, Corporate, etc. on deposit terms within one year of deposit of funds by the sponsoring party after signing of MoU permitting the party to put up a board acknowledging contribution.

Audit observations on passenger amenities to be provided under the above schemes are as below:

- Although funds were released or consent given by the MPs to the extent of `5.72 crore through MPLADS during the period from December 2014 to March 2015 to eight Zonal Railways (ER, ECoR, NCR, NER, SWR, SR, WR and WCR), the amenities were found partially provided/ work initiated only in five Zonal Railways (ER, ECoR, SR, SWR and WCR). In other three Railways, funds deposited by the concerned MPs could be utilized.
- Provision of Passenger Amenities like water coolers, dustbins, wheel chairs, stretchers, RCC benches, air conditioners, battery car etc. were found provided by individuals/NGOs/Trusts etc. at selected stations on all Zonal Railways except in NER, NFR, NR, SCR, SWR and WCR. However, no data base of such facilities created were found maintained by Zonal Railways as directed by RB.

In particular cases as mentioned below, audit noticed laxity on part of Railway Administrations in providing amenities under the above schemes:

**Eastern Railway:-** Indian Oil Corporation Ltd (IOCL) has given a proposal (January 2015) to provide RO based water treatment plant at Sealdah station. However, this could not materialize due to non-pursuance of the matter by Zonal Railway authorities.

**Western Railway:-** An amount of `4.11 crore had been sanctioned /released (30 March 2015) through MPLADS by Minister of Finance and eight MPs for provision of 5,911 seats at various stations of WR. However, only 111 benches had been provided under MPLAD scheme as of December 2015.

In case of a proposal made (February 2014) by an individual for installation of water cooler at Nimbahera station of Ratlam Division, the work was delayed by more than one year (March 2015) for want of civil engineering/ electric works despite the necessary charges having already been deposited by the donor. Due to this, passengers were deprived the benefits of this facility.

From the above, it is evident that these schemes have not taken off primarily due to Railway Administration's laxity in getting the work done on priority basis. This resulted in non-commencement of works and thereby intended purpose of the scheme is not being served.

#### **2.1.7.10 Execution of works related to passenger amenities**

After the assessment of requirement for development of passenger amenity or for upgrading the passenger amenities at any station, ZRs initiate action for execution of work based on the funds allotted by RB.

Audit selected 136 passenger amenity works (in-progress/ completed) costing `2.5 crore and above over IR during the period under review for detailed examination. Audit noticed cost overrun to the extent of `79.05 crore in 53 contracts and time overrun up to 192 months in 132 contracts as detailed below -

- In 30 contracts, cost overrun was more than `0.50 crore; in five contracts, it ranged between `0.25 crore to 0.50 crore; and in 18 cases it was upto `0.25 crore.
- In four contracts, the time overrun of more than five years was noticed; in 66 contracts, it ranged between two and five years and in 62 contracts, time overrun was up to two years.

Audit analysis of the reasons of cost overrun and time overrun revealed that delays were mainly due to:

- Non availability of funds (CR, ER, ECR, NR, NFR, SR, SCR, SWR and WR)
- Non-availability of clear site (CR,ER, ECoR, NR, NCR, NWR and SER)
- Non-availability of Traffic blocks (CR, NCR, NFR, SR and SER)
- Delay in approval of General Arrangement Drawing (GAD)/non finalization of drawing/change in design or change in the scope of work (CR, ER, ECR, NCR, NFR, SR, SWR and WR)
- Procedural delays in tendering process and subsequent delays in award of work (ER, NWR, SR and WCR)
- Termination of contract due to dropping of work and recast of estimates (ER)
- Non-availability of material, labour (ECR, NFR and SER)

- Slow progress of work by the contractor and grant of frequent extensions on Railway account (NR, SR, NCR and WR)
- Unauthorized encroachments at work site (NFR)
- Inclusion of new items, local public interference, heavy rains, delay in inspection by RITES, etc. (NCR)

Review of records of passenger amenity works revealed that 16 works over eight ZRs<sup>2</sup> could not be completed or were completed with significant delays due to funds constraints. Audit noticed that –

- Nine works (one each on CR, ECR, NR, NCR, NFR, SWR, WR and two on WCR) could not be completed within the scheduled time and the time overrun ranged between 8 and 72 months from original date of completion.
- Seven works (one each on CR, ECR, NFR and two each on NCR, SWR) have been completed belatedly and time overrun ranged from 9 to 51 months.

It is evident that while on the one hand Railways are not utilizing the funds allotted for execution of the passenger amenity works (as commented on in Para 2.1.7.1 earlier), on the other hand, works related to passenger amenities, as commented above, could not be completed or got delayed due to funds constraints. ZRs need to ensure the proper utilization of funds allotted through an efficient and effective monitoring mechanism.

During the review, audit noticed some important cases involving significant deficiencies in execution of passenger amenity works over ZRs, which are discussed in the subsequent sub-paragraphs.

**South Western Railway:-**A work for construction of new station building (Phase-I) and construction of cover over platform & development of circulating area (Phase-II) at Hubli station was sanctioned in two phases at an estimated cost of `6.70 crore in 2007-08 and `11.27 crore in 2008-09 respectively. The estimated cost of phase – II was revised from `11.27 to `13.96 crore in 2012-13.

Audit noticed that the contract awarded (September 2009) under phase-I with completion date as September 2010 was actually completed (April 2013) with a delay of 31 months. Similarly, another contract under Phase-II awarded (April 2012) with completion date of July 2012 was stated to have been completed (April 2013) after a delay of nine months. The reasons for delay, stated by SWR Administration, were non-availability of approved drawings and designs, change in scope of the work and paucity of funds etc. The overall expenditure on both

<sup>2</sup> CR-2, ECR-2, NR-1, NCR-3, NFR-2, SWR-3, WR-1, WCR-2

the works was `21.35 crore leading to cost overrun of `7.39 crore (89 per cent with reference to estimated cost).

	
<p>Incomplete Work of provision of ramp connecting Entrance to Station Building at Hubli on SWR</p>	<p>Incomplete work of Provision of Pathway connecting circulating/ Parking area to the Station Building in Hubli on SWR.</p>

Further, this work was reportedly completed in all respects as per records. However, Audit observed during joint inspections that the said works were not completed in all respects as evident from the above Photographs. As such, SWR Administration was maintaining false records for which responsibility has not been fixed. Due to non- completion of said works, passengers continue to suffer much inconvenience.

#### North Western Railway:

- (i) Work for provision of four escalators at Jaipur station was sanctioned in the year 2012-13 at an estimated cost of `3.73 crore. However, the contract was awarded (April 2014) after more than one year of sanction. Though the completion date of the work was fixed as September 2014, the work could not be completed as of December 2015. Audit observed that physical progress was 68 per cent while financial progress was only 60 per cent. This indicates laxity on part of the NWR Administration in ensuring timely award of work.
- (ii) Contract for construction of “Second High level Platform” at Sirsa station was awarded (December 2013) at a cost of `3.80 crore with completion date as August 2014. Despite giving four extensions up to 15 January 2016, the work could not be completed as of January 2016. Reason for delay was stated as due to non-shifting of goods siding to a new place. The delay reflects poor planning of the NWR despite RB’s directives regarding awarding of contract only after availability of clear site.

#### Southern Railway:

The work “Reconstruction of steel Foot Over Bridge (FOB)” with five landings at Madurai Junction in lieu of existing low level steel FOB was sanctioned during 2012-13 at a cost of `3.80 crore which was revised as `5.44 crore during 2014. Though an amount of `2.60 crore had been provided in Budget Grant during the years 2012-13 to 2014-15, the work could not be executed. As such, SR Administration’s delay in taking up the execution of work after two years of its sanction defeated the intended objectives of sanctioning the work.

#### **South Central Railway:-**

Work of “Acquisition of land and development of infrastructure, parking facilities at Tirupati station on Guntkal Division” was sanctioned in 2011-12 at an estimated cost of `8.53 crore. The justification for sanction of said work was inadequate parking space outside the station and public complaints. Due to delay in depositing the amount with the state government authorities the cost of the land increased to `19.70 crore which was deposited in three installments (October 2013, February 2014 and March 2015). This was mainly due to lack of proper co-ordination with the State revenue authorities and court cases by the affected parties. The land acquisition process has not been completed even after lapse of 3 years of sanction. This resulted in escalation of cost and non-redressal of the problem of inadequate parking space faced by passengers at Tirupati station.

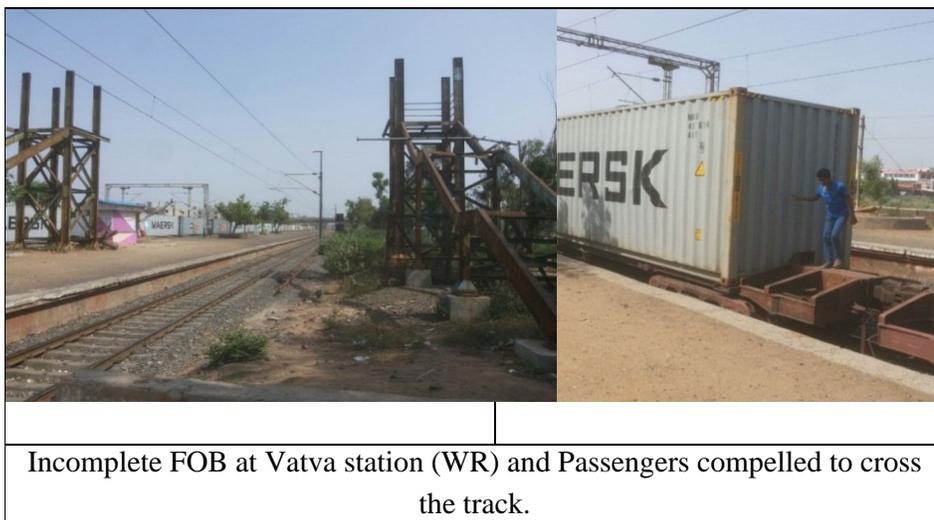
#### **Western Railway:-**

(i) The work of “Augmentation of Coach Watering Facilities at Ahmedabad station” was sanctioned in 2008-09 at a cost of ` 3 crore, which was revised (July 2011) to `3.87 crore due to inclusion of the mode of execution of the work as per CAMTECH System<sup>3</sup>. The work was awarded in October 2013 for completion by February 2014. However, the work has not been completed as of December 2015, despite four extensions having been granted on account of non-provision of traffic block, non-availability of material. This has led to continuance of inadequate filling of water tanks in passenger coaches causing inconvenience to passengers.

(ii) Work of “Providing FOB at Vatva Station’ on Ahmadabad Division sanctioned in 2007-08 was stopped midway in June 2013 due to paucity of funds for a contract awarded in December 2010. This has resulted in continuance of

<sup>3</sup> Centre for Advanced Maintenance Technology

unauthorized track crossings by the passengers endangering their lives as shown below.



Thus, the works related to passenger amenities were not given due priority, as a number of works remained to be completed or completed belatedly, which resulted in inconvenience to passengers. This clearly showed lack of proper co-ordination and effective monitoring mechanism.

#### 2.1.7.11 Maintenance of passenger amenities at stations

RB in its circular (September 2012) directed ZRs to maintain the amenities provided at all the stations in good working order at all times. As such, it is the responsibility of ZR Administration to ensure that the amenities provided at stations remain in working condition. Arrangements should be in place for operation and maintenance of facilities like, pay & use toilets, mobile charging points, coolers/ fans, lighting equipment, escalators/lifts, coach indicator boards, public address system, air conditioners, water coolers and taps and televisions provided in waiting halls etc.

During joint inspection (April 2015 to June 2015) of stations on ZRs, Audit observed that various amenities were found out of order. Issues noticed by Audit during the joint inspections are summarized as under:

- At Vijaywada station (SCR) the escalator had been out of order since 26/09/2014,
- The Train Coach Indicators system was found out of order at two stations, Vapi (WR) and Bhivandi Road (CR) for period ranging between three months to two years.

- Electronic Train Indicator Boards installed at Ernakulam (SR), Kharagpur (SER), Banda & Orai (NCR), Nagda (WR) and Nougachiya (ECR) stations had been out of order for periods ranging between two months to three years.
- Automatic Ticket Vending Machines (ATVMs) installed at Tatanagar and Kharagpur (SER) were out of order since December 2014 and 2012-13 respectively.
- Even basic amenities like water coolers were found out of order for periods ranging between two months to five years at Indore, Vapi & Meghnagar (WR), Hubli (SWR), Sivakasi, Podanur & Mannargudi (SR), Harpalpur (NCR), Shankargarh (NCR), Ramgarh Cantt. (SER) and Ranibennur (SWR).

Absence of robust monitoring mechanism in Zonal Railways to ensure maintenance and upkeep of the assets created for passenger facilities led to regular breakdown of such assets causes inconvenience to passengers. Further, regular breakdown of assets defeated their intended purpose of their creation.

#### **2.1.7.12 Cleanliness at Stations/Terminals**

Cleanliness at stations/ terminals is the responsibility of Commercial, Civil Engineering, Medical and Mechanical departments of Railways. RB issued various directives for cleanliness /monitoring of cleanliness at stations from time to time. RB directed (January 2007) that mechanized cleaning was to be provided at all A & B category stations, exclusive Health Inspectors were to be provided round the clock at A1 category stations, adequate cash imprest was to be provided to Station Manager/Station Master for cleanliness, rag picking contracts were to be awarded at all A1, A, B category stations and action was to be taken to make visible improvement in the standard of cleanliness at Railway Station/Terminals.

In the ATN on Report No.6 of 2007, RB stated (December 2008) that all the Zonal Railways have awarded mechanized cleaning contracts for improvement in cleanliness at stations. Further, RB assured to devise uniform guidelines for standards of cleanliness. Directives were also issued (May 2011) by RB for construction of washable aprons with water jet system, where trains stop for longer duration in morning hours.

In the context of above, Audit further examined the status of cleanliness at selected stations which revealed the following:

- Mechanized cleaning was to be introduced at A1, A & B category stations. It was observed that mechanized cleaning was yet to be introduced at 10 (23

per cent) out of 44 stations of A1 category, 22 (41 per cent) out of 54 stations of A category and 57 out of 80 (71 per cent) stations of B category.

- Washable CC Aprons with jet cleaning as a desirable amenity was to be provided at A1, A & B category stations. This facility was, however, not provided at Nasik Road station (CR) of A1 category, at 17 stations of A category and at 68 stations of B category (85 per cent). Further, CC apron provided at Mumbai Central (WR) of A1 category was in dilapidated condition resulting in huge accumulation of waste on the tracks.
- Rag picking contract work was to be outsourced on A1, A & B category stations. Audit, however, found that these activities had not yet been outsourced at Lokmanya Tilak Terminus (CR) and Hyderabad (SCR) stations of A1 category, at 11 stations of A category and at 29 stations of B category (36 per cent).

### 2.1.7.13 Status of Cleanliness on day of Joint Inspection

The status of cleanliness at platforms, waiting halls, CC aprons, FOBs, Concourse Halls, station walls up to six feet in respect of selected stations of A1, A, B, D, E and F category stations was examined during the joint inspections conducted during April 2015 to June 2015. Audit noticed deficiencies at a number of major stations as detailed in the following table:

**Table 2.6**

Places where cleanliness were examined	No. of stations where deficiencies noticed	Category of stations/ Railways involved
<b>Platforms</b>	41 stations	A1 (ER-2); A (SWR-1); B (SR-1); D (ER-2, NR-1, NFR-2, SWR-1, WR-2); E (ER-2, NR-1, NER-1, NFR-2, SR-1, SWR-3, WR-1, WCR-1); and F (ER-1, ECoR-1, NR-1, NCR-1, NWR-1, NFR-3, SR-1, SECR-1, SER-1, SWR-1, WR-2, WCR-3)
<b>Waiting halls</b>	31 stations	B (NCR- 1, SWR-2); D (CR-1, ER-1, NFR-2, SWR-3, WR-1); E (CR-1, ER-1, NR-1, NER-1, NFR-2, SWR-2, WR-1, WCR-1) and F (ECoR-1, NFR-2, SR-1, SECR-1, SER-1, SWR-2, WR-2)
<b>CC Aprons</b>	7 stations	A1 (CR-1, ER-1, SWR-1); A (NR-1SWR-1, WR-1); B (SWR-1)
<b>Foot Over Bridges</b>	29 stations	A1 (ER-1); A (SWR-2, WR-1); B (NER-1, SR-1); D (CR-1, NFR-3, SR-1, SER-1, SWR-1, WR-2); E (ER-1, ECoR-1, NR-1, NCR-1, NER-1, NFR-1, SER-2, SWR-2, WR-1); F (ECoR-1, NCR- 1, SR-1)
<b>Concourse Hall</b>	34 stations	A (NR-1, NWR-1, WR-1); B (ECoR-1, SWR-1); D (NR-1, NWR-1, NFR-2, SER-1, SWR-2, WR-2); E (CR-1, NR-1, NER-1, NWR-3, NR-2, NFR-2, SER-

		1, WR-1, WCR-1); F (ECoR-1, NCR-1, NWR-1, SER-2, SECR-1, WR-1)
<b>Stations walls up to 6 feet</b>	66 stations	A1 (ER-1, SER-1); A (ECoR-1, WR-1, WCR-1); B (CR-1, ECoR-2, NCR-1, NFR-2, SECR-1, SR-1, SWR-2); D (CR-1, ER-1, ECoR-2, NR-1, NFR-4, SER-4, SWR-5, WR-2); E (ECoR-3, NR-2, NCR-1, NER-1, NFR-3, SER-1, SWR-7, WCR-2); F (ECoR-2, NCR-1, NWR-1, SER-1, SECR-1, SWR-3, WR-2)



Out sourced arrangements for cleaning Platform line of Mumbai central (A-1) station (WR)

Poor cleanliness of line on PF No. 2 & 3 of Vadodara A-1 station (WR)



Garbage accumulation in concourse at Saharanpur station of A category (NR).

Water logging in Subway/Underpass at Kolkata station of A category (ER)

Audit further noticed that cleanliness in toilets and urinals at stations was not up to the mark irrespective of the fact that cleanliness activities were carried out

departmentally or by outsourced agency indicating lack of monitoring by the concerned officials at all levels as depicted in the photographs below:

	
<p>Platform of Meghnagar station Departmental arrangements for cleaning</p>	<p>Toilet provided at Derol station Departmental arrangements for cleaning</p>

During the passenger survey at the selected stations regarding maintenance of cleanliness at stations, 40 *per cent* passengers expressed their dissatisfaction with the cleanliness and condition of toilets at stations. On ER, ECoR, NCR, NFR and WR, dissatisfaction level was more than 50 *per cent*. Further, 51 *per cent* passengers were not satisfied with the quality and quantity of disinfectants used during cleanliness of station premises.

#### 2.1.7.14 Safety and security of passengers

With a view to enhancing security by ensuring multi- screening of passengers and their baggage along with surveillance, Railway Minister in budget speech (February 2007) announced adoption of Integrated Security System (ISS) at sensitive stations. This was conceptualized after the 2006 serial bomb blasts in Mumbai as a complete security scheme at identified vulnerable stations over IR. Accordingly, RB issued instructions (September 2008) specifying guidelines and technical specifications for installation of ISS at 202 stations over IR. The ISS envisaged an integrated package of CCTVs, baggage scanners, Door Frame Metal Detectors (DFMD), Handheld Metal Detectors, under vehicle scanners etc. to be provided at A1, A and C category stations.

It was observed that security at stations other than A1, A class stations is arranged through manned outposts/ chowkis provided at stations with specified jurisdictions. Further, Hon'ble Minister of Railways desired installation of CCTVs for security at all important stations. Accordingly, CCTVs were required to be installed at stations to ensure adequate security coverage,

especially in passenger area (Platforms & Concourse, waiting halls, ticket counters, parcel/ booking area, entrance to parking lots).

Audit found that complete ISS as prescribed, had not been provided at 18 stations (39 *per cent*) out of 44 selected A1 category stations and at seven stations (13 *per cent*) out of 54 selected A category stations. Details of deficiencies, as noticed by Audit, in installation of components of ISS are given below:

**(i) Installation and utilization of CCTVs**

Status of CCTV cameras provided and their utilization at 98 selected stations of A1 (44) and A (54) categories revealed that:-

- CCTV cameras had not been provided at Dhanbad, Gaya (ECR) and Chhapra (NER) of A1 category and at 25 stations of A category (46 *per cent*). Further, analytical software facility was not provided along with CCTV cameras at 13 stations of A1 category and 10 stations of A category, as a result of which CCTV cameras cannot be used as an intelligent and effective detection and alert systems.
- CCTV cameras were not installed on 45 platforms of 15 selected stations of A1 category and 103 platforms of 35 selected stations of A category indicating partial implementation of orders in this regard.
- CCTV cameras at 129 stations of 10 Zonal Railways (ECR, CR, ECoR, NR, NCR, NWR, NER, SWR, WR and WCR) had not been installed at specified locations of the stations defeating the very purpose of installation.

**(ii) Availability and utilization of X-Ray Baggage Scanners**

Examination of provision of X-ray baggage scanners over selected stations revealed that

- X-Ray baggage scanners were not provided at 22 stations of A1 category and at 49 stations of A category.
- X-Ray baggage scanners under maintenance by outsourced agency were not in working condition for a long time at Sealdah (ER) and Hyderabad (SCR) of A1 category.
- Despite existence of more than one authorized entry point, only one baggage scanner was provided at Bhubaneswar, Cuttack and Visakhapatnam stations (ECoR). Due to this, the very purpose of installation of baggage scanner at these stations was defeated.

**(ii) Door Frame Metal Detectors (DFMDs)**

Audit of provision of Door Frame Metal Detectors (DFMDs) and their utilization at selected stations of A1, A and B category, revealed that:

- DFMDs had not been provided at 11 stations of A1 category, 34 stations of A category and at 72 stations of B category.
- Out of 221 DFMDs provided at selected stations of A1, A and B category, 98 (44 *per cent*) were found non- functional.
- Out of 221 DFMDs provided at selected stations of A1, A and B category, 131 (59 *per cent*) had not been manned defeating the very purpose of installing these DFMDs.

Failure on part of Zonal Railway Administration in installing the security components and in ensuring their regular maintenance led to compromising the safety and security of passengers and Railway assets.

#### **2.1.7.15 Railway Users Consultative Committees**

Zonal Railway Users' Consultative Committee (ZRUCC) and Divisional Railway Users' Consultative Committee (DRUCC) have been constituted at Zonal and Divisions level respectively to represent railway users. These committees are required to give suggestions/ proposals inter-alia for provision of amenities, improvement of services and facilities provided by the Railways and any subject of general public interest or public convenience or such matter affecting the services and facilities. Meetings of ZRUCC and DRUCC are required to be held once in a quarter but not less than three times in a year.

Audit examined minutes of ZRUCC meetings held at Zonal level and of DRUCC meetings of selected Divisions of each Zonal Railway held during the period of review. Audit noticed that-

- Shortfall in ZRUCC meetings were observed on all Zonal Railways while these were not held at all on NFR during 2012-13 to 2014-15. In SCR, ZRUCC meeting was held only during 2014-15. As regards DRUCC meetings, shortfall was noticed on all Zonal Railways during 2014-15 due to delay in formation and approval of committees.
- Suggestions made during ZRUCC/DRUCC meetings mainly pertained to shortage in provision of FOB, escalators, providing additional platform and entry points, increase in height of platform, provision of well ventilated ladies waiting room, provision of platform shelters, enquiry counters, more seating arrangements, potable drinking water facilities, toilets, waiting rooms, adequate lighting, cleaning of track after immediate departure of train, facilities for physically challenged passengers, etc.

- In addition to above, issues related to extension of platforms length, inadequate security arrangements for female passengers, lack of cleanliness at stations were also raised.

	
<p>Inadequate platform length at Hapa (WR) causing inconvenience to passengers.</p>	<p>Inadequate platform length at Billimora (WR) causing inconvenience to passengers.</p>

- Out of 5,569 proposals accepted in 16 ZRUCC and 32 DRUCC meetings held during the period under report, only 2,075 (37 per cent) proposals were implemented in eight Zonal Railways (CR, ER, ECR, ECoR, NWR, SCR, SER & SWR). It indicates tardy implementation of accepted suggestions. Progress made in implementation of accepted proposals/ suggestions made by the members of the committee was not available in eight Zonal Railways (NR, NCR, NER, NFR, SR, SECR, WR & WCR).

Shortfall in regular meetings of the ZRUCC and DRUCC and non-acceptance of proposals made by these committees resulted in non-provision or shortfall in required passenger amenities at stations causing inconvenience to passengers. Further, non-implementation of the accepted proposals defeats the very purpose of constitution of these committees at Zonal and Divisional level for the safety and comfort of passengers.

### 2.1.8 Conclusion

Considering the continuous increase in passenger traffic, adequate facilities are required to be provided at stations for passengers' safety and comfort. Besides, up-gradation of these facilities from time to time and proper maintenance of facilities created are also required.

Inadequacies were noticed even in provision of MEA such as water taps, platforms at appropriate level, FOBs, platform shelters, train indicator system, provisions of urinals etc. at the selected stations reviewed. Further, contrary to RB's directives (September 2012), inadequacies in provision of desirable amenities such as pay & use toilets, separate entry and exit gates, stall for

essential goods and medicines etc. have also been noticed. Facilities to be provided for physically challenged passengers at stations were found inadequate/improper.

MoR's initiative for modernization of stations through PPP was at an initial stage even after four years of the formation (April 2012) of a specific entity (IRSDC), for development/ up-gradation a stations as IRSDC could not even complete feasibility study at selected six stations till date (January 2016). This defeated the purpose of formation of a new entity.

Audit also observed delay/non-completion of passenger amenity works, which resulted in non-provision of intended benefits to passengers. Delays/non-completion were mainly due to non-availability of funds; non-availability of clear site and traffic blocks; and procedural delays in approval and tendering process. Non-utilization of allotted funds were also noticed by Audit.

Cleanliness at stations was another area which continued to be a reason for passenger dissatisfaction. Though this issue was highlighted in an earlier Audit Report visible improvement was not noticed in this regard. During joint inspection, cleanliness issues were noticed at platforms, waiting halls, CC aprons, FOBs, station walls etc.

Improper and inadequate maintenance of passenger amenities provided at stations indicated lack of proper monitoring and internal control mechanism at Zonal as well as RB level.

### 2.1.9 Recommendations

- Railways need to improve and strengthen their monitoring mechanism so that the fund allotted under PH-53 for passenger amenities are fully utilized to give maximum benefit to the passengers by providing adequate facilities at stations.
- RB needs to regularly monitor adequate and proper provision of minimum essential amenities and desirable amenities wherever required. Further, monitoring mechanism at Zonal as well as RB levels is required to be put in place to ensure that amenities provided at stations are properly maintained to minimize asset failures.
- Cleanliness at stations is an issue which needs to be addressed on priority by Railway Administration to bring visible difference. RB also needs to regularly monitor improvement of cleanliness at stations.
- Projects for modernization of stations need to be given due priority for early completion so that objective of rendering utmost satisfaction to the travelling public and change in public perception is achieved.

**2.2 Southern, Eastern, East Coast, North Eastern, Northeast Frontier, Northern, North Western, South East Central, South Western and Western Railways : Idling of productive assets (Coaches) worth ₹36.60 crore and consequent loss of earning capacity of ₹80.61 crore**

Zonal Railways received (August 2012 to November 2015) 373 passenger coaches of LHB variant for introducing new trains. Of these, 150 coaches were not inducted in service mainly for want of clearance from Commissioner of Railway Safety (CRS) and still remain idle. 168 coaches were inducted into service belatedly and 35 inducted without obtaining clearance from CRS. Only 20 coaches were inducted within 30 days of receipt. Non-utilization/delayed utilization of the coaches had resulted in blocking up of funds of ₹36.60 crore invested on these productive assets and also loss of earning capacity of ₹80.61 crore.

As per Section 27 of the Railways Act, 1989, for introduction of a new rolling stock on any section of the Railway, the previous sanction of the Central Government shall be obtained for which the Central Government shall obtain a report from the Commissioner of Railway Safety (CRS). It was decided in the conferences of Chief Mechanical Engineers held in May 2012 and April 2013 that:

- Concerned Railways (originating, passing through and terminating Railways of trains with new design of rolling stock) must plan in a timely manner and seek CRS sanction and organize necessary infrastructure for maintenance and operation of such new rolling stock.
- The owning Railways may coordinate the process for respective trains
- CRS sanction should be regularly monitored to avoid delays in introduction of trains announced in the budget.

Audit review revealed that 10 Railways<sup>4</sup> received (August 2012 to November 2015) 373 coaches of LHB<sup>5</sup> new variants from Rail Coach Factory (RCF), Kapurthala and Integral Coach Factory (ICF), Chennai for induction in new trains. The cost of these 373 coaches was ₹36.60 crore as detailed below:

<sup>4</sup> NFR (12), ER (62), NER (87), SECR (85), SR (88), ECR (1), NR (8), SWR (7), WR (12) and NWR (11)

<sup>5</sup> Linke Hofmann Busch (LHB) coaches are the passenger coaches of Indian Railways that have been developed by Linke-Hofmann-Busch of Germany. These coaches are made of stainless steel and the interiors are made of aluminium which makes them lighter as compared to conventional rakes. They are considered to be "anti-telescopic", which means they do not get turned over in case of a collision (chiefly head-on).

<b>Coach type</b>	<b>No. of coaches</b>	<b>Rate (₹ in crore)</b>	<b>Total Value of coaches lying idle (₹ in crore)</b>
<b>LWRRM</b>	14	3.2	44.8
<b>LS-3</b>	107	1.9	203.3
<b>LWSCN</b>	194	1.75	339.5
<b>LWACCN</b>	29	2.5	72.5
<b>LWACCW</b>	19	2.5	47.5
<b>LWCBAC</b>	5	3	15
<b>LWCZAC</b>	2	2.5	5
<b>LWFAC</b>	3	3	9
<b>Total</b>	<b>373</b>		<b>736.6</b>

Of these 373 coaches, 107 coaches are of LS3<sup>6</sup> type, 19 coaches of LWACCW<sup>7</sup> type, 29 coaches of LWACCN<sup>8</sup> type, 14 coaches of LWRRM<sup>9</sup> type, 194 coaches are of LWSCN<sup>10</sup> type and the remaining ten coaches of other types. Audit examined the position of induction of these new coaches into service in the concerned Railways and noted that:

- Due to non-availability of mandatory clearance from CRS, non-availability of required infrastructure for maintenance and operation of the coaches and other reasons, 150 new coaches (NFR-13, NER-32, SECR-17 and SR-88) were not inducted into service and were still lying idle (November 2015) in the respective Railways.
- 35 coaches (ECoR-1, NR-8, SWR-7, WR-8 and NWR-11) were inducted into service without obtaining the sanction of CRS compromising passenger safety. Of these 35 coaches, in respect of 17 coaches (ECoR-1, NR-8 and WR-8), sanction of CRS has since been obtained subsequently after 35 days to 521 days of coach operation.
- Out of the 188 coaches (SECR-68, ER-62, WR-4 and NER-54) inducted into service after obtaining sanction of CRS, only 20 coaches (SECR-6,

<sup>6</sup> A second class non-AC LHB variant coach.

<sup>7</sup> AC 2tier sleeper of AC LHB variant coach

<sup>8</sup> AC 3tier sleeper of ACLHB variant coach

<sup>9</sup> Generator cum brake and luggage van of LHB variant coach

<sup>10</sup> A three tier sleeper non-AC LHB variant coach

WR-1 and NER-13) were inducted into service within a period of 30 days from the date of receipt of coaches. Delay in induction after allowing a cushion of 30 days ranged from 17 days to 390 days in respect of other 168 coaches.

Zonal Railway Administration attributed delay in obtaining CRS sanction to belated receipt of initial approval from RB to undertake mandatory clearance process from CRS. Though Zonal Railways started receiving LS3 coaches in 2013-14, the initial approval from RB was received by Zonal Railway (WCR) only in February 2015. Other reasons cited by Railway Administrations for delay in inducting new coaches of different variants are:

- Delay in obtaining CRS sanction by adjoining Railway
- Want of sufficient complement of coaches to form rakes
- Non-availability of maintenance facilities.
- Absence of RB's approval for introduction of new trains.

Besides, in reply SR Administration stated (January 2016) that

- New coaches were idling not for want of action from SR Administration but for complying with procedures dealing with CRS.
- CRS sanction is not necessary for inducting LWSCN coaches as CRS sanction for LHB shell on FIAT bogies already existed.

Further, SECR administration contended (June 2015) that

- Eight LWSCN coaches were sent to NWR
- Six LWSCN coaches were kept as spare.

Replies of SR and SECR Administrations are not tenable in view of the following:

- RB and Zonal Railways failed to take advance action for obtaining CRS clearance from CCRS Lucknow and Regional CRS.
- The new coaches can be put to use only after getting mandatory clearance and hence keeping the coaches as spares without mandatory CRS sanction was not in order
- Even though CRS sanction is available for running LHB shell on FIAT bogie, separate CRS sanction does not exist for LWSCN coaches. However, the fact remains that new LWSCN coaches have not yet been inducted into service in SR.

Thus, due to lack of coordination among Zonal Railways, RB and Chief Commissioner of Railway Safety (CCRS), new variant modern light weight LHB coaches could not be inducted into service immediately on receipt and coaches worth `736.60 crore were lying idle for a period ranging from 30 to 693 days. This has resulted in loss of earning potential of `80.61 crore.

The matter was brought to the notice of Railway Board in March 2016; their reply has not been received (May 2016).

### **2.3 East Central Railway (ECR): Irregular award of contract**

Violation of RB's directives in evaluation of contractor's credential in case of splitting of tenders resulted in non-completion of contracts worth ` 56.98 crore and undue benefit to the contractor through award of all split contracts to him

For rebuilding/ jacketing of major bridges on existing/ temporary/ permanent diversion (excluding rebuilding of pile/ well foundation substructure) and other related work in connection with gauge conversion work of Sakri-Nirmali-Jhanjharpur-Lauaha bazaar section of EC Railway, a contract was awarded (February 2010) at a total cost of `7.68 crore with date of completion as May 2012. However, the contract had to be closed (March 2012) as RB had changed (August 2009) the planning of the work and decided that the work be executed by rebuilding all bridges on pile foundation with 25 MT loading. By that time physical progress of the work was 55.6 per cent.

Audit noticed that at the time of awarding of contract (February 2010), decision regarding change in planning for rebuilding of bridges was already taken by RB (August 2009). ECR should have been aware of latest instructions of RB before awarding of contract.

Subsequently, ECR Administration invited (18-05-2012) five open tenders for the same work i.e. rebuilding of major bridge on pile foundation between Sakri-Nirmali and Jhanjharpur-Lauaha bazaar section by splitting the entire work into five separate works with tender value ranging between `9 crore to `15 crore for each tender. Audit noticed that all the five works were awarded (between January 2013 to April 2013) to the same firm, which was the lowest bidder in all the five tenders, at a total cost of `56.98 crore against the total advertised value of `57.62 crore. The date of completion of these contracts was between September 2013 and December 2014.

In RB directives (April 2001), it was stipulated that –

- (i) If sub-sectioning has been done with a view to expedite the work, then only one tender will be awarded to one firm. Or alternatively,
- (ii) If the same firm becomes L-1 in all the sub-sections, evaluation of the firm for its fitness for award of all the work should be done for the work as a whole. This will avoid over-loading of the firm beyond their financial capability.

Audit observed that ECR Administration awarded all the contracts to one firm as it was L-1 in all the cases. However, the credential of the firm had not been evaluated in terms of above directives of RB. As per eligibility criteria for awarding of contract, the tenderer should have

- (a) completed in the last three financial years at least one similar work for minimum value of 35 *per cent* of advertised tender value, and
- (b) received a contractual payment of 150 *per cent* of advertised tender value during last three years and in the current financial year up to the date of opening of tender.

In this case, for satisfying the eligibility criteria, as per RB's directives (April 2001), the five parts of the works should be treated as one whole work and the tenderer should have (a) completed work amounting to `20.16 crore (35 *per cent* of advertised value) and (b) received a contractual payment of `86.43 crore (150 *per cent* of advertised value).

Audit, however, noticed that the firm submitted the same credential certificate of (a) completion of bridge work with a total cost of `8.61 crore and (b) same certificate of receiving payment of `50.12 crore. As such, the firm fulfilled the eligibility criteria for each of the five tenders separately on the basis of single set of works executed, which was contrary to the RB's directives of April 2001. It is evident that if the tender was invited for the work as a whole, as invited earlier (February 2010), this contractor would not have fulfilled the eligibility criteria by submitting those certificates, which were produced by him for each tender separately. It is also evident that the contractor had been given undue benefit by splitting of work and by accepting the same credentials of the contractor for each tender.

In reply, ECR Administration stated (June 2015) that

- (i) There was no specific condition laid down in tender notice that a tenderer has to furnish separate credential for each tender in support of eligibility criterion. Further the contractor (M/s Maa Kali Construction, Patna) became

L-1 in all the five tenders and if the said firm was bypassed merely on the ground that they became L-1 in all tenders, it would not be justified.

- (ii) The Sakri-Niramali and Jhanjharpur-Laukaha Bazar section is too long i.e. 94 km and if one tender was processed, it would lead to difficulties like monitoring of work.

The reply of ECR Administration is not tenable in view of the fact that –

- (i) RB's directives (April 2001) clearly state that evaluation of the firm for its fitness for award of all the works should be done for the work as a whole to avoid overloading of the firm beyond their financial capability. Also, using one credential certificate showing one contract executed separately for each of the five contracts amounts to extrapolation of capability and financial capacity of the contractor. ECR Administration should frame the tender notice as per RB's directives of April 2001, especially when the work was split into five tenders. Then the credentials of the contractor would be judged considering the work as a whole as per RB's directives.
- (ii) It is not clear as to what difficulties were envisaged in monitoring of work in single large tender by Railways. It is a fact that earlier the same contract was awarded (February 2010) as a single work, which had to be short closed due to change in planning by RB. It is further seen that the work has not even commenced after a lapse of 30 months (up to June 2015) in case of four contracts and in case of one contract the physical progress was only 25 *per cent*. The date of completion (September 2013 to December 2013) of all the contracts has already expired. This indicates audit concern on the improper evaluation of the firm's credentials resulting in awarding work to the firm beyond their financial and technical capabilities.

Thus, ECR Administration violated RB's directives on evaluation of contractor's credential especially in case of splitting of works. This resulted in non-completion of contracts worth ` 56.98 crore. Also, awarding all the five split contracts to a single contractor without judging credentials led to undue benefit to the contractor.

The matter was brought to the notice of Railway Board in January 2016; their reply has not been received (May 2016).

**2.4 Eastern, West Central : Introduction of Double Decker Trains and Western Railways without feasibility study resulted in idling of rolling stock valuing ` 38.24 crore and revenue loss of ` 37.74 crore**

**due to continued poor patronage**

Introduction of new train services on three different routes, without any justification led to idling of rolling stock valuing ` 38.24 crore in respect of one route and further continuance of train services, in violation of their own policy decision resulted in revenue loss of ` 37.74 crore in respect of two other routes.

In compliance with Railway Budget for year 2009-10 one new train (No. 12383/12384) Howrah-Dhanbad AC Double Decker Express (route 1) and in line with Budget of 2012-13, two new trains, Habibganj-Indore AC Double Decker Express train (No. 22183/22184) (route 2) and Bhopal-Indore AC Double Decker Express train (No. 22185/22186) (route 3) were introduced.

The train service of route 1 started (October, 2011) with composition of seven LWCZDAC<sup>11</sup> and two LWLRRM<sup>12</sup> coaches. The number of coaches available with ER was increased to eleven (LWCZDAC-9 and LWLRRM-2) in April, 2011 and then to seventeen (LWCZDAC-14 and LWLRRM-3) in October 2011.

1. Audit observed that owing to poor patronage it was decided by Zonal Railway Administration (March, 2012) to run the train with only five LWCZDAC and two LWLRRM coaches. During the period from October 2013 to September 2014, the average occupancy of the train in the 'Up' direction and 'Down' direction was 27.85 per cent and 19.30 per cent respectively. This compelled Railway Administration (November 2014) to request RB to withdraw the service. The Railway Administration suspended the service from 26.12.2014 and since then 14 LWCZDAC coaches valuing ` 38.24 crore were lying idle.

Railway Administration clarified (May, 2015) that no survey was conducted by them prior to introduction of the train service. The reply indicates that the action taken by Railway was in contravention of Para 205 (f) of Indian Railway Finance Code that requires financial viability to be assessed before introduction of new services like Passenger Trains.

The services of route 2 and 3 were commenced (September, 2013) with a composition of eleven LWCZDAC and two LWLRRM coaches.

2. Audit observed that as the occupancy of these trains were found to be less than 10 per cent of the overall capacity since introduction, it was decided by GM (Comml.), Jabalpur to run them with only three coaches along with one dummy coach with effect from 06-10-2013. However, due to continuous poor patronization of train, WR and WCR Administrations proposed to the RB in November 2013 and in January, 2014 respectively, for cancellation of services

<sup>11</sup> LHB type AC chair car double decker

<sup>12</sup> Brake, Luggage cum Generator Car

of these trains. The reasons for these proposals were stated as low occupancy and availability of cheaper, frequent and less time consuming bus services on this route. This proposal was in pursuance of the directives of the RB vide letter dated 26.05.2005, which inter alia required train to be shortlisted for cancellation if the earning potential is below 30 per cent on an average for the whole year in both directions, keeping in view availability of convenient alternate service. After considering the proposals of WR and WCR the RB (June 2014) initially directed cancellation of the trains with effect from 13 August 2014. RB, however, reversed its decision and directed the Zonal Railway Administration to continue operations from 13.08.2014 till further advise vide its letter (through Fax) dated 12.08.2014. By continuing to run these trains RB overlooked its own policy decision regarding cancellation of services with earning potential below 30 per cent.

In response to an audit enquiry (October 2014), WCR Administration intimated (June 2005) that they had not submitted any proposal to RB for introduction of these trains. Rather, based on the monitoring of poor occupancy, they had proposed their cancellation. Scrutiny of the records at RB relating to introduction of trains also revealed that there was no justification for introduction of the trains. These trains were introduced by violating the provisions of paragraphs 204 and 205 (f) of Indian Railway Finance Code, which states that proposal for introduction of new passenger trains must pass the prescribed test of financial viability.

Audit further observed that in a reply to the Action Taken Note to Para No. 1.9 of C&AG's Report No. PA-26 of 2008-09 (Railways), RB had intimated (November 2011) that introduction of new trains is announced in the Railway Budget, based on the proposals submitted by the Zonal Railways after duly including assessment of likely occupancy and competing modes of transport viz., roadways etc. It was further stated that the occupancy of trains was constantly reviewed to deaugment/ cancel the poorly patronized (low occupancy) trains. Audit, however, observed that this was not followed in the introduction of the services of Double Decker train, as these trains were introduced without any justification and assessment of operational and commercial aspects. Further, such assurances were also not followed while deciding on cancellation of train.

Thus introduction of these three trains without any justification, and continuing operation of two trains in violation of their own policy decision, resulted in idling of rolling stock valuing ` 38.24 crore acquired for train on route 1 and the revenue loss of ` 37.74 crore during the period from September 2013 to

December 2015 to IR on account of running trains on route 2 and 3, which will continue till their cancellation.

The matter was brought to the notice of Railway Board in January/ February 2016; their reply has not been received (May 2016).

### **2.5 South Central Railway (SCR): Non-utilization of new BCFC<sup>13</sup> wagons**

Allotment of BCFC wagons to SCR without any demand and assessment of requirement besides non-resolution of issue related to free time resulted in idling of newly designed wagons and loss of earnings capacity of ` 40.19 crore

Research, Designs and Standards Organization, Lucknow (RDSO) had designed (2009-10) a new type of covered Railway wagon viz. BCFC for exclusive transportation of loose cement/fly ash in bulk. These wagons had more carrying capacity than Bogie Covered Cement Wagons (BCCW) wagons, the existing privately owned wagons with cement/ fly ash manufacturers providing traffic to SCR. It was estimated that a rake of BCFC wagons would have an earning capacity of ` 21.36 crore and ` 15.55 crore per year for cement and for fly ash respectively.

In this connection, Audit observed that-

- Although cement manufacturers in SCR had their own fleet of BCCW wagons, 125 BCFC wagons were allotted (August 2009) by RB to SCR, out of which 124 wagons (cost- `24 crore), had been received between May 2012 and April 2014.
- Although almost one rake of these wagons had been despatched (May 2012) to SCR, the PCC of wagon, free time allowed for loading/unloading of commodity and minimum rake composition for availing train load rate had not been prescribed simultaneously by RB. However, on a request of SCR, RB fixed (August 2013) on experimental basis for six months, the free time as six hours each for loading and unloading activities and advised Zonal Authorities to furnish the details of actual time taken for loading and unloading within three months. RB also prescribed (October 2013) the PCC and minimum rake composition for charging freight at train load rates.
- During first trial by SCR (November 2013) for loading and unloading loose cement utilising 10 BCFC wagons, the time taken for actual loading and unloading was 5:45 hours and 15:50 hours respectively against the allowed

<sup>13</sup> Bogie Covered Fly ash Cement wagons

free time of six hours for each activity for 58 BCFC wagons prescribed by RB on experimental basis.

- The Divisional Authorities, Secunderabad Division intimated (December 2013) SCR Administration that there were constraints<sup>14</sup> in marketing these new type of wagons. General Manager also brought to the notice of the RB (February 2014) that customers were not coming forward to use the BCFC wagons since the allowed free times were not achievable and suggested to them to form joint teams of Railway officers and customers for fixing realistic free times for loading and unloading. Despite this, RB extended (February 2014) the free time fixed on experimental basis up to 12.08.2014 and requested SCR to furnish feedback by end of May 2014.
- SCR informed (February 2015) RB that average time for loading/ unloading activities was 10 hours for loose cement and for fly ash, seven hours for loading and 30 hours for unloading. RB did not consider the input of SCR and continued (July 2015) the free time of six hours for loading/ unloading.

Since cement companies providing traffic to SCR had their own fleet of privately owned BCCW wagons and the issue relating to free time for loading and unloading activities for BCFC wagons was unresolved, two rakes of newly designed wagons remained grossly unutilized. During the period from May 2012 to September 2014, these wagons were loaded only eight times and freight earned was only ` 1.09 crore. In view of meagre utilization of 116 wagons (two rakes), wagons had to be transferred (June 2014 and October 2014) to SECR under the orders of RB. These were being utilised there.

The requirement of wagons was not assessed keeping in consideration the availability of fleets of privately owned BCCW wagons with cement companies. In fact, the companies were reluctant (May, 2014) to utilise BCFC wagons. Further, RB did not fix free time for loading and unloading while putting the wagons for traffic. Even for traffic on trial basis they took 16 months for fixing free time. Even after three years of introduction of BCFC wagons, the issues related to fixing of free time and rake composition for allowing trainload rate had not been resolved by RB.

Thus, allotment of BCFC wagons to SCR without any demand and assessment of requirement and non-resolution of issue related to free time resulted in idling of newly design wagons and loss of earnings of ` 40.19 crore.

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<sup>14</sup> such as inadequate free time, not allowing train load rate for lesser composition of wagons etc..

When this issue was taken up (June 2015) with SCR Administration, they stated (June, 2015) that fixation of free time for loading and unloading of newly introduced BCFC wagons was the policy decision of RB and did not relate to SCR Traffic Accounts Office. Their contention is not valid as no step was taken by SCR Administration to resolve issue related to free time when the wagons were allotted and later despatched to them.

The matter was brought to the notice of Railway Board in January 2016; their reply has not been received (May 2016).

### ***2.6 Eastern Railway (ER): Loss of freight due to failure to explore alternate CC+8 route***

Railway Board/Zonal Railways failed to explore an existing alternate CC+8 route for rationalization resulting in lesser carriage of commodities with consequential loss of freight to the tune of ` 39.34 crore

Indian Railways (IR) Tariff Rules<sup>15</sup> provide that goods will normally be despatched by route operationally feasible and freight will be levied for the shortest route. However, goods can be carried and charged by an operationally convenient specified route even if it is not the shortest route.<sup>16</sup> In view of such provision, RB issue from time to time General Orders under the Rationalisation Scheme to notify specific routes for carrying as well as charging freight between originating and destination points and vice versa.

Railway wagons are important Rolling Stock of IR which when operated provide precious freight earnings. However, there is always scarcity of various types of fit wagons. With a view to maximize the freight earnings utilizing the existing tracks and wagons, RB decided (2007) to declare/ notify certain routes<sup>17</sup> of IR to transport commodities in Goods trains having wagons loaded up to four/six/eight tonnes in excess of their marked carrying capacity (CC). This increases the freight earnings by way of enhanced loading of commodity in each wagon and also makes possible the availability of spare wagons.

A review of records in Audit (2015) revealed that from ER<sup>18</sup> Iron and steel (I&S) traffic were being regularly booked to various destinations over NR<sup>19</sup>,

<sup>15</sup>Rule 125 (i) of IRCA Goods Tariff Part I Vol. I

<sup>16</sup>Rule 125 (iii) of IRCA Goods Tariff Part I Vol. I read with Section 71 (1) (b) of the Railways Act 1989

<sup>17</sup>(i) Excepted CC+6 (i.e., CC+4+2) route, (ii) CC+6 route, (iii) CC+8 route and (iv) 25 t axle load route

<sup>18</sup>Durgapur Steel Exchange Yard (DSEY) and SCOB siding

<sup>19</sup>Ballabgarh, SAIL siding / Ballabgarh, Hindustan Steel Limited / Tuglakabad and Tuglakabad Mineral Goods Siding

distance ranging between 1210 and 1267 kms. The entire route<sup>20</sup> had been notified as CC+8 route except for a small stretch of four kms from Yamuna Bridge (JAB) to Raja-ki-mandi (RKM) via Agra City (AGA) (all stations in Agra) over NCR which was a CC+6 route<sup>21</sup>. As a small stretch of four kms was in CC+6 route, the entire traffic from ER was being charged at freight admissible for CC+6 route.

There was also another route from Yamuna Bridge (JAB) to Raja-ki-mandi (RKM) via Agra Fort (AF), Idgah (IDH) and Agra Cantonment (AGC) having distance of 9.38 kms that was a notified CC+8 route. Although this route was about six kms longer than the shortest route, it had no effect on the rate of freight per tonne as the chargeable distances of the traffic fell in the same distance slabs leading to no extra burden on the rail-users. The rationalization of this alternative route for the traffic, only about six kms longer than shorter route, could have enabled ER Administration to enhance the CC of each wagon by two tonnes leading to extra freight earnings for extra loading in each wagon.

ER Administration's failure in exploring the alternative route for the said stream of traffic resulted in loss due to lesser loading of commodity for transport. An assessment in Audit revealed that non-exploration of the alternative CC+8 route resulted in a loss of additional freight of ` 1.10 crore in respect of 2595 wagons booked from ER to the destinations over NR during April 2012 to March 2015.

A further review conducted over the traffic booked from Bokaro Steel Plant and Tisco Works Site of SER, *via* the said CC+6 route, to different destinations on NR and NWR revealed that loss of additional freight on these accounts was ` 38.24 crore<sup>22</sup>. Such loss would continue till rationalization of the route.

On the issue being taken up with the ER Administration (June 2015), it was stated (September 2015) that charging of freight traffic was done by ER on the basis of shortest/rationalized route defined in the Rates Branch System (RBS) controlled by RB. They had no discretion in the matter. Also, the rationalization of routes is done by RB primarily based on the recommendation of the Zonal Railways concerned.

Their reply is not acceptable. Neither the RB nor any of the Zonal Railways (like ER and SER) involved in the traffic explored this route for rationalization which would have enabled loading of two additional tonnes of commodity in

<sup>20</sup> DSEY/SCOB-MGS-MZP-ALD-JAB-AGA-RKM-Destination

<sup>21</sup> Mughal Sarai (MGS)-Muzzafarpur (MZP)-Allahabad (ALD) route is CC+8 route that is already rationalised

<sup>22</sup> as obtainable in respect of 28136 and 59418 wagons booked from Bokaro Steel Plant and Tisco Works Site respectively during April 2012 to March 2015.

each wagon and resulted in additional freight earnings. ER Administration's contention that rationalization of routes can only be mooted by the Zonal Railway concerned where the route belongs does not appear correct as Audit has observed in earlier instances where ECR and ER had proposed in November 2011 and July 2013 respectively for rationalization of routes involving other Railways and their proposals were accepted by RB.

Thus, failure of the Railway Administration to explore the alternative route that would enable Railways to carry more tonnage of traffic and earn additional revenue without putting burden to the customers resulted in a loss of revenue to the tune of `39.34 crore.

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).

***2.7 North Western: Delay/Non-realization of shared earning of Palace Railway (NWR) on Wheels and non-levy of applicable interest on delayed payment***

Laxity on the part of NWR Administration in obtaining its share of revenue in time and failure to levy applicable interest on delayed payments despite provision for the same in the Agreement between Railway and RTDC resulted in non-realization of dues of shared earnings, amounting to `26.20 crore and `8.51 crore on account of interest (since 2008)

The Palace on Wheels (POW) was introduced by RB on Broad Gauge section between New Delhi-Jaipur, Sawai Madhopur, Udaipur, Jaisalmer, Jodhpur, Bharatpur and Agra in September 1995 on cost sharing basis between Railways and Rajasthan Tourism Development Corporation (RTDC), a Government of Rajasthan undertaking. As per clause 9.1 of the agreement the revenue sharing was to be 56:44 between IR and RTDC respectively with effect from 01 June 2006. While determining the shareable revenue, the commission to the agents and the 1 *per cent* earmarked for publicity and promotion was to be deducted from the total revenue. The RTDC was to sell package tickets, which would include the rail tariff and also catering, housekeeping, sightseeing and entertainment services. As per Clause 9.2 of the Agreement executed on June 2009 between Railways and RTDC, the RTDC should render accounts and remit Railway share quarterly by crossed cheque to FA&CAO, NWR, Jaipur. The cheque would be issued on or before the forty fifth day after each quarter, failing which 18 *per cent* interest per annum shall be payable by the RTDC on the amount payable to IR with effect from the date of default. The RTDC was

required to render accounts, to the FA&CAO, NWR, each quarter showing the number of tickets sold, total revenue and commission payable to each Agency along with other accounts. This rate of 18 *per cent* was further revised to 12 *per cent* in the agreement executed on 27 May 2013 which has been made effective from 01 June 2011.

Review of records revealed that the payment of shared earnings was not made within the stipulated time period of 45 days and RTDC has been remitting the share of Railways revenue beyond the scheduled period on a continuing basis. Railway Administration even failed to levy any interest on the delayed remittances as prescribed in the agreement from time to time which has encouraged RTDC to continue delayed remittance of money to the Railways. This resulted in non-realization of dues of shared earnings, amounting to ` 26.20-crore as on 31<sup>st</sup> March 2015 and accumulation of interest of ` 8.51 crore accrued on delayed payment of shared earnings as on 31<sup>st</sup> March 2015.

The position of dues on 1st April of 2010, 2011, 2012, 2013, 2014 and 2015 as given under clearly indicating a rapid increase in outstanding amount:-

**Table 2.8**

Sl. No.	Year	Position of dues (in `)
1.	01.04.2010	22,11,152
2.	01.04.2011	75,71,527
3.	01.04.2012	1,25.84,459
4.	01.04.2013	14,74,44,815
5.	01.04.2014	29,52,95,704
6.	01.04.2015	34,70,95,500

Review of records further revealed that while demanding the outstanding payment from RTDC, the NWR Administration had, in its various letters to the RTDC, stated that interest at the rate of 18/12 *per cent* as applicable from time to time on the delayed payment is to be paid instead of calculating the interest amount and raising the demand against the RTDC. Thus, failure to demand outstanding payment of shared amount of earnings from RTDC and levy interest for non-remitting its share amount within stipulated period of time of 45 days resulted in accumulation of arrear of interest amounting to ` 8.51 crore as on 31<sup>st</sup> March 2015.

The matter was brought to the notice of Railway Board in January 2016; their reply has not been received (May 2016).

**2.8 Northern Railway (NR): Non-realization of Railway dues towards cost of Railway Protection Special Force staff deployed for election duty**

Non-realization of dues from Ministry of Home Affairs towards the cost of deployment of Railway forces for election duties deprived the Zonal Railway Administration of `25.80 crore

Railway Protection Special Force (RPSF) is a special Force which is well organised and trained. This better equipped Force is readily available to Ministry of Railways (MoR) at a very short notice to handle the situation in a restrained manner with minimum use of the force permissible under the law. The Force is meant exclusively for IR and employed staff is earmarked to various Zonal Railways (ZRs) which bear their Pay and Allowances. However, when there is any contingency/ shortage of Forces, RPSF staff are deputed to hold peacefully the Parliamentary and State Assembly Elections also. In such case, the cost of deployment<sup>23</sup> is required to be realised by their ZR Administration from Ministry of Home Affairs (MHA) by submitting bills in this respect.

Audit examined the records of Delhi and Lucknow Division of NR and observed that during the years 2007-15 (eight years) RPSF Battalion under Lucknow Division were deployed for 36 elections for State Assemblies/ Union Territories and election duties in different States during Lok Sabha Elections in 2009 and 2014 as shown below:

**Table 2.9**

Battalion No.	Period	Deployment on election duty	Amount due for recovery (in crore of Rupee)
<b>3rd Battalion, Lucknow</b>	April 2007 to December 2013	Gujarat, Uttar Pradesh, Chhattisgarh (2), J&K, Karnataka (2), Rajasthan (2), Punjab, Maharashtra, Jharkhand, Bihar, Tamil Nadu (2), West Bengal, Madhya Pradesh and Assam	10.99 crore
<b>3rd Battalion, Lucknow</b>	March 2014 to February 2015	Uttar Pradesh, Bihar, Jharkhand, Dadra Nagar Haveli, Maharashtra, Haryana, Jammu & Kashmir and Delhi	8.35 crore

<sup>23</sup> Pay, allowances and contingent expenditure

<b>6th Battalion at Dayabasti, Delhi</b>	April 2007 to March 2011	Uttar Pradesh, Gujarat, Bihar, and Assam	2.01 crore
<b>6th Battalion at Dayabasti, Delhi</b>	December 2012 to July 2013	Gujrat, Uttar Pradesh, Manipur, Rajsthan, Madhya Pradesh, Chhatisgarh, Karnataka and West Bengal	4.45 crore

It was observed that no bills had been raised (February 2015) by ZR to realise from MHA the cost of these deployments ( ₹ 25.80 crore). Only on 25 March 2015 the bills amounting to ₹ 16.86 crore vetted by Financial Authority of Lucknow Division had been sent to Chief Safety Commissioner/RPF of ZR for arranging realisation. Also, the monitoring by Divisional Accounts offices for the recovery of outstanding amounts was inadequate as they had not noted the outstanding amounts in the Bills Recoverable Register for effective monitoring.

Thus, NR Administration failed to raise bills ( ₹ 25.80 crore) against MHA. As a result, the cost of deployment of Railway forces for election duties remained unrealised for many years. This deprived Zonal Railway Administration of precious funds of ₹ 25.80 crore that could have been utilized on important priority works.

The matter was taken up with the NR Administration at Lucknow and Delhi Division in October 2013 and June 2014 respectively. No action taken up by Railway was communicated (April 2015 & August 2015).

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).

### **2.9 Northeast Frontier: Avoidable expenditure due to haulage of Railway (NFR) empty DEMU rakes**

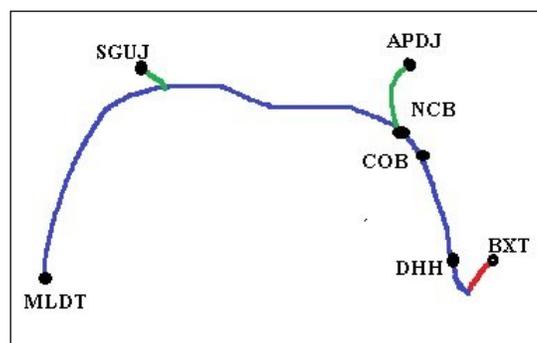
Due to non-completion of 'Absolute Block Section' work in a small segment between DHH-BXT of APDJ- BXT section, NFR Administration integrated DEMU services through interchange of rakes at a station leading to avoidable haulage of empty DEMU rakes daily resulting in avoidable expenditure of ₹ 15.36 crore

In Alipurduar Jn (APDJ)- Bamanhat (72.34 Kms) section of Alipurduar Division, Bamanhat Station (BXT) is the terminal station for passenger traffic. A part of this section from New Coochbehar (NCB) – Bamanhat (BXT) for 49.91 Kms has a single line track on which trains work under 'One Train Only System'. Train could be terminated at BXT as this station has a running room for the stay of crew members. The running of multiple trains on the APDJ-BXT

route required provision of 'Absolute Block System' (ABS)<sup>24</sup> on NCB-BXT section. A portion of this section from NCB to Dinhata (DHH) measuring 27.47 Kms was provided with ABS and commissioned on 28 June 2013. To facilitate the running of multiple trains on the total route<sup>25</sup> provision of ABS on remaining portion DHH-BXT- 22.44 kms was essential for which Railway executed contract agreement (June 2012) for civil engineering work at a cost `15 crore with target date of completion as 18 December 2012. This has not been completed (June 2015) delaying the working of multiple trains on the entire section.

Audit observed that:

- Railway put in service (January 2011) Diesel Multiple Unit (DEMU) service (No.75401/75402) from Malda Town (MLDT) to Coochbehar (COB) and back to MLDT, the portion already provided with ABS. The



- scheduled primary maintenance of DEMU rake was to be done at APDJ which required daily haulage of empty DEMU rake between COB and APDJ (27.04 kms) for 54.08 kms.
- Later on, Railway introduced (July 2012) another DEMU train (No.75717/75718) between NJP/Siliguri Jn. (SGUJ) to BXT and back to SGUJ, with scheduled primary maintenance at SGUJ.
- Since NFR Administration was unable to introduce multiple trains in the APDJ- BXT section due to non-completion of work for provision of ABS in DHH-BXT segment, they decided to integrate both DEMU services through their interchange at NCB and provide for scheduled maintenance of rakes at SGUJ. Consequently, the number of DEMU train between MLDT- COB and back to MLDT was changed to 75719/75720 since July 2012. As a result of the integration, empty DEMU rakes had to be hauled for 109.04 Kms daily between destination points (BXT and COB) and rake interchange point (NCB) during 12.07.2012 to 01.08.2013.

<sup>24</sup> ABS refers to a system where the track has a series of sections on which when one train occupies a section of track, no other train is allowed to enter that section. ABS facilitates movement of multiple trains.

<sup>25</sup> MLDT to BXT and back to MLDT

Further, after the provision of 'ABS' in NCB-DHH section (28 June 2013), NFR Administration extended (2 August 2013) DEMU service (No.75719/75720) between MLDT and COB up to DHH. Subsequently, the empty DEMU rakes belonging to services (Nos. 75717, 75718, 75719 & 75720) were to be hauled daily for 154.76 kms<sup>26</sup>.

Thus, even after three years period the work for providing 'ABS' in a small segment between DHH- BXT section (22.44 kms) was incomplete (July 2015) due to which NCB-DHH section (27.47 kms) was still being utilised under 'One Train System Only' and working of multiple trains was not possible. To overcome the situation, NFR Administration had to integrate DEMU services through exchange of rakes at an intermediate station instead of at BXT, the terminal station. When NFR Administration decided to extend DEMU services, they had to integrate them again through their interchange resulting in expenditure of `15.36 crore<sup>27</sup> towards empty haulage of DEMUs till 30 June 2015. This avoidable expenditure would continue till the provision of ABS in complete route and multiple trains put on service.

When the matter was brought to the notice of the NFR Administration (December 2013), they stated (February 2016) that;

- Keeping in consideration the constraints related to time and path and also to minimise the empty rake movement, integration of rakes was done. The rakes were integrated for maintenance purpose at Siliguri because DEMU Shed at Siliguri had better maintenance facilities.
- Had the maintenance been continued at APDJ, the major problems would have remained unattended resulting in failure of DEMU service besides creation of operational problem in "One Train Only System" section and congestion in main line section. This would have further cumulative effect on both Passenger and Goods services.
- DHH was commissioned (June 2013) as a 'B' Class station without provision of crew rest room. With the commissioning of 'B' Class station ahead, the train could not be taken back from mid of the section. Hence, extension of 75719/72720 from COB to DHH was inevitable from Operational point of view. As there was no crew rest room available at DHH, the rakes were taken to NCB as empty for integration/interchange.

<sup>26</sup> No.75717 after termination at BXT, was being moved to NCB and then brought back to DHH for commencing fresh run as 75720 next morning. In the same manner, the empty DEMU rake of train No. 75719, after termination at DHH was being moved to NCB and then brought back to BXT for commencing fresh run from there as 75718 next morning thereby involving empty run of 154.76 Kms daily.

<sup>27</sup> `3.27 crore for period prior to extension of DEMU service up to DHH and `12.09 crore after extension up to DHH

Empty haulage of rakes was continued because BXT station had not been converted to Class-B station having ABS. Further, better maintenance of rakes was possible through their interchange at NCB. Also, had the empty rakes been put for passenger service, their timing would not have suited the passengers.

NFR Administration reply was not acceptable because-

The rake of DEMU No. 75401/75402 ex MLDT – COB was scheduled for primary maintenance at APDJ since its inception in January 2011 till 12 July 2012 and this could have been continued till the provision of ‘ABS’ on NCB-BXT section.

The maintenance of the components of the DEMU was given on contractual basis and as such there would not have been much difficulty in attending any major failure like at APDJ. Further, unnecessary daily empty run of two sets of DEMU rakes was actually contributing to more path constraints and congestion in ‘One train only system’ section and ‘main line’ section.

The extension from COB to DHH would have been suitable only if ABS had been provided in DHH-BXT section to derive the benefits of interchanging the rakes at BXT instead of NCB because BXT station was already provided with Crew Rest Room. However, DHH-BXT section is yet to be provided with ABS although more than three years have elapsed. This resulted in avoidable expenditure of `15.36 crore on empty haulage of DEMU rakes till June 2015.

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).

### **2.10 Eastern Railway (ER): Short realization of siding charges**

Fixing the rate of siding charges on the basis of Engine hour cost of ‘Shunting Engines’ instead of ‘Train Engines’ in respect of Quarry Sidings at a serving station resulted in short realization of siding charge of `11.92 crore during 2012-15

As per Indian Railway Code for Traffic (Commercial) Department (Para 1807), in respect of sidings where freight is charged from and to the serving station, siding charges are levied by Railway for haulage of wagons between the serving station and the siding. For the purpose, RB circulates rates of Engine hour cost every year for different types of Engines. Consequently, Railway Administration revises the siding charges from time to time on the basis of revised rates of Engine hour cost. Siding charges in respect of ‘Train Engine’ is always higher than that of ‘Shunting Engine’ as the Engine hour cost of the former happens to

be on the higher side. RB has clarified (October 1977) that when an engine is actually detached from a train for ‘Shunting’ and is attached to the train when returning after completing ‘Shunting’ work, it would be treated as a “Train Engine”.

Audit observed (2014-15) that although four Quarry Sidings were being served by Railway at Pakur, no specific Pilot Engine<sup>28</sup> had been made available at Pakur. As a result, the ‘Diesel Train Engines’ bringing inward rakes to Pakur were being detached for ‘Shunting’ activities related to Quarry Siding and thereafter attached with outward rakes.

Audit observed (2014-15) that the recovery of ‘Siding charges’ at Pakur Serving station had been made taking into consideration Engine hour cost for ‘Diesel Shunting Engines’ instead of ‘Train Engines’. This resulted in short recovery of siding charges to the tune of ` 11.92 crore during the years 2012-15.

When the matter was taken up (April 2015) with the ER Administration through a formal Audit objection, they replied (May 2015) that Pakur Station did not have any fixed Pilot Engines and locomotives carrying loads/empties to Pakur Station were being used as Pilots Engines. However, since Engines were utilised for performing Shunting operations, those were treated as ‘Shunting Engines’. Their contention is not valid in view of the fact that such Engines were detached from inward rakes and thereafter used for Shunting operations inside the sidings and finally attached with outward rakes. As such, these should have been treated as ‘Train Engines’ as per Railway Board’s clarification of October 1977 and siding charges fixed accordingly.

The matter was brought to the notice of Railway Board in January 2016; their reply has not been received (May 2016).

**2.11 Southern Railway (SR): *Under-utilization of overhead electrical (OHE) assets and avoidable recurring expenditure on maintenance of diesel traction over electric traction***

Chengalpattu-Arakkonam section of SR was electrified in March 2004 at a cost of `8.95 crore leaving a small stretch beyond Takkolam due to objections raised by MoD. A diverted line with electrification beyond Takkolam at the cost of MoD is progressing for 14 years. Due to delay in land acquisition and non-resolution of the issue of MoD bearing the escalated cost, assets created could not be put to effective use for the past 14 years. Besides, recurring expenditure

<sup>28</sup> An Engine used to draw/send a load from / to Siding

of `1.08 crore per annum was incurred by SR Administration towards maintenance of diesel traction

The gauge conversion (GC) of the branch line viz., Chengalpattu (CGL) – Arakkonam (AJJ) of SR was sanctioned in September 1997 and commissioned in December 1999 at a cost of `87.81 crore. For this branch line (CGL – AJJ), electrification was sanctioned in November 1999.

Audit noticed that the electrification work was completed between CGL and Takkolam (TKQ) in March 2004 at a cost of `8.95 crore, but commissioned for traffic only upto Tirumalpur (TMLP) in July 2004. The electrification beyond TKQ was not done due to objection raised (April 1999) by the Ministry of Defence (MoD). The objection was raised on account of the following reasons:

- The BG track alignment was at a distance of about 120 meters from the beginning of runway of the Naval Air station and ran perpendicular to the direction of runway.
- As per the extant instructions pertaining to the Air Routes and Aerodromes, High Tension lines are not permitted within 3000 meters of the point of take off. The electrification of Railway track within 120 meters of the beginning of runway would infringe the movement of Naval aircraft.

Records revealed that in the meeting (October 1999) between Railway and MoD, it was agreed to lay new line in a diverted alignment (detour) between TKQ and AJJ. It was also decided in the meeting that the cost of laying new detour line would be borne by MoD. The work could only commence in 2004 after MoD deposited the amount ( `25.76 crore) in December 2003. Had Railway earlier consulted MoD before taking up Gauge conversion/ Electrification work, delay in completion of electrification work and consequent gross under-utilization of assets (BG track) created would have been avoided.

This issue was earlier pointed out in C&AG's Audit Report (Para 3.1 of Report No.8 of 2004). In response, SR Administration accepted (May 2012) the audit comment on gross under-utilization of assets created and assured that the detour works would be completed in two years. However, the detour works and electrification between TKO and AJJ have not yet (June 2015) been completed.

Records of construction organization of SR further revealed that

- The estimate for the detour line was sanctioned (February 2003) for `25.73 crore and MoD deposited `25.76 crore by December 2003.

- Though the work was commenced in 2004 for completion by June 2006, the same could not be completed due to delay in land acquisition especially in a small stretch of 500 meters in Melpakkam near AJJ. There was lack of coordination between State Government and Railways in arranging alternate site to persons occupying land provided free by the Government. Finally, the land was acquired in November 2014.
- Meanwhile, the estimated cost of the detour work increased to `54.57 crore. The issue of bearing the extra cost by MoD is yet to be resolved and hence work was not progressing.
- Existing contractors are not willing to execute the work due to time and cost overrun. SR Administration decided (January 2015) to foreclose the contract and to call for fresh tenders after receipt of extra cost from MoD.
- SR Administration failed to enter into an agreement with MoD that any extra cost involved during execution and on completion of work would have to be borne by the MoD. Hence, even after acquiring the land, work could not progress.

Due to the above lapses/ deficiencies, SR Administration could not reap the benefits of electrical assets created at a cost of `8.95 crore 10 years back as the electrification work could not be completed on whole section (CGL-AJJ). Also, investment of `27.52 (`23.76 crore made by MoD in 2003 and `3.76 crore by SR) could not be put to effective use so far.

Besides, additional expenditure of `1.08 crore per year towards cost of maintenance of diesel traction over electric traction is being incurred by the SR Administration for the past 14 years, as the Mail/Express and passenger trains with conventional coaches are operated between CGL and AJJ with diesel locomotives.

The matter was taken up with the SR Administration in July 2015; in reply, they stated (November 2015) that

- Defence authorities need not be consulted before gauge conversion work as Railway line was existing prior to construction of Naval base. As it was only a GC, and the MG alignment was changed to BG, the necessity for entering into an agreement with MoD did not arise.
- The OHE assets have been installed and trains are running from CGL to TMLP. In TMLP-TKO section, OHE has been installed and energized with 25kv as an anti theft measure. TKO-AJJ detour line electrification will be

taken up after laying of track which could be executed after MoD deposits the extra cost.

The reply is not tenable in view of the fact that

- Indian Railway code for Engineering department (Para 259, 507) provides that the local military authorities should be consulted before taking up any project for execution. As such, SR Administration should have consulted Defence authorities before gauge conversion and electrification work between CGL and AJJ.
- Though EMU trains are being operated upto TMLP, Mail/Express train between CGL and AJJ are running in diesel traction due to non completion of electrification between TKO and AJJ. This resulted in under utilization of OHE in CGL-AJJ section, constructed at a cost of `8.95 crore.
- The issue of bearing of extra cost by MoD is yet to be resolved, which delayed the work of laying of detour line and consequently delayed the electrification work in TKO-AJJ section. Further, foreclosure of contract due to time and cost overrun and calling of fresh tender would further increase the cost and delay completion of work.

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).

### **2.12 Northern Railway (NR): Excessive detention to wagons at Terminal Goods station**

Avoidable excessive detention of wagons beyond detention targets resulted in loss of earning capacity of wagons to the tune of `6.53 crore

Efficiency of a yard/ terminal goods station directly relates to the effectiveness in control over detention to wagons at various levels of operations. Detention to wagons beyond reasonable admissibility leads to delays in loading & unloading of commodity and despatch of wagons/ rakes affecting adversely the productivity of wagons. With a view to minimizing the detention of wagons, detention targets, beyond which detention of wagons should not exceed, are fixed by Railways and approved by RB.

Audit reviewed the records of Terminal Goods Station (TGS) at Varanasi (BSB) and observed that for “All Wagons” handled in TGS/BSB, Zonal Railway Administration fixed (prior to 1998) target of 16 hours per wagon for average detention. Audit earlier commented (Para 2.3.1 of Report No.8 of 2004) on the excess detention of wagons beyond fixed target resulting in loss of earning capacity. In the Action Taken Note, Ministry of Railways (Railway Board)

stated that the stiff target of 16 hours, though impractical, had played a definite and useful role in bringing down the average detention. However, the target for wagons detention had been revised (April 2008) to a more realistic target of 30 hours.

A further scrutiny of records in Audit revealed (2015) that during the year 2014-15, all the wagons (15404 No.) handled at TGS/BSB were detained in excess of revised enhanced permissible detention of 30 hours per wagon. The detention of wagons ranged between 30.35 hours and 52.35 hours. This resulted in loss of earning capacity of `6.53 crore.

When the matter was taken up with NR Administration (August 2013), they stated (September 2015) that the excessive detention over and above the revised enhanced permissible limit was attributable to constraints like shortage of power, non-availability of shunting engine, late release of inward rakes etc.

The reasons attributed by Railway were not acceptable as the detention targets of 16 hours per wagon were revised to 30 hours per wagon on more realistic basis in year 2008 taking into consideration all types of constraints. In fact, the excessive detention could be avoided by efficient rolling stock management and manpower management and co-ordination between Operating and Mechanical Departments.

Thus, avoidable excessive detention of wagons beyond detention targets fixed on operational requirement resulted in loss of earning capacity of wagons to the tune of `6.53 crore.

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).

### ***2.13 East Coast Railway (ECoR): Irregular extension of trainload class rate resulting in undercharges of freight***

East Coast Railway extended the benefit of Trainload class rate for Block Rakes without adhering to the instructions of RB resulting in loss of freight of ` 6.01 crore

Ministry of Railways (Railway Board) issued Policy Guidelines on Freight Incentive Schemes and Transportation of Products vide Rates Circular No. 62 of 2009 dated 10 November 2009. Para 5.1 of the circular stipulates that single

point Block Rake<sup>29</sup> with wagon composition as notified by RB will be booked at Trainload Class rate in accordance with the conditions prescribed therein.

Train load rate can be extended even in case where the minimum number of wagons qualifying for Block Rake cannot be supplied by the Railway against trainload indent due to operating or any other constraint arising out of unforeseen circumstances in a specific instance such as accident, blockade, etc., provided the detailed reasons for non-supply of indented number of wagons constituting a Block Rake is recorded by concerned Station Manager/Yard Master, and confirmed in writing by a Gazetted Officer. If the prescribed conditions are not fulfilled, wagon load rate should be charged which is more than Trainload class rate.

As per the Ministry of Railways (Railway Board) Circular of 10 November 2009, BOXN/BOXNHS, BOXNHSM1, BOXNHA, BOXNEL, BOXNLW and BOXNM1 type wagons were grouped together whereas BOXNHL was shown as a separate group. BOXNHL type wagons cannot be grouped with other types of wagons to form mixed rake. Similarly, BOBR and BOBRN were shown as two separate groups of Block Rakes and mixed rakes are not allowed in these groups.

ECoR issued a Circular (07-02-2013) followed by a clarification (26.02.2013) stating that if a mixed rake of BOBR/BOBRN, BOBRN/BOBRNHS or BOXN group/BOXNHL is loaded with prescribed minimum number of wagons of one type, trainload rate benefit may be granted. In cases where the minimum trainload condition is not satisfied for any particular type of wagons, trainload facility can be granted on the basis of a certificate issued by the Operating Branch.

Scrutiny of records under Chief Goods Supervisor/Talcher for the period from February 2013 to December 2013 revealed that total 247 mixed rakes comprising of BOBR/BOBRN/ BOBRNHS/BOBRNEL wagons and 99 mixed rakes consisting of BOXN/ BOXNHL/BOXNR/ BOXN group wagons were booked from various sidings at Talcher to 27 different destinations to carry coal. The condition of loading the prescribed minimum number of wagons was not fulfilled in any of these cases, but trainload benefit was extended instead of charging wagon load rate. The certificates issued by Operating Branch did not record detailed reasons for non-supply of indented number of wagons constituting a Block Rake as required in Rates Circular No.62 of 2009 of RB.

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<sup>29</sup>It is a train carrying wagons for a single destination

This resulted in irregular extension of trainload rate benefit and resultant undercharging of freight of ` 5.17 crore.

Audit also noticed similar cases of irregular extension of trainload rate benefit and undercharging of `83.85 lakh for 55 mixed rakes consisting of BOXN/BOXNHL/ BOXNR/ BOXN group wagons for carriage of coal in seven other loading stations, viz.,VSPV, RGL, MGPV, MVAA, NMVK, JKPR and NINS during the period from February 2011 to November 2014. Thus due to irregular extension of trainload rate benefit instead of wagonload rate, ECoR incurred a loss of ` 6.01 crore due to undercharging of freight.

When the matter was taken up in Audit (April 2014), the ECoR Administration stated (October 2014) that trainload rate can be allowed as per Para 5.1.4 of Rates circular 62 of 2009 when the ECoR Administration fails to supply the standard rake due to operating or any other constraint.

The reply of ECoR Administration is not tenable due to the following reasons:-

- Certificates by the Operating Department were given in a routine manner without recording detailed reasons for non-supply of minimum number of wagons of standard Block Rake.
- In some cases the date of allowing the Trainload class rate is not mentioned. In one case it was even noticed that the certificate was issued long after the preparation of RRs.
- RB had not agreed (November 2012) to a specific request from ECoR (September 2012) to allow trainload rate benefits for mixed rake of BOBR/BOBRN wagons for moving coal from Talcher for Tamil Nadu Electricity Board.
- In 10 similar cases where trainload conditions were not satisfied, ECoR Administration had raised undercharges towards difference between trainload rate and wagon load rate.
- It was also noticed that even the ECoR's circular of 7 and 26 February 2013 regarding allowing trainload benefit if 56 nos. of BOBRN or 50 BOBR or 57 BOBRNHS and 58 nos. Of BOXN or 57 BOXNHL are loaded were also not followed.
- Moreover, the refusal of the RB to extend trainload rate benefit to block rakes of mixed BOBRN and BOBR wagons further clearly justifies the audit contention that the ECoR failed to follow the RB directions and unduly extended trainload rate.

Thus extending the benefit of Trainload class rate without following the RB's directives, ECoR led to loss of freight of ` 6.01 crore.

The matter was brought to the notice of Railway Board in February 2016; their reply has not been received (May 2016).