

OVERVIEW

Chapter 1 – Disaster Management in Indian Railways

This chapter contains the results of Performance Audit on Disaster Management in the Indian Railways. The disaster management plans devised by the zonal railways and the divisions did not comprehensively address all aspects of disaster management. The disaster management plan lacked uniformity and did not adhere to the provisions of the Disaster Management Act, 2005. **(Para 1.10.1)** The infrastructure provided in terms of provision of rescue and relief equipments on the railway network, facilities in hospitals for the deceased and in trains were inadequate and the communication facilities were weak. Moreover, speed restrictions and non-placement of relief equipments strategically in all the divisions impeded speedy response to disasters and the entire mechanism reflecting the state of preparedness was not geared up to envisaged levels **(Para 1.10.2)**. Coordination arrangements with State Governments/District authorities as well as other agencies were weak and Railways were unable to harness their infrastructure while responding to disasters **(1.10.3)**. Training - a vital tool to hone the skills of staff- did not receive requisite importance. Even basic training in First Aid and disaster management were not imparted to most of the frontline staff **(1.10.4)**. Railways were neither able to rapidly access the disaster sites nor provide organised rescue and relief during the ‘Golden hour’- the first hour after the accident. Delayed arrival of relief equipments at the disaster sites also led to delayed restoration of rail traffic causing diversions and cancellation of trains **(1.11.1 to 1.11.3)**. Assets were not renewed or rehabilitated in a timely manner. Safety aids were not provided and the safety measures initiated for prevention and mitigation of disasters were inadequate **(1.12.1)**. Surveillance mechanisms in railway stations were inadequate and the Railway Protection Force was ineffective in preventing unauthorised entry into station premises **(1.12.2)**.

Chapter 2 – Land Management in Indian Railways

This chapter contains the results of the performance audit on Land Management in the Indian Railways. Separate land management cells were not in existence in most of the zones and divisions **(Para 2.9)**. Mutation of land acquired was not done with the respective revenue authorities. In some cases, the land acquired for the projects were not handed over to the user departments **(Para 2.10)**. Inconsistencies prevailed in reporting facts and figures on various basic data pertaining to land holdings, vacant land, encroachments, land plans, verification of records with the State Revenue Authorities **(Para 2.11.5)**. Instances of title disputes/forged sale of land by the private parties were noticed in some zones **(Para 2.11.7)**. There was shortfall in construction of boundary wall in the various divisions of the zones **(Para 2.11.8)**. Though an assurance was given in the Parliament during 1999 that there will be no fresh encroachments, as many as 16109 new encroachments crept in. Encroachments observed in 46 locations during joint inspection conducted by Audit and Railways were not shown/less shown in

the railway's records by the concerned SSEs/SEs. There were 27,408 nos. encroachments in the safety zone at the beginning of the year 2006-07 (**Para 2.11.9**). The policy of charging of license fee for the land given to CONCOR on the basis of TEUs handled instead of linking it with the market value of land resulted in considerable loss of revenue to the extent of Rs.551.26 crore during the period 2004-07 (**Para 2.12.3**). There were delays in renewal/execution of license agreements ranging from three to five years in 90 cases, 5 to 10 years in 2427 cases and beyond 10 years in 16588 cases. A comparison of the land value arrived at based on 1985 valuation (duly updated by the prescribed percentages) and the current market value in 55 cases in six zones (NEFR, NR, NWR, SCR, SER, SR) and Metro Railway indicated that in 42 cases, the license fee fixed based on land value in 1 January 1985 with prescribed escalation of 10 or 7 per cent per annum was lower than the current market value resulting in loss of revenue of Rs.15.69 crore during the period under review (**Para 2.12.6**). There was no uniformity in levy of various charges among the zones and within the divisions in a zone. Railway Board has not issued any guidelines for uniformity in recovery of way leave charges (**Para 2.12.7**).

Chapter 3 - Scrap Management in Indian Railways

This chapter contains the results of Performance Audit of the Scrap Management on Railways. Collection of Scrap was less than the target by 3,61,070 MT (value Rs.539.80 crore) on some Railways with reference to the targets fixed during the years 2002-03 to 2006-07 (**Para 3.8.1.1**). A shortage of 10909 MT of engineering and 5025 MT of Mechanical scrap was recorded in the Advice Notes indicating loss of Rs.9.84 crore (**Para 3.8.1.3**). There was a difference of 4600.32 MT of Scrap between the total quantities of the lots placed for auction and quantity actually auctioned representing a shortage valuing Rs.4.79 Crore (**Para 3.8.4.2**). There was loss of revenue to the extent of Rs.2.91 crore (Rs.1.65 crore in Southern Railway) due to the sale of scrap at prices lesser than the reserve price fixed over seven Zonal Railways (**Para 3.8.4.5**). Despite increasing trends in the 'Wholesale Price Index' for 'Iron and Steel', Railway sold the rails as scrap material at lower rates. Audit noticed large variations in the rates for the sale of same scrap item in a year over Zonal Railways as well as between the minimum and maximum rates in the same year resulting in lesser realisation of sale value (**Para 3.8.4.6**).

Chapter 4-Construction, Operation and Maintenance of 'Project Railway'

This chapter contains the results of performance audit of Construction, operation and maintenance of 'Project railway'- gauge conversion of Surendranagar -Mahuva with extension up to Pipavav of Western Railway. Even after completion and commissioning of the work in March 2003, the completion report has not been prepared so far. In the absence of this, the Railway was not able to recover an amount of Rs.17.88 crore from PRCL on account of Rs.0.89 crore required for removal of deficiencies, Rs.0.96 crore for pending contractual liabilities, Rs.7.74 crore as cost of material and Rs.8.29 crore on account of Departmental and General charges (**Paras 4.8.1 and 4.8.2.1 to 4.8.2.4**). Railway's action to enter into agreement allowing the

procurement of track and S&T material by PRCL has resulted in extra expenditure of Rs.28.36 crore (**Para 4.8.3**). Underestimation of cost of existing assets of Railways leased to PRCL has resulted in loss of lease rental of Rs.15.24 crore. There would be a recurring loss of Rs.3.81 crore per annum for the entire lease period if corrective action is not taken (**Para 4.8.5**). The Railway was yet to receive Rs.22.79 crore on account of operation and maintenance charges for the year 2003-04 and 2004-05 due in the year 2005-06. Moreover, the amount on account of fixed cost of material for the year 2004-05 is yet to be assessed (**Para 4.8.6.1**). Despite specific provision in the agreement for recovery of compensation for the shortfall in guaranteed traffic, no action was taken by the Railway for recovery of compensation of Rs.66.17 crore from PRCL (**Para 8.6.2**).

Chapter 5 - Review on the working of Matunga Workshop

This chapter deals with the performance audit of the working of Matunga Workshop with specific emphasis on repair/maintenance of BG Coaches. Target for outturn of Matunga Workshop is fixed on the basis of arisings of coaches for POH. The availability of manpower, machinery etc. is not taken into calculation at all. The method of fixing the target appears to be unscientific (**Para 5.8.1**). Coaches booked by base stations for POH at Matunga workshop are received without the list of missing items prepared jointly by Security, Mechanical and Electrical department. During the period from 2004-05 to 2006-07 fittings valuing Rs.0.87 crore were found missing (**Para 5.8.2**). Matunga workshop has taken more than the prescribed time for POH of coaches. Railway suffered loss of Rs.11.82 crore on account of detention to coaches during 2006-07 alone (**Para 5.8.4**). Rejection of periodically overhauled coaches by Neutral Control Wing as well as coaches marked sick within 100 days after they were periodically overhauled indicates poor workmanship. Railways suffered loss of Rs.3.56 crore on account of detention to rejected coaches (**Para 5.8.7 and 5.8.8**). The expenditure of Rs.12.15 crore incurred on augmentation of POH capacity of the workshop remained unproductive for the last two to three years resulting in non-achievement of projected saving in time taken for POH and consequential loss of Rs.54.28 crore on account of excessive detention to coaches (**Para 5.8.9**).