

## Railways

37. The Indian Railways consists of an extensive network spread over 62,495 km. comprising Broad Gauge (43,083 km), Metre Gauge (15,804 km) and Narrow Gauge (3,608 km.). Electrified networks with a length of 13,962 km. account for 22.3 per cent of the total route kilometre. Gauge conversion of 847 km. was completed during 1997-98.

38. During 1997-98, revenue earning freight traffic moved by Railways was over 429.4 million tonnes. This was 5 per cent higher than the performance in 1996-97. The freight traffic carried during April-November 1998 at 270.5 million tonnes, decreased by 2.2 per cent over April-November 1997. A positive growth rate has been witnessed in iron ore for export, fertilizers, POL and balance (other goods). All other items including coal, raw materials for steel plants, iron & steel, cement and foodgrains showed a decline in carriage (Table 9.6). The slowdown in industrial production and economic activity in general have adversely affected freight traffic.

39. The Railways employ about 16 lakh persons, the largest for any undertaking in the country. Manpower planning systems in the

Railways have resulted in staff reduction, in absolute numbers, despite a higher level of activity and traffic growth. This has been made possible by enhanced staff productivity. The manpower decision-making process has been strengthened through computerised analysis of manpower data and productivity-related benchmarking exercises. A number of initiatives have been taken to improve the learning environment in the railways by putting in place a framework for management of the training function.

40. In view of the need to discharge the responsibility of a public utility service and operate as a commercial undertaking, the Railways have to incur expenditure on the operation of unremunerative lines and on the provision of services below cost. The budgetary support to the Railways has declined sharply from 75 per cent of the Railways Plan outlay in the Fifth Plan to 23 per cent during the Eighth Plan. In the first year of the Ninth Plan, i.e. 1997-98, budgetary support again amounted to 23 per cent of the plan outlay. In order to meet their growing investment needs, the Railways have had to increasingly take recourse to market borrowings, which increased to Rs.2,971 crore

**TABLE 9.6**  
**Performance of the Railways**

	1996-97	1997-98*	April-November*		Change over previous year	
			1997-98	1998-99	1997-98	1998-99@
					<i>(per cent)</i>	
Total revenue earning freight traffic (million tonnes)	409.0	429.4	276.7	270.5	5.0	-2.2
(i) Coal	198.2	208.7	135.2	129.3	5.3	-4.4
(ii) Raw Materials for steel plants (excl.coal)	38.6	37.8	24.6	24.1	-1.9	-2.3
(iii) Pig iron & finished steel from steel plants	11.8	11.8	7.5	7.0	-0.2	-7.6
(iv) Iron ore for export	10.3	12.2	7.6	7.8	17.6	2.0
(v) Cement	34.1	37.4	23.9	22.3	9.5	-6.6
(vi) Foodgrains	29.8	26.3	17.7	16.9	-11.7	-4.4
(vii) Fertilizers	21.2	26.7	17.9	18.0	26.0	0.5
(viii) POL	28.5	30.7	20.0	21.4	7.7	6.9
(ix) Balance (other goods)	36.5	37.8	22.2	23.8	3.5	7.5
2. Net tonne kilometers (billion)	277.6	284.3	185.6	180.3	2.4	-2.8
3. Net tonne kilometers per wagon per day (broad gauge)	1840.0	1867.0	1838.0	1793.0	1.5	-2.4
4. Passenger traffic originating (million)	4153.0	4348.0	2902.0	2952.0	4.7	1.7
5. Passenger kilometers (billion)	357.0	380.0	245.3	252.9	6.4	3.1

\* Provisional.

@ April-November

in the year 1997-98, or about 35 per cent of the plan outlay. As a result, lease charges being paid by the Indian Railways have also risen to Rs.1,929 crore in the year 1997-98. Increased market borrowings have thus constrained the Railways' ability to mobilise internal resources and has induced it to reprioritise some of the ongoing development projects.

41. While there is scope for raising internal resources through tariff adjustments, over the years, the Railways have kept the passenger fares low with a view to providing an affordable transport facility to the common man. The losses in passenger services are being met through cross-subsidy by the freight business. Efforts are being made to contain this unsustainable trend and reduce the element of cross-subsidization

while conducting freight business in a more customer-friendly and growth-oriented manner. The Railways have taken up schemes like Build-Own-lease-Transfer (BOLT) and Own-Your-Wagon Scheme (OYWS) to encourage private participation and also to supplement resources. With the twin objective of increasing the volume of traffic and encouraging private sector participation, a new scheme of Leasing of Luggage Brake-vans and Parcel-vans, has been introduced. A major step taken by the Railways has been to cater to piecemeal traffic by providing containerised service through the Container Corporation of India Ltd. (CONCOR). Two other schemes under Multi-modal Transportation, namely, Road Railers and Piggy Back System, involving the private sector, are also being pursued.