

SHRI JAIRAM RAMESH: Sir, to get back to the point that the hon. Member was making, it is true that there is a demand for tiger parts which is leading to poaching. We have an MoU with China on tiger conservation. We are part of the global tiger initiative and it is my intention to take this up as aggressively as possible in all international forums. There is a huge demand. If you go to Bangkok, you will see why there is this demand for tiger parts. It is because of the magical properties associated with certain tiger parts. So, I think, these are issues that we are dealing with on bilateral basis. I must admit that we have not had much success. But, we can certainly do much more to control poaching. This is the point which I was trying to make. With the help of local community, through a fast track judicial mechanism, through strict police action and through making some sample cases like Sansar Chand, I think, we will send a message to the rest, of the country that we are serious about conserving the tigers.

Sir, I have not been able to respond to each and every point that has been made. But, I shall do so. I have taken extensive notes. I will respond to each of the hon. Members individually. I want to thank the hon. Members for taking this opportunity. Thank you very much, Sir.

MR. DEPUTY CHAIRMAN: Joshiji, we are exceeding the time. ...*(Interruptions)*...

SHRI SHARAD ANANTRAO JOSHI: Sir, I will make the point in one minute. Sir, the Minister has pooh - poohed the idea of preserving tigers in captivity. But, in agriculture, we have gene banks and when your stock of tigers in the forest is exhausted, you have to come back to us to get the genes. Thank you.

MR. DEPUTY CHAIRMAN: The House is adjourned till 2 o'clock for lunch.

**The House then adjourned for lunch at fourteen minutes past one of the clock.**

**The House re-assembled after lunch at one minute past two of the clock,**

(MR. DEPUTY CHAIRMAN in the Chair)

#### **THE BUDGET (RAILWAYS) 2009-10**

MR. DEPUTY CHAIRMAN: Now, we will take up General Discussion on the Budget (Railways) 2009-10. The Leader of the Opposition, Shri Arun Jaitley.

SHRI M. VENKAIAH NAIDU (Karnataka): Sir, where is the Minister?

MR. DEPUTY CHAIRMAN: Shri E. Ahammed is there.

SHRI M. VENKAIAH NAIDU: No. Shri Ahammed is there definitely. There is no problem about that. But when the Opposition is opening the debate, you always expect that the Cabinet Minister is there in the House.

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI E. AHAMMED): She is there in the Lok Sabha, My senior colleague will be here any time.

MR. DEPUTY CHAIRMAN: Prof. Kurien, kindly see to it.

SHRI E. AHAMMED: I have already sent a message to her.

DR. V. MAITREYAN (Tamil Nadu): No, no. That is why we are starting at 2 o'clock. Otherwise, we could have also started at 12 o'clock before taking up the Calling Attention. It is to facilitate the Minister to come here, we started at 2 o'clock. Time and again this is going on in this House.

SHRI E. AHAMMED: No doubt, she will be here any time.

THE LEADER OF THE OPPOSITION (SHRI ARUN JAITLEY): Mr. Deputy Chairman, Sir, I rise to speak on the Railway Budget. What surprised us most when the Railway Budget was presented that the hon. Minister in the course of the Budget punctured one great achievement which the UPA seems to be claiming that in the first five years of its rule, it had turned the Railways around and made it an organization from bankruptcy into an organization which was independent and which was a profitable organization. The hon. Minister said that she would be bringing out a White Paper on the performance of the Indian Railways, including its financial status in the last five years. Now, this indeed has made us extremely suspicious. I remember that the earlier Railway Minister during the first five years of the UPA Government had compared the Indian Railways to a jersey cow, and he had always said that it was a jersey cow which had not been milked enough, and his own achievement that he always mentioned was that he has now been able to milk it adequately. What appears to have happened is that with this change of alliance in the UPA, the vision with regard to the Railways has also changed. The hon. Minister has just come and I must concede that I am one of those who has a considerable amount of admiration for her ability to struggle and stick to her point of view. But there are some parts of her Budget which have indeed been a disappointment to us. I also recollect that her predecessor, Lalujji, considered one of his achievements that the turn around was a subject on which the Wharton and the Harvard expected him to lecture them. But what I have seen in this Budget, Sir, far from impressing Wharton or Harvard, just turns the basic principle of management of any institution – the principle being that 'strengthen your core areas, concentrate on your areas of core competence and ignore what is wholly extenuous and not relevant to the core areas', some can be ignored; some can be outsourced. And this is the basic principle that any management institution would have guided us. With the publication, Sir, of what they do not teach you at the Harvard Management School, and, I think, with this kind of a Budget which has been prepared by the hon. Minister, the next reprint of the edition of that can rewrite some of those basic principles where the hon. Minister, in the Budget, seems to have decided that as far as safety is concerned, as far as efficiency is concerned, as far as passenger comforts are concerned, these are secondary and the irrelevant frills in the functioning of the Railways become the primary concern as far as the Railways is concerned. So, the basic management principle, of any organisation, be it Government or non-Government or commercial, or even a social organisation, being 'concentrate on your core areas',

which is to provide a good service as far as freight and travel is concerned, and ignore the non-core areas, the Minister has raised a debate of economic viability vs. the social purpose of a social viability of the Railways. Yes, there is an important social purpose. But, then, one is not an alternative to the other. If you have no economic viability, if you are not in a position to even sustain yourself then where is the prospect of your being able to underwrite any social purpose? I think, there is an unstated third purpose which the Minister has not mentioned but which is evident from the Budget, and which is, the Railway Ministry wanting to become almost a parallel Government, a Government which undertakes functions which have, otherwise, no direct or indirect relationship with the Railways, but, then, expand your own empire and get into areas which have no concern with the Railways. I have, Sir, serious doubts as to whether "The Transaction of business rules" would even permit the Ministry of Railways or the Railway Board or the Indian Railways to undertake a large number of those activities.

Sir, I went through the hon. Minister's speech, and I started highlighting, the areas in the speech, with a special concentration which has taken place as far as this Budget is concerned. I can quote from the speech, but for the convenience of the House, to take time, I have just shortlisted some of them. These are all areas, which are non-core areas, non-essential areas, where the energy of the Railways should not be spent, and if the energy of the Railways is going to be spent in these areas, the resources of the Railways are going to be spent in these areas then the beneficiaries of the service, whether it is passengers or whether it is industries or farmers, in the case of freight, will be paying for something which they are not supposed to pay for. The Railways, in this Budget, has now proposed the following: construction of multifunctional complexes including shopping areas and restaurants. Now, when has construction of malls become a function of the Railways? Construction of budget hotels. The Government of India – and Governments traditionally and conventionally are bad providers of hospitality – had several hotels through its public sector undertaking, the ITDC. State Governments had them. And the experience showed that you had to really send those hotels back to the private sector. The Railways was operating hotels. The BN Railway had hotels at Ranchi and Puri. The Railways found that it was unable to run those hotels, and those hotels also have been given to the private sector for management. Now the proposal is that the Railways go back and start constructing hotels. Another is construction of indoor stadia for sports in various divisions including one at Indo-Bangladesh border. Then comes construction of seven nursing colleges. I don't know whether, under "The Transaction of Business Rules", this is the function of the Health Ministry or the Indian Railways. I saw, Sir, on page 11 of the hon. Minister's speech, the list of cities where the Railways have hospitals and like nursing colleges through a public-private partnership; 17 medical colleges to be established by the Railways through public-private partnership. Now establishment of medical colleges is for a very useful purpose. But is it the function of the Indian Railways to start concentrating on the establishment of 17 medical colleges? It does not stop at that. Then comes the laying down of optic fibre network throughout the country. Now the Railways have certainly got land

and they can give the right of way. They can earn money from the right of way. But, you have the Department of Telecom and you have various other agencies in the private and public sector doing this job. And, therefore, should optic fibre network be laid down on the railway land by the Railways? Then there is establishment and improvement of printing presses in Mumbai, Delhi, Kolkata and Chennai. Again, it is a non-essential activity. Printing function is something which can be outsourced. Next is construction of commercial structures on surplus land of printing presses. Next one—I think, it should be a note of caution for my friends in the Left Front—is taking over the Basumati Sahitya Mandir, a PSU of the West Bengal Government. Now there is a PSU, an agency of the West Bengal Government, called "Basumati Sahitya Mandir", which runs a small newspaper. It is now proposed, and now an offer is made, that the Railways are willing to take it over so that the Railways can run the newspaper "Basumati". Then come Establishment of 1,000-megawatt power-plant in a Tribal area and establishment of a training institution for young artisans and supervisors.

Sir, as I said, the basic function of the Railways is to provide us safety, to provide us comfort, to provide us efficiency and to join the entire country through a network of railways. What now seems to be happening is that the Railways are allowed to become a parallel Government. The Prime Minister must seriously examine, and, if necessary, the Attorney General's opinion should be sought, whether the desire of the Railways to transgress into all these areas is permissible within the domain of the Indian Railways. Is it a business or function which is incidental to the work of the Railways? Or, is it a gross Constitutional violation of "The Transaction of Business Rules"? The External Affairs Minister is here. He can't say, "My Ministry will now set up a power-plant because we seriously consider that we must transact power with Bangladesh". These are functions for which we have allocated Ministries and, therefore, the Railways, not becoming a parallel Government, must stick to its area of core responsibility, whether it is the economic viability or the social viability of the areas where the Railways are supposed to really function. I think, this is the issue on which the Government and, particularly, the Prime Minister will have to take a larger view.

Sir, I have gone through the Railway Budget and the speech of the hon. Railway Minister, and, I must, at this stage, compliment her—I say this with all sincerity – where she tried to be very candid about the true state of the Railways themselves. But there were three passages, when I read between the lines, which made me, I must confess, a little suspicious. In the last five years, we were being told how now the jersey cow is being milked; how now a bankrupt organisation has turned around. There were questions being raised and, therefore, lecturers were being organised all over the world as to how the turn around has come. But the present hon. Minister was very candid. Though she tried on the principle of responsibility of a Minister to be a little restrained, but there was a giveaway as far as her speech was concerned. At page 28 of her speech – here she refers to the

Interim Budget which Laluj presented—the Minister said, "I was surprised to find that there was a provision of Rs. 3,400 crores for resource mobilisation through PPP of which Rs. 3,300 crores would just not materialise." So the present Minister has inherited a legacy where there is an entry or a provision of Rs. 3,300 crores, but on the Minister's own admission, in the Interim Budget, the money does not exist.

Her next giveaway was at page 19, where she said, "Based on the review, it is very clear that the unrealistically high targets set in the Interim Budget are not sustainable and warrant a mid course correction." I compliment the hon. Minister for being more realistic.

Her third giveaway was obviously, as I have referred to, at page 37, where she said, "I would like to assure the House that the Railways will come out with a 'White Paper' indicating its present organisational, operational and financial status based on its performance in the last five years." Now I was curious. When there is a continuous Government which has got the second term, the UPA Government, why should the present Minister only concentrate on the financial status of the last five years? She did not concentrate on the phase when the NDA was in power. Why is it that the financial status of the last five years was under question? It is because we were told that there was a profit of Rs. 25,000 crores; we were told that the Railways had a cash surplus. But, Sir, truth has a very inconvenient and an uncanny habit that if you try and conceal it, the more you conceal it the more it leaks itself out.

After all, the speech of the hon. Minister is the final draft which is approved and which is delivered. There could be some last minute changes in the draft. Fortunately, for this country, the penultimate draft which was changed last minute was put on the website of the Railways. After being put on the website of the Railways, it was withdrawn because a wrong draft had been put. There was a curiosity raised as to what is the difference between the two speeches. I am sure this must be a *bona fide* lapse and not a conscious error. But the country became wiser because we realised that there was no cash surplus. The paragraph which was removed but which fortunately saw the light of the day, I would like to quote that. It says, "To fund our massive network expansion programmes, completion of capacity enhancement works, timely replacement of overage assets, planned expenditure has been sustained in the two years, 2008-09 and 2009-10 through draw down from our accumulated fund balances which may not be possible in future." Therefore, we are now told that in order to plan the expenditure there is no cash surplus that the Railways has from this Rs. 25,000 crores earning or from Rs. 9,000 crores, as we are now being told. You have to go back to your reserves and in order to plan the expansion you have to take away the money from the reserves. This is the real financial position as far as the Railways is concerned. Then we started analysing the accounts because the accounts of the Railways, as any other public expenditure, is approved by the other House.

So, the question, which legitimately arises, is; Why is the Minister saying that there must be a White Paper? Why is the Minister saying that Rs.3,300 crores is not traceable, that this money will never be realised? Why was this paragraph, that you have to eat into the reserves in order to plan the expansion, taken out? It is because the true picture of the reserves is that at the end of the year, you change the accounting system. There are several examples, which are now available, of how a jugglery of accounts of the Railways has been done in the last five years. One simple illustration is that there is a public sector organisation of the financial body, which they have called, the Indian Railways Finance Corporation. The Indian Railways Finance Corporation leases out the rolling assets of the Railways, say, the locomotives, the wagons, the coaches, etc., from the private sector, and pays them lease rental. Now this lease rental, which you pay for the use of the Railways, is always a legitimate expenditure of the Railways, and therefore, while drawing your accounts, it must go as a working expenditure of the Railways. For some curious reason, in the year, 2005, this ceased to be shown as the working expenditure of the Railways, and, it is put in the non-expenditure category, even though it is a lease rental being paid. So, Madam Minister, it is not merely that you will never be able to find out Rs.3,300 crores, the figures now are Rs.1,608 crores for the year 2007-08; Rs.1,810 crores for the year 2008-09 and Rs.2,209 crores for 2009-10. You add up these three figures and add-up your Rs.3,300 crores, you will straight away find that Rs.9,000-10,000 crores are missing. That is why the Railways had to then go back to their reserves to even fund their expansion, and this so-called existing profit was just not there. Now, this issue has been noticed by the CAG, and the CAG also, in its Report, comments on it. The CAG, in its Report, says: "According to the Railways, they are now considering charging capital component of IRFC's lease charges from the surplus after payment of dividend, However, for the year in question, the same has been booked as miscellaneous expenditure resulting in the net figure of the net miscellaneous expenditure." Now, it is taken out as far as the working expenditure is concerned. So, you have accounts being juggled in this manner. When we see the performance of the Railways, this is not the only area where a jugglery of this kind has taken place. For five years, this country has been misled not only on the question that the Railways have made a huge profit, but each one of us, every Indian, had an impression that for five years, the railway tariffs have not been increased as far as passenger fares are concerned. For five years, we are told, "किराए के अन्दर पांच साल हमने एक रुपया नहीं बढ़ने दिया।" And Parliament approves this expenditure. Parliament approves the Accounts. Then, we go and start analysing what it is that has happened. You announce it in the Budget. You announce it in your Budget speech that tariffs are not being increased. You go back and what do you do in the course of the year? I would just give you some illustrations. I would say that the Minister has, only partly, in a small manner, tried to correct one of those factors. There is a difference in tariff as far as passenger trains and super fast trains are concerned. If the train runs at a speed of 55 KMs or more, then, it is a super fast train.

Today you have 374 trains which runs at less than 55 KMs. Their speed is not increased, and they run at 40 or 45 KM or 50 KM speed.

So, they would be ordinary passenger trains. Their classification is changed as super-fast. As a result of which, every traveller there has to pay eight rupees more or fifty rupees more. The range is eight rupees to fifty rupees. The Parliament may have to seriously consider whether all these transgress into a breach of privilege of Parliament, when the Parliament is being told that we have not increased the tariffs, without increasing the speed of the train to beyond 55, you just re-designate the train into super-fast. That is not all. You start an inbuilt charge on reservations. How is the charge increased? You book your ticket from Chennai to Delhi and back. Every passenger has a return journey. He has to come back home. So, Chennai to Delhi, from your booking station, where you book the ticket, but when you re-board the train, from Delhi, way back to Chennai, you have re-boarded it back from a station other than where you booked the ticket. So, there is a surcharge on that. So, a return ticket would cost extra. But, this is not all. The Tatkal Scheme should be abolished immediately. This Tatkal Scheme is a living scandal. The Railways has a monopoly. There is no other agency which can provide you a train travel. In the Tatkal Scheme, the Government as a monopolist, first decided to create a scarcity of tickets. So, every time, a reservation has to be done, a certain part of the tickets are not available for sale. It would be 30 per cent, it could go up to even 50 per cent. So, when you hold back a number of tickets, an artificial scarcity is created. If an artificial scarcity is created, there will be various difficulties. Then, those tickets are released at the last minute, and how much you pay for that ticket? Especially, you pay for a sleeper Rs. 150 extra, for air-conditioned travel, you pay Rs.300 extra. Mamataji has now been kind enough to say that this Rs.150 will become Rs.100. And this continues. And, Parliament for five years has been misled and being told that not a single rupee fare has been increased in five years, 'Look how I turned Railways around; how we turned the Railways around without increasing the fare. The CAG went into this question, and the CAG now says, "In the Budget Speech the Railway Minister announced that there would be no increase in the passenger fare during year 2005-06. However, various components of passenger fare, other than basic fares, such as reservation charges, super-fast charges, cancellation charges, clerkage charges were all revised." And, therefore, you saw a massive increase in the burden on the traveller. But, the country was being misled that 'no, we have not changed it, we have not charged more'. This, Sir, has now really become a matter where, as I said, the debate that the hon. Minister has launched in this Budget is, economic viability *versus* social viability. But, then, there is a second issue also. Does Indian Railways require to be saved from the politics of the Railway Minister? This is the experience of the Indian society. Your accounts do not reflect the true position, you want to transgress into areas which do not belong to the Railways. You tell the whole country that tariffs are not being increased and passenger fares are not being

increased, and the Railway Budget is an occasion of great festivity, it is an occasion to announce various kinds of schemes. Let us see what seems to have happened. The present Railway Minister, this is her second innings as the hon. Minister of the Railways. She has presented two Budgets earlier. We know that. What does the present Budget say? 'How do we exploit the railway land, how do we modernise stations, how do we create an optic fibre network, how do we create budget hotels?' I just glanced through what Ministers have been saying for the last six-seven years in each Budget. This goes on irrespective of the Government in power. 2000-01 was the present Railway Minister's Budget. 'Railways shall set to participate in the IT revolution, the nationwide broadband telecom, multimedia network by laying optic fibre, 'In 2001-02, it is said, 'Rs. 750 crores earmarked for optic fibre network' I could understand that when we still were on the initial stages of the IT revolution. Between 2000-01 and 2009-10, there are private agencies, Department of Telecommunications, Defence and various other agencies. There is a huge optic fibre network which has been established in the country.

Now, let us come to the 2004 Budget. Laluji presented his first Budget. He says, 'These are the facilities which I am going to provide at every railway station. Such works shall be in progress at 1100 stations.' So, in 2004-05, we are told by Laluji that we will have modernisation of 1100 stations. Sir, most of us have been travelling by train since our childhoods. Let us honestly ask ourselves a question: On the railway stations, have we seen any improvement since we first travelled? Are the waiting rooms better? Are the toilets better? Are the food facilities better? In 2004, we are told, 'Let us have modernisation as far as the railway stations are concerned.' In 2005-06, they said, 'Several public-private partnership initiatives are being taken to garner resources through non-traditional methods of our modernisation and development of railways and to provide enhanced facilities for users. Prominent amongst them are private sidings, commercial utilisation of surplus railway land for construction of modern railway stations, provision of passenger amenities, logistical parks, initiatives relating to parcel and optic fibre network,'

I think, these have now become templates as far as the railways is concerned Modernisation of stations, optic fibre network and construction of budget hotels, and we forget what is the core purpose as far as the railways is concerned! In 2006-07, it is said, To modernise passenger amenities, we have decided to make A & B category stations into modern stations. All these facilities will be available in the next two years, Not one station has been changed! In 2007-08, the Parliament is told, 'I am now setting up a deadline. Last year, I had announced that within two years we will observe perceptible improvement and give a facelift to the stations. According to this announcement, we have started the work on developing five railway stations as model stations in each division. This work is going to be completed on 225 stations by March, 2007,' March, 2007 is over two-and-a-half years ago. Forget 225 stations. We are yet to see even one modern world quality station which is coming up!



Sir, there has to be some look at the big picture as far as the railways is concerned. Is the Railway Budget only, as I said, an occasion for politicking and expansion of politics as far as the Railways Minister is concerned? Or, is the Railway Budget actually going into the details of how the railway structure in this country is to be improved? Sir, there can be no doubt that we criticise the British on various counts. We can legitimately criticise them that they ignored the roadways completely. But the Indian Railways was essentially constructed by the British during the British period. At times I wonder, even though we resent them for having ruled us, that if the British have ignored the railways like they have ignored the roadways, what would we have done in the last 62 years! The British left us behind a track lane of 55596 kms, in 62 years today we are 63,940 kms. In the last ten years we have added 250 kms. ...*(Interruptions)*... The number of locomotives, of course, today the capacity is much better – is 8330, while the British left us 8290. Passenger coaches have gone up from about 13,000 to about 40,000. But the wagons, – what Ram Gopalji was saying, is broadly the same, he is only partly incorrect, – from 205596 it has come down to 204034. So, the number of wagons is numerically less, the capacity of wagon may be more because of the size. Now, if we recollect from the period when the British left us, this is the core area, as far as railway is concerned. The Prime Minister has made a statement after the hon. Minister presented the budget that the Government's honest desire, he said, is to make a railway travel an enjoyable journey. World over this is the experience. You save time when you travel by railway, you see the beautiful countryside, the time efficiencies are there, cleanliness is there and that is what the hon. Prime Minister had in mind when he said that let us make railway an enjoyable journey. What did we do? From the time, the British left us, what we ignored completely was the safety as far as the Indian Railways is concerned. And it is not merely safety, Sir, it is also the economic efficiency and viability of the railway that we ignored. My friend, Rajeev Shukla, just now said, whether this period of 62 years include our five or six years. Yes, it does. But then there was one major change that came in that period. We must broadly understand how the economy of the railway functions. Whether a train has eight coaches, it has ten wagons, or it has twenty of twenty-five wagons, railway is one industry where the fixed cost broadly remains the same. The locomotive running expenditure will be the same, the track is the property of the railways, the stations are the property of railways, the staff broadly would be same, they are being paid salaries by the railways. Therefore, if you run a small train or a lighter train, the possibility of the railways having losses would be far higher. Therefore, underlying principle globally, as far as railway is concerned, is that if you have a goods train of 12 wagons, in all possibility the fixed cost will not be recovered. The fixed cost will remain the same but if you have a 24 wagons train, you are now having a longer train and in a longer train you will be able to carry more, and, therefore, you have a larger profitability. But will your track be able to take the weight of that longer train? The reasons why we were suffering losses were three. Our trains were shorter as far as their length was concerned, our trains were lighter, they could not be loaded to their

full capacity and therefore we had to even have slower trains with longer turnaround times. So, you have the asset of the railways but because we did not make any investment into strengthening the infrastructure that the British left us, the railways took to suffer because we were running 12 coaches or 12 wagon trains, smaller trains. And then came during the NDA Government, when Mr. Nitish Kumar was the Railway Minister, he made a public issue out of it that the railway would turn bankrupt, the trains would not be able to carry enough load, the trains smaller in size would never be able to commercially viable, therefore, from the planned expenditure in railways internal accruals, 'please, support the railway safety programme.' And, the then, Government headed by Shri Vajpayee sanctioned Rs. 17,000 crores as a special Railway Safety Fund. I must admit that Lalaji in one of his speeches has referred to it in a very correct manner saying how in all those Railway features this fund helped. This Rs. 17000 crore fund is used to strengthen the railway track and the result of this strengthening is that from 2003-2004 with better signalling and with better railway track, the Railways were supposed to have longer trains. So, you started having 24 coaches or boggies or wagon trains. When Lalaji became the Minister, it is because of that turning point he was also to have a large axle load and, therefore, the three buzz words were, longer trains, heavier trains and faster turn around and suddenly you started having a lot more earnings as far as freight is concerned. Sir, the Railways today – and, I am sure the hon. Minister has an earlier experience would bear with me – functions on two economic principles. The first being, unless your freight is commercially competitive you will lose out on the freight because the freight would move to the roadways. Now, we have the National Highways coming up. So, if you make it unreasonably priced people will start travelling by road. So, it must be market driven and the freight must be at a reasonable level. At the same time, the utilisation of the Railways' assets must be to the optimum. The track, the stations, the facilities came and this turn around came with the safety fund during the tenure of Shri Nitish Kumar when he campaigned across the country and wanted that fund and that fund finally showed dividend and the Railways turned around. So, you had a whole complexion being changed. Now, Sir, the second principle is, the passengers never pay the full fare of what it costs the Railways. The passengers are subsidised from the freight earnings. So, your freight has to be market-wise competitive with the Roadways, but, at the same time it has to earn you enough so that you are able to subsidise the passengers. Now, the Railways has functioned under this principle. Having functioned under this principle, Madam, if the mandate of the Prime Minister is to be followed, and, I do believe that the Prime Minister is right when he says that this must be followed, some basic questions will come up. How do you make the Prime Minister say, 'the Rail Budget will make train travel an enjoyable experience'? If you have unclean toilets at the Railway Stations or in the compartments, if the food is sub-standard, if the linen being served to the passengers is not properly maintained, if there are not resting places as far as the stations are concerned, I think, time has now

come to think in terms of the future and when you think in terms of the future, I think, there are two important considerations the hon. Minister must at least consider for the purposes of at least a pilot project or initiating a debate in the society. I am not saying for a moment that these are things which must be done forthwith because unless we have an experience of how it works in this Indian context there is no point in getting into those areas. The Railways has two basic functions. Its operation, safety, ownership are broad operations of the Railways. The second is the management of the hospitality as far as passengers are concerned. Now, are Railways the best managers of that hospitality? I am told that the Railways in relation to two trains are starting it as a pilot project, the Delhi-Bangalore Rajdhani and perhaps another train. The Minister should share with the House at some stage what is the experience in these pilot projects taking even outside help as far as hospitality is concerned, the maintenance of cleanliness, the maintenance of waiting room, toilets etc. Even the present arrangement of food management through the catering organization of the Railways through private contractors has led to a huge amount of cartelisation. You have a limited number of people who have set up companies by different names, who have cartelised and are managing the entire service.

The hon. Minister has a daunting task ahead of her to crack these cartels. Therefore, outsourcing some of these hospitality functions is to be looked into seriously. After all, Sir, the airlines which cater to a little better or superior class of passengers gets its food from outside. The airlines do not know about the food management in aircraft. So, the world-over it is done from outside. Sir, worldwide the train hospitality is done from outside. Is it feasible for the Indian society? Therefore, we must seriously consider this particular experiment.

Secondly, the Railways has huge assets in the form of land, I think, we in India has a phobia that when we see land we think in terms of commercialising it. Railways has a huge chunks of land. I am not referring to commercialisation of that land at the moment. In today's environment how much will the hon. Minister be able to commercialise that land, even though she has announced ambitious projects, I have serious doubts. Sir, the most expensive piece of land that the Railways has is the New Delhi Railway Station. It has 253 acres of land. This land is contiguous to Connaught Place. It has Ajmeri Gate one side, Pahar Gunj and Sadar Bazar on the other side. Perhaps, a valuable 253 acres of land, next to Connaught Place, where additional FAR or FSI available, would not be existing anywhere in the country. When the Railways came out with a big tender for PPP, in today's environment of economic gloom, not a single bidder has come. If not even a single bidder has come for a piece of land contiguous to Connaught Place, what do we expect for Railway lands in other parts of the country to be developed. So, let us stop this obsession of Railway land would be sold, Malls would constructed, hotels would be built on land, etc. It is not the function of the Railways. Its function is to provide facilities. You have asset in the form of railway stations, you have assets in the

form of railway track and you have asset in the form of a well-trained Railway staff. Sir, even in England, when Mrs. Thatcher started privatising various sector, and when it came to Railways, she was faced with a blank. Therefore, the British Government also could not do it. For a number of years, the British Railways remains the same and it remains the same. Sir, what some of the countries have started doing is, fix route trains, intercity trains with special facilities for passengers who can afford it. This will reduce the load on your normal trains. Can we use the PPP model in those? The existing operations are entirely with the Railways. Can we use these existing assets of the Railways in highly crowded travel areas in intercity, etc.? Jobs in future will go from one small town to another. So, people will travel from suburbs to the main cities. So, can we use, where we do not have the Railway funds or the Governmental funds available, this model for that? This model has been experimented internationally. And, I would urge the hon. Minister to seriously look at this area.

One last point I wish to make. We have said that the Indian Railways was built in the pre-Independence period. I think, there is one basic area, when we are so obsessed with modernisation, PPP, tendering for railway line, commercial exploitation of land, we have ignored. Sir, world-over, the architecture for Railways has changed. You enter a railway station and you stand in front of various platforms. You can easily move to anyone of them. In India, when you enter into a railway station, you either enter into the first platform or the last platform. Old age people, disabled people, women, porters carrying bags-and-bags have then to climb the stairs, go over to some other platform and come down. This kind of plight of porters and others is heartening. In a modern age when we speak in term of human rights, etc., if some agency went into it seriously, it would be frowned upon. Therefore, I think, and it is my last suggestion to the hon. Minister, to start seriously reconsidering the architecture of our railway stations. The world over, architecture of railway stations is consumer and passenger-friendly. You don't have to climb stairs there. Except the younger population in India, there is a very large section of people who have difficulty in climbing stairs as facilities of escalators and lifts are not available. Therefore, I think, a time has come to seriously - it is an elementary change that must be experimented on some stations - think about the architecture of the railway stations.

Sir, finally I would like to conclude by saying that the hon. Minister has come into this department after almost 7 or 8 years. But there is a legacy behind. And, the legacy is that while there was propaganda of great achievement, the ground reality shows that she is in a squeeze as far as capital is concerned. The ground reality shows that the efficiency is not what it used to be. The operational ratio, we are told, is coming down to 78 per cent, it is over 92 per cent, projected for this year. Even when Mr. Nitish Kumar started turning around the Railways, when he left, it was 91 per cent. Therefore, today, we are worse off, despite all these track strengthening, than we were even at that

time. She has inherited a tariff structure that was deliberately altered against the interest of the consumer, while propagating that they have not done it. She has inherited the accounts that don't reflect the honest picture. Therefore, my earnest appeal to her would be to please concentrate on these core areas of railways – how does railways earn its profits by providing freight services effectively, while competing with the roadways; how does it translate that profit into passenger amenities; how do you make railways an enjoyable experience. I think, if there is some printing work, it can be outsourced. The Railways do not need to own printing presses. The Railways do not need to own hotels, after all the market will decide as to which are the costly hotels and which are the budget hotels, as far as the private sector is concerned. The world over, hospitalities are managed by the private sector. They are much better managers of hospitalities than the Railways are. The Railways ought not to get into medical colleges. If you get into medical colleges, because you have 17 hospitals, the first requirement will be that you need to have 25 acres of land contiguous to a hospital. If you don't have 25 acres of land contiguous to a hospital, the Medical Council is not allowing you a medical college, the Health Ministry will not allow it. Therefore, rather than getting into these extraneous areas, having inherited a difficult legacy, if you concentrate on the core areas of the Railways' responsibility, I am sure you will, perhaps, do much better. Thank you, Sir.

THE MINISTER OF RAILWAYS (KUMARI MAMATA BANERJEE): The Railways have 14 lakh employees. We are proud of that. We have to provide some amenities also to our staff. That's why it is not the parallel organization of the Government of India. It is not at all. But we have our own institutions; we have our own hospitals. The medical colleges will be set up with their own hospitals on the land attached with them. We are not going to purchase land for that purpose. The land is available adjacent to the hospitals. So far as public-private partnership is concerned, fifty per cent will be sons and daughters of the railway employees. ...*(Interruptions)*... Please let me clarify. It is a very vital point. I listened to him very carefully. In the fifty per cent, the railway employees, their sons and daughters will get the medical opportunity and fifty per cent will be for the outsiders. Because of public-private partnership, it has to facilitate the employees, their sons and daughters. That comes in the amenities and facilities for the staff and nothing else.

MR. DEPUTY CHAIRMAN: Now, the statement by the Minister of External Affairs.

-----

## STATEMENT BY MINISTER

### First Anniversary of the Attack on Indian Embassy in Kabul on 7th July, 2008

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S.M. KRISHNA): Mr. Deputy Chairman, I would like to make a statement.

Today is a year since the terrorist attack on our Embassy in Kabul in Afghanistan. A number of our Embassy personnel and a large number of Afghan nationals lost their lives in the attack on a diplomatic premise. We recall their sacrifice with a sense of grief as also to reiterate our commitment