

Major restructuring of Railways on anvil

Panel recommends private participation; winding up of CORE, COFMOW; merger of RVNL with IRCON

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The Indian Railways, the country's largest employer and transporter, is heading for a major restructuring plan that could lead to the closure of key establishments, merger of decades-old organisations and private participation in running of its schools and hospitals.

The recommendations of the Principal Economic Adviser Sanjeev Sanyal for Rationalisation of Government Bodies and Proposal for the Ministry of Railways calls for winding up the Central Organisation for Railway Electrification (CORE), the Central Organisation for Modernisation Of Workshops (COFMOW), the Centre for Railway Information Systems (CRIS) and the Indian Railways Organisation for Alternative Fuel (already closed on September 7, 2021).

While railway officials were of the view that the recommendations would be taken up for further discussion, the closure of the IROAF has sent out a signal that the proposal could be implemented partly or wholly in due course of time. Last week, the Cabinet Secretariat, Rashtrapati Bhavan, wrote to the Chairman and Chief Executive Officer, Railway Board, calling for monthly reports to intimate the action taken on the rationalisation plan, official sources told *The Hindu* on



Way ahead: The panel recommended winding up of CRIS and handing over all its work to IRCTC. ■ MURALI KUMAR K.

Friday. In what could be a major coming together of organisations working on the Information Technology platform, the panel recommended winding up of the CRIS, an autonomous society that develops software capacity in the railways that includes passenger ticketing, freight invoicing, passenger train operations, management of train crew and management of fixed/rolling assets, and handing over all its work to the Indian Railway Catering and Tourism Corporation (IRCTC).

Going by the plan, RailTel, one of the largest telecom infrastructure providers in the country that focuses on modernising operations and safety systems through optic fibre networks that exist along railway tracks, would be merged with the IRCTC.

It has been proposed for

the Rail India Technical and Economic Service (RITES) that exports rolling stock to take over Braithwaite & Co Ltd., (BCL) which turned sick in 1992, the sources said.

Among other recommendations were the merger of the Rail Vikas Nigam Ltd. (RVNL), which implements projects relating to creation and augmentation of railway infrastructure, with the Indian Railway Construction Limited (IRCON), a specialised infrastructure construction organisation.

The panel said both the RVNL and the IRCON had similar functions and hence could be merged.

Merger of schools

The Principal Economic Adviser recommended merger of railway schools with Kendriya Vidyalayas or handing them over to the respective

State governments since "operating the railway schools takes up a large amount of time of the railway management, whose core competence is in running and maintaining the railway service".

Justifying the move, the proposal noted that of the 7.99 lakh children of railway employees in the 4-18 age group, less than 2% were enrolled in railway schools. As of 2019, of the total 33,212 students enrolled in 94 schools, only 15,399 were railway wards.

Factories under CPSE

Another major reform recommended was to establish Central Public Sector Enterprises to bring eight production units under its fold. This would mean that the assets, infrastructure and employees of three coach factories – Integral Coach Facto-

ry, Chennai; Rail Coach Factory, Kapurthala; Modern Coach Factory, Rae-Bareli; three locomotive manufacturing units - Chittaranjan Locomotive Works, Chittaranjan; Diesel Locomotive Works, Varanasi; Diesel Loco Modernisation Works, Patiala and two Rail Wheel Units at Yelahanka (Bengaluru) and Bela (Bihar), would be transferred to the proposed CPSE.

Merger of the Central Training Institutes with the National Rail and Transportation Institute after upgrading the latter into a Central University and an Institute of National Importance, roping in private participation for investments to enhance healthcare facilities open to all in the 125 railway hospitals and 586 health units/polyclinics was also proposed, the sources added.