

## Cabinet approves transformational Organisational Restructuring of Indian Railways

Unification of the existing eight Group A services of the Railways into a Central Service called Indian Railway Management Service (IRMS)

Unification of services will end 'departmentalism', promote smooth working of Railways, expedite decision making, create a coherent vision for organisation and promote rational decision making

Railway board will no longer be organised on departmental lines, and replaced with a leaner structure organised on functional lines

Railway Board to be headed by Chairman Railway Board (CRB) who will be the Chief Executive Officer (CEO) with 4 Members and some Independent Members

Unification of services has been recommended by various committees for reforming Railways

Reforms undertaken with overwhelming support and

# consensus of Railway officers, at a two-day conference "Parivartan Sangoshthi" held on 7th &8th December, 2019

The modalities and unification of the services will be worked out in consultation with DoPT and the approval of Alternate Mechanism appointed by Cabinet in order to ensure fairness and transparency

Posted On: 24 DEC 2019 4:21PM by PIB Delhi

The Union Cabinet chaired by Prime Minister Narendra Modi has approved a transformational organisational restructuring of the Indian Railways. This historic reform will go a long way in achieving Government's vision of making Indian Railways the growth engine of India's vikas yatra.

The reforms include:

- i. Unification of the existing eight Group A services of the Railways into a Central Service called Indian Railway Management Service (/RMS)
- ii. Re-organisation of Railway Board on functional lines headed by CRB with four Members and some Independent Members
- iii. The existing service of Indian Railway Medical Service (IRMS) to be consequently renamed as Indian Railway Health Service (IRHS)

**Railways has an ambitious programme to modernise and provide the highest standards of safety, speed and services to the passengers with a proposed investment of Rs. 50 lakh crore over the next 12 years.** This requires speed and scale, and a unified, agile organisation to work single-mindedly on this task and capable of responding to challenges. Today's reforms are in a series of reforms that have been undertaken under the present Government including merger of Rail Budget with Union Budget, delegation of powers to empower GMs and field officers, allowing competitive operators to run trains etc.

**To meet next level challenges and deal with various existing difficulties there was a need to take this step.** Unlike Railway systems the world over, which have been corporatized, Indian Railways is managed by the Government directly. It is organised into various departments such as Traffic, Civil, Mechanical, Electrical, Signal & Telecom, Stores, Personnel, and Accounts etc. These departments are vertically separated from top to bottom and are headed by a Secretary level officer (Member] in the Railway Board. This organization of the department runs deep down to the grassroots level of the Railways. Unification of services will end this '**departmentalism**', **promote smooth working of Railways, expedite decision making, create a coherent vision**

**for organisation and promote rational decision making.**

**Unification of services has been recommended by various committees for reforming Railways including** - the Prakash Tandon Committee (1994), Rakesh Mohan Committee (2001), Sam Pitroda Committee (2012) and Bibek Debroy Committee (2015).

This reform has been undertaken with the **overwhelming support and consensus of Railway officers**, at a two-day conference "Parivartan Sangoshthi" held in Delhi on 7th and 8th December, 2019. To act on this sentiment, and create confidence in Railway officers that their suggestions are valued, **Railway Board held an Extraordinary meeting of the Board during the conference on 8th December, 2019 itself, and recommended a number of reforms including the ones mentioned.**

It is now proposed to create a unified Group A' service called "Indian Railways Management Service" (IRMS) from the next recruitment cycle. Creation of the new service will be done in consultation with DoPT and UPSC to facilitate recruitment in the next recruitment year. It will enable Railways to recruit engineers/non-engineers as per need, and offer equality of opportunity to both categories in career progression. The modalities and unification of the services will be worked out by the Ministry of Railways in consultation with DoPT with the approval of **Alternate Mechanism to be appointed by Cabinet in order to ensure fairness and transparency. The process shall be completed within a year.**

The newly recruited officers will come from Engineering and non-Engineering disciplines as per need and posted as per their aptitude and specialisation to allow them to specialise in one field, develop an overall perspective, and prepare them to take up general management responsibilities at senior levels. Selection for the general management positions shall be through a merit-based system.

**Railway board will no longer be organised on departmental lines, and replaced with a leaner structure organised on functional lines.** It will have a Chairman, who will act as 'Chief Executive Officer (CEO)' along with 4 Members responsible for Infrastructure, Operations & Business Development, Rolling Stock and Finance respectively. The Chairman shall be the cadre controlling officer responsible for Human resources (HR) with assistance from a DG (HR). 3 Apex level posts shall be surrendered from Railway Board and all the remaining posts of the Railway Board shall be open to all officers regardless of the service to which they belonged. The Board will also have some independent Members (the number to be decided by competent authority from time to time), who will be highly distinguished professionals with deep knowledge and 30 years of experience including at the top levels in industry, finance, economics and management fields. The Independent Members will help Railway Board in setting a strategic direction. The restructured Board will start functioning after approval of the Board taking due care to ensure that officers are posted in the restructured Board or adjusted in the same pay and rank till their retirement.

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(Release ID: 1597352)