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# THE ROLE OF INDIAN RAILWAYS IN ECONOMIC UPLIFTMENT: A STUDY OF GOVERNMENT ADMINISTRATION AND BENEFITS

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#### **ABSTRACT**

In India, a large number of the people belongs to economically backward sections in the society. Their Economic condition is not suitable to afford the expensive things (like airways). They used different types of transportation to reach their destination. Because of their convenience of travelling and the travelling cost. The Indian Railways is fully managed by the Government of India and they always work to serve better and to help the people from economically backward sections. The process could be in the action by the Government of India for the introduction of trains, and introduce different kinds of schemes etc. to benefit the backward section. This paper analysis the administration of Indian Railways and in which way does it benefit to the Indian economically backward sections.

Index Information: Denationalization (Transfer of management from pubic to private), Benefits (Indian Railways), government administration, Indian railways.

#### I. INTRODUCTION

Railways are important transportation and developed in India from 1850. The Indian railway has the responsibility of the society from the development of the infrastructure. In the vision of the country economy, Indian Railways play a vital role in increasing the trade and integrating markets. The Domestic and International economic indicators creates the construction of railways routes and less in rotation for the number of vehicle to the many destinations. In political view, Railways shaped the financial conditions based on the colonial government and the states under prince. The different types of political institutions of India made the policy and administration in the Railways and it also well service through the Indian railways. In twentieth century, The Indian railways became a developed after the independence and democracy.

This Articles discusses about the development and the organization of the Indian railways and strong administration by the government of

India in the ongoing day, the effect of management and policies and the role of railways on Indian economy and in which way those benefits the economically backward sections. Were different kinds of methods that are made to make the analysis more understanding. First, the government of India management had the powerful and administration on the railways from the commencement and the play the government is more. Government of India has the control over making all decisions regarding the charges of the travel and other activities in railways. The Railways Ministry in many ways tried to keep the railways to be in the destination on time to help the people. Because of large number of people in the society economic situation they cannot spend more on travelling in other transportation such as flight due to the high charges. The railways ministry every time provide great services for people at suitable charges. The Indian railway is wider and that is the main motive that people can



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easily get to any destination within India by trains.

#### II. AIM

This paper aims to analysis the administration of Indian Railways and in which way does the economically backward sections benefits. This study will assist the people of India to know how it helps them from economically backward sections in India.

#### **III. REVIEW OF LITERATURE**

- 1. Andrabi, T. and Michael K. (2010), 70 (2): 351-377. )."Railways and Price Convergence in British India." The Journal of Economic History, Vol. 70, No. 2 (JUNE 2010), pp. 351-377. Railways and Price Convergence in British India Tahir Andrabi and Michael Kuehlwein The period 1861 to 1920 witnessed sharp price convergence in British Indian grain markets. Previous research attributed this to the construction of railways.
- 2. gart, D and Chaudhary, L. (2012)."Engines of Growth: The Productivity Advance of Indian Railways before World War I" Working Paper. The Journal of Economic History, Vol. 73, No. 2 (JUNE 2013), pp. 339-370 Railways were integral to the development of the Indian economy before World War I. This article presents new estimates of total factor productivity (TFP) for railways from 1874 to 1912, which highlight the strong performance of this key industrial sector. Railway-industry TFP growth was substantial averaging 2.3 percent per year and generating a 2.7 percent social savings for the Indian economy.
- Bogart, D. (2009). "Nationalizations and the Development of Transport Systems: Cross-Country Evidence from Railroad Networks, 1860-1912." Journal of Economic History 69 (2): 202-237. This article uses new cross-country data to examine which factors contributed nationalizations and how nationalizations influenced network expansion. I find evidence that nationalizations were greater in countries with lowconstraints on the executive branch, with French and German civil law systems,and where neighboring countries had higher military

capability. I also findevidence that nationalizations reduced mileage growth

- 4. Derbyshire, I. (2007). "Private and State Enterprise: Financing and Managing the Railways of Colonial North India, 1859–1914." In 27 Down: New Departures in Indian Railway Studies, ed. Ian Kerr. New Delhi: Orient Longman. Railways had higher TFP growth than most sectors in India and compared favorably with TFP growth in other countries. The Indian economy experienced low productivity growth for much of the late nineteenth and twentieth century up to independence in 1947.
- 5. Eichengreen, B. (1995). "Financing Infrastructure in Developing Countries: Lessons from the Railway Age." The World Bank Research Observer, 10 (1): 75-91. Barry Eichengreen In recent years suggestions for reforming the provision and financing of infrastructure services in developing countries have focused on private par-ticipation.

#### IV. DEVELOPMENT OF INDIAN RAILWAYS

Earlier, the development of railways in India, the transportation system was very poor in India. To travel people, use road and sea transports. There were less in road route and that was not maintained well in olden days. Many of the work stopped during rainy days. transportation was also less in numbers, the Ganga and Indus river systems. transportation charges were very higher in the traction method. So, Passengers faces lot of There were very less problems from this. people who can afford to travel in private which affect poor people, the transportation charges affect the trade of the India. Because of the limited facility in the transportation. Grand Trunk Road was the main Peshawar. High cost of transportation affect the economy growth of the country. The limited transportation affects the export of high value goods to other country and the Indian economic. So, it affects the export and import between countries.

The railways developed in India by mercantile firms of London and Manchester with trading worries in India. The main motive is to develop



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the Indian railways to maintain low charges in the transportation which allows to trade of cotton easily from India. After that the trade in India can be smooth to import products which is manufactured in British to grow the Indian economy. The main focus of The East India Company and railways promoters, is not much about on the passenger travelling during that period and focus the goods transportation. The East India Company was not effective in development of railway network process. But, when the British Crown took the control over the development during 1858 was effective.

In 1953, First passengers line railways were introduced between Bombay and Thane. After that in main cities also made connections during 1854 and 1856. In nineteenth century, the Indian railway network was developed in the year 1880s and 1890s. The route mileage in 1880 is 9,308 km and increased in 24,752 km in the year 1890. The average annual growth of railways network was about 7.5%. The development slowed at the end of twentieth century. Even, the private companies developed the Government of India determined the routes.

# V. ORGANIZATION OF RAILWAYS NETWORK IN INDIA

The Indian railways involved in the private British companies for the construction and There are four types management. organization in Indian railways. In first way, the private British companies create the boundaries and managed by the public financial institution. In the second way, the administration and construction of the railways managed by the government. The third way, Earlier 1880s the limited liability partnership has been formed between government of India as the ownership and the private companies which are formerly involved in developing the network. In final phrase, Government of India undergoes with the railways activities in India during 1924.

# VI. ADMINISTRATION OF INDIA RAILWAYS NETWORK IN INDIA

Railways in India are administered by the Railway Ministry of Central Government. There are eleven public undertakings under the administrative body of Railways Ministry of India.

#### A. Bharat Wagon and Engineering:

Firstly, Bharat Wagon and Engineering was formed. This is a public sector undertaking by the Government of India and this is a subsidiary of Bharat Bhari Udyog Nigam. It was established during the year 1987 and this is first largest rail wagon manufacturer in India. The company has three manufacturing plants in Bihar.

## B. Titagarh Rail Systems Limited (TRSL):-

The Titagarh's Headquartered in Kolkata, India, Titagrah Rail Systems Limited is a current leading railway rolling stock manufacturer. Established as a rolling stock foundry unit in the 1980's Titagrah started its journey by producing railway casting such as bogies and couplers for the Indian railways. In 1997, when Titagrah proudly manufactured its first railway freight This accomplishment set a high wagon. standard for out future endeavours and paved the way for us to become a leading force in the Indian market. In 2015, a major turning point occurred when Titagarh acquired a 100% stake in Titagarh Firema Spa, an esteemed Italian company known for manufacturing paseenger rolling stock.

#### C. JUPITER WAGONS LTD:-

A manufacture of railway wagons, coaches, wagon components, and castings. Jupiter Wagons has secured orders worth Rs.22 billion from the government and private sectors.

#### D. CONTAINER CORPORATION OF INDIA LTD:

Container Corporation of India Ltd is a public sector undertaking by the Indian Railways. It was introduced for the development of logistics and it provides cost effective trades from different states. It was commenced during the



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year 1988 by taking over seven inland container depots from the Indian Railways. The main aim of Concor is based on three different activities like containers unloading, stored in warehouse and transfer of freight.

# E. FREIGHT CORRIDOR CORPORATION OF INDIA:

The dedicated Freight Corridor Corporation of India is one of the undertakings by Indian Government to develop in the infrastructure and in the logistics field of Indian railways and they formed the delegated freight corridor corporation in the tenth five-year plan, It works on the development in the railways infrastructure, logistics, capacity and operations. It helps in economic growth of India by freight transportation.

# F. INDIAN RAILWAY CATERING AND TOURISM CORPORATION:

Indian Railway Catering and Tourism Corporation is a undertaking of Indian Railways and their main business theme is to maintain the catering, online ticketing and tourism of Indian Railways. IRCTC changes the ticketing system in India. IRCTC introduced the facility of online ticketing through the website. Before, passengers have to stand in a long queue to get their tickets to travel the destination. But, **IRCTC** developed the service that the passengers can get their tickets by entering the details in the phone or laptop. IRCTC is also in charge for the catering services of trains such as Rajdhani Express, Duronto Express, Maitree Express.

# G. KONKAN RAILWAYS:Konkan Railways is a division of the Indian railways and the railway network that runs along with the konkan coast in india. The route is quite popular from the day they started their operations. It connects Thokar, near Mangalore to Roha in Maharashtra via Goa.

#### H. RAIL VIKAS NIGAM LIMITED (RVNL):

Rail Vikas Nigam Limited is an another subsidiary of indian railways and their main task

is to build engineering works that are required for Indian railways.

# I. RAIL INDIA TECHNICAL AND ECONOMIC SERVICES LIMITED (RITES):

RITES is an engineering consultancy firm and they are specialized in transport infrastructure. The Company was established in the year 1974 by the Indian government and their intial aim is to provide consultancy services in rail transport in india. They are now involved in planning and consulting services with Indian Railways.

# J. MUMBAI RAILWAYS VIKAS CORPORATION (MRVC):

This is an subsidiary of Indian Railways and they work for the welfare of the people and in **the development of Mumbai railways system.** 

# K. INDIAN RAILWAY FINANCE CORPORATION LIMITED:

It is a finance of Indian railways and their aim is to raise fund to the development of the Indian Railways.

# VII. Role of Indian Government in public welfare are:

#### A. INTRODUCING SPECIAL TRAINS:

Many new trains have been started to help the economically backward people GaribRath and many other express trains. The fares of these trains are lower than the ordinary fare and they can have all sorts of comfort in these trains. The trains are fully air conditioned and all facilities are provided by the ministry of railways the passengers. economically backward people can travel comfortably in these trains. Apart from that, many Duronto Express trains have been started by the Indian railways and these trains will not stop in any of the station between the origin station and destination station. The travel time of these trains are quite less than other trains. There are Ac coaches as well as Non-Ac coaches where economically backward people can travel comfortably.

#### B. INTRODUCTION OF VARIOUS SCHEMES:

The Indian government has designed various schemes for the economically backward people. In such scheme, the people can travel at very cheap rate. Weekly, Monthly and



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Quarterly tickets are also available for the passengers and through these, the passengers can travel at much lesser cost compared to the normal fare. This facility is given to the passengers who travel in the government bus in very few cities but everyone in india can avail the scheme. This is really helpful for the daily passengers who travel in train to go for their offices and colleges. The school students and college students also get various types of discounts in their train fare and it helps them to save huge amount of money. So, the Indian Railways administrative body helped a lot to everyone who travels in trains, especially for the economically backward section of the society.

#### C. PROVISION OF DIFFERENT CLASSES:

For long distance express trains, there are five different classes accommodation. Second class are the most preferred accommodation types of economically backward classes section of the society. This is because the fare of the second class and sleeper are quite nominal compared to the AC fares and anybody from the economically backward section can afford the fares.

## D. BETTER CONNECTIVITY COMPARED TO FLIGHTS:

There are number of companies who operates domestic flight service in india but due to high passenger tax and other taxes, the flight fares have become qiute high and it is not possible for the middle and lower income people to avail the flights. So, people prefer travelling on trains. Another benefit of trains is that the cities as well as the rural areas of india whereas flights connect only in the major cities.

# E. Comparision between facilities of Railway Station and Airports

1. The Rise of Airport Amenities:- Airports have become more than just transit points; they're now hubs of comfort and convenience. Many travelers prefer flying due to the luxurious amenities offered at airports.

Question: What are some of the key amenities that make airports attractive to travelers?

Airports offer a wide range of facilities, including:

Complimentary food and beverages.

- A variety of alcoholic drinks.
- > High-speed Wi-Fi.
- Shower facilities in some locations.

These amenities help passengers relax and make productive use of their waiting time, enhancing the overall travel experience.

2. Railways' Plan to Compete:- The railway sector is not sitting idle. It's planning a major overhaul to compete with the aviation industry.

Question: What is the government's plan to upgrade railway stations?

In August, Prime Minister Narendra Modi initiated a massive project to redevelop 508 railway stations across India. This ambitious plan, known as the Amrit Bharat Station Scheme, has a budget exceeding Rs 24,470 crore. The scheme aims to:

- Prioritize stations in tourist and pilgrimage areas.
- Improve passenger movement and comfort.
- Transform stations into city centers.
- Integrate business activities seamlessly into station premises.
- 3. Advantages of Train Travel: While airports have their perks, train travel, especially for shorter routes, can be more advantageous.

Question: <u>How does train travel compare to air</u> travel in terms of convenience?

Train travel offers several benefits:

- > Reduced total travel time for short distances.
- No need for baggage check-in.
- Absence of lengthy security procedures.
- Quicker boarding and deboarding processes.
- Central location of most railway stations, unlike airports on city outskirts.
- > Simplified arrival process with no luggage collection required.
- 4. Enhancing the Railway Experience:- The railway sector is working to elevate the passenger experience to match or exceed that of air travel.



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Question: What new amenities are being introduced in railway stations?

The upgraded railway stations will feature:

- Luxury lounges similar to those in airports.
- > Recreational facilities.
- Comfortable waiting areas.
- Restaurants and food courts.
- > ATMs for financial convenience.
- Charging points for electronic devices.
- Medical facilities for emergencies.
- Information and help booths.
- > Well-lit areas for safety.
- Modern mobility solutions like escalators, elevators, and travelators.
- 5. Examples of Upgraded Stations:- Some railway stations have already implemented impressive upgrades.

Question: <u>Can you give examples of railway stations that have already been modernized?</u>

Two notable examples are:

- 1) Sir M Visvesvaraya Railway Terminal in Bengaluru: Features India's first fully airconditioned entrance lobby.
- 2) New Delhi Railway Station: Offers an executive lounge with various amenities on Platform No. 1.
- 6. The Impact of High-Speed Trains:- The introduction of faster trains is changing the landscape of rail travel in India.

Question: <u>How are high-speed trains like Vande</u>
<u>Bharat affecting the competition between rail and air travel?</u>

- Offering higher speeds, reducing travel times.
- > Providing luxury coaches with amenities comparable to air travel.
- Making train travel more attractive for short to medium distance routes.
- > Tilting the balance in favor of trains for many travelers.
- **F.** The Impact Of Vande Bharat express trains:

The introduction of Vande Bharat trains has had an interesting effect on travel prices and preferences:

## 1) Cheaper Plane Tickets:-

After Vande Bharat trains started running on some routes, airplane ticket prices have gone down. A study by the railways found that air fares dropped by 20-30% since April 2023 on routes like:

- Chennai to Bengaluru.
- Thiruvananthapuram to Kasargod.
- Mumbai to Pune.
- Jamnagar to Ahmedabad.
- Delhi to Jaipur.

# 2) Travelers Switching from Planes to Trains:-

A railway official said that about 10-20% of people who used to fly are now choosing Vande Bharat trains instead. This change is making airlines lower their prices to keep customers.

#### 3. Attracting Younger Travelers:-

The new trains are popular with groups that usually prefer flying. The study found that young people and working professionals make up a big part of Vande Bharat passengers. In fact, 56% of people on these trains are young or working-age travelers.

#### 4. Competition Between Trains and Planes:-

These changes show that the new, faster trains are competing well with airplanes, especially for shorter trips. They're giving travelers another good option and making travel cheaper overall.

#### VIII. CONCLUSION:

The Indian railway system is a crucial part of the country's infrastructure, reaching nearly every corner of the nation. It's run entirely by the government through eleven public companies under the Railways Ministry. This ministry works hard to improve services for passengers. Many people in India choose to travel by train for several reasons. Firstly, road conditions in many areas, especially rural ones, are often poor. Secondly, train travel is usually cheaper than other options. This is important because many



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Indians have limited incomes. In big cities like New Delhi, Mumbai, and Kolkata, local trains are popular due to their convenience and low cost. The government has created various schemes to make train travel even more affordable. People can buy weekly, monthly, or quarterly tickets that offer significant savings. There are also discounts for those from less privileged backgrounds. Special trains like the Garib Rath have been introduced, allowing people to travel long distances comfortably at lower prices. Overall, the Indian railway system has been a great help to people with limited means. The government's policies aim to ensure that everyone can travel safely and comfortably without spending too much money. approach has made train travel an essential part of life for millions of Indians, connecting people and places across this vast country. comprehensive redevelopment represents a significant shift in how railway travel is perceived and experienced in India. By bringing airport-like amenities to railway stations while leveraging inherent the advantages of train travel, the Indian Railways aims to not just compete with airways but to offer a superior travel experience, especially for short to medium-distance journeys.

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