

## BILL NO. 113 OF 2024

*A Bill further to amend the Railways Act, 1989.*

BE it enacted by Parliament in the Seventy-fifth Year of the Republic of India as follows:—

Short title and commencement.

**1.** (1) This Act may be called the Railways (Amendment) Act, 2024.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

Amendment of section 2.

**2.** In section 2 of the Railways Act, 1989 (hereinafter referred to as the principal Act), after clause (1A), the following clause shall be inserted, namely:—

24 of 1989.

‘(1B) “Board” means the Railway Board constituted under sub-section (1) of section 2A;’.

3. After Chapter I of the principal Act, the following Chapter shall be inserted, namely:—

Insertion of new Chapter IA.

“CHAPTER IA

RAILWAY BOARD

2A. (1) There shall be constituted a body to be known as the Railway Board to exercise the powers conferred upon, and to perform the functions assigned to it under this Act and the Railway Board constituted under the Resolution of the Government of India, Public Works Department No. 256G, dated the 18th February, 1905, with its composition as revised from time to time, shall be deemed to be the Railway Board constituted under this Act.

Railway Board.

(2) The Central Government may, by notification, invest the Railway Board, either absolutely or subject to any conditions, with all or any of the powers or functions of the Central Government under this Act with respect to all or any Railways.

(3) The qualification, experience and terms and conditions of appointment of the Chairman and the other Members of the Board and the manner of filling up the said posts shall be such as may be prescribed.

(4) The Board shall consist of such number of Members as may be prescribed.

(5) The Board shall be provided with a Secretary and such officers and other employees as may be necessary to exercise such powers and discharge such duties under this Act and all correspondence shall be addressed to the Secretary to the Board.

(6) The terms and conditions of service of the Secretary and other officers and employees of the Board shall be such as may be prescribed.

(7) The Chairman and Members of the Board appointed under the Resolution of the Government of India, Public Works Department No. 256G, dated the 18th February, 1905, with its composition as revised from time to time and the Secretary, officers and other employees appointed to the Board before the commencement of the Railways (Amendment) Act, 2024, shall be deemed to have been appointed under this Act:

Provided that the terms and conditions of service of the Chairman, Members, Secretary, officers and other employees of the Board holding the office as such immediately before the commencement of the Railways (Amendment) Act, 2024 shall not be varied to their disadvantage after their appointment.

2B. Any notice, determination, direction, requisition, appointment, expression of opinion, approval or sanction, to be given or signified on the part of the Board, for any of the purposes of, or in relation to, any powers or functions with which it may be invested by notification under sub-section (2) of section 2A, shall be sufficient and binding if in writing signed by the Secretary to the Board, or by any other person authorised by the said Board to act in its behalf in respect of the matters to which such authorisation may relate; and the Board shall not in any case be bound in respect of any of the matters aforesaid unless by some writing signed in manner aforesaid.”

Mode of signifying communications from Board.

Amendment of  
section 200.

4. In section 200 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Indian Railways Act, 1890 and the Indian Railway Board Act, 1905 are hereby repealed.”; 9 of 1890.  
4 of 1905.

(ii) in sub-section (2),—

(a) in the opening portion, for the words, figures and brackets “the Indian Railways Act, 1890 (hereinafter referred to as the repealed Act)”, the words, figures and brackets “the Indian Railways Act, 1890 and the Indian Railway Board Act, 1905 (hereinafter referred to as the repealed Acts)” shall be substituted; 9 of 1890.  
4 of 1905.

(b) in clause (a), for the words “the repealed Act”, the words “the repealed Acts” shall be substituted;

(c) in clause (b), for the words “the repealed Act”, at both the places where they occur, the words and figures “the Indian Railways Act, 1890” shall be substituted. 9 of 1890.

## STATEMENT OF OBJECTS AND REASONS

Establishment of railway network started as a branch of the Public Works Department before independence.

2. When the network expanded, Indian Railways Act, 1890, was enacted to enable proper functioning of different railway entities.

3. As railways gained popularity, many Princely States and other entities came up to establish and expand railway network.

4. Soon it was realised that railways need a structure different from the Public Works Department because of two major reasons, namely:—

(a) First, railway is an operating organisation and therefore, it requires flexibility and independent policy making.

(b) Second, railway has network effect and therefore, uniform standards are needed for harmonious development.

5. Based on the aforesaid reasons, railway organisation was separated from the Public Works Department. The Railway Board Act, 1905 was enacted.

6. A contemporary railway law, the Railways Act, 1989 was enacted in 1989 by repealing the Indian Railways Act, 1890. That time itself, the Indian Railway Board Act, 1905 could also have been merged with the main law to make it comprehensive.

7. The current Bill proposes to simplify the legal framework by incorporating the proposals of the Indian Railway Board Act, 1905 in the Railways Act, 1989. This will reduce the need to refer to two laws. Instead reference will be required only to one law.

8. The functioning and independence of Railway Board will be enhanced with this Bill. All the provisions in the Indian Railway Board Act, 1905 are proposed to be incorporated in the Railways Act, 1989 through this Bill.

NEW DELHI;  
*The 7th August, 2024.*

ASHWINI VAISHNAW.

## FINANCIAL MEMORANDUM

The Bill seeks to repeal the Indian Railway Board Act, 1905 by suitably incorporating the provisions for constitution and composition of Railway Board into the Railways Act, 1989. The Railway Board is already in existence. The expenditure of Railway Board will continue to be met from yearly Budgetary provision under revenue Budget of Indian Railways as being done presently. The Bill does not propose to create any new Board or body resulting in additional financial implication.

2. The provisions regarding the terms and conditions of service of the Chairman, Members of the Board, Secretary and the officers and other employees' are already in place and no change is proposed in the proposed Bill. These provisions may result in expenditure in the discharge of statutory functions of the Government in regular course of business, which would be met from yearly budgetary provision under revenue segment of Railway's budget. However, any additional financial implication at this stage is not quantifiable.

3. The expenditure for Railway Board proposed to be constituted as statutory body under the Railways Act, 1989 would continue to be met from budgetary provision under revenue segment of Railway's budget. The Budget allocation for the Railway Board for financial year 2024-25 is Rs. 440.01 crore under Revenue Head.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (3) of clause 3 of the Bill empowers the Central Government to make rules for providing the qualification, experience and terms and conditions of appointment of the Chairman and the other Members of the Railway Board and the manner of filling up the said posts.

2. Sub-clause (4) of the said clause empowers the Central Government to make rules for providing the Board with such number of Members.

3. Sub-clause (6) of the said clause empowers the Central Government to make rules for providing the terms and conditions of service of the Secretary and other officers and employees of the Board.

4. The matters in respect of which rules may be made are matters of procedure and administrative detail and it is not practicable to provide for them in the Bill itself. The delegation of Legislative power is, therefore, of a normal character.

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UTPAL KUMAR SINGH  
*Secretary General*