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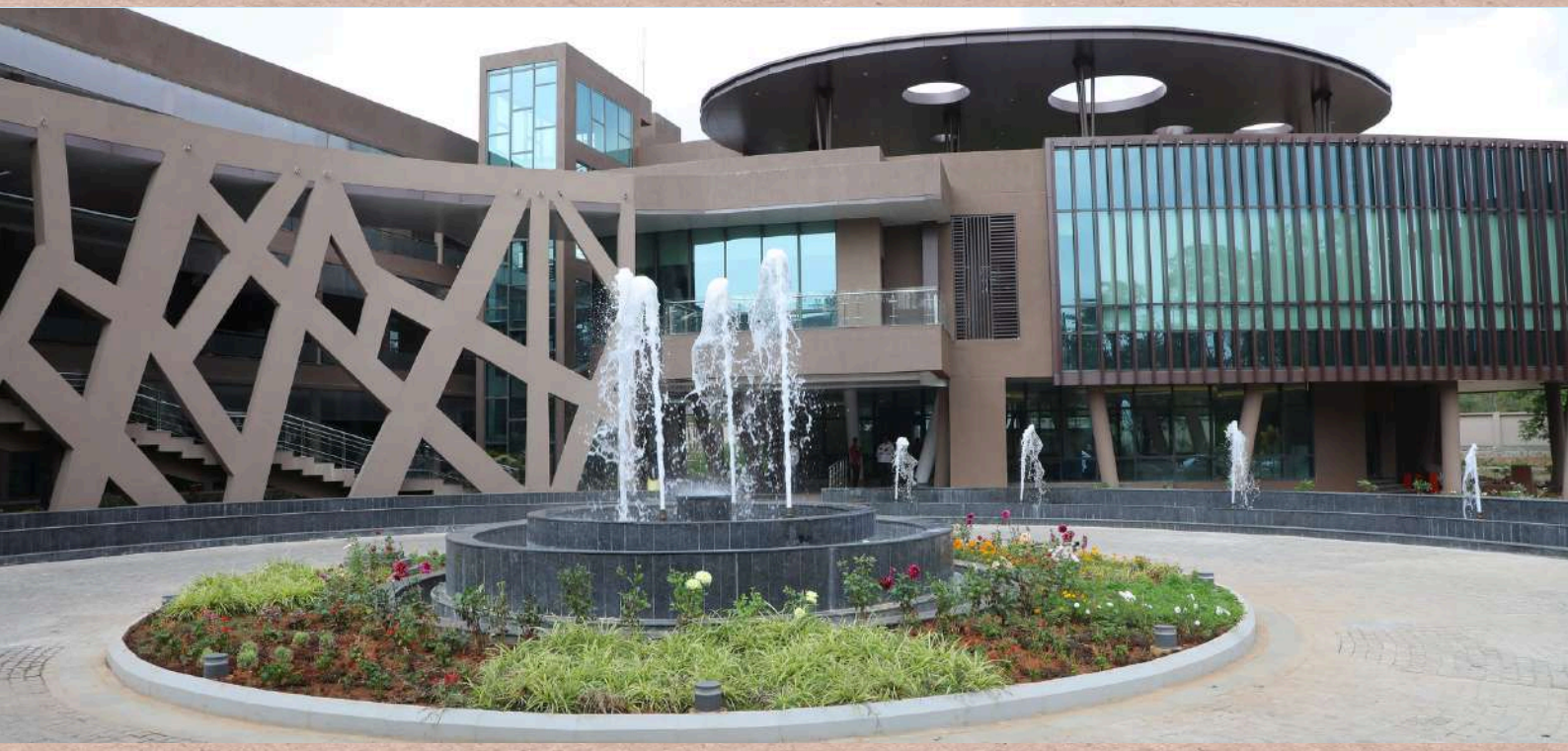
IRIFM

September 2025

INDIAN RAILWAYS INSTITUTE OF FINANCIAL MANAGEMENT(IRIFM)

THE FISCAL TRACK

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RAILWAY NEWS ROUND UP

SPECIAL FOCUS

Indian Railways is fast-tracking its green journey–with 95% trains set to run on electricity by 2025-26 and a goal of becoming Net Zero by 2030. Having already saved 6.4 billion liters of diesel and tied up over 7 GW of renewable energy, how IR is leading India's fight against climate change while powering sustainable growth as discussed by Singaiah Bandlamudi, IRAS, Retd. ADG/IRIFM, is the focus area of this month's edition

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RAILWAY BUDGET AT A GLANCE

We are the first generation to feel the effect of climate change, and the last generation who can do something about it.

- by Barack Obama

FROM DG'S DESK

Dear esteemed readers,



"We are what we repeatedly do, 'excellence' then is not an act, but a habit."

Among the many things which define a developed society, one important feature is garbage-free surroundings. This is often overlooked as 'liveability'* or the quality of life is assessed on five criteria namely, stability, healthcare, culture & environment, education and infrastructure. Visible cleanliness is one of the essential constituents of a healthy environment, and waste disposal and management, although elementary, warrants greater attention.

The 'Swachh Bharat Abhiyan' has been the single most significant campaign of GOI launched to instil the appetite for cleanliness in our collective national conscience. IR as a lifeline/ backbone of the nation has been doing a lot since 2014; from setting up a separate department called EnHM, to earmarking dedicated funds (presently 0.5%) from all estimates towards environment-related works.

We take a pledge every year and reiterate our commitment to make for a #SwachhRail leading to #SwachhBharat, devoting two hours per week on this mission. The efforts of 12.5 lakhs IR employees directly and indirectly impact the travelling public. Since 2014, intensive drives have been launched in the fortnight from mid-September to 2nd October to promote this initiative. Awareness created in these 15 days is unparalleled, including festive and inclusive initiatives such as rallies, street plays, participation of NGOs and school children, etc. These campaigns have led to visible results in offices, stations, trains, goods-sheds, depots, etc., and has also led to institutionalizing practices with services like OBHS, CTSS, LMS, etc. Despite such a focused push for cleanliness, the ethos has not synced with public at large. Large amounts of garbage alongside the railway tracks, approach of railway stations, etc. remain an ugly sight.

Our effort to understanding the expenditure pattern by Railways on these activities brought out some interesting findings. Though a large amount of data and pictures are uploaded on a centralised portal by units, surprisingly, a single point source of financial data on money spent towards cleanliness action plans could not be accessed. The budget analysis feature in this edition, therefore, is based on sample data from a few zonal railways to gain some meaningful insights on resource allocation towards this important activity and how it has spanned over the years. It is noticed that 1-2% of identifiable revenue budget per year per zone, is going towards cleanliness. This provides a rough approximation of about 3500 Cr being spent annually by IR, which is quite substantial. The need of the hour, therefore, is to internalize sustainability in every act. Ishaan Sharma highlights the great potential of green procurement and lists the actionable points, and B. Singaiah summarises IRs commitment to net-zero.

It is said that *'cleanliness is next to godliness'*. Can we not ingrain this in our value system? This will only happen when Government, organizations, citizens and institutions (educational/religious/social) act together. Certain cities like Varanasi and Indore act as shining examples, with marked improvements. It is therefore feasible, and not a onetime effort, but a continuous process.

Some simple acts like disposing all waste only in provided bins/segregating waste/composting bio degradable waste at individual level; buyback / incentivized schemes for return of used plastic by firms (adopted by some milk vendors)/ shop keepers and large companies; spreading more awareness in corner shops, religious and tourist places; zero tolerance to industrial waste; speedy removal of construction debris can bring a visible difference. Government authorities and Municipal bodies must establish a workable system. Over time, maybe the laws for littering will have to be made more harsh and heavy penalties imposed.

This month we hosted the advanced case study workshop of CBC. There were around 30 participants from various Training Institutes. This method of teaching has been incorporated in curriculum as an effective tool for learning. The emphasis and focus were to develop India-specific contextual cases to be used as training aids. The key outcomes are given in a succinct write-up in this edition. If success stories and lessons learnt from the field are shared with the CTI's, they can be made use of as teaching tools. There is a special feature summarizing the trysts of our Railway medical Doctors with Accounts department as gathered during their workshop. The Department has to step down from their Ivory Tower and relate to practical matters of concern. The other important highlight of the month was the visit by DG HR from Railway Board. He emphasized the importance of ethical, transparent and outcome based financial management practices, and inaugurated the Smart Classroom on campus.

Meanwhile IR continue to surge ahead with bold initiatives, running a 4.5 km long freight train and first ever freight train to/from Kashmir Valley to expanding the metro network, and launch of VB & AB trains on new routes. Aimed at increasing the 'FinQ', a webinar on Personal Financial management was also organized, which was logged in by nearly 100 participants.

Warm regards,

Aparna Garg, IRAS
Director General,
Indian Railways Institute of Financial Management.

**A liveability index is arrived on the basis of several parameters i.e. cleanliness, healthcare, environment (air quality/ potable water), education, ease of commute, and culture a tool created by Economist Intelligence Unit (EIU) to measure and rank cities based on the quality of life they offer. The purpose of this index is to provide insights for governments, corporations, and policymakers to understand the factors contributing to a comfortable and challenging urban environment, and to plan for improvements.*

RAILWAY BUDGET AT A GLANCE

JOURNEY OF SWACHH BHARAT MISSION IMPLEMENTATION ON IR - AN ANALYSIS (BASED ON SAMPLE DATA)

- BY U.L.N. RAO, Retd DY.FA&CAO AND CONSULTING PROFESSOR, IRIFM

Indian Railways, being one of the largest public transport systems in the world, has been an important stakeholder in the **Swachh Bharat Mission (SBM)** launched in 2014. The mission's objective of ensuring cleanliness in public spaces has been integrated into railway operations with a focus on passenger amenities, sanitation, and waste management. Intensive mechanized cleaning of coaches is being carried out in the coaching depots through professional agencies. Heavy duty machines such as high pressure jet cleaners, floor scrubbers, vacuum suction cleaners etc. are deployed for the purpose.

The journey started with the following Key Initiatives:

- **On Board Housekeeping Services (OBHS):** Started in 2011-12 and now expanded to most mail/express trains, OBHS involves cleaning staff on running trains to maintain hygiene and clear enroute garbage from bins. This initiative has significantly improved the perception of cleanliness for passengers.
- **Clean Train Station (CTS) Scheme:** This scheme involves en-route mechanized cleaning of trains at designated stations. A revamp in 2025 aims to service 683 trains at 20 major stations, reducing downtime and keeping coaches and toilets clean during journeys. The 10-minute cleaning standard encourages systematic cleanliness.
- **Station Cleanliness, Solid Waste Management, Mechanized Cleaning & Infrastructure:** This includes cleanliness campaigns at stations, contracts for mechanized cleaning at around 950 stations, and garbage disposal at about 1,300 stations. Other efforts include installing plastic bottle-crushing machines at roughly 370 stations, constructing clean and hygienic toilets at approximately 850 stations, and using CCTV for monitoring at about 700 stations.
- **Bio-Toilets in Coaches:** Developed with collaboration DRDO, these toilets use anaerobic bacteria to eliminate direct discharge onto tracks. By March 2018, about 167,000 bio-toilets were installed in roughly 45,800 passenger coaches. This has led to large-scale improvements and less corrosive damage around the tracks.
- **Public Participation:** Indian Railways has joined "Swachhata Pakhwada" and other campaigns to involve staff and the public in cleaning and raising awareness. The Special Campaign 4.0 (launched October 2, 2024) saw 56,168 cleanliness drives, freed up 12.15 lakh square feet of space, and generated Rs 452.40 Crore in revenue from scrap disposal.

Key performance observations:

1.. Growth in aggregate spend

- Total spend across the three heads (for the three zones combined) shows a steady rise from 2021-22 to 2024-25, driven mainly by rapid increases in Linen Management and rising OBHS outlays from 2022-23 onward.

RAILWAY BUDGET AT A GLANCE

2. OBHS rollout and scale-up

- OBHS spend was nil in 2021–22 for all three zones, rise sharply in both FY24 and FY25. This indicates a phased rollout post-2021, with aggressive scale-up especially in SCR and CR.

3. Linen Management is the largest and fastest-growing head

- Linen Management is the single biggest component each year and shows the largest absolute increases (notably CR and NFR in 2023–24 and 2024–25 respectively). This suggests concentrated investment in onboard linen infrastructure, contracts, or outsourcing.

4. Station Cleanliness increases but is moderate

- Station Cleanliness increased from 753,734 (2021–22) to 1,219,260 (2024–25) across the three zones – a steady growth trajectory.

5. Zone-level patterns

- CR: steady increases across all heads; large jump in Linen Management from 123,202 (2022–23) to 1,098,991 (2023–24) and to 1,227,463 (2024–25).
- SCR: OBHS and Linen Management show significant increases, OBHS particularly surged in 2023–24 and remained high in 2024–25.
- NFR: OBHS appears very small in 2022–23 (1,204) but grows to 330,460 (2023–24) and 389,795 (2024–25); Linen Management doubles by 2024–25.

6. Possible structural causes

- Zero OBHS in 2021–22 likely reflects pandemic-related service suspension or delayed contractual rollouts. Substantial subsequent OBHS spending suggests restoration and formalization of housekeeping contracts.
- Big jumps in Linen Management could reflect re-negotiated centralized contracts, introduction of mechanized laundry, higher unit rates, inclusion of new services, or reclassification of costs from capital to revenue.

Overall, the data suggests sustained emphasis on improving cleanliness and hygiene services by railway zone. Cost growth in certain zones points to enhanced focus or possibly increased activity levels in those areas.

The CAG (2025) performance audit flags several persistent problems (short summary):

- **Inconsistent fund utilisation across zones** – some zones overspent, some under-utilised. The CAG recommends better budgeting and dedicated.
- **Operational shortfalls in CTS and OBHS** (attendance, enforcement of contract conditions, supervision) – ideal coverage not fully achieved because of logistical issues (train overlaps, late running).
- **Bio-toilet maintenance & passenger misuse** – To tackle complaints and the need for better watering arrangements and passenger education for correct bio-toilet use.

RAILWAY BUDGET AT A GLANCE

- **Automatic Coach Washing Plant (ACWP) commissioning / functioning:** ACWPs exist but need timely commissioning and operational reviews for full benefit (water savings, fewer manual cleaning hours).
- **Feedback/monitoring fragmentation** – multiple feedback channels (CTS, OBHS, linen, Rail Madad) require integration for better real-time monitoring.

Summary of Overall Achievements & Concerns:

- **Overall Achievements:** Significant improvements have been made, including the implementation of bio-toilets, better station amenities, and mechanized cleaning. Increased accountability and monitoring are evident through schemes like the CTS revamp and special drives, and revenue from scrap disposal has been a dual benefit.
- **Persistent Concerns:** There is still variability in quality and implementation across different zones and smaller stations, and maintenance often lags. Other challenges include rising costs, slow behavioral change among passengers, and a lack of documented data on health and environmental outcomes.
- **Implementation:** broad and multi-pronged (bio-toilets, OBHS, CTS, ACWPs, laundries, waste devices, complaint portals and regular drives). Many schemes have been rolled out at scale.
- **Success (outcome):** mixed – visible operational and behavioral improvements at many stations/trains, but sustained cleanliness is uneven because of operational challenges (contracts, supervision, maintenance), budget allocation/usage issues and passenger behaviour. The CAG audit identifies clear gaps and lists time-bound recommendations.

Suggestions for Improvement (Holistic):

- **Standardizing benchmarks & metrics:** Define clear, measurable Key Performance Indicators (KPIs) for cleanliness.
- **Better data collection & transparency:** Collect real-time data and publish performance dashboards.
- Budget predictability & funding assurance: Ensure sufficient and consistent budget allocations to avoid service suspensions. Separate classification head for bringing all cleanliness.
- Technology adoption: Use automation, better materials, and smart technologies for cleaning and waste disposal. CCTV coverage for better monitoring.
- Behavioural change & public engagement: Implement more awareness campaigns, signage, and penalties to encourage public ownership.
- “What cannot be measured, cannot be improved” - We must define, track, quantify parameters and take stock of fund allotment towards these activities.
- Monitor w.r.t reduction in complaints.
- Encourage public participation in helping Railways, identify the unclean spot.
- Other stake holders’ participation – State municipalities etc in cleanliness of station approaches.
- Benchmarking of the agencies engaged in the Cleanliness work and redefine the Tender clauses to make this feedback loop impact the award of the Tenders.

RAILWAY BUDGET AT A GLANCE

Problems, implementation gaps &short summary of audit findings:

Available Data & Gaps

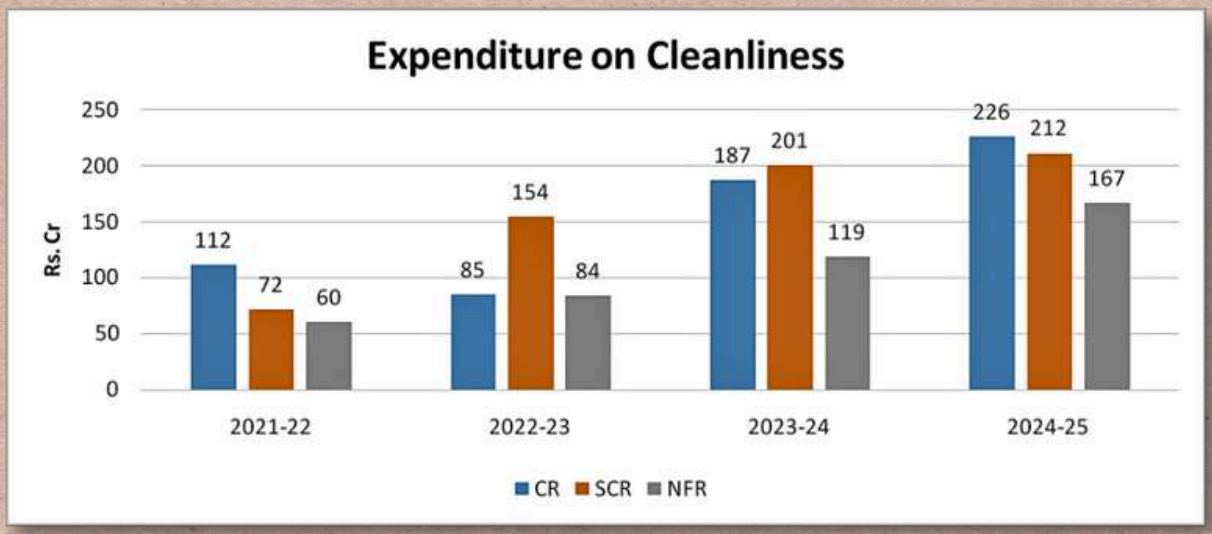
Zone	Bio-toilets (coaches / digesters fitted)	CTS / Clean-Train-Station Revamp (Number of stations / trains in zone)	OBHS coverage (number of trains / passenger satisfaction etc.)	Special Campaign Metrics (cleanliness drives, area cleaned, scrap revenue etc.)
All India / Whole Railways	3,33,191 bio-toilets fitted during 2014-25; plus 9,587 pre-2014.	The CTS revamp covers ~683 trains at ~20 designated stations (initial rollout) nationally.	Passenger satisfaction overall: ~70% of 2,363 passengers surveyed across zones were satisfied with onboard cleanliness; satisfaction highest in NR/NCR (~96-97%), lowest in ECoR& NER (~51%) and other zones between 54-84%.	Special Campaign 4.0 (Oct 2024) reported 56,168 cleanliness drives, revenue Rs 452.40 Crore from scrap disposal.
By zone	Gaps: No authoritative source with zone-wise breakdown of bio-toilet fitments as of June 2025.	Similar gap: No public source lists, per-zone, how many CTS revamp stations or trains exist.	Some zone-level satisfaction data: e.g., ECoR and NER zones had ~51% passenger satisfaction (lowest). NR/NCR zones ~96-97%.	No reliable zone-wise published metrics (area cleaned, number of drives etc.) except aggregate national campaign figures.

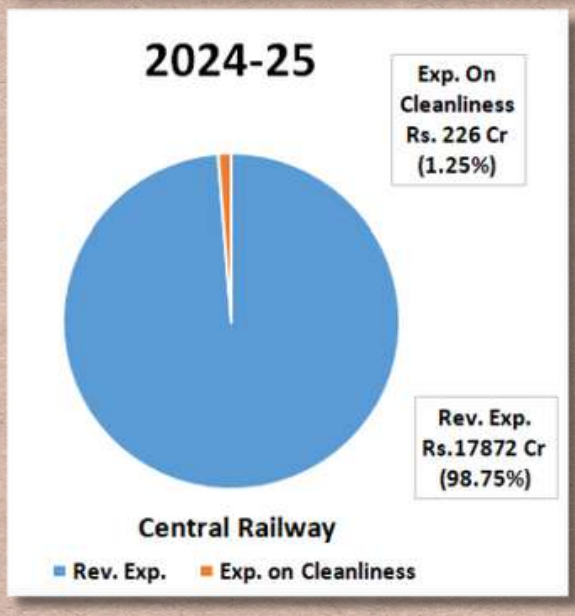
Revenue Expenditure on cleanliness initiatives on IR

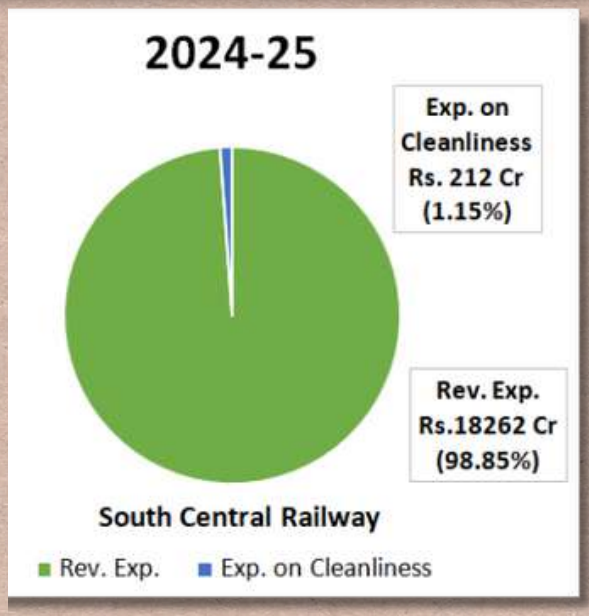
(in Rs Cr)

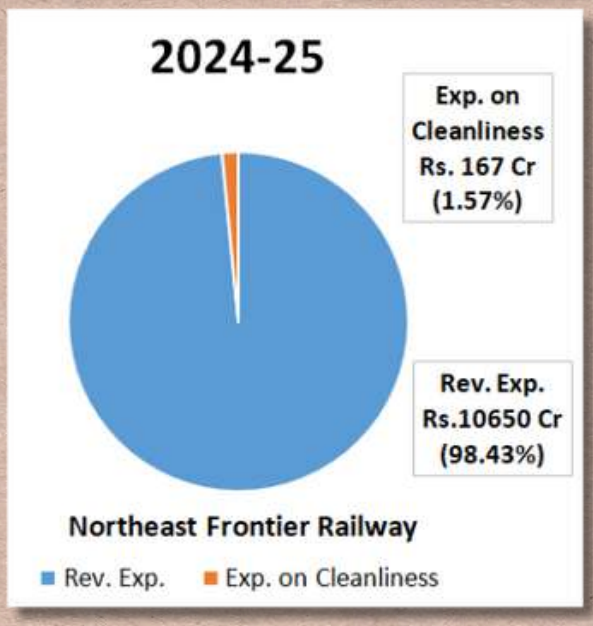
Head	Year/Zone	CR	SCR	NFR	Year/Zone	CR	SCR	NFR
Station Cleanliness	2021-22	43.00	18.89	13.49	2023-24	45.80	43.24	15.17
OBHS		0.00	0.00	0.00		31.64	89.15	33.05
Linen Management		68.63	53.06	46.70		109.90	68.65	70.78
TOTAL		**111.63**	**71.95**	**60.19**		**187.34**	**201.03**	**119.00**
Station Cleanliness	2022-23	52.59	32.61	17.93	2024-25	57.56	47.12	17.25
OBHS		20.54	45.13	0.12		45.82	87.41	38.98
Linen Management		12.32	76.52	66.15		122.75	77.00	110.70
TOTAL		**85.45**	**154.26**	**84.21**		**226.12**	**211.53**	**166.93**

RAILWAY BUDGET AT A GLANCE









GREEN PUBLIC PROCUREMENT: INDIA'S OVERLOOKED CLIMATE LEVER

- WRITTEN BY ISHAAN SHARMA, IRAS
DY. FINANCIAL ADVISOR, SOUTH WESTERN RLY



In India's race to achieve net-zero emissions by 2070, the spotlight has largely been on renewable energy expansion, carbon markets, and industrial decarbonisation. These are essential, but an equally potent climate lever lies hidden in plain sight: public procurement.

Accounting for nearly 22% of India's GDP (about ₹72 lakh crore annually), public procurement is not only a powerful economic driver but also a significant contributor to the country's emissions footprint.

Globally, procurement-related activities account for an estimated 12–15% of greenhouse gas emissions. By that measure, government purchasing in India could be linked to roughly 590 million tonnes of CO_2-equivalent each year, which is more than the total annual emissions of many mid-sized countries.

Embedding sustainability into procurement is not just symbolic. It is a strategic necessity. The government's vast purchasing power can shape markets, accelerate technology adoption, and influence industrial standards. A single tender for trains, steel, or infrastructure can lock in environmental outcomes for decades, whether in the energy efficiency of public transport, the carbon footprint of construction materials, or the long-term performance of public buildings.

When procurement decisions ignore environmental factors, they risk locking the economy into high-carbon infrastructure, making future decarbonisation costlier and more complex. Conversely, green criteria built into tenders from the outset turn each rupee of public spending into an investment in India's low carbon future.

From Policy Intent to Practice

India has long recognised procurement as a lever to achieve strategic goals beyond cost efficiency. Public Procurement Policy for MSEs Order, 2018 nurtures entrepreneurship by reserving a share of purchases for small businesses. The Public Procurement (Preference to Make in India), Order 2017supports domestic manufacturing by giving local goods a competitive edge in tenders.

The same principle can be applied to sustainability. Since most procurement is from open markets, even a modest shift in government demand can ripple through supply chains, pushing suppliers to innovate and comply with new environmental benchmarks. With over 90 central departments and numerous state agencies engaged in procurement, the scope for impact is vast.

However, the framework governing procurement remains fragmented. India is not a signatory to the WTO's Agreement on Government Procurement, and there is no unified national law. Rules are dispersed across departmental orders and guidelines from the Department of Expenditure (DoE). This decentralisation provides flexibility but also leads to inconsistent application of green criteria.

Some progress has been made. The General Financial Rules (2017) introduced environmental provisions, mandating energy efficiency ratings for certain appliances and permitting life-cycle cost (LCC) assessments that account for long-term operational and environmental costs. The Manual on Procurement of Goods and Services (2024) took a step further, recognising sustainability as part of "value for money" and empowering departments to request environmental certifications.

However, implementation varies across departments, with some still developing the capacity and training needed to fully integrate green criteria into their processes. On the supplier side, particularly among smaller enterprises, there is often limited awareness of sustainability requirements and compliance mechanisms.

Learning from Global Models

Other countries have demonstrated that green procurement can deliver measurable benefits.

The European Union has embedded environmental standards deeply into its procurement system. Its 2014 directive allows agencies to make green certifications mandatory, consider environmental impact in awarding contracts, and require eco-labels. European courts have consistently upheld such measures as legitimate and desirable.

South Korea combines legislation with incentives. Its Act on Promotion of Purchase of Green Products (2005) encourages agencies to set voluntary green procurement targets and rewards high performers with fiscal incentives. The results are tracked: in 2017 alone, South Korea saved an estimated ₹291 crore (USD 35 million) through emissions reductions linked to procurement.

India could adopt a blended approach–borrowing the EU's binding standards and South Korea's incentive-driven model, tailored to local conditions. The potential benefits are substantial. A 15–20% cut in procurement-linked emissions, in line with international benchmarks, could avoid 88–117 million tonnes of CO_2-equivalent annually. Even a modest 1% improvement in procurement efficiency could save around ₹72,000 crore.

Making Green Procurement the Norm

Turning green procurement into standard practice requires coordinated action on several fronts.

First, capacity building for procurement officials is critical. Officers need the skills to integrate environmental criteria into tenders without compromising competition or fairness. The Mission Karmayogi platform offers a scalable vehicle for such training, with sector-specific case studies, model clauses, and mock evaluations.

Second, clear definitions are essential. At present, "green" means different things to different agencies. A national taxonomy–modelled on the Ministry of Steel's Green Steel Taxonomy (2024) and aligned with the EcoMark certification scheme would standardise criteria across sectors, helping buyers identify compliant products and suppliers demonstrate credentials.

Third, market readiness must be addressed. Sustainable goods often cost more initially due to innovation costs and smaller production volumes. Without targeted incentives, smaller suppliers may struggle to compete. Extending preferential procurement benefits and including eligible green sectors in the Production Linked Incentive (PLI) scheme could encourage investment and scale.

Finally, there needs to be a cultural shift in how procurement is viewed. It is too often treated as a back-office process rather than a strategic policy tool. Yet every procurement decision locks in assets and environmental impacts for decades–a train ordered today will run for 30 years, a public building will shape its carbon footprint for half a century.

The 2024 procurement manual signals a welcome shift, but institutionalising its provisions is key. Sustainability criteria should be embedded in tender templates, compliance monitored, and performance publicly reported. Over time, green procurement should become so routine it needs no special label; it should simply be "procurement."

Public procurement is one of the most direct and scalable levers the government holds to shape markets and reduce emissions. The spending is already happening; the real question is whether it will align with India's climate ambitions. Green procurement is not merely about buying better but it is about spending smarter, cutting emissions, driving innovation, and building a future-ready economy. The time to institutionalise it is now.

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Disclaimer: Views expressed are personal and do not reflect the official policy/ position of the Institute.

EVENTS AT IRIFM

Shri R. Rajagopal, Director General / HR, Railway Board visited IRIFM on 12th Sep 2025



Second Edition of the Advanced Case Writing Workshop by the Capacity Building Commission was held at IRIFM on 15-17 Sep 2025.







Training Programme on HRMS Module for Supervisory Staff of IR at Campus-II from 1st to 5th Sep 2025

Refresher Course for Accounts Supervisory Staff was conducted at Campus-II from 22nd to 26th September 2025.

EVENTS AT IRIFM

"Senior Professional Course (SPC)" was conducted for SAG-level IRHS officers (MDs/CMSs/CHDs/PCMOs) of the Medical Department from on 22-26 Sep 2025.



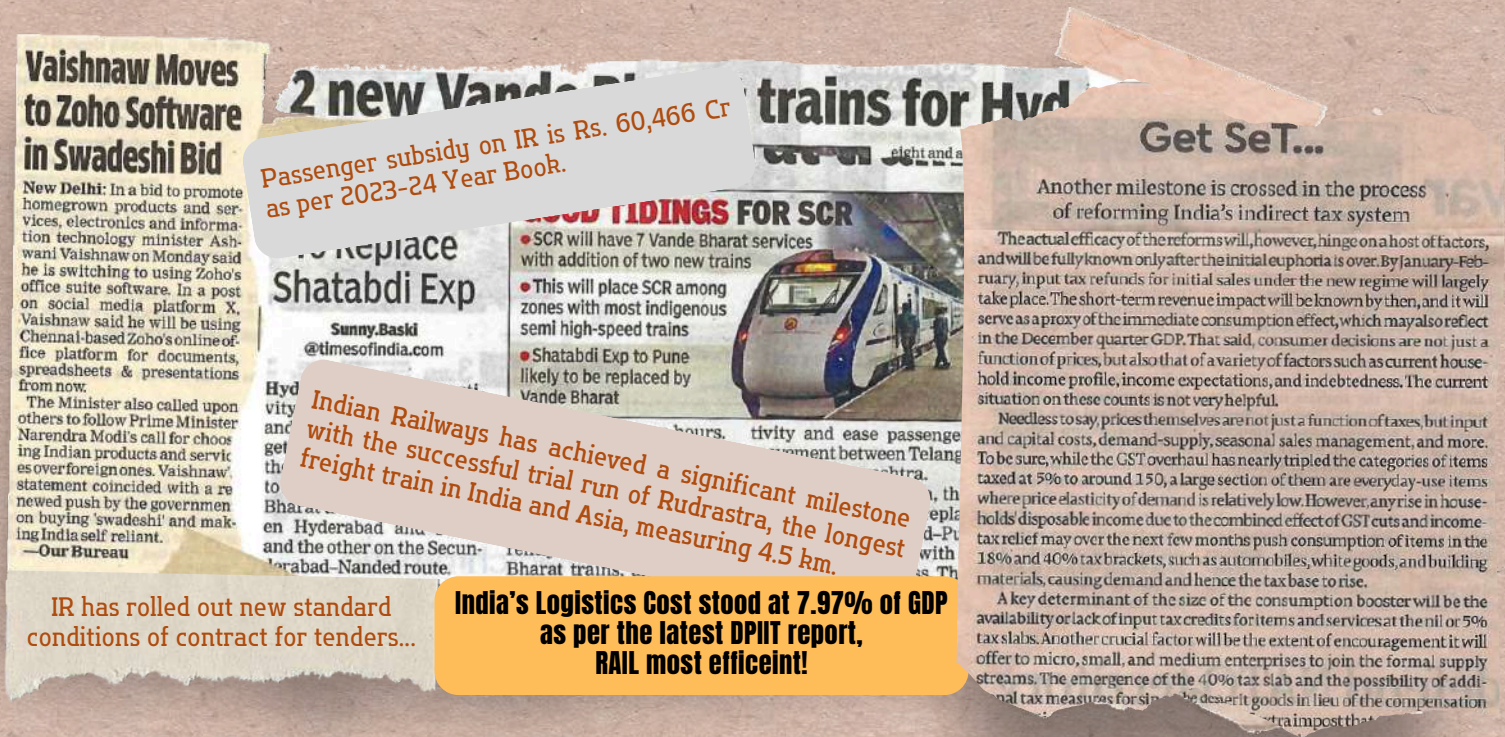
Conducted the "Swachhta Hi Seva" program on 25th Sep 2025, in which 21 SAG-level CMSs undergoing the Refresher Course at IRIFM participated along with faculty and staff members.



IRIFM Webinars:

- **"Traffic Finance & Earnings Contracts in IR"** for the Supervisory Staff on 11th Sep 2025 by Ravi Durairaj, Dy.FA/T/SCR.
- **"Remittance & Transfer Transactions"** by D. Krishna Kr., AFA/Stores/SCR on 29th Sep 2025.
- **"Personnel Financial Management"** on 25th Sep 2025 by Rahul Agarwal, Head Investments, ICICI.
- **"NPS & UPS"** by Sai Kumar Rakela, Territory Manager, SBI on 26th & 30th Sep 2025.

RAILWAY NEWS ROUND UP



GST 2.0 demands review of existing Public Contracts

- WITH CONTRIBUTIONS FROM KESHAV KAPLUSH, DY.FA&CAO/PLW AND KRISHNA KUMAR, SR.AFA/SCR

GST 2.0 has ushered in hope of substantial savings for consumers in the economy. However, the major consumer in the economy is the Government itself. Government procurement itself is around 20-22 percent of GDP or around Rs 35 to Rs 40 lakh crores in India. Imagine, even if there is a 2 percent saving on this procurement size, it will turn out to be Rs 80,000 crores of national savings or around 0.4 to 0.5 percent of GDP which can neutralize the impact of the loss of revenue due to GST reduction. But has any action plan been put in place to ensure this?

Unfortunately, no strategy or policy advise in this regard has been made leaving action to voluntariness and readiness of the procuring agencies. This raises a lot of room for profiteering by vendors and contractors in government contract itself, leave aside the impact GST 2.0 WILL have for consumers in general.

It is said that good things should start at home and this is true for government also, which should start elaborate process of contract renegotiations to ensure that price reductions are passed on to government. To illustrate the impact, the best example is that of reduction of GST rate on cement from 28 percent to 18 percent. Government is engaged in construction of roads, railways, bridges, airports and buildings. Cement forms a major constituent of such construction projects, costing upwards of 20 percent of total cost of such project. Now, imagine that a simple 10 percent rate cut would translate into 2 percent cost savings in the contract. And this is the impact of only one single item. There are many items like granite, tiles, paints and varnishes which have seen in reduction in rates from 28 percent to 18 percent. And thus, huge savings can be drawn in such contracts which use these items and interestingly, such contracts are all pervasive in the government.

This kind of review will require intensive study of the estimates of such contracts and drawing actual savings which can be obtained. This is because GST 2.0 does not change the actual rate of 18 percent to paid on procurement of construction services by government but changes the cost of input to be used in such contracts. Construction contracts are generally tax inclusive contracts but good thing is that they mostly have schedules of different category of item like steel, cement, pipes etc. making it possible to study the actual savings to be passed on to public procurement agency. However, it is to be pointed out that such a review should not be limited only to construction items but also should be extended to supply items like vehicles, transformers and other machinery procured by government.

While taking review, there is a high risk of brushing aside actually accrued benefits by superficial reading tax rate change against a particular HSN and SAC code. The real need is to understand the cost structure and renegotiate standing contracts so that benefits pass on and future contracts also get reasonable.It is a given fact that generally such intensive review becomes an exercise of more of dispute and harassment rather than mutual co-operation. Therefore, it is important the government must standardize the format in which vendors can pass on the savings to government, along with CA certificate, which must be accepted without any dispute. Only savings below certain benchmark should be allowed to be questioned and others should be accepted on face value. Public procurement database can be used to compare savings across the country.

GST 2.0 should not end up merely being hullaballoo where consumer goods like cars offered on discount become flagship items of impact while profiteering becomes flagship item of public procurementin GST 2.0. It is a real opportunity to creating deflationary impact of GST and the correct way is government itself assessing the actual impact of its tax policy. The tax rebate will become meaningful only when public procurement is real beneficiary of this policy.In absence of any anti- profiteering agency, it is essential that government issues guidelines to all its procurement arms to assess savings due to GST 2.0 and submit a report by year end on the same. Only such an action will project GST 2.0 as real hero otherwise it has real risk of becoming near to zero.

What we can do as the Executive or Finance officer in this Scenario?

The GST Rate slabs have been revised to revised for Goods & Services from 28% to 18% and 12% to 5% for almost all goods and services. These have been notified vide Central Tax Rate Notification Nos. 09 to 17 of 2025. Some of the main goods and services that are supplied to Railways: Batteries, AC equipment, Medicines, Port Land Cement, Bricks, Fly Ash Bricks, etc. are impacted by this notification.

When the supply of goods is made directly to Indian Railways, the incidence of Tax arises on the delivery and acceptance of goods which is signified by the issue of Receipt Note. The GST Rate for goods received on or after 22.09.2025 should be supplied at the reduced GST rate.

For all those goods utilized as inputs in works contracts, the benefit of reduced taxes for inputs should be shared with the Railway in accordance with the Anti-profiteering Clause (Section 171 of CGST Act, 2017). This can be implemented by obtaining a Certificate from the Chartered Accountant regarding the Inputs GST Rate. This certificate needs to be accompanied by an UDIN (Unique Document Identity Number). In case of further doubts on data, the Book Examination clause can be used for verifying the data provided in support of bills.

The certification by the Chartered Accountant will have to be made on the basis of the stock of materials on hand with the contractors as on 22.09.2025, for all goods where there is a change in GST.

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SPECIAL FOCUS

IR - ON TRACK TO NET ZERO

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Indian Railways is on track to become a Net Zero Carbon Emitter by 2030, making it a key driver of India's climate goals. With 95% of trains set to run on electricity by 2025-26, IR has already cut diesel use drastically, saving over 6.4 billion litres in the past decade and reducing millions of tonnes of CO_2. To meet its growing energy needs, it is scaling up renewable capacity, with over 7 GW already tied up and plans for 30 GW by 2030. Through electrification, renewable energy, efficient technologies, and green initiatives, Indian Railways is not only lowering emissions but also contributing significantly to India's climate commitments and sustainable development goals.

Background & IR commitment:

India is a party to the UNFCC, it's Kyoto Protocol and Paris Agreement. In COP-26 held @ Glasgow in November 2021, India presented the following Five Nectar Elements (Panchamrit) of India's Climate Action.

1. Reach 500 GW Non fossil Fuel Energy
2. 50% of it's requirement from Renewable Energy by 2030
3. Reduction of total projected Carbon Emissions by 01 Billion Tonnes by the year 2030
4. Reduction of Carbon Intensity of the Economy by 45% by 2030, over 2005 levels
5. Achieving the target of Net Zero emissions by 2070

Honourable PM has mentioned at the Conference of Parties, IR has set itself a target making itself " Net Zero Carbon Emitter by 2030" and this alone will lead to a reduction of 60 Million Tonnes of CO2 Emissions annually.

Railways role:

Transport sector accounts for more than half of India's total petroleum consumption and around 25% of the overall energy needs and accounts for about12% of the total Green House Gases (GHG) emissions, out of which, Indian Railways account for about 4%of GHG. Carbon Emission by train transportation is 28 gm. per NTKM, significantly less than 64 gm. per NTKM for road transportation.

Given the relative advantage of the efficiency of rail-based transport, increasing the share of rail for both passenger movement (regional, sub-urban and urban) and freight movement is vital for increasing the energy efficiency of the transport sector, thereby, reducing the GHG emissions of the country.

Trends:

IR's shift from diesel to electric traction with Mission 100% Electrification coupled with rail traffic projected to register an increasing growth in the coming years, it is estimated that the demand for electricity by the Indian Railways will go up over the next decade.

Since 2014, Indian Railways has spent over ₹464.25 bn on electrification. The budget outlay for 2025-26 is ₹61.5 bn. Diesel consumption of IR has come down from 1.98 bn litres in FY 2022-23 to 1.6 bn litres in 2023-24. This reduction has resulted in carbon emission reduction of ~1 Million Tonnes. Over the past decade, Indian Railways has saved more than 6.40 bn litres of diesel, cutting over 4 bn kg of CO_2 emissions and this reduction is equivalent to planting 16 crore saplings across the country.

IR has consumed about 1,212 Million Litres of Diesel oil and about 23,221 Million KWH (23.2 Billion Units) of Power during the FY 2023-24 for Traction Purposes. IR consumes about 2.5 Billion Units of Power annually on an average, for Non Traction purposes and the total power consumed by IR is about 2% of the country's total power consumption.

In 2013-14, IR carried about 1,055 million tons of cargo. This has increased to 1,617 million tons in 2024-25, making IR, the second largest cargo carrying railway in the world. Using the computations done by experts, moving of this increase in cargo by railways has helped the Country to save over 143 million tons of CO_2 emissions which is like planting 121 crore trees.

With 95% of trains running on electricity by 2025-26, carbon emissions are expected to reduce significantly. According to official estimates, carbon emissions of the Indian Railways declined from 3.32 million tonnes per annum (mtpa) in 2023-24. At 90% electric traction (in 2024-25), Scope 1 carbon emissions stood at 2.02 mtpa. This will come down to 1.37 mtpa with 95% electric traction from 2025-26 onwards.

Achieving Net Zero:

IR network is "on track to achieve net zero (Scope 1) within 2025 itself."Scope 1 covers direct emissions, excluding indirect emissions from electricity use (Scope 2) or those in the supply chain (Scope 3).Scope 1 emissions are greenhouse gases emitted directly from an organisation's own sources or those under its direct control. This means that the carbon dioxide emitted by the railways will be completely offset by measures that benefit the environment, making it a fully carbon-neutral operation in terms of direct emissions.

Future Projections and Tie ups needed to achieve Scope 2 & Scope 3 reductions and action being taken:

The projected Energy demand of IR in 2029-30 is about 72 Billon Units (BU's). To achieve net Zero Carbon Emission by 2030, IR requires to tie up with Renewable Energy Capacity of around 30 GW (30,000MW). Indian Railways plans to meet this requirement using a mix of nuclear, solar, hydropower, wind, and thermal sources.IR plans to buy 3 GW of renewable energy (including hydropower) and another 3 GW of thermal and nuclear power in 2030. And another 4 GW needed for traction is planned to be sourced through tie-ups with power distribution companies. Indian Railway has already tied up about 4,260 MW (installed) of Solar and 3,427 MW (installed) of wind energy, a total of 7,687 MW of Renewable Energy for its energy requirements and a many proposals are under process. Further, IR has about 51,000 hectare of it's own land, which has a potential of installing 20 GW land based solar plants.

Tied up solar Installed capacity with Indian Railways:

Project	Installed Capacity (in MW)
Rooftop of stations and Rly service building	203
Bhilai	50
MCF	3.13
Diwana	2
Bina	1.7
RUMS (Rewa)	400

Project	Installed Capacity (in MW)
BSUL (Bundelkhand)	800
IRCON (Pavagarh, Karnataka)	500
RERTC (SECI) (Rajasthan)	100
900 MW RERTC (Bikaner NTPC, Jaisalmer 450 MW, Fatehgarh 200 MW)	1300
600 MW RERTC (NTPC, Bikaner, TEQ Green Barmer)	901
Total	4267

How IR can contribute in achieving India's NDC (Nationally Determined Contributions) towards combating Climate Change:

- Enhancing the share of the Railways in the overall land based freight transport.
- Setting up Dedicated Freight Corridors (DFCs) across the country.
- Increase the share of renewable energy in its energy mix.
- Railways to further improve its energy efficiency for both diesel and electric traction.
- Perform Achieve and Trade(PAT) Scheme to be implemented in railway sector.
- Use of 5% blending of biofuels in traction diesel fuel.
- Improve water use efficiency by 20% upto 2030.
- Tree Plantation to increase Carbon Sink.
- Waste Management and Pollution Control
- Adopting the good practices on Green Buildings, Industrial Unit and other establishments for the management of resources and infrastructure to achieve Environmental Sustainability
- Contribution in 'Swachh Bharat Mission'.

Impact on SDG's:

The actions being taken by the Indian Railways in trying to achieve the Net zero emissions target will also have a positive impact on the following SDGs:-

SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all:
SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
SDG 12: Ensure sustainable consumption and production patterns with procurement of solar, wind, etc.
SDG 13: Take urgent action to combat climate change and its impacts

Conclusion:

IR's initiatives in energy efficiency management, paced electrification of railway tracks, sourcing of energy requirements through renewable energy sources, water conservation initiatives, better waste management, green certifications of railway establishments, consent to operate (CTO) from concerned State Pollution Control Boards for major railway stations & sidings, use of 3 phase technology for regenerative braking (locomotives/EMUs/MEMUs), Head on Generation technology (HOG) (eliminating the need for separate diesel fuelled power cars), provisioning of LED lights in trains & in all railway establishments, use of energy efficient rated appliances and creation of additional carbon Sink by afforestation, adoption of new energy technologies such as battery storage, IR will significantly reduce its carbon emissions resulted from traction and non traction areas , over the next few years and IR will be setting an example for other organisations to follow.

However, the journey will be complete only when all the vendors/contractors who are supplying materials/services/carrying out works to railways are also made into Net Zero Emission entities.

Sources:
1) IR Year Book 2023-24
2) IR Environmental Sustainability Report 2023-24
3) IR Commitment to COP
4) PIB reports and Various Newspaper reports over last two years
5) Answers given by Ministry of Railways to Parliament questions, etc.

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Disclaimer: Views expressed are personal and do not reflect the official policy/ position of the Institute.

IRIFM JOINS PM'S VISION: CONTRIBUTING TO AMRIT GYAAN KOSH THROUGH CASE-BASED LEARNING UNDER THE CBC

- BY NEERAJ ANAND, IRPS
PROF. RELATIONS MGMT © IRIFM

In alignment with the **Hon'ble Prime Minister's vision of Mission Karmayogi** and the creation of the **Amrit Gyaan Kosh**, the Indian Railways Institute of Financial Management (IRIFM), Secunderabad, has partnered with the **Capacity Building Commission (CBC)** to strengthen India's knowledge ecosystem. By transforming governance experiences of officers into structured case studies, IRIFM is helping build a **national repository of indigenous wisdom** that will serve as a cornerstone for Viksit Bharat@2047.

From Training to Knowledge Sovereignty

Imagine a civil servant grappling with a complex policy decision. Years of textbook learning feel inadequate against the intricacies of real-world governance. Now imagine that same officer accessing not abstract theories, but **case studies drawn from the lived experiences of fellow officers** who have handled similar dilemmas in distinctly Indian contexts.

This transformation from individual struggle to collective wisdom reflects the vision behind **Amrit Gyaan Kosh**, a repository of Indian governance case studies being seeded through CBC's Mission Karmayogi. And it was this vision that came alive at IRIFM during the **Second Edition of the Advanced Case Writing Workshop held on 15–17 September 2025**.

The Crucible of Experience

At this workshop, **29 senior officers from multiple government departments** came together not as passive learners but as **knowledge architects**. Each participant distilled their governance experiences–be it managing hospitals, executing infrastructure projects, or navigating inter-departmental coordination–into structured cases.

The significance lies in the shift: for decades, Indian civil servants have studied Western case studies. While valuable, these often lacked relevance to India's diversity and complexity. Now, through IRIFM and CBC, Indian officers are producing **cases of their own**, ensuring that training is rooted in **local realities while meeting global standards**.

Global Expertise, Indian Context

The workshop's faculty blended international mastery with contextual wisdom:

- **Blair Cameron (World Bank)**, a seasoned case writer, shared lessons from reform leaders across Africa, Asia, and Latin America.
- **Professor Sanjay Dhir (IIT Delhi)**, with 100+ research papers and multiple teaching awards, demonstrated how to make complex situations teachable.
- **Dr. K.E. Seetha Ram (Asian Development Bank Institute & University of Tokyo)** contributed the cross-cultural insights needed to make Indian cases globally relevant.

Together, they helped participants craft cases that capture India's governance reality while resonating with international audiences.

Adapting the Harvard Method

The workshop drew on the **Harvard Case Method**, long considered the gold standard in experiential learning. But IRIFM and CBC didn't just replicate it; they **indigenized** it.

- Where Harvard focuses on uncertainty in business contexts, IRIFM contextualized uncertainty in governance–where a single decision might ripple across multiple languages, states, and socio-economic strata.
- In this model, **Indian experiences became the classroom, Indian challenges became the curriculum, and Indian solutions became the textbook**.

This is intellectual sovereignty in practice–India reclaiming its narrative.

Vision and Leadership

Dr. R. Balasubramaniam, Member (HR), CBC, articulated the deeper purpose: "This initiative is not about creating content–it is about reclaiming India's governance narrative."

Aparna Garg, Director General of IRIFM, emphasized that with the right learning, the gap between government and governance can be minimized. Her global exposure at INSEAD Singapore and Bocconi Milan, combined with decades in Indian Railways, embodies IRIFM's philosophy: **excellence is achieved not by choosing between global relevance and local authenticity, but by embracing both**.

The Science Behind Stories

The workshop was anchored in the **70:20:10 learning model** of Mission Karmayogi:

- **70%** of learning through on-the-job experiences,
- **20%** through peer collaboration,
- **10%** through formal training.

Case writing bridges all three–documenting real experiences, enabling peer discussion, and embedding structured frameworks. Each case becomes **institutional memory made portable**, ensuring that individual lessons turn into collective assets.

Digital Democracy of Knowledge

Technology ensures scale. The **iGOTKarmayogi platform** already hosts over 40 case studies, with plans to expand to 90+ by year-end, including multilingual versions. This democratizes access: whether a young officer in a remote district or a senior policymaker in Delhi, all can **learn from contextually relevant governance experiences**.

The Multiplier Effect

The 29 officers trained at IRIFM are not just participants–they are catalysts. Returning to their institutions, they will mentor colleagues, inspire peers, and embed the practice of case-writing in their ecosystems.

Earlier editions trained 75 officers across Delhi, Goa, and Hyderabad with a 100% satisfaction rate. This growing network ensures a **cultural shift in India's governance learning–from passive absorption to active knowledge creation**.

Global Recognition, Local Relevance

The partnership with **ADB** and **ADBI** provides more than resources – it is **validation**. By supporting India's indigenous case-writing movement, international organizations affirm that India's governance experiences are **globally valuable**.

The knowledge flow is reversing. India is no longer only a consumer of global case studies–it is becoming a **knowledge exporter**. Soon, Indian cases will be taught in governance classrooms from Singapore to São Paulo.

A Knowledge Renaissance

There is poetic justice in this journey. Just as the **Indian Railways once connected the nation physically**, today, through IRIFM, it is helping connect governance wisdom across ministries, states, and cadres.

The participants who entered as officers emerged as **knowledge architects**. They now see their work not just as files and procedures but as **stories that can inspire and teach generations**.

Every case written becomes a **building block of the Amrit Gyaan Kosh**, India's knowledge repository for Viksit Bharat@2047.

Conclusion

The Advanced Case Writing Workshop at IRIFM represents more than professional development–it embodies **India's intellectual independence movement**. By aligning with the Prime Minister's vision of **Mission Karmayogi** and contributing to the **Amrit Gyaan Kosh**, IRIFM and CBC are ensuring that India's governance training draws from **its own lived experiences**, while setting benchmarks of global relevance.

The revolution led by CBC will ripple across the nation. With each case study crafted, India takes one step closer to a future where governance wisdom is not borrowed, but **authored by Bharat itself**.

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CHALLENGES FACED BY MEDICAL OFFICERS IN INDIAN RAILWAYS AND WAY FORWARD

- BY DR. ARUNANGSHU SARKAR, IRHS
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The Indian Railways runs one of the largest health infrastructures in India, serving employees, pensioners, and their families. The Medical Department, which manages hospitals, health units, and wellness programs, plays a central role in ensuring the well-being of the Railway family.

Recently, the IRIFM conducted a senior professional program (SPC) with pinpointed SAG-Level IRHS officers consisting of **Medical Directors (MD), Chief Medical Superintendents (CMS), Chief Health Directors (CHD) and Principal Chief Medical Officers (PCMO) of the Medical Department**. The course provided an opportunity to gather feedback and brainstorm the **practical challenges** faced by Medical Officers while serving railway staff and pensioners.

Discussions highlighted that while medical teams are committed to service delivery, their effectiveness is often constrained by **financial approvals, budgetary allocations, and procedural rigidities** involving the Accounts Department. The feedback, combined with a structured review of issues, points to a set of **10 major challenges** across the **Divisional** and **Zonal Headquarters levels**.

I. Challenges at the Divisional Level (5)

1. **Delays in Financial Concurrence** – Procurement of medicines, consumables, or urgent repairs often face prolonged scrutiny.
2. **Procedural Rigidity** – Emergency needs such as life-saving drugs get delayed due to insistence on exhaustive compliance.
3. **Knowledge Gaps** – Limited medical knowledge among Accounts staff leads to repeated queries.
4. **Low Prioritization** – Medical proposals are perceived as less urgent compared to operational departments.
5. **Audit Fear** – Excessive caution to avoid objections slows down approvals.

II. Challenges at the Zonal Headquarters Level (5)

1. **Budget Allocation Issues** – Medical needs are often deprioritized in favour of operational projects.
2. **Delays in High-Value Procurements** – Items like MRI machines or modular OTs face repeated financial concurrence, missing budget cycles.
3. **Rule Interpretation Differences** – Divergences in applying MSOP and Railway Board instructions create friction.
4. **Outsourced Service Approvals** – Contractual doctors, diagnostic services, and housekeeping contracts etc face delays.
5. **Lack of Training in Health Finance** – Accounts officers often lack exposure, causing unnecessary back-and-forth.

Cross-Cutting Issues

Across both levels, three common themes emerged:

- **Communication Gaps** – Limited structured dialogue between Medical and Accounts departments.
- **Absence of Joint Training** – No regular orientation to build mutual understanding.
- **Audit Pressure** – Fear of audit objections creates an overly cautious environment.

Recommendations

To address these 10 challenges, Medical and Accounts departments must move from a compliance-driven approach to a collaborative one. Suggested steps include:

- **Joint Training Programs** for officers from both departments to build empathy and cross-domain knowledge.
- **Dedicated Finance Officers for Medical Proposals** with orientation in healthcare finance.
- **Fast-Track Approval Mechanisms** for urgent, low-value, or life-saving requirements.
- **Simplified & Enhanced SOPs** with regular enhancements for essential medicines and emergency procurements.
- **Regular Coordination Meetings** at divisional and zonal levels.
- **Integrated Digital Systems** to link medical and finance workflows seamlessly.

The Medical Department safeguards the health of over 12 lakh employees, 7 lakh Pensioners and their families. The Accounts Department ensures financial discipline. Both are indispensable pillars, but **rigid procedures, limited medical understanding, and budgetary constraints** undermine the timely delivery of healthcare services.

Feedback from senior medical officers during IRIFM's recent course reinforces that **a balanced approach – discipline with empathy, financial scrutiny with urgency – is essential**. By adopting joint training, simplifying approvals, and fostering better communication, Indian Railways can build a stronger partnership between Medical and Accounts, ensuring timely, quality healthcare for its workforce and pensioners.

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The only true wisdom is in knowing you know Nothing.

- by Socrates

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