

# Standing Committee Report Summary

## Implementation of Metro Rail Projects - An Appraisal

- The Standing Committee on Housing and Urban Affairs (Chair: Mr. Jagdambika Pal) submitted its report on ‘Implementation of Metro Rail Projects - An Appraisal’, on May 9, 2022. Key observations and recommendations of the Committee include:
  - **Low ridership:** Most metro projects (except Delhi and Mumbai line 1) have seen low actual average daily ridership than what is required to breakeven. These metro projects include Bengaluru, Hyderabad, Chennai, Lucknow, and Jaipur. For instance, in 2020-21: (i) Bengaluru metro had an actual average ridership of 0.96 lakh against the required ridership of 18.64 lakh to breakeven, and (ii) Hyderabad metro had an actual ridership of 0.65 lakh against 19 lakh required to breakeven. The Committee noted that poor performance of metro projects indicates several things such as: (i) lack of first and last mile connectivity, (ii) faulty detailed project reports, and (iii) absence of parking at stations. If metro is to be made a medium of mass transportation, commuters need to be shifted away from using private vehicles. Therefore, the Committee recommended: (i) ensuring ridership estimation (which determines the selection of the type of metro) is realistic and accurate, and (ii) taking concrete steps to increase the ridership of all metro projects.
  - **First and last mile connectivity:** The Metro Rail Policy, 2017 provides that all proposals for metro rails should include proposals for feeder systems. The Committee noted that all metro networks do not have first and last mile connectivity facilities. For instance, Lucknow, Ahmedabad, and Kolkata do not have infrastructure for feeder buses. In the absence of such connectivity, projected ridership may not be achieved. It recommended that approvals for upcoming metro projects should not be given until the detailed project report has provisions for first and last mile connectivity.
  - **Law governing metro projects:** The Committee observed that as more cities are taking up metro projects, there is a need to have a comprehensive law for metro projects. Currently, metro projects are governed by three central Acts. The Ministry of Housing and Urban Affairs had stated that it is drafting a Bill to replace the three existing Acts.
  - **Unified Metropolitan Transport Authority (UMTA):** State governments are required to constitute UMTAs for managing urban transport.
- The Committee observed that several states such as Karnataka, Gujarat, and Rajasthan have not constituted UMTAs. It recommended the Ministry to encourage the setting up of UMTAs in states.
  - **Less capital-intensive metro networks:** In 2021-22, metro projects accounted for about 43% of the Ministry’s budget. The per km cost of constructing metro ranges from Rs 37 crore -1,126 crore depending on the metro system. The Committee recommended the Ministry to promote MetroLite and MetroNeo systems in smaller cities due to their lesser capital, operation, and maintenance costs. These systems can be constructed at about 25-40% cost of regular metro.
  - **Fare fixation committee (FFC):** Under the Metro Railways (Operation and Maintenance) Act, 2002 the initial fare for a metro project is fixed by the metro administration, thereafter it is fixed by the FFC. The central government constitutes the FFC after receipt of request from the state government/ metro rail company. The Committee noted that so far four FFCs have been constituted for Delhi metro, two for Mumbai metro line 1, while FFC for Bangalore is under process. For other metros, initial fare is applicable. The Committee recommended: (i) FFCs should be constituted for metro projects, and (ii) relevant factors affecting the cost of running a metro should be taken into account while fixing fares to ensure affordability.
  - **Payment of fare via single card:** The National Common Mobility Card (NCMC), launched in March 2019, allows payment across different modes of public transport throughout India. Payment through a single card attracts customers towards public transport and increases ridership. The Committee noted that NCMC compliant systems have not been installed in Kolkata, Jaipur, Lucknow, Kanpur, Chennai, and Gujarat. It recommended the Ministry to take suitable steps to operationalise NCMC.
  - **Sourcing of power from renewables:** Metro networks such as Chennai, Hyderabad, Delhi, and Lucknow are adopting energy conservation measures. For instance, Kochi and Pune metro have planned to meet 60% of their energy requirements from solar power. The Committee recommended the Ministry to encourage mandatory sourcing of power from renewables especially solar, by metro networks.

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