Considered to be the biggest and first-of-its-kind reform in the rail sector The RDA will be formed through an executive order of the government The Authority will have a Chairman and 3 members and can engage experts from relevant areas. The Chairman and the members of RDA will have a term of 5 yrs. Composition of RDA An initial corpus of Rs 50 crores will be provided for setting up the organisation. The appointment of the Chairman and members will be done by the central government from the panel of names recommended by the Search and Selection Committee Rail Development The need of having a rail regulator has been **Authority** emphasised by various committees for past many years since 2001. Expert Group under the Chairmanship of Rakesh Mohan in 2001, the NTDPC in 2014 and Bibek Debroy's Committee in 2015 History Budget 2015-16 announced it is important to have a regulation mechanism independent of the service provider for overall development of railways Budget 2015-16 proposed to set up a mechanism for

making regulations, setting performance standards and determining tariff.

Recommendations of RDA are not binding on the government

Benchmark efficiency parameter for Indian railways

Recommend guidelines and principles for tarrif settings

Suggests measures of technology Adoption and implementation

Deriving guidelines for classifying commodities fare as well as the class

Functions of RDA

Proposing modifications and suggesting advisory notes on PPP investment

Ensuring reasonable safeguard to PPP investors

Ensuring fair and level playing field for stakeholder investment in railways

Dispute reduction in future concessions agreements

RDA will help the government to take appropriate decisions on pricing of services commensurate with costs

It will suggest measures for enhancement of non-fare revenue