

WORKING OF MANCHESWAR CARRIAGE REPAIR WORKSHOP IN EAST COAST STATION

MINISTRY OF RAILWAYS (RAILWAY BOARD)

PUBLIC ACCOUNTS COMMITTEE
(2025-26)

FORTIETH REPORT

EIGHTEENTH LOK SABHA



LOK SABHA SECRETARIAT
NEW DELHI

PAC NO. - 2446

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Presented to Lok Sabha on: 01.04.2026

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LOK SABHA SECRETARIAT
NEW DELHI

April, 2026 /Chaitra, 1948 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2025-26)

Shri K. C. Venugopal - Chairperson

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1. Smt. Mamta Kemwal - Joint Secretary
2. Smt. Archana Pathania - Director
3. Dr. Faiz Ahmad - Deputy Secretary

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2023-24), having been authorized by the Committee, do present this Fortieth Report (Eighteenth Lok Sabha) on “**Working of Mancheswar Carriage Repair Workshop in East Coast Station**” based on Chapter I of C&AG Report number 2 of 2025 relating to the Ministry of Railways (Railway Board).

2. The Report of Comptroller and Auditor General of India was laid in the Parliament on 1 April, 2025.

3. The Public Accounts Committee (2025-26) selected the subject for detailed examination and report during their current term i.e. 2025-26. The Committee took oral evidence of the representatives of the Ministry of Railways at their sitting held on 15.05.2025. The Public Accounts Committee (2025-26) considered and adopted this Report at their sitting held on 27.03.2026.

4. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** and form Part-II of the Report.

5. The Committee would like to express their thanks to the representatives of the Ministry of Railways for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.

6. The Committee also place on record their appreciation of the assistance rendered to them in the matter by the Committee Secretariat and the office of the Comptroller and Auditor General of India.

NEW DELHI:
27 March, 2026
6 Chaitra, 1948 (Saka)

K C VENUGOPAL
Chairperson,
Public Accounts Committee

PART-I **Introduction**

1. Carriage Repair Workshop, Mancheswar (CRW/MCS) of East Coast Railway (ECoR) was established in November 1981 for the purpose of undertaking repair of Railway coaches. CRW/MCS initially had a capacity for Periodical Overhaul (POH) of 45 coaches per month which was increased to 100 coaches per month in 2003-04. During 2008 to 2016, augmentation of the workshop was carried out to enhance the outturn capacity of the workshop to 150 coaches per month. As against the outturn capacity of 150 coaches per month, the outturn of the workshop during the period from 2016-17 to 2022-23 ranged between 86 and 113 coaches per month.
2. The Chapter I of C&AG Report No. 2 of 2025 for the year ended March 2023 contains significant results of the compliance audit of the Mancheswar Carriage Repair Workshop in East Coast Railway of Ministry of Railways of the Union Government.
3. Public Accounts Committee (2025-2026), selected the aforesaid C&AG Report for examination and report.
4. The Public Accounts Committee (2025-2026), considered the subject for detailed examination, took oral evidences of the representatives and other officials of Ministry of Railways on 15 May, 2025 and obtained written replies on the same. Based on the oral evidence and written replies, the Committee examined the subject in detail.

Target and performance of the workshop

5. Audit observed that as against the initial projection of 4370 POH arising during the review period, Railway Board (RB) set a target for POH of 3796 coaches and outturn of the workshop was 3402 coaches. Despite the instructions of RB to exercise due care while projecting POH arisings, the initial projection of ECoR was revised downward every year during the half yearly review. Though the outturn of ICF coaches reduced from 887 in 2020-21 to 710 in 2022-23 (19.95 per cent), there was increase in outturn (985) in 2021-22. The workshop could not achieve the target set by RB. As against the outturn target for POH of 1092, 1500 and 1204 coaches during 2020-23, actual outturn was 1030, 1209 and 1163 coaches respectively. The fact remains that the projections made were 20 per cent to 38 per cent higher than the outturn during the three year period, even if the outturn of IOH of coaches was taken into consideration.
6. The Ministry in its Background Note has submitted as under:
“POH projections for 2020–21 were made assuming normal operations, but COVID-19 led to lockdowns, staff shortages, and material unavailability, affecting actual outturn. Many coaches were also condemned or transferred between 2020–23. As a result, actual outturn differed from projections. CRW/MCSW met

the RB targets and liquidated all due POH coaches of ECoR as per arising of the particular years. However, the arising of coaches for POH and IOH for both ICF and LHB have changed over the years due to change in population of coaches and accordingly targets also varied from year to year.

YEAR	Railway Board Target	Out-Turn Achieved	Variation in %age
2014-15	1500	1538	2.5
2015-16	1500	1642	8.6
2016-17	1452	1356	-7.1
2017-18	1238	1280	3.3
2018-19	1238	1320	6.2
2019-20	1364	1328	-2.7
2020-21	1092	1030	-6.0
2021-22	1224	1209	-1.2
2022-23	1204	1163	-3.5
2023-24	1132	1219	7.1

As above, the performance of CRW/MCSW has been at par with RB's targets.

- In 2003-04, the POH capacity was 100 ICF coaches per month, which was later increased to 150 coaches per month in 2016. However, several factors influenced POH requirements:
 - i. Introduction of LHB Coaches: LHB coaches, with a 36-month POH cycle, reduced the POH demand and required new infrastructure for specialized maintenance.
 - ii. Increased POH Periodicity for ICF Coaches: The periodicity of ICF coaches was extended from 12 to 18 months, reducing POH needs by 33.3%.
 - iii. Increased IOH Load: IOH for ICF and LHB coaches began in 2007 and 2013, respectively, adding more workload, including bogie overhauling.
 - iv. LHB Infrastructure Needs: LHB coaches required new facilities for maintenance, such as handling disc brakes, WSP systems, and bio-toilets.

The workshop adapted to these changing demands, increasing capacity and infrastructure. Projections for 2023-24 and 2024-25 were made, factoring both POH and IOH loads. Therefore, while the POH capacity was initially for ICF coaches, the workshop has evolved to handle diverse tasks, and future planning continues to address changing requirements. Now, Bogie overhauling and coach maintenance follow Railway Board guidelines, with the workshop managing various types of coach repairs.”

7. When the Committee asked as to why was the initial projection of ECoR (East Coast Railway) not made with proper planning and research despite the instructions of Railway Board to exercise due care while projecting POH (Periodic Overhaul) arisings and how many times the initial projection of ECoR was revised downward during the half yearly review, the Ministry stated as under:

“Indian Railways have, over the period of time, shifted towards induction of LHB coaches which are modern, state of the art, much safer and more maintenance friendly vis-à-vis ICF. LHB coaches have POH periodicity of 3 years vis-à-vis ICF having periodicity of 1.5 years. POH projections by ECoR, for the subject period, were made as per the arisings. However, COVID-19 affected train operations adversely and actual outturn during the period. Coach Holding in a Zonal Railway is dynamic which may vary due to various factors such as conversion of rakes from ICF to LHB/MEMU, overhauling periodicity of coaches, revision of codal life of assets, transfer of coaches to other Zones for meeting operational exigencies etc. which may affect outturn. Also, POH arising/target of the ZR is fixed taking into consideration certain buffer to meet additional requirements for e.g. Mela specials, Summer specials and festival Specials etc. Initial projection of ECoR was revised downward in the year 2020-21, 2021-22 and 2022-23 (once per year) due to Covid related issues as well as due to shift from ICF to LHB coaches and maintenance periodicity enhancement.”

8. The Ministry has also informed the Committee about the outturn pertaining to the Audit period as stated below:-

Year	No of ICF Coaches POHed	No of LHB Coaches POHed	Total Outturn	Remarks
2020-21	892	138	1030	Covid restrictions
2021-22	985 + MEMU - 08	216	1209	No Such restrictions
2022-23	710 + MEMU -04	449	1163	No Such restrictions

As the Covid period restrictions eased out, POH activities gradually improved. However, due to reasons mentioned in preceding points, POH of ICF coaches gradually tapered off and during the year 2024-25, 686 coaches along with 578 LHB coaches were attended for POH at MCSW.

9. When asked as to why was the projected capacity of the workshop understated by ECoR against available capacity of the workshop to overhaul 150 coaches per month which increased gradually with completion of augmentation works, the Ministry answered as under:

YEAR	Railway Board Target	Out-Turn Achieved
2018-19	1238	1320
2019-20	1364	1328
2020-21	1092	1030
2021-22	1224	1209
2022-23	1204	1163
2023-24	1132	1219”

“From the above table, it can be seen that CRW/MCSW liquidated all due POH coaches as per actual arising of the years, therefore, performance can be considered satisfactory.

10. When enquired as to why ECoR did not ensure that all coaches planned for repair were sent to the workshop, the Ministry answered as under:

“Outbreak of COVID-19 led to stoppage of all passenger trains and no coaches were sent to workshop for POH due to lock down resulting in delays and halting POH/IOH activities in Workshops. Also, POH/IOH of coaches was extended by up to 6 months during the period which caused sequential delays in POH. Covid also led to stabling constraints in yards and delayed feeding of coaches to workshops due to POH extensions being done.”

11. When asked as to whether the coaches which were overdue for repair on account of not being sent for POH on time, posed a risk to safety in passenger services, the Ministry made the following submission:

“The Coaches which are overdue for POH are not allowed in service and are detached at the time of train examination itself before issue of Brake Power Certificate for fitness of any rake for train operation. All such POH overdue coaches are subsequently attended in workshops. Hence, there is no question of any kind of risk to safety for passenger services on account of coaches not being sent for POH on time.”

12. When asked about the steps taken to monitor the timely dispatch of coaches by the depots for POH, the Ministry replied as below:

“POH due/overdue coaches are not allowed in service and are detached at the time of train examination before issue of Brake Power Certificate for fitness of any rake for train operation. All such POH due/overdue coaches are subsequently dispatched from the depots and attended in workshops. Regular monitoring of dispatch of POH coaches from depots to nominated workshops is carried out by the Railways. Additionally, every month Calling -In-Programme Meeting among Depot Officers & Zonal HQ Officers is arranged by the Zonal Railway to discuss the timely feeding of due POH coaches as per the Return Date of coaches.”

13. On being asked as to why is POH done within the stipulated period only in case of less than 50 per cent of coaches repaired in the workshops, the Ministry answered as under:

“Audit data pertains to the period which was affected by COVID Pandemic during which coaches received for POH lying idle inside Workshop resulted in cycle time more than stipulated period. Except for the Covid period, POH cycle time remained within”.

14. The Ministry representative made the following submission in this regard:

Sir, the POH arising is not synchronous with the actual requirements; it is because of the COVID-19. What happened is that large number activities went haywire and workshops were closed. A few coaches which were transferred to other zones also got affected. So, the feed was not there and it has really impacted. In next slide, we will be presenting that now we have made it up. That was a major reason what has happened related to the POH arising. Across IR, the movement of the coaches, feed etc., everything gets affected during that point and this can be correlated to number of days we have taken. LHB coaches are German coaches. They were directly imported. Now we have got a complete technology for manufacturing in-house. Sir, we also keep some capacity for the target sometimes higher because we need capacity for meeting the urgent requirement. Sir, if you see these figures, from 2014-15 and all that, 2016-17, there was a dip. But, after that, in 2017-18, we have made it up. In 2019-20, there was a dip of two per cent, and in 2020-21, this was largely the time due to the COVID. Sir, if you see 2023-24, we have all made it up. It is 7.5 per cent higher than what the target is.....’

Failure of Coaches

15. In August 2012, RB directed all Zonal Railways to monitor coach failures within 100 days of POH and take preventive action. Audit found that out of 131 coaches failed within 100 days of POH and repaired at depots, 14 instances were reported to CRW/MCS and PCME office of ECoR and the remaining 117 instances were not reported by the depots. In addition to failure of 131 coaches, PCME office intimated the workshop about the failure of 114 coaches within 100 days of POH due to mechanical and electrical faults. Out of these, CRW/MCS did not accept 71 failures as the depots concerned did not furnish the detailed report of failure. In respect of 17 LHB coaches that failed within 100 days, Audit observed that 19 must-change mechanical items were replaced by second-hand serviceable items by the bogie repair shop during the POH, thereby not only violating the prescribed procedure of must change items during POH as mentioned in the LHB maintenance manual, (as per which IOH (Shop Schedule I) is 18 months/6 lakh Km., whichever is earlier; POH (Shop Schedule II) is 3 years/12 lakh Km., whichever is earlier; and POH (Shop Schedule III) is 6 years/24 lakh Km., whichever is earlier) but also compromising passenger safety.

16. The Ministry in its Background Note has stated in this regard as under:
“The outbreak of COVID-19 led to stoppage of all passenger trains and no coaches were permitted to be sent to workshop for POH due to lock down which resulted in delays and halting POH/IOH activities at Mancheshwar Workshop. After the lockdown lifted, workshop activities resumed slowly due to shortages of materials, oxygen, and staff, significantly affecting outturn. Additionally, POH/IOH was extended by up to 6 months, causing sequential delays in POH. As per LHB Maintenance Manual-2022, normal POH cycle time is 21 working days for AC coaches and 16 for Non-AC. Heavily corroded or special-purpose coaches need more time due to additional repairs like structural body work, rehabilitation, conversions, or modifications, which vary by coach and require more material and man-days (50–400 man days). Covid led to storage constraints and delayed feeding of coaches to workshops with POH extensions granted by Railway Board.

Despite this, average POH cycle times were:

- 2020–21: 51.54 days (Covid impact)
- 2021–22: 23.08 days
- 2022–23: 16.72 days
- 2024–25: 14.3 days

Except for the Covid period, cycle times remained within norms, with no impact on train operations or earnings. As a remedial measure, Coach monitoring is being done at all levels and POH cycle time is tracked via WISE.

All coaches undergo inspection at multiple stages—shop-level checks, NTXR certification, PIT line quality inspection by SSE/Quality, shop in-charge sign-off, and surprise checks by officers. Despite this, sometimes failure occurs due to material defects, poor workmanship, or improper usage. Each failure is analysed with depot inputs to identify root causes and take preventive and corrective actions. Due to this regular exercise, there has been improvement in 100-day failure cases (70 in FY 2022–23 , 56 in FY 2023–24, and 20 in FY 2024–25). Due to a surge in LHB POH workload—from 216 (2021–22) to 449 (2022–23)—must-change item consumption rose up to 195%. In rare cases, components were retained based on condition due to material delays or operational urgency, though “Must Change” practice is scrupulously followed.”

17. In view of Audit finding that CRW/MCS could not analyze all instances of failure of coaches within 100 days of POH due to non-reporting by the depots, when the Committee asked about the steps taken to rectify the issue of non-reporting by the depots, action taken for non-reporting and whether any disciplinary proceeding initiated and responsibility fixed for poor workmanship, the Ministry made the following submission:

- “Every month 100 days off-POH failures are reported by Depots and the same is also intimated to MCSW.
- During the Calling-in-Programme meeting, the failures are discussed among all members present in the meeting.
- The workshop takes all necessary steps to rectify the same.
- One representative from Depot is deployed at MCSW to monitor the maintenance practices during POH.
- It can be seen from below that there has been substantial improvement in 100-day failure cases due to technical inputs over the years including replacement of ICF with more maintenance friendly LHB coaches.

YEAR	100 days Failures
2017-18	178
2018-19	103
2019-20	139
2020-21	22 (COVID Period)
2021-22	75
2022-23	70
2023-24	56
2024-25	20”

18. The Ministry representative has submitted in this regard as below:

'Sir, as far as the instances of failure of coaches are concerned, this is one of the things, and because of these ICF coaches, or because of the old coaches and the material planning also, because in the old coaches, we are largely relying on the release materials also, that is why the 100 days failures have increased. But, as we have gone for the new coaches, and also further material planning, we have further improved. We can see that in comparison to 100 days failures, now they have reduced drastically. Now, they are only like in 2024-25, they are only 20, 21, 25, 70, 76. So, we have improved a lot.'

With regard to disciplinary proceedings for poor workmanship, the Ministry submitted in their reply that internal inquiry was conducted and suitable punishment was imposed as per details mentioned below:-

FY	No. of Staff taken up under (Discipline & Appeal) Rules
2020-21	09
2021-22	04
2022-23	06

Idling of Plant and Machinery

19. In May 2006, RB issued guidelines for procurement of Plant & Machinery (M&P) and timely commissioning of M&P. The guidelines *inter alia* prescribed that Eighty per cent of payment may be made on proof of inspection certificate and challan and balance 20 per cent within 90 days after satisfactory installation, commissioning and proving out test of M&P subject to submission of bank guarantee for an amount of 10 per cent of contract value, as warranty security. Warranty period for M&P is 24 months from date of commissioning and during warranty a maximum period of two weeks is allowed for attending and rectification of fault by the party. Maximum downtime during the warranty period would be two per cent (for online M&P) and 10 per cent (for offline M&P). Penalty of 0.5 per cent of the contract value per week is levied for delay in response time for attending during the warranty period subject to maximum five per cent of the contract value. Bad performance of the firm should be recorded and circulated to all zones for deciding future orders on the firm. In September 1999, RB instructed that M&P items repeatedly failing and causing concern be identified by the approving authority and the specifications and sources be revalidated. It was also instructed to report failures of M&P to authorities responsible for issue of list of approved vendors for appropriate action. Review of the functioning of machineries in CRW/MCS as of December 2023 revealed that four high value machines worth Rs. 4.15 crore viz. Hydraulic plate bending

and rolling machine commissioned in June 2012 met with frequent breakdowns and finally stopped functioning from January 2014 onwards. CRW/MCS, however, issued the Proving Test Certificate (PTC) in May 2013 ignoring the defects. The firm attended the machine twice in October 2014 and July 2015 but could not repair it. Thereafter, the firm did not respond and the machine remained idle since January 2014. Similarly, Vertical turret lathe was commissioned on 27 November 2008; Horizontal drilling and tapping machine commissioned in November 2011; and Coil spring scragging & Load deflection testing machine was commissioned in September 2014 despite having inherent defects and were lying out of order for years for want of repair. Audit observed that the workshop authority failed in adhering to the prescribed guidelines for procurement, commissioning, repair and maintenance of machinery.

20. On being enquired about the quantum of loss incurred by the Railways due to idling of machine and the present status thereof, the Ministry made the following submission:

- i. "During the period these machines were lying idle, POH work was made good by utilization of other available machines which did not affect the Outturn.
- ii. Presently, the Hydraulic Plate Bending Machine is in working condition."

21. On being asked as to what has been the level of compliance with the norms laid down regarding maximum downtime during the warranty period and what has been the cumulative figure of penalty imposed during the period under review and whether it has been able to make any difference to services rendered by concerned agencies, the Ministry submitted as under:

- i. "10% Liquidated Damages [Rs. 4.47 lakh] was deducted by COFMOW from the firm for late supply of the machine. Hence, the norms have been complied fully.
- ii. Details of recovery are as follows.

<u>Name of Machine</u>	<u>Remarks</u>	<u>Recovery</u>
Hydraulic Plate Bending M/c	Penalty imposed for late commissioning	Rs. 4.47 lakhs (10% of cost of m/c)
Coil Spring Scragging & Load deflection M/c	Penalty imposed for Failure within Warranty period & Blacklisting of firm.	Rs. 2.96 lakhs (20% of cost of M/c)

Vertical Turret lathe	M/c working satisfactorily during warranty period. Spares(Jib Crane) supplied by the firm was defective which was rectified by Rlys for which recovery was done.	Rs. 17,283/-
Horizontal Drilling & Tapping M/c	Penalty for late commissioning was imposed	Rs.7.44 lakhs

22. During evidence, the Ministry representative made the following statement:

‘Sir, these were the few machines, which have been mentioned by audit which were not working. As far as the current status is concerned, now the two of them are working and this vertical turret laser is from HMT, it is a public sector company, so we have been trying up, but so far we are not able to do it. It has already worked for 11 years, we are tying up with HMT, if they are not able to do it, then we will engage with some other firms to repair it. As far as the hydraulic plate bending machine is concerned, yes, it gave the problem after a certificate was issued, but after repeated follow-up, currently the machine is working. It is a second machine, Vertical Turret Lathe, it was supplied from HMT, so we are following it up. Hydraulic drilling and tapping machine, it was from the Geeta Machine, now the machine is working. As far as coil spring is concerned, it was only of Rs.14 lakhs, so we have also not paid him fully and now we are getting it repaired through external agencies. So, not all are very high-value machines, but they are required.’

23. The Ministry in its Background Note has stated in this regard as below:

“CRW/Mancheswar (CRW/MCS) took sustained action to address defects and delays in the commissioning of four high-value machines:

1. Hydraulic Plate Bending Machine (2012): After commissioning in June’2012, the machine broke down in 2014 due to hydraulic pump failure. Supplier failed to repair the machine despite follow-ups and CRW/MCS escalated the matter to COFMOW for imposition of liquidated damages and further penal action.
2. Vertical Turret Lathe (2008): The machine was commissioned in Nov’2008 after persistent efforts by Railway with few deficit materials for which amount was deducted. Machine operated till 2019 and currently is being processed for repair through outside agency.
3. Hydraulic Drilling & Tapping Machine (2011): Machine was commissioned in Nov’2011 after resolving cycle time and component issues. Repeated

breakdowns of the machine led to warranty extension and imposition of LD penalties. The machine is currently operational.

4. Coil Spring Scragging & Testing Machine (2014): Machine was commissioned in Sep'2014, however, conditional PTC was issued in June'2016 withholding 20% pending bills and recommending action against firm."

Procurement of stores

24. Out of 3123 Purchase Orders (POs) issued by the Dy. CMM/MCS during 2020-21 to 2022-23, a sample of 78 stock and 59 non-stock POs of money value of more than Rs. 10 lakhs was selected for test check to examine the timeliness in procurement of materials. These 137 POs covered procurement of 411 stock and 66 non-stock items. Out of total PO value of Rs. 23.04 crore for procurement of stock items, materials worth Rs. 11.81 crore (51 per cent) were received. POs for procurement of materials worth Rs. 2.21 crore were neither received nor cancelled, and POs were shown as pending even after the expiry of the delivery period. The remaining POs worth Rs. 9.02 crore (39 per cent) were cancelled, out of which materials worth Rs. 8.69 crore (96 per cent) were to be procured from other zones through book adjustment. The reasons for cancellation of 107 POs worth Rs. 9.02 crore were (i) materials not spared by the zones concerned in case of 65 items worth Rs.2.38 crore and (ii) materials not required in case of 32 items worth Rs. 5.33 crore. For the ten cancelled POs worth Rs. 1.31 crore, the reasons for cancellation were not mentioned. In case of procurement of stock items, time taken from the date of indent to the issue of PO was upto 28 days (average 1.3 days) and the time taken from the indent date to material receipt date was in the range of 3 days to 146 days (average of 19 days). Audit however, observed that the cases involving average delay of six months and maximum delay exceeding three years in issue of POs could not be considered as rare occurrence in the workshop. The inordinate delay in administrative approvals, fund certification for issue of POs against the indents defeated the purpose of procurement of non stock material which is indented as and when required.

25. When the Committee asked whether any enquiry has been instituted to find out the factors that led to cancellation of POs issued by the Dy. CMM/MCS during 2020-21 to 2022-23 for procurement of stock items and what are the reasons for not mentioning the reasons for cancellation worth Rs. 1.31 crore, the Ministry made the following submission:

"All the ten subject POs were placed on other ZRs by MCS to collect material on assistance basis from their stock to ensure material supply. The reasons for

cancellation of POs placed on other ZRs generally varies from insufficient quantity sparing, transport non availability or simultaneous arrangement of material from trade or other ZRs. There have been no losses to railway in case of cancellation of POs for stock assistance on other ZRs.”

26. When asked whether steps have been taken to ensure that POs are placed only after making proper estimates of requirement of Stock items in order to prevent avoidable cost, the Ministry made the following submission:

“Material Management Information System (MMIS) does not allow over procurement as indent is generated by portal only, including account of available stock with depot. Presently, all indents are generated through MMIS. The indent generated is as per AAC and after subtracting the stock balance thus preventing any over procurement. AACs are also revised annually and in case of A category items is approved at HQ level after due vetting by accounts. Similarly, due to recent technical enhancements in the MMIS software developed by CRIS, POs on other Railways can now only be placed once the item has been formally spared by the issuing depot in the system. This improvement has significantly reduced instances of PO cancellations and has contributed to more accurate demand assessment and procurement planning.”

27. Referring to the observation of the Audit that 36 stock items were procured through 51 non-stock purchase orders that is immediate purchase which was not as per the rules and guidelines of the Railway Board, when the Committee enquired about the procedural deviation in the procurement process, the Ministry replied as under:

“The requirement of the workshop is dynamic in nature, and for several stock items demand often increases mid-way through the financial year such as in case of a technical guideline from Board/RDSO for design modification with immediate implementation requirement. In such cases, one-time procurement of stock items becomes essential. As the requirement is of one-time nature, therefore, revising AAC for this purpose shall disrupt future procurement plans. As a result, depot stores are required to meet these additional requirements through ad-hoc demands raised by the consignees, following due accounts approval procedures.”

28. When the Committee asked to explain the reasons for delay in procurement of non-stock items, which are urgent in nature, to the extent of 1,113 days, the Ministry made the following submission:

“The delay in procurement of Non-Stock (NS) demands, as referred to, pertains to a specific and isolated case. Apart from this exception, the current data (as shared below) reflects the actual time taken by the Stores Department for processing and procurement of NS demands for urgently required items, which remains within reasonable timelines.

Year	Total Nos. of Demands Registered	Average number of days between demand and registration and publishing
2024-25	801	9.8

In some cases, clarification is required from consignee regarding discrepancies in technical specifications, fund certifications etc. Further, in case of retendering against failed POs, that cycle gets calculated from original date of NSR registration and not from PO cancellation, which undeniably inflates the cycle time figure.”

29. When the Committee asked as to why critical inventory items essential to safety and Periodical Overhaul (POH) operations at Mancheswar Carriage Repair Workshop fell below the prescribed Anticipated Annual Consumption (AAC) levels during the last five financial years (2019-2024), thereby necessitating the use of second-hand or serviceable items in contravention of codal norms and maintenance manuals, the Ministry made the following submission:

“Procurement and availability of materials were affected due to supply chain disruptions during COVID and its aftermath. However, as all the coaches were finally turned out from workshop with complete POH, therefore, there was no impact on repair and maintenance work as such.

At present, in accordance with the latest directives from the Railway Board, stock levels for safety items, passenger amenities, and must-change items are being maintained at a minimum of one-month buffer stock throughout the year. Additionally, proactive procurement measures are being taken to address shortfalls whenever stock levels fall below six months, ensuring uninterrupted availability and operational efficiency. The current stock position of must change and safety items at MCSW are as below:

No. of items	% Availability	No. of items based on depot stock level		
		Out of stock	Stock < 3 months	Stock > 3 months
123	100	0	19	104

30. When the Committee enquired about complete details of inventory audit reports, internal correspondence, and user complaints in respect of concerning stock shortages of safety-critical and 'must-change' items and flag instances, if the stock shortage led to delays in POH or compromise/deficiencies on repairs, the Ministry furnished the following reply:

“Internal correspondences have been made between User and Stores dept concerning Stock Shortages. The Average monthly availability % of Safety, Passenger Amenity and overall items of ECOR during the period was as furnished below.

Year	Average Monthly Availability % of Safety Items	Average Monthly Availability % of Passenger Amenity Items	Average Monthly Availability % of Overall Items
2020-21	99.93	99.82	98.92
2021-22	99.60	97.75	98.73
2022-23	99.61	90.40	93.94”

31. On being enquired whether the Ministry have considered having a realistic look into the capacity of the workshop and seeing that the existing capacity and ongoing augmentation works match, the following reply was submitted:

“Presently, CRW/MCSW is successfully catering to overhauling requirements of Coaches on ECoR as per the actual arising and target given by the Board. Further, MCSW is prepared to cater to any enhanced overhauling requirements of POH coaches as per arising and requirement in the immediate future.”

32. When asked about the steps taken to monitor and minimize delay in procurement of materials, especially for non-stock items, the Ministry furnished the following reply:

- “Inventory monitoring has improved through the UDM Module for stock items allowing real-time visibility of stock on MMIS which facilitates better material planning. End users are also kept informed.
- Buffer stock for safety and passenger amenities is maintained.
- To reduce PO delays, Pre-Tender Scrutiny checks implemented to ensure specifications and clear sources for faster procurement. Fund availability is being ensured.
- Regular material supply related coordination meetings are held at workshop and HQ levels.”

Availability of Stores

33. To examine the availability of materials in CRW/MCS, a sample of 123 stock items was selected. In 63 stock items, availability of stores was less than the AAC and the user units repeatedly complained about non-availability of materials in 20 stock items. In nine out of 19 vital/safety/must-change items, availability of stores was less than the AAC and the shortfall ranged between 11 and 50 per cent. Less procurement of vital/safety/must-change items was a serious lapse which resulted in use of second-hand materials in place of must-change items and resultant failure of coaches within 100 days of POH.

34. There was a shortfall raised in important, vital, safety, must-change items which ranged from 11 to 50 per cent. On being asked whether the Ministry had estimated the impact on the repair and maintenance work due to the shortfall, they made the following submission:

“Procurement and availability of materials were affected due to supply chain disruptions during COVID and its aftermath. However, as all the coaches were finally turned out from workshop with complete POH, therefore, there was no impact on repair and maintenance work as such. At present, in accordance with the latest directives from the Railway Board, stock levels for safety items, passenger amenities, and must-change items are being maintained at a minimum of one-month buffer stock throughout the year. Additionally, proactive procurement measures are being taken to address shortfalls whenever stock levels fall below six months, ensuring uninterrupted availability and operational efficiency.”

35. When enquired about the steps taken to ensure the quality of repair to guard against poor workmanship and material failures, the Ministry submitted as under:

“To improve quality of repair following actions have been taken:-

- 14 internal and external audits have been conducted to identify deficiencies and implement corrective actions in 2024-25.
- Modifications/CAIs issued by Board/RDSO are being implemented.
- Regular technical seminars, training programs, and the use of test benches and diagnostic devices are being carried out to ensure quality.
- All materials are pre inspected by nominated Inspection agencies.
- Full fitness certification of coaches by NTXR is being ensured (Nil local passing).”

36. In this regard, the Ministry in its Background Note has submitted as under:

“Regarding availability of material less than the AAC, inventory monitoring has been enhanced through the UDM Module for stock items, allowing real-time visibility of stock from other zonal railways in iMMIS, aiding in material planning. Buffer stock for safety and passenger amenities is maintained. To reduce PO delays, Pre-Tender Scrutiny checks have been implemented to ensure specifications and sources are clear, and the GeM portal is being optimally used for faster procurement. Inventory is regularly monitored and end users are kept informed.”

37. On being enquired about the reasons for replacing must-change items with second-hand items during POH and whether there are any inspection and certification process before the coaches are sent out after POH/ IOH, the Ministry gave the following reply:

“Besides new items, some serviceable released good items were put into service after proper reconditioning and inspection as per norms in exigency as procurement and availability of materials were affected due to supply chain disruptions during COVID and its aftermath. However, no Local passing was ensured and all coaches were passed by NTRX.”

38. The Ministry representative made the following submission in this regard:

‘As far as material availability is concerned, we have taken a lot of steps, yes, material should be available, so we have also released our user depot module, it is a completely computerised module, so after that all the material is now well planned. As on date, what you can see that currently all the material is available, and we take a regular stock of all this position so that all material is available.’

Monitoring through Workshop Information System (WISE)

39. Audit found that test check of 447 samples of coaches revealed that there was mismatch between WISE and manual records in respect of entry ('workshop-in") and exit dates (Workshop Traffic-out) of coaches from the workshop. Audit observed that the coach ownership of ECoR shows wide variation in coach holding data of depots, Zonal HQ and ICMS. The difference of data was due to not feeding real time data in CMM module by the coaching depots of ECoR. Thus, inaccuracy in maintenance of coach holding data resulted in incorrect projection of POH arising and its subsequent downward revision during half yearly review. Regarding the difference in data drawn

from different sources, MoR stated that ICMS data of coaches is maintained by CRIS, which does not reflect the ground realities. Ministry further asserted that coach holding data maintained by Mechanical Department of ECoR correctly reflect the ground reality on real-time basis. The fact remains that ICMS application was developed by CRIS. The data available in ICMS report is a reflection of the data entry made by railway authorities at various levels through CMM, COIS and PAM modules which are integrated with ICMS reports module. Therefore, ICMS data should reflect the ground position on a real-time basis. Audit also found that the PCME office did not maintain the data of POH arising.

40. When enquired about the steps taken to ensure that data on real time movement of coaches inside the workshop is recorded, the Ministry replied as under:

- “All relevant modules of WISE have been implemented, covering activities like rolling stock movement, coach berthing, repair parameters, condemnation processes, and material management. Since September 2022, all 51 modules are functional.
- Further action taken in this regard as below:
 - LAN connections have been provided in all shops.
 - Servers have been linked with Thin Clients installed.
 - Shop Supervisors have been trained on the WISE Module to ensure correct data entry.
 - Data Entry Operators (DEOs) have been hired to maintain accurate and real-time data feeding in WISE.”

41. When the Committee asked about the steps contemplated/initiated to eliminate the issues of data mismatch, the Ministry made the following submission:

“Data mismatch between paper records and WISE was due to gradual implementation issues. MCSW has addressed these issues with improved infrastructure, additional manpower, and better networking to ensure 100% utilization of WISE and real-time data entry.”

42. On being asked about the measures proposed or initiated to address such data discrepancies, the Ministry made the following submission:

“Arising are projected by the Railways based on their actual requirements. There may be slight variation due to feed issues, transfer of coaches,

conversion of rakes etc. From the above table, it can be seen that targets more or less match with outturn over the years.”

43. In view of the statement that the PCME office did not maintain the data of POH arising, when the Committee enquired as to whether the Ministry considered the necessity to maintain such data by the PCME, they made the following submission:

“Data for POH arising of coaches is maintained by the Zonal Railways and it is necessary that such data are maintained with timely updation for proper planning of train operations and required maintenance of coaches. Nowadays, ICMS/CMM is extensively used for reporting, monitoring and reviewing coach related data for coaching train operations and data is fed on real time basis by the users.”

44. When asked whether there is any standardized data base for POH arising through a single window and what are the reasons for lack of accurate data of CRIS, the Ministry made the following submission:

“Presently, Coaching Maintenance Management System (CMM) is being extensively used for reporting, monitoring and reviewing coach related data for coaching maintenance on Zonal Railways.”

45. The Ministry representative during his evidence before the Committee submitted in this regard as under:

‘Sir, actually this WISE application, our workshop information system, what we have gone for, it has come up initially, so that is why the data was not updated, but now based on all the LAN connections, server connection to the thin clients, all modules are working, now data mismatch between paper records and WISE data is not there.’

46. The Ministry in its Background Note has further submitted as under:

“MCSW has implemented all relevant modules of WISE, covering activities like rolling stock movement, coach berthing, repair parameters, condemnation processes, and material management. Initial challenges during implementation (2020-2022) included limited infrastructure, such as manpower shortages, and insufficient computers and internet, which affected WISE's full utilization. However, since September 2022, all 51 modules are functional. Data mismatches between paper records and WISE were noted in 447 coaches, likely due to gradual implementation issues. MCSW is addressing these with improved infrastructure, additional manpower, and better networking to ensure 100% utilization of WISE and real-time data entry.”

PART II

OBSERVATIONS AND RECOMMENDATIONS

Introductory

Carriage Repair Workshop, Mancheswar (CRW/MCS) of East Coast Railway (ECoR) was established in November 1981 for the purpose of undertaking repair of Railway coaches. CRW/MCS initially had a capacity for Periodical Overhaul (POH) of 45 coaches per month which was increased to 100 coaches per month in 2003-04. During 2008 to 2016, augmentation of the workshop was carried out to enhance the outturn capacity of the workshop to 150 coaches per month. As against the outturn capacity of 150 coaches per month, the outturn of the workshop during the period from 2016-17 to 2022-23 ranged between 86 and 113 coaches per month. The activities undertaken in the workshop include periodical and intermediate overhauling of ICF (Integral Coach Factory), LHB (Linke-Hofmann-Busch) and MEMU (Mainline Electric Multiple Unit) coaches, corrosion repair, supply of trolley, wheel sets and loose wheels to Coaching Depots of EcoR, special repairs and accident-related repairs of coaches, etc. C&AG in its Report No. 2 of 2025 covered issues for working of the workshop with reference to planning, resource allocation, monitoring and internal control mechanism in place during the period 2020-21 to 2022-23. Based on the examination of oral evidence and replies furnished by the Ministry of Railways (Railway Board) recommendations of the Committee are discussed in the succeeding paragraphs.

Mechanism for realistic projection of coaches for POH arising

1. The Committee note from audit observation that despite the instructions of RB to exercise due care while projecting POH arisings, the initial projection of EcoR was revised downward every year during the review period of 2020-21 to 2022-23. The Committee also find that despite the initial projection of 4370 POH arising during the review period, RB set a target for POH of 3796 coaches and still the outturn of the workshop was 3402 coaches only. The Ministry has submitted that POH projections by EcoR, for the subject period, were made as per the arisings. Coach Holding in a Zonal Railway is dynamic which may vary due to various factors such as conversion of rakes from ICF to LHB/MEMU overhauling periodicity of coaches, revision of codal life of assets, transfer of coaches to other Zones for meeting operational exigencies etc. which may affect outturn. Also, POH arising/target of the ZR is fixed taking into consideration certain buffer to meet additional requirements for e.g. Mela specials, Summer specials and festival Specials etc. The Ministry has further stated that initial projection of EcoR was revised downward in the year 2020-21, 2021-22 and 2022-23 (once per year) due to Covid related issues as well as due to shift from ICF to LHB coaches and maintenance periodicity enhancement.

However, the Committee note from audit finding that though the outturn of ICF coaches reduced by 19.95 per cent *i.e.* from 887 in 2020-21 to 710 in 2022-23, there was increase in outturn (985) in 2021-22, another COVID affected period. On the contrary, as against the outturn target for POH of 1500 and 1204 coaches

during 2021-23 (2021-22,2022-23) which witnessed a period of diminishing COVID cases, actual outturn were 1209 and 1163 coaches respectively.

The Committee observe that the projections made were generally higher than the outturn. The Committee are of the view that since projections determine the required spares, manpower and other resources, realistic projection of POH arisings are essential for management of resources of any carriage repair workshop. Taking note of the fact that coach holding of Zonal Railways is dynamic and can affect the outturn, the Committee recommend the Ministry to direct Zonal Railways to ensure correct assessment of POH projections for optimal resource utilization in order to work out and oversee proper mechanism for planning/projection of coaches' and ensure timely supply of coaches to the workshop for POH.

Failure of Coaches within 100 days of POH

2. The Committee note from audit observation that in August 2012, RB directed all Zonal Railways to monitor coach failures within 100 days of POH and take preventive action. However, out of 3402 coaches overhauled during 2020-23, 131 coaches failed within 100 days of POH. The Committee are constrained to note that out of 131 coaches that failed within 100 days of POH and repaired at depots, 14 instances were reported to CRW/MCS (Carraige Repair Workshop/Mansheswar) and PCME (Principal Chief Mechanical Engineer) office of EcoR and the remaining 117 instances were not reported by the depots, as a result of which, CRW/MCS could not analyze all instances of failure of coaches within 100 days of POH. The Committee further note that out of 17 LHB coaches

that failed within 100 days, 19 must-change mechanical items were replaced by second-hand serviceable items by the bogie repair shop during the POH, thereby not only violating the prescribed procedure of must change items during POH as mentioned in the LHB maintenance manual (as per which IOH (Shop Schedule I) is 18 months/6 lakh Km., whichever is earlier; POH (Shop Schedule II) is 3 years/12 lakh Km., whichever is earlier and POH (Shop Schedule III) is 6 years/24 lakh Km., whichever is earlier) but also compromising passenger safety. The Committee observe that despite inspection at multiple stages, sometimes failure occurs due to material defects, poor workmanship, or improper usage.

The Ministry has stated that every month 100 days off-POH failures are reported by Depots and the same is also intimated to MCSW (MancheswarWorkshop) and that one representative from Depot is deployed at MCSW to monitor the maintenance practices during POH and that due to this regular exercise, there has been improvement in 100-day failure cases (70 in FY 2022–23, 56 in FY 2023–24, and 20 in FY 2024–25). The Committee note that during 2020-21, 2021-22 and 2022-23, 09, 04 and 06 number of staff respectively were internally enquired and suitable punishment have been imposed to them. The occurrence of 100-day failure cases is a clear indicator of poor performance of workshop, directly reflecting the substandard quality.

The Committee, therefore, recommend that the errant practice of replacement of must-change mechanical items by second-hand serviceable items by the bogie repair shop during the POH should be eliminated forthwith.

The Committee also desire that to ensure objectivity, an independent third party assessment should be conducted to identify the major reasons for failures and utilize the findings for taking corrective actions.

The Committee also recommend that the quality of workmanship and the process of identification of defects during inspection after POH should be ameliorated and made fool-proof in order to ensure that substandard quality of outturn does not recur. The Committee further recommend that cases of under-reporting of failure cases by the Depots to the Workshop should be taken proper cognizance of as it leads to data mismatches and non-receipt/outturn of coaches and should, therefore, be done away with and monitoring of sick marking of POH coaches by CWE/CWM should be strengthened.

Idling of Plant and Machinery

3. The Committee note from audit observation that in May 2006, RB issued guidelines for procurement of Plant & Machinery (M&P) and timely commissioning of M&P which *inter alia* included bank guarantee for an amount of 10 per cent of contract value, as warranty security, Maximum downtime during the warranty period, Penalty of 0.5 per cent of the contract value per week, recording and circulation of bad performance of the firm to all zones for deciding future orders on the firm etc. In September 1999, RB instructed that M&P items repeatedly failing and causing concern be identified by the approving authority and the specifications and sources be revalidated, failures of M&P be reported to authorities responsible for issue of list of approved vendors for appropriate action. The Committee further note from audit observation that review of the

functioning of machineries in CRW/MCS as of December 2023 revealed that four high value machines worth Rs. 4.15 crore were lying out of order for years for want of repair and there were cases of repeated failure of machines too. For instance, Hydraulic plate bending and rolling machine was commissioned in June 2012 despite having inherent defects but CRW/MCS issued the Proving Test Certificate (PTC) in May 2013 ignoring these defects. As a result, the machine met with frequent breakdowns and finally stopped functioning from January 2014 onwards. The firm attended the machine twice in October 2014 and July 2015 but could not repair it. Thereafter, the firm did not respond and the machine remained idle since January 2014. Other machineries and plants viz. Vertical turret lathe, Horizontal drilling and tapping machine and Coil spring scragging & Load deflection testing machine also experienced similar issues. The Committee thus observe that CRW/MCS failed in ensuring technical acceptability and functioning of the machines before issue of PTC. As a result, despite protracted pursuance with the firms concerned, the machines could not be rectified and made functional.

As regards quantum of loss incurred by Railways due to idling of plant and machinery, the Ministry in its reply has stated that penalties were imposed for late commissioning and for Failure within Warranty period. The Committee are of the view that the facts revealed in this regard reflect a different story and there have been cases of non-cognizance of several issues flagged by the audit leading to idling of plant and machinery coupled with waste of public money.

Since plant and machinery are the foundational assets of any carriage workshop, their idleness must be avoided to mitigate the wastage of public fund. The Committee, therefore, recommend that proper mechanism should be developed to ensure procurement of machinery of desired specifications only from validated vendor and also to introduce and implement measures for the purpose of stronger financial deterrence as regards terms and conditions of Annual Maintenance Contract (AMC) including adherence to the specific maximum down time and maximum response time along with robust mechanism for recovery of cost in cases that exhibit any compromise in compliance. The Committee further recommend the Ministry to strengthen their Proving Test Certificate (PTC) process to ensure that no certificate is issued unless the installed equipment is validated as being free of defects.

Procurement and availability of stores

4. The Committee note from audit finding that the test check to examine the timeliness in procurement of materials revealed that out of 137 POs (Purchase Orders) placed, it covered procurement of 411 stock and 66 non-stock items and out of total PO value of Rs. 23.04 crore for procurement of stock items, materials worth Rs. 11.81 crore (51 per cent) were received. POs for procurement of materials worth Rs. 2.21 crore were neither received nor cancelled, and POs were shown as pending even after the expiry of the delivery period. The remaining POs worth Rs. 9.02 crore (39 per cent) were cancelled. Out of this, materials worth Rs. 8.69 crore (96 per cent) were to be procured from other zones through book adjustment. The reasons for cancellation of 107 POs worth Rs. 9.02 crore were

not sparing of materials by the zones concerned and materials not required anymore. For the ten cancelled POs worth Rs. 1.31 crore, the reasons for cancellation were not mentioned. From the audit observations, the Committee also note that the cases involving average delay of six months and maximum delay exceeding three years in issue of POs could not be considered as rare occurrence in the workshop.

Regarding availability of store, Audit observed that in 63 stock items, availability of stores was less than the AAC and the user units repeatedly complained about non-availability of materials in 20 stock items. In nine out of 19 vital/safety/must-change items, availability of stores was less than the AAC and the shortfall ranged between 11 and 50 per cent and this resulted in use of second-hand materials in place of must-change items and resultant failure of coaches within 100 days of POH.

The Ministry in its reply has stated that the reasons for cancellation of POs placed on other ZRs generally varies from insufficient quantity sparing, transport non-availability or simultaneous arrangement of material from trade or other ZRs. There have been no losses to railway in case of cancellation of POs for stock assistance on other ZRs. The Ministry stated that Inventory monitoring has improved through the UDM (User Depot Module) for stock items allowing real-time visibility of stock on MMIS which facilitates better material planning as it does not allow over procurement as indent is generated by portal only and POs on other Railways can now only be placed once the item has been formally spared by the issuing depot in the system. The Ministry has also informed the

Committee that buffer stock for safety and passenger amenities is maintained and regular material supply related coordination meetings are held at workshop and HQ levels. AACs are also revised annually and in case of A category items, it is approved at HQ level after due vetting by accounts. The Ministry has further submitted that at present, in accordance with the latest directives from the Railway Board, stock levels for safety items, passenger amenities, and must-change items are being maintained at a minimum of one-month buffer stock throughout the year. Additionally, proactive procurement measures are being taken to address shortfalls whenever stock levels fall below six months, ensuring uninterrupted availability and operational efficiency.

The Committee observe that several issues have been ailing procurement process and as per submission of the Ministry the issues raised by the audit emerged due to various reasons including insufficient quantity sparing, transport non-availability or simultaneous arrangement of material from trade or other ZRs. The Committee are of the view that strong material management system is crucial for Railways to ensure timely availability of stock while keeping the capital locked up in inventory to minimum.

The Committee, while appreciating the introduction of MMIS and the UDM to manage procurement issues, recommend the Ministry to analyze the reasons for cancellation of POs and take corrective actions to strengthen the existing procurement process. The Committee also recommend the Ministry to consider strategic partnership in case of high value items and develop a strong supplier base. The Committee further desire the Ministry to ensure the regular review of

stock so that obsolete items can be timely disposed of and surplus items can be transferred to needy units. This exercise will help avoid capital blockage, wastage and oversee the process of procurement of stock as well as non-stock items and plug the procurement and other related loopholes which cause inordinate delays in issue of POs and administrative approvals leading to use of second-hand materials in place of must-change items and resultant failure of coaches within 100 days of POH.

Streamlining of Coach Holding Database

5. The Committee observe from audit observation that the coach ownership of EcoR shows wide variation in coach holding data of depots, Zonal HQ and ICMS (Integrated Coaching Management System) and the difference of data was due to not feeding real time data in Coaching Maintenance Management System (CMM) module by the coaching depots of EcoR. The inaccuracy in maintenance of coach holding data resulted in incorrect projection of POH arising and its subsequent downward revision during half yearly review. The Committee also learn from the audit finding that the PCME (Principal Chief Mechanical Engineer) office did not maintain the data of POH arising. Regarding the difference in data drawn from different sources, MoR stated that ICMS data of coaches is maintained by COIS (Coaching Operations Information System), which does not reflect the ground realities. The data available in ICMS report is a reflection of the data entry made by railway authorities at various levels through CMM, COIS (Coaching Operations Information System) and PAM (Punctuality Assessment and Monitoring) modules which are integrated with ICMS reports module.

Therefore, ICMS data should reflect the ground position on a real-time basis. The Committee feel that a standardized data base for POH arising through a single window is necessary in order to ensure that correct status of coach holding database is available at any point of time.

The Ministry has submitted that all relevant modules have Data mismatch between paper records and WISE was due to gradual implementation issues. MCSW has addressed these issues with improved infrastructure, additional manpower, and better networking to ensure 100% utilization of WISE and real-time data entry. From the submission of the Ministry the Committee observe that Coaching Maintenance Management System (CMM) is being presently and extensively used for reporting, monitoring and reviewing coach related data for coaching maintenance on Zonal Railways.

However, the Committee feel that it does not appear to provide a permanent and fool-proof solution to the data discrepancy issues. The Committee, therefore, recommend that varied data sources including PCME, CRIS, ICMS, CMM, COIS, WISE (Workshop Information System, developed by Mancheswar Workshop) and PAM modules should be synthesized and integrated into a 'Centralized Online Database Portal' which would function as a regular data provider mechanism for the purpose of furnishing reliable coach holding database and for appropriate decision making by the higher authorities. The Committee further recommend that Ministry should ensure timely updation of data by the Zonal Railways on regular basis.

NEW DELHI:
27 March 2026
6 Chaitra, 1948 (Saka)

K.C. Venugopal
Chairperson,
Public Accounts Committee

MINUTES OF THE TWENTY THIRD SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2025-26) HELD ON 27th MARCH, 2026.

The Public Accounts Committee (2025-26) sat on Friday, the 27th March, 2026 from 1500 hrs to 1610 hrs in Samanvay-3, Parliament House, New Delhi.

PRESENT

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri Jagdambika Pal
3. Shri Jai Parkash
4. Dr. C M Ramesh
5. Smt. Aparajita Sarangi
6. Dr. Amar Singh
7. Shri Anurag Singh Thakur

RAJYA SABHA

8. Shri Shaktisinh Gohil
9. Dr. K Laxman
10. Shri Sukhendu Sekhar Ray
11. Dr. Sudhanshu Trivedi

LOK SABHA SECRETARIAT

1. Smt. Mamta Kemwal - Joint Secretary
2. Smt. Archana Pathania - Director
3. Shri Alok Mani Tripathi - Deputy Secretary

4. Shri Pankaj Kumar - Deputy Secretary
Sharma
5. Ms. Malvika Mehta - Deputy Secretary
6. Dr. Faiz Ahmad - Deputy Secretary

**OFFICERS OF THE OFFICE OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

1. Shri Anand M. Bajaj - Dy. C&AG
2. Shri Pravir Pandey - Addl. Dy. C&AG
3. Shri Samar Kant Thakur - Addl. Dy. C&AG
4. Shri Biren Parmar - Director General
5. Ms. Reena Saha, - Director General
6. Shri Mukul Jamloki - Dy. Director

PART A

XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX
XXXXX	XXXXX	XXXXX	XXXXX

PART B

1. Thereafter, for the second agenda of the Sitting – consideration and adoption of Draft Reports, the Hon'ble Chairperson invited suggestions of the Members on the following Draft Report:-

(i) *****

- (ii) **Draft Report on the subject “Working of Mancheshwar carriage repair workshop in East Coast Railway”;**
- (iii) *****
- (iv) *****
- (v) *****
- (vi) *****

3. After some deliberations, the Committee adopted the aforesaid Draft Report and authorised the Chairperson to finalise the Report in the light of factual verification done by the Audit.

The Committee then adjourned.

**MINUTES OF THE 2nd SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2025-26)
HELD ON 15th MAY, 2025 FROM 1100 HRS. ONWARDS**

The Committee met on Thursday from 1100 hrs. to 1332 hrs. on 15th May, 2025 in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri Thalikkottai Rajuthevar Baalu
3. Shri Jagdambika Pal
4. Shri Ravi Shankar Prasad
5. Shri Jai Parkash
6. Dr. Amar Singh
7. Shri Tejasvi Surya
8. Shri Anurag Singh Thakur
9. Shri Balashowry Vallabhaneni

RAJYA SABHA

10. Shri Shaktisinh Gohil
11. Shri Praful Patel
12. Shri Sukhendu Sekhar Ray
13. Shri Tiruchi Siva
14. Dr. Sudhanshu Trivedi

LOK SABHA SECRETARIAT

1. Shri H. Ram Prakash - Joint Secretary
2. Shri Muraleedharan P - Director
3. Shri Alok Mani Tripathi - Deputy Secretary
4. Shri Pankaj Kumar Sharma - Deputy Secretary
5. Shri Atul Bhawe - Deputy Secretary
6. Dr. Faiz Ahmad - Under Secretary

REPRESENTATIVES OF THE OFFICE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

1. Ms. Atreyee Das - Dy. CAG
2. Shri Samar Kant Thakur - Director General
3. Ms. Vinita Mishra - Director General, Railway Board Audit.

REPRESENTATIVES OF THE MINISTRY OF RAILWAYS (RAILWAY BOARD)

1. Shri Satish Kumar Chairman and CEO (Railway Board)
2. Shri Naveen Gulati Member (Infrastructure)
3. Shri Braj Mohan Agrawal Member (T & RS)
4. Shri Sanjay Kumar Pankaj Additional Member (PU)
5. Shri N.C. Karmali Principal Executive Director (Gati Shakti)

2. At the outset, Hon'ble Chairperson welcomed the Members and the officers of the Comptroller and Auditor General of India (C&AG) to the Sitting of the Committee convened to take oral evidence of the representatives of the Ministry of Railways (Railway Board) on

the subjects: (i) “Working of Mancheswar Carriage Repair Workshop in East Coast Railway”; ***** based on the audit observations contained in C&AG Report No. 2 of 2025.

3. The Chairperson asked the officers of the C&AG to brief the Committee on the subjects. The Audit officers furnished an overview of the Audit findings through a detailed presentation, highlighting the issues raised in the Audit Report. For the Mancheswar Workshop, the Audit pointed out inaccuracies in coach holding data, underutilization of capacity, delays in Periodic Overhaul (POH), and quality control issues, including the use of second-hand materials and premature coach failures within 100 days of POH. *****.

4. Thereafter, the representatives of the Ministry of Railways (Railway Board) were called in, and the Chairperson welcomed them to the Sitting. They were asked to brief the Committee on the subjects and furnish their response to the findings in the Audit Report. The representatives of the Ministry of Railways made a presentation in respect of the Audit findings. They attributed discrepancies in POH projections and delays mainly to the COVID-19 pandemic, outlined steps to improve maintenance practices and machinery utilization*****.

5. The Members of the Committee raised several concerns and sought clarifications on various issues. They questioned the underutilization of the Mancheswar Workshop’s capacity, delays in coach overhauling, quality lapses including the use of second-hand materials, and the high rate of premature coach failures. *****. They also raised concerns regarding inflated budgeting, poor coordination of Ministry of Railways with state agencies, broader railway service issues such as sanitation, stoppage cancellations, uneconomic train operations, non-resumption of trains stopped during Covid-19 period, and poor coach conditions in Passenger/Mail trains etc.

6. Taking note of the concerns raised by the Committee, the Ministry of Railways assured the Committee that detailed written replies to all observations and questions raised during the sitting would be submitted. The Ministry acknowledged operational and coordination challenges, committed to improving maintenance protocols, enhancing data accuracy in the Workshop Information System (WISE) *****.

7. Thereafter, the Hon’ble Chairperson thanked the representatives of the Ministry of Railways (Railway Board) for appearing before the Committee and clarifying their position in regard to the audit observations. As some issues required detailed information, the Hon’ble

Chairperson directed the Chairman & CEO (Railway Board) to send written replies to the queries raised by Members during the sitting, which remained uncovered or partially answered along with detailed replies to the list of points that would be sent to them by the Committee Secretariat, within fifteen days.

8. A copy of the verbatim proceedings of the sitting has been kept on record.

The witnesses then withdrew.

The Committee then adjourned.
