

SEVENTY-THIRD REPORT
PUBLIC ACCOUNTS COMMITTEE
(1981-82)

(SEVENTH LOK SABHA)

**REMODELLING OF MUGHALSARAI
MARSHALLING YARD**

MINISTRY OF RAILWAYS



Presented in Lok Sabha on
Laid in Rajya Sabha on

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CORRIGENDA

to

73rd Report of the Public Accounts Committee (7th L.S.)

<u>Page</u>	<u>Para</u>	<u>Line</u>	<u>Corrections</u>
(vi)	10	1	For 'assitance' <u>read</u> 'assistance'
2	5	3	For 'ressing' <u>read</u> 'resiting'
5	17	10	For 'dismanded' <u>read</u> 'dismantled'
7	21	1	For '72' <u>read</u> '672'
7	21	6	After 'Down' <u>add</u> 'yard'
7	21	7	For 'self-continued' <u>read</u> 'self-contained'
7	22	12	For 'resting' <u>read</u> 'resiting'
12	30	12	For 'Colafields' <u>read</u> 'Coalfields'
16	38	4	For 'I' <u>read</u> 'In'
18	42	7	For 'stage' <u>read</u> 'stages'
20	46	10	For 'as' <u>read</u> 'was'
22	49	4	After 'To' <u>add</u> 'my'
24	55	5	For 'Directors' <u>read</u> 'Directorate'
25	59	5	For '50 per cent' <u>read</u> '5 per cent'
25	59	9	For 'more than' <u>read</u> 'about'
36	-	9	For 'more than' <u>read</u> 'about'
36	-	10	For 'Rs.4,79 crores' <u>read</u> 'Rs. 4.79 crores'
40	-	17	Before 'such' <u>add</u> 'no'

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PART II *

Minutes of the Public Accounts Committee (1981-82) held on

8-9-1981 (AN)

30-9-1981 (AN)

1-2-1982 (AN)

*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in Parliament Library.

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(1981-82)

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(iv)

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2. Shri D. C. Pande—*Chief Financial Committee Officer*
3. Shri K. K. Sharma—*Senior Financial Committee Officer.*

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Seventy-third Report of the Public Accounts Committee (Seventh Lok Sabha) on paragraph 18 of the Advance Report of the Comptroller & Auditor General of India for the year 1979-80, Union Government (Railways) relating to Remodelling of Mughalsarai Marshalling Yard.

2. The Advance Report of the Comptroller & Auditor General of India for the year 1979-80, Union Government (Railways) was laid on the Table of the House on 12 March, 1981.

3. Audit Paragraph 18 deals with the Remodelling of Mughalsarai Down Yard for which an estimate of Rs. 2.84 crores was sanctioned in 1971 and the work was to be completed by December, 1974. The Remodelling of the Mughalsarai Down Yard was completed only in May, 1981 after a delay of about 7 years and the cost of the work had already escalated to Rs. 4.79 crores by February, 1980. The Committee have expressed their deep concern at this state of affairs.

4. From the statement relating to the major projects undertaken by the Railways, the Committee have noted that most of the projects have been considerably delayed and there has been heavy escalation of costs. It has also been noted that most of the projects have been delayed because of non-availability of funds. The Committee have commented adversely on the tendency of the Railways to undertake work on a large number of projects being fully aware that it would not be possible to complete the same within the target date due to inadequacy of funds. The Committee have recommended that Railways should examine this matter in depth and take a policy decision to start work only on such projects which can be completed within the available funds so that at least the benefit of these projects could reach the public at the earliest. The Committee have further recommended that realistic target dates should be fixed for projects after taking all the relevant factors into consideration and these target dates once fixed should be strictly adhered to.

5. Heavy shortfalls in the supply of critical materials like cement and steel to Railways have also contributed to inordinate delays in the completion of the projects undertaken by Railways. The Committee have recommended that once a vital project is taken in hand for execution, its progress should not be allowed to suffer because of shortage of basic materials like cement and steel.

6. The Remodelling of Mughalsarai Down Yard was sanctioned in 1971 on the assumption of likely annual growth of 5 per cent in the goods traffic in the yard. The daily average number of wagons inter-changed in the yard was expected to be 4793 wagons in 1976. The actual daily number of wagons interchanged was 2,590 wagons per day in 1973, 2979 per day in 1976 and the same came down to 2594 wagons per day in 1980. The Committee have opined that in view of this declining trend of traffic, the investment on the Remodelling of Mughalsarai Down Yard was not justified.

7. The Committee examined Audit paragraph 18 at their sittings held on 8 and 30 September, 1981. The Committee considered and finalised the report at their sitting held on 1 February, 1982. Minutes of the sitting of the Committee form Part II* of the Report.

8. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in thick type in the body of the Report, and have also been reproduced in a consolidated form in Appendix III to the Report.

9. The Committee would like to express their thanks to the Officers of the Ministry of Railways (Railway Board) for the cooperation extended by them in giving information to the Committee.

10. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the Comptroller and Auditor General of India.

NEW DELHI;
February 9, 1982
Magha 20, 1903(S)

SATISH AGARWAL
Chairman,
Public Accounts Committee.

*Not printed. One cyclostyled copy laid on the Table of the House and five copies placed in the Parliament Library.

REPORT

EASTERN AND NORTHERN RAILWAYS—REMODELLING OF MUGHALSARAI MARSHALLING YARD

Audit Paragraph

Introductory

1. Mughalsarai Marshalling Yard located at the junction of four important trunk routes, *wig.*, two each from the Northern and the Eastern Railways, is divided into Up Yard, Down Yard and Central Yard. While the Up and Down Yards are self-contained units with separate sidelines, transshipment sheds and grid (subsidiary) yards, the Central Yard deals with goods traffic consisting of through block rakes and passenger traffic.

2. The Yard was remodelled in phases at an approximate cost of Rs. 2 crores during 1956-57 to 1962-63. It then stood equipped with a capacity to deal with an interchange traffic of 3,000 wagons, the Up Yard only having been mechanised. The Down Yard, along with its hump and marshalling lines, dealt mainly with through loads of empties and was not mechanised then. However, some works of extending the classification and departure lines, etc. were carried out and manual humping retained to deal with a maximum number of 2,200 wagons per day.

3. When remodelling of the Up Yard was in progress from 1956-57, the Northern Railway Administration constructed a bye-pass link between their two trunk routes meeting just short of Mughalsarai, *viz.* between Vyasnagar on Lucknow side and Jeonathpur on Allahabad side, to give relief to the yard during the period of remodelling by avoiding the Northern Railway cross traffic. As the remodelled yard was expected to be in a position to handle this cross traffic conveniently, the by-pass link was dismantled in 1959.

Proposal for remodelling and mechanisation of Down Yard

4. The pattern of traffic handled by the Down Yard began to change from 1966 due mainly to movement of foodgrains from Northern Railway towards West Bengal and Orissa. The Eastern Railway Administration reported to the Railway Board in July 1969 bunching in the receipt of goods trains from Northern Railway during certain periods of the day and hold ups both at Mughalsarai and short of Mughalsarai due to the limited rate of humping and line capacity in the reception lines in the Down Yard. further it was anticipated (July 1969), reportedly after a work study and assuming

an annual increase of 5 per cent in goods traffic, that the Down Yard would have to deal with 3754 wagons per day in 1973 and 4793 wagons per day in 1976. Accordingly, remodelling of the Down Yard by resiting sick lines, goods-sheds, providing a larger number of classification lines and mechanised hump with greater height was undertaken. The work was sanctioned by the Ministry of Railways (Railway Board) in December, 1971 at an estimated cost of Rs. 2.84 crores and a return of 12 percent was anticipated.

Commencement of the project

5. The remodelling work was to be executed in a phased manner without affecting the yard operations and be completed by 31st December 1974. The commencement of the work (connected with the resiting of sick lines, classification lines and hump) was, however, affected due to delay in handling over land (43 acres, required for the purpose) by the State Government which was done in stages from July—October 1973 to July 1975. The contract for supply and erection of equipment for mechanisation of the yard was awarded in July 1974 but the import licence for some of the components required to be imported could be got issued only in August 1976 owing to delay in finalising the tenders and getting clearance for import from the Director General, Technical Development. The contract delivery period of 27 months was to be effective from the date of issue of the import licence.

6. Meanwhile, the two years 1969—71 had witnessed a decline in the freight traffic carried over the Railways (from 207.9 million tonnes in 1969-70 to 196.5 million tonnes in 1970-71) as also in the interchange traffic passing through Mughalsarai Yard, from the level of 3199—3249 wagons during 1969-70 to 2925—2930 wagons during 1971-72. Even of this interchange traffic, a greater proportion was being despatched by through trains *via* the Central Yard, not requiring marshalling in the Down Yard, owing to the increased movement of bulk commodities like coal, petroleum and oil products (POL) and other commodities in block rakes, the percentage of wagons passing through the Central Yard to the wagons interchanged being as much as 57—63 per cent during this period (1969—73) as against 33—40 per cent in 1966.

7. During April 1970 to February 1971, the alternative route *via* Garwa Road (Obra)—Chopan on the Northern Railway and Billi-Katni on the Central Railway for movement of coal traffic (by passing Mughalsarai) from Singrauli and Central India Coalfields towards the Western side had also been completed in stages.

8. All these developments called for a review of the traffic prospects and growth of interchange traffic (assumed to increase at the rate of 5 per cent) passing through the Central Yard as also dealt with in the Down Yard.

9. Further, though the number of wagons dealt with in the Mughalsarai Yard, both Down and Up Yards, declined, detention to wagons continued to rise due to the increase in the work-load on the Central Yard, as indicated below:

Year	Number of wagons dealt with in		Wagons inter-changed Daily Average (Maximum of the year per day)	Average detention daily (per wagon in hours)		
	Down Yard Daily Average	Up Yard Daily Average		Marshalling Yard	Central Yard Through loaded	Yard Empties
1969	2295	3212	3129	30.1	30.95	23.22
1970	2097	2666	3249	33.3	33.03	26.00
1971	1112	1442	2925	33.9	33.93	30.08
1972	1019	1373	2930	37.4	37.99	31.45
1973	647	767	2835	46.4	47.93	40.83

10. During April-June 1974, prior to award of the contract for mechanisation in July, 1974, the Ministry of Railways (Railway Board) had noted the declining trend in traffic and sought clarifications (May 1974) from the Administration whether the investment in mechanisation would not be premature at that stage. They, however, allowed (June 1974) execution of the remodelling of the Down Yard to proceed as originally sanctioned, anticipating an increase of about 400 wagons in the interchange traffic over the 1969-70 level under normal conditions. Neither the Eastern Railway nor the Railway Board had taken into consideration, at that time, the changed pattern of traffic due to movement in block rakes through the Central Yard.

Progress in the execution of the work.

11. In view of the delay in the acquisition of land, there was slow progress even in the execution of minor civil engineering works such as shifting of goods-shed, transshipment shed, laying of additional receiving lines etc., these having been completed in stages between June 1973 and September 1974. The progress in the execution of the work by 1975-76 was 57 per cent only.

12. The slow progress of the work meant escalation in labour and material cost of the project from Rs. 2.84 crores to Rs. 4.79 crores as per the revised estimate sanctioned by the Ministry of Railways (Railway Board) in February, 1980. Even with 69 per cent increase in the cost of the pro-

ject, a financial return of 13.48 per cent on the increased capital expenditure was worked out on the assumption of additional coal loading and movement by 280 to 313 wagons by 1983-84, as compared to 1969-70, from Raniganj and Jharia coalfields through Mughalsarai.

13. The present progress of the work is about 87 percent (September 1980). While the remodelling of the down departure lines was completed by 1974-75 and has been operative since then, the marshalling yard with the mechanised hump is yet to be commissioned (September 1980) due mainly to non-receipt of equipment of mechanisation.

Trends of traffic, wagons dealt with and detention to wagons and trains.

14. As stated earlier, detentions to wagons received in the yard as well as to down trains of the Northern Railway held up short of Mughalsarai were on the increase, though the number of wagons dealt with in the marshalling yard had declined, as under:

Year	No. of wagons inter-changed with Northern Railway (maximum of the year per day)	No. of wagons dealt with in Down Yard (Daily Average)	Target detention (hrs.)	Detention to wagons (hrs.)	Position for one representative month-March		
					No. of Trains affected (held up short of (MGS)	Average detention per train (hrs.)	
Position prior to remodelling work							
1969	3199	2295	19.5	30.1	134*		0.50
*(Trains in both directions ex-Lucknow and ex-Allahabad taken together)							
Position after the commencement of remodelling work.							
1976	3388	1268	23	39.1	Ex. Allahabad Ex. Lucknow	380 322	2.20 1.54
1977	3430	1154	..	42.4	Ex. Allahabad Ex. Lucknow	305 303	1.08 1.26
1978	3225	1065	35	43.0	Ex. Allahabad Ex. Lucknow	368 370	1.13 1.52
1979	2793	1016	35	51.1	Ex. Allahabad Ex. Lucknow	392 259	3.13 1.50
1980	2849	..	..	..	Ex. Allahabad Ex. Lucknow	374 272	1.30 1.38

15. It would be seen from the above that the number of wagons interchanged had not declined as steeply as the number of wagons dealt with in the marshalling yards, thereby confirming that the interchange traffic had been moving mainly through the Central Yard without being terminated in the marshalling yards of Mughalsarai.

16. The increase in detention to wagons in the yard in spite of the additional facilities provided was explained by the Eastern Railway Administration (April 1979) as being due to factors such as wagons becoming unfit/damaged owing to deficient coupling, lack of power, late materialisation of stock, accident, break down etc., besides inadequate capacity in the reception lines of the Central Yard which received nearly 70 per cent of the interchange traffic as through goods trains.

17. Though this was a major yard remodelling-cum-mechanisation work relating to the Down Yard comparable to the remodelling of the Up Yard executed during 1957—61, no proposal was considered at the time of sanction to the project in December 1971 for provision of a bye-pass or avoiding line above Mughalsarai (similar to the one provided in 1956-57 when the Up Yard was remodelled) to give relief to the Down Yard during the period of construction from the Northern Railway's cross traffic. Though this question was first considered as early as in January 1973, it was only in August, 1979, when the remodelling project was nearing completion, that the Railway Board approved a proposal for restoration of the dismantled bye-pass line at a cost of Rs. 61.80 lakhs. This work on completion would enable the Northern Railway to divert some of its cross traffic, both empties and loaded wagons between Lucknow and Allahabad which at present passes through the Mughalsarai Down Yard.

18. Meanwhile, the additional coal traffic (by 1983-84, additional 280—313 wagons over 1969-70 level), anticipated to pass through the remodelled Mughalsarai Yard from the Raniganj and Jharia coalfields, had not also materialised as seen from the table below:

Coal loading

Year	Raniganj Field		Jharia field		Total coal traffic via Mughalsarai
	Total loading	Loading via Mughalsarai.	Total loading	Loading via MGS	
1969-70	*	902	*	728	1630
1976-77	2111	1031	1077	497	1528
1977-78	2105	990	1153	590	1580
1978-79	1650	849	955	442	1291
1979-80	1498	756	918	370	1126

*Not available.

Summing up:**19. The following aspects of this project would merit consideration:**

- (i) The interchange traffic between the Northern and the Eastern Railways at Mughalsarai had been assessed (1969) to increase from the level of 3000 wagons in 1969 to 3754 in 1973 and 4793 wagons in 1976 per day by assuming a traffic growth rate of 5 per cent per annum. Actually, however, the interchange traffic between the two Railways at Mughalsarai declined from the level of 3000—3199 in 1969 to 2835 in 1973. This called for a review of the traffic prospects before proceeding with the remodelling of the Down Yard.
- (ii) The pattern of traffic moving through Mughalsarai had also been undergoing a change due to increased movement of bulk commodities like coal and POL products in block rakes which passed through the Central Yard. Though this was evident from the declining trend in the number of wagons dealt with in the Down Marshalling Yard coupled with increased detention to wagons handled at Mughalsarai from 1969, it had not been taken note of in connection with the remodelling of the yard even though there was adequate time for reconsideration of the details of remodelling till 1973 in view of the delay in the project gaining momentum.
- (iii) Provision of a temporary bye-pass line (between Vyas-nagar and Jeonathpur on the two trunk lines of Northern Railway meeting short of Mughalsarai) during the execution of the project to afford relief to the Down Yard and reduce detention to wagons as well as goods trains held up short of Mughalsarai (as done when the Up Yard was being remodelled) was not considered in time. However, provision of such a bye-pass line was approved in August 1979, and that too on a permanent basis, when the remodelling was nearing completion. This would result in further reducing the flow of interchange traffic, mainly empties, from the Northern Railway into the Mughalsarai Down Yard, which had been remodelled to handle additional traffic.
- (iv) The coal traffic *via* Mughalsarai had declined in 1979-80 by as much as 31 per cent from what it was in 1969-70. Further, despite the additional facilities created in the Down Yard by the execution of the project, there had been no improvement

in detention to wagons and goods trains interchanged with the Northern Railway, this having gone up significantly as compared to 1969-70.

20. Thus, the remodelling of the Mughalsarai Down Yard undertaken during 1971—80 at a cost of Rs. 4.79 crores to handle additional traffic and reduce detention to stock, had largely not been able to achieve its objectives due mainly to failure to take note of the changing pattern of traffic passing through Mughalsarai.

A draft review on this yard was issued to the Eastern Railway Administration on 5th November, 1980, its reply is awaited (January 1981).

[Audit Paragraph 18 of the Advance Audit Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (Railways)].

Remodelling of Mughalsarai Marshalling Yard.

21. Situated at the distance of 72 kms. from Howrah and 761 kms. from Delhi on the main East-West network, Mughalsarai yard is the biggest goods marshalling yard of Indian Railways and also the biggest in Asia. Built in 1925 for handling just 1250 wagons a day, the yard is at present the hub centre of goods operation in the whole of North India. The Mughalsarai Yard is divided into Up yard, Down and Central Yard. While the Up and Down yards are self-contained units with separate sick lines, transshipment sheds and grid (subsidiary) yards, the Central yard deals with goods traffic consisting of through block rakes and passenger traffic.

22. It has been stated in the Audit Para that pattern of traffic handled by the Down Yard began to change from 1966 due to movement of food-grains from Northern Railway towards West Bengal and Orissa. The Eastern Railway Administration reported to the Railway Board in July 1969, the bunching in the receipt of goods trains from Northern Railway during certain periods of the day and hold ups both at Mughalsarai and short of Mughalsarai due to the limited rate of humping and line capacity in the reception lines in the Down Yard. It was also reported after a work study and assuming an annual increase of 5 per cent in good traffic, that the Down Yard would have to deal with 3754 wagons per day in 1973 and 4793 wagons per day in 1976. Accordingly, remodelling of the Down Yard by resting sick lines, goods-sheds, providing a larger number of classification lines and mechanised hump with greater height was undertaken and the work was sanctioned by the Ministry of Railways (Railway Board) in December, 1971 at an estimated cost of Rs. 2.84 crores and a return of 12 per cent was anticipated.

23. Asked about the basis of the assumption of likely annual growth of 5 per cent in the goods traffic through the Down Yard, the Ministry of Railways (Railway Board) have stated in a written note:—

“A Work Study Team estimated the rates of growth at 5 per cent mainly on the basis of the trend of growth during 1966 to 1969 which ranged 4 per cent to 5.1 per cent. The figures are given below:—

Year	Daily average No. of wagons interchanged (Northern to Eastern)	Rate of increase in performance.
1966	2687	..
1967	2832.2	5.1
1968	2941.7	4.2
1969 (upto August)	3056.6	4.0

The actual materialisation has been as follows:

Year	Daily average No. of Wagons interchanged (Northern to Eastern)
1969	3071.8
1970	2800.3
1971	2732.8
1972	2753.9
1973	2590.2
1974	2504.7
1975	1827.7
1976	2979.8
1977	3206.1
1978	2937.6
1979	2602.4
1980	2590.1
1981	2644.0
(upto June)	

The growth of traffic from 1971 to 1977 was of the order of 3.4 per cent.

The final decision, however, was based on increase over the 1969-70 level by only 280 wagons in coal booking for above Mughalsarai destinations.

The total interchange from Northern to Eastern *vis-a-vis* wagons dealt with in the downyard are given below:—

Year	No. of wagons dealt within Down Yard (Central & Marshalling)	No. of wagons dealt with in Down Marshalling Yard	Proportion of 3 to 2
1971	2300	1166	50.7%
1972	2766	1237	44.7%
1973	2552	1066	41.8%
1974	2597	1167	44.9%
1975	2922	1282	43.9%
1976	3099	1349	43.5%
1977	3325	1363	41%
1978	3072	1215	39.6%

24. The Committee desired to know the basis of the assumption of additional coal loading and movement of 280 to 313 wagons *via* Mughalsarai Yard as compared to 1969-70 from the collieries of Eastern and South Eastern Railways in 1980, when the actual loading from collieries by these Railways *via* Mughalsarai was much below this level. In reply, the Ministry of Railways (Railway Board) have stated in a note:—

“Additional loading was forecast on the basis of expected increase in coal production and coal loading. The Planning Com-

mission's forecast for total coal production and coal loading on the Railways in the Fifth Plan are as follows:—

	End of IV Plan (actuals)	V Plan Estimate	Rate of growth per annum
(In million tonnes)			
Total coal production	79	132	13.4%
Coal loading on the Railways	62.2	108.5	14.8%

25. The movement from Northern to Eastern *via* Mughal Sarai has been as follows :—

Year	Daily average inter- change (Northern to Eastern)	Max. Interchange in a month (Average per day)
1969	3371.8	3295 Sept.
1970	2800.3	3330 April
1971	2732.8	3033 March
1972	2753.9	3047 March
1973	2590.2	2897 Feb.
1974	2504.7	2712 July
1975	2827.7	3305 Sept.
1976	2979.8	3538 April
1977	3206.1	3500 Feb.
1978	2937.6	3325 March

The shortfall was due to general dip in efficiency in the first half of the decade of the seventies and again towards its end."

26. The Committee enquired from the representative of the Ministry of Railways (Railway Board) if the projections with regard to this Project had come true. In reply, Chairman, Railway Board stated during evidence:—

"The projections have not come true."

27. When asked about the reasons for the projections about Mughal-sarai Yard not coming true, the representative of the Ministry of Railways stated during evidence:—

"The transport technique in the World is changing very fast. For example, the Mughalsarai upyard was re-modelled in 1960

You would be surprised to know that today I am passing through it less traffic than I did in 1950, that is, 30 years ago, firstly, because of a change in the scene and, secondly, because the whole transport economics has changed. In all advanced countries today the emphasis is on closing down yards. After re-modelling Mughalsarai, I visualise that very soon I will be lifting the lines. The world has seen that stage already, but we have not yet seen it. The sheds which we expanded in the late forties and fifties to survive the pattern of movement at that time, were closed down. Similarly, in England and America it is happening today. To give you one example, in the Mughalsarai down yard the whole scene will be drastically different if there were no Food Corporation of India and we had to move foodgrains from the ports to different parts of the country, from the individual sellers to the individual purchasers, who did not have the capability of purchasing, storing, stacking at sites and sending them by rakes. Because that organisation has come, the scene has changed. Similarly, when I re-modelled Mughalsarai up yard I was unloading thousands of tonnes of foodgrains in Calcutta to feed Punjab and UP because we were importing foodgrains through Calcutta, and that foodgrain had to move in the UP direction. Now the scene has completely changed. U.P., Punjab and Haryana are feeding the whole country. If the FCI were not there, even after re-modelling the yard would have been inadequate.

Most of the cost in the down yard has gone for modernisation. I am sorry, this para has not given proper emphasis to that. Out of the total expenditure of Rs. 4.78 crores, 85 per cent is for mechanisation or modernisation of the yard and only Rs. 0.70 crores for additional lines and yards.

In other countries in the world today the wagon is treated as much more precious than the yard. We are hearing of wagon sickness because our yards are not equipped with modern techniques to deal with the wagons. The extent of mechanisation is not adequate so that when the wagons pass through the yards, they do not keep on banging against each other, damaging them in the process. In the olden days, the cost of a wagon was Rs. 5,000. Today it costs more than Rs. 1 lakh. We are designing wagons which will cost more than Rs. 3/1-2 lakhs. So the emphasis in transport economics

has changed, because it is a question of protecting the wagons. 85 per cent of the expenditure has gone only for the facility of modernisation.

This will enable us in the days to come to close several intermediate yards. Even today, if I have the money, there are several yards in the country like Katni and Tondiarpet in Madras where I would spend extra money to deal with less number of wagons five years hence. The emphasis now will be on the protection of wagons. This aspect has not been emphasised in the reply and hence this confusion."

28. The witness further stated:—

"In mechanisation we have not gone very much ahead in this country. Even the mechanisation we are doing is of very low standard, because the world has gone ahead very fast in this field. If I have the resources, I will further extend the Mughalsarai yard so that the number of wagons waiting at the Mughalsarai yard would be reduced. In the transport policy we are evolving today we are lifting only 215 million tonnes. After a decade I will be lifting 400 million tonnes, but Mughalsarai Marshalling Yard will be passing less traffic. We have changed the economics of transport. Whatever wagons pass through Mughalsarai Marshalling yard will be properly looked after, so that they have a larger life."

29. At the instance of the Committee, the Ministry of Railways have intimated that the number of marshalling yards in the country as on 30 September, 1981 was 178. The Ministry have also furnished a list of 67 major marshalling yards together with the number of wagons passing through each during the years 1978-79 to 1980-81 (Appendix-I).

30. The Audit Para points out that the two years 1969-71 had witnessed a decline in the freight traffic carried over the Railways and also the interchange traffic going through the Mughalsarai Yard. It has further been stated in the Audit Para that even of this interchange traffic, a greater proportion was being despatched by through trains via the Central Yard, not requiring marshalling in the Central Yard, owing to the increased movement of bulk commodities like coal, petroleum and oil products (POL) and other commodities in block rakes. Moreover, during April 1970 to February, 1971 the alternative route via Garwa Road Billi (Obra)-Chopan on the Northern Railway and Billi-Katni on the Central Railway for movement of coal traffic (by-passing Mughalsarai) from Singrauli and Central India Colafields towards the eastern side had also been completed in stages.

31. The Committee desired to know why the remodelling of Mughalsarai Down Yard was not given up in view of the declining trend of the traffic at the Down Yard. In reply, the witness stated during evidence:—

“The traffic through the Down Yard kept on increasing in 1975, 1976 and 1977. Through the Down Yard, the traffic declined only after 1977 and is constantly declining. But the prime decision still stands correct today also. Even with those 950 wagons that were passing today, a nodal Yard like Mughalsarai needed mechanisation. Even while dealing with 750 wagons, it should be mechanised. We have closed one shift in the yard. That had been possible with this mechanisation. So, the basic expenditure had not gone waste. On the other hand, costs had gone up 3 or 4 times. I wish I had more resources to do many more yards in future.”

32. He further stated :—

“These figures will go down. 950 is not the bottom. We have to go further down for the survival of the Railways. In May, I had the highest ever loading for that month. I passed only 780 wagons, but the loading on the Indian Railways is the highest ever for that month. It is so in July, August and September. In each month, I have passed less traffic. It is less than 950.”

33. The Committee enquired if the main purpose of remodelling of the yard was to maintain the health of wagons and not to meet the increase in traffic. In reply, the representative of the Ministry of Railways (Railway Board) stated during evidence:

“There were two objectives. One was to cater for the increase in traffic which showed a rising trend upto 1977. It was only subsequently that it dropped. The damage to the wagons was a factor which was always there and continues to be there. In fact, the impact of mechanisation of Mughalsarai hump yard was not known because the collections of such data was itself a very tedious process.”

34. The representative of the Ministry of Railways (Railway Board) further stated:

“The total traffic passing through Mughalsarai will be much higher. The total transport from North to Bengal, East to West, North and South will be much more. Remodelling of Mughalsarai Yard will enable me to close down several intermediate small

yards. Instead of dealing the same wagon in several intermediate yards, I will rather hold back the wagon in Mughalsarai for 24 hours extra."

35. The Committee desired to be furnished with a statement showing break-up of figures of tonnage passing through central yard and tonnage of the goods which passes through the marshalling yards at Mughalsarai for each of the last five years. In reply, the Ministry of Railways (Railway Board) have stated as under:—

"Statement showing tonnage (net) and number of wagons which passed through Mughalsarai Yard in both directions during the years, 1979-80, 1980-81 and 1981-82 (upto August) is reproduced below:

(A) Via Central yard (Average per day)

Year	No. of wagons		Total Up.	tonnage Dn.
	Up.	Dn.		
1981-82 (upto Aug. 81)	1721	541	38321	12127
1980-81	1559	551	34914	12327
1979-80	1409	509	31580	11410
1978-79	1438	360	32205	8053
1977-78	1605	361	35959	8092
1976-77	1403	220	31427	4917

(B) Via Up originating and Dn. terminating (Average per day)

1981-82 (upto Aug. 81)	840	489	18825	10967
1980-81	914	537	20443	12021
1979-80	1016	543	22751	12170
1978-79	1167	671	26129	14651
1977-78	1350	776	30946	17573
1976-77	1423	796	31863	17547."

36. The Audit Para reveals that extra marshalling facilities were provided for terminating loads in the Down Yard which had not shown any signs of growth over 1969-70 level and that since then the pattern of traffic has been mainly of through goods trains passing through the Central

yard which has not been remodelled to provide for additional through capacity. When asked if this did not indicate defective planning and lack of adequate review during execution stage, the Ministry of Railways (Railway Board) have stated in a written reply:—

“The number of wagons dealt with in the Down Yard has definitely increased till 1977. The figures are given below:—

Year	No. of wagons dealt with in the Down Marshalling Yard
1972	1237
1973	1066
1974	1167
1975	1282
1976	1349
1977	1363
1978	1215
1979	931
1980	950

With total increase in traffic these numbers also increase even though the proportion (in percentage) may not increase.

The additional facilities in Marshalling Yard for humping are expected to relieve the Reception Yard by faster humping. This in turn is expected to help the Central Yard through which the terminating trains also pass. Reduced detention to terminating trains in Down Central Yard will itself and to the capacity of Down Central Yard. Besides, the innovation of end-to-end running will reduce occupation of Down Central Yard lines by minimising train examination as well as change of engine. The bye-pass Jeanathpur to Vyasnagar will also relieve the Down Central Yard as the through goods trains would not enter this Yard for reversal or change of traction. All these are parts of the planning process and have to be viewed in totality and not in isolation. Space has been left in the plan for development of a supplementary Down Central Yard for through passing loads.”

37. The Committee desired to know if, in view of the latest techniques being adopted by the Railways, the remodelling of Mughalsarai Yard was justified by spending such a huge sum of money *i.e.* about Rs. 5 crores.

In reply the representative of the Ministry of Railways (Railway Board) stated during evidence as follows:—

“Not only is Mughalsarai remodelling justified, as far as mechanisation is concerned, every big yard would justify mechanisation simply to maintain the health of the fleet. The wagon fleet is much too precious and 85 per cent has been spent in this yard only for the single purpose of maintaining the health of fleet and 15 per cent is in additional lines which can be lifted any day and it will be twice as valuable, in any case, if I lift today which, I am going to lift. I may tell you that in Mughalsarai Up Yard which I expanded in the 60s. I will be lifting lines from the Mughalsarai Yard in the late 80s or the 90s, after 30 years. I submit that even Mughalsarai Up-Yard may become the subject of a bigger Audit Para because I am today dealing with more or less the same number of wagons as I was dealing in 1950. It is after 31 years in that very Mughalsarai Yard which was mechanised. I am dealing with less number of wagons today. I still require mechanisation. Whatever passes through must get proper attention. The health of the wagons must not be destroyed. Even in Central Yard, the techniques are so much changed now, for example, I would have required a much bigger yard to pass the traffic, if I had not changed the operating techniques, I will change the techniques still further after sometime with the progress of electrification on all the routes converging into Mughalsarai.”

38. The Committee wanted to know if the trend of traffic in Mughalsarai Yard did not clearly indicate detention to through traffic and congestion to Northern Railway trains due to lack of reception facilities in the Central Yard. I reply, the Ministry of Railways (Railway Board) have stated in a note:—

“No. Detention to wagons is directly linked with the improvement or deterioration in general efficiency. Detentions were low in 1976 and 1977 when general level of efficiency was high. With the same layout, detentions were high in the three preceding years 1973-75 and in subsequent years 1978-80. Detentions have come down again with the improvement in efficiency during last six months.”

39. Asked how the Ministry of Railways (Railway Board) propose to reduce the continuing detention to through goods traffic passing through Mughalsarai specially from Northern Railway while additional facilities through remodelling of Down Marshalling Yard had been created

only for terminating loads, the Ministry of Railways (Railway Board) have stated in a note as follows:—

“Increase in facilities in the Down Yard will itself help increase the capacity of the Down Central Yard as Yard terminating trains also pass through that Yard. Any detention to trains for want of lines in reception yard reduces the capacity of Down Central Yard.

In addition we have since introduced End-to-End running of trains thus minimising detentions for (i) Train examination, (ii) Change of Engine and formed Jumbo rakes of BCX and CRT which move in piecemeal but little.”

40. The audit paragraph reveals that no statistics of detention to wagons in through trains not requiring marshalling are maintained either by the Zonal Railways or by the Railway Board. Asked to state the reasons for the same, the Ministry of Railways have stated in a note:—

“The detention to through goods trains are watched on a day-to-day basis and also recorded in a Register. They can also be printed as a part of Marshalling Yard Statistics, but normally we keep only such statistics which are more attributable to Yards own functioning than due to factors over which the control of Yard Master is comparatively less e.g. detention for examination, engines etc.”

41. The Committee pointed out that the basic assumption for remodeling of Mughalsarai Yard was that the Railway would be receiving more wagons and asked whether the assumption had come true. In reply, the Chairman, Railway Board, during evidence, stated as follows:—

“It was correct and incorrect both. In 1972, the number of wagons passed were 1237, in 1973—1066, 1974-1167. There was total turbulence in the system. Then, in 1975, the position started improving. The reason for that is well known to you. After 1977, it started declining again.

Now, the techniques are changing because the wagon fleet is being changed into unit train operation. This year, probably, the number dealt with in Mughalsarai Marshalling Yard may be even less with much heavier loading.

My submission is that 85 per cent of the money has been spent on mechanisation. It will always be useful. As far as the rest of 15 per cent of the money is concerned. I can reclaim that

money at double the value because the rails that I had purchased at that time in any case are of double the value today. There will be many yards where we spent money in '50s and '60s which we will be closing down in '80s and '90s. We will be able to reclaim that amount."

Delay in the execution of work and escalation in costs

42. According to the Audit Para, the work relating to remodelling of Down Yard was sanctioned by the Ministry of Railways (Railway Board) in December, 1971 at an estimated cost of Rs. 2.84 crores. The remodelling was to be executed in a phased manner and was to be completed by 31st December, 1974. The commencement of the work was, however, affected due to delay in handing over land by the State Government which was done in stage from July—October, 1973 to July, 1975. The contract for supply and erection of equipment for mechanisation of the yard was awarded in July 1974 but the import licenses for some of the components required to be imported could be got issued only in August, 1976 owing to delay in the tenders and getting clearance for import from the Director General, Technical Development. The slow progress of work meant escalation in the labour and material cost of the project from Rs. 2.84 crores to Rs. 4.79 crores as per the revised estimate sanctioned by the Ministry of Railways (Railway Board) in February, 1980. The progress of work up to September 1980 was about 87 per cent.

43. The Committee pointed out that an idea about this particular project was conceived somewhere in 1955, but a work study was done somewhere in 1969 and the budget provision was made in 1970-71. The Committee desired to know the reasons for the non-completion of work even now, although the same was to be completed by 1974. In reply, the Chairman, Railway Board stated in evidence:—

"The main cause of delay in this case was the delay in acquisition of land for the yard expansion. There was some delay on the part of the suppliers of the equipment. Mechanisation and modernisation of the yard required foreign exchange component also and there was some delay in the release of foreign exchange."

44. Asked if after the sanction was given in 1971, steps were taken simultaneously for the acquisition of land, the witness replied.

"In the matter of acquisition of land, all these proceedings were gone through."

45. In a subsequent note furnished to the Committee, the Ministry of Railways (Railway Board) have stated as follows:

"The Land Acquisition Officer and the Secretary, Revenue Department, Govt. of U.P. were requested several times to take expeditious action for acquisition of land. The proposal was submitted on 5-7-71. Thereafter, the matter was followed up by reminder on 10-1-72, and then by personal contacts by D. E. N. (Con) on 11-7-72, and reminders on 11-8-72, 31-3-73, 9-2-73 and 26-3-73. Dy. C.E. (Con) had also met the Collector, Varanasi personally on 20-6-73 and got the Memorandum issued for handing over possession of 34.07 acres of land by 5th July, 1973.

For possession of the balance of land, the matter was again pursued with the Secretary, Board of Revenue, Lucknow and the District Magistrate, Varanasi, and also the Land Acquisition officer, Varanasi on 30-6-73, 10-12-73 and 21-6-75. Thus, after repeated chasing and personal contacts with the Revenue Deptt. of Government of U.P. the complete land was taken possession by 25-5-75. Details of land acquisition are indicated below:

The proposal for acquisition of land was submitted to U.P. Govt. on 5-7-71. The details of land processed for acquisition are as under:

(i) Patpara	32.89 acres
(ii) Nasirpur	3.64 acres
(iii) Sarsar	6.72 acres

Notifications were published under Section 4 by State Government vide letter No. 639-72/73 PW Section 9-1 (21)R/1972 dated 18-3-72 and Dy. Secretary, PWD, Lucknow's letter No. 2449-75/235 NAI-(21)R/71 dated 10-6-75. The declaration under Section 6 was published on 1-9-72. Possession of the land as detailed below was effected:

(i) Patpara	23.36 acres of land on 16-10-73	Possession given
(ii) Nasirpur	3.99 acres of land on 5-7-73	Possession given
(iii) Sarsar	6.72 acres of land on 5-7-73	Possession given
(iv) Patpara	9.14 acres of land on 25-7-75	Possession given

Acquisition of 0.16 acres of land at Patpara was cancelled vide CE(C)'s letter No. CE/Con/L/116 dated 6-1-74 in view of high cost."

46. The Committee desired to know the reasons for delay in obtaining the imported equipment for the Mughalsarai Yard. In reply, the Ministry of Railways (Railway Board) have stated in a note as follows:

"The contract for the supply and installation of the mechanised equipment for DN Yard Mughalsarai was placed on M/s Westing-house Sexby Farmer Ltd., Calcutta in June, 1974. The application for DGTD's clearance for equipment was made by M/s WSF through Eastern Railway in September, 1974.

While DGTD's clearance for components and foreign exchange release as given in December, 1974 the firm subsequently made separate applications for import of certain other components like sodeco counters as also for raw materials. Further, the application for clearance due to supply of steel not being available from UK as originally envisaged but from West Germany was made separately in April, 1975. The application for import licence was made by M/s WSF for components in June, 1975 which was issued in October, 1975 and for raw materials in Jan., 1976. Because the above applications for import licence were separately made and the intervening delay in making the import licence application, the import of components and raw materials was not expected before end of 1976. Hence, revalidation of the DGTD's clearance as also foreign exchange release up to December, 1977 was applied for in July, 1976 which was finally issued in August, 1976. It may be seen that the main delay has been on account of the lack of planning on the part of M/s. WSF leading to the need for application to be made separately and more than once and extension of the DGTD's clearance and foreign exchange release consequently thereupon."

47. Regarding the non-availability of cement for the project, the Committee enquired if the matter was taken up by the Railway Board with the Cement authorities or with the Central Government for allotment of special quota. In reply, the Chairman, Railway Board stated in evidence:

"This is a problem not only concerning this work of the Railways. We keep on chasing because even today several projects are being delayed on account of cement or steel shortage. I am sure the needful had been done. Then we have to depend on

other priorities of the Government. We have compiled out total requirements for the year. We have different projects. Then it is within the Railway that we distribute cement to the projects, because control is with us. But overall shortage was there. It was there all along, except during the intervening years when it was slightly in excess.... The total cement is given to us by the Cement Controller every quarter. And then the plant is nominated. Of course, we do the distribution within the rationality of movement. For example, I have got a plant in the South, and I have a work in the South. So, I will give it to the South, of course within the overall *inter se* priority of the projects."

48. The Committee desired to have a statement regarding the requirements of cement intimated by the Railway Administration to the Cement Controller during the last 10 years and the amount of cement actually supplied in each year. In reply, the Ministry of Railways (Railway Board) have stated in a note:

"A statement showing the demands made by the Ministry of Railways, the allotment made by the Cement Controller, the demands made by the Eastern Railway Construction Organisation and the allotments made to them from 1975 to 1981 is given below. It will be seen that the allotment of cement made by the Cement Controller for the Indian Railways falls considerably short of the demands every year.

(Figs. in M/Ts)

Year	Demand of the Rlys.	Allotment made by Cement Controller	Allotment to Eastern Rly. (Con.)	Allotment to E. Rly. (Con.) out of Column 3
1975 . . .	4,09,215	5,20,000	10,111	10,209
1976 . . .	3,18,716	4,00,000	8,739	8,740
1977 . . .	4,20,522	4,00,000	18,770	16,444
1978 . . .	7,88,144	4,72,500	35,435	19,200
1979 . . .	10,58,448	5,36,000	67,406	35,650
1980 . . .	14,70,870	5,40,507	71,677	30,760
1981 . . .	16,37,229	5,62,000	41,483	21,000

49. The Committee enquired if the mechanisation of the yard at Mughalsarai was held up because the Ministry of Railways was in double mind

up to 1974-75 whether to go out for this mechanisation or not and that was the main reason for delay in awarding the contract. In reply, the witness clarified:

“To knowledge, the Railway Board was not in a double mind except in regard to the benefits. We always apply the control and we are asked to review the costs. It is a kind of a continuous process in the railway working. The Financial Commissioner has a job to do and he has to keep all these things in view and it is a continuous exercise.”

50. On this, the Committee drew the attention of the Ministry to the following minutes of December, 1979 which were put up to the Railway Minister for getting sanction:

“The contract for the mechanisation of the down yard at Mughal-sarai was awarded only in 1975 and import licence was issued only towards the end of 1976 on account of the various issues raised by the DGTD. The contract envisages completion of the work within 27 months from the date of issue of the import licence. However, due to the general difficulties faced by M/s Westinghouse Sexby Farmer Ltd., Calcutta, this work also suffered a set back. It is expected now that the work would be completed by March 1980. The initial delay in the award of the contract was due to the intervening examination conducted to decide whether the mechanisation was at all required in this yard.

The work was planned on the basis of an interchange figure of 3500 wagons by the end of the Fourth Plan and that the number of wagons to be humped would exceed 2600 wagons which is the capacity of the manually-worked yard. The present level of interchange is about 2500 wagons each way and 1900 wagons are being humped. Though the anticipations have not materialised due to drop in the growth of traffic, there is no reason to believe that the projected growth will not finally materialise. That apart, other advantages to operation would also accrue in the matter of avoidance of detention to wagons, reduction in damages to wagons, etc.

The progress of the work is that 82 per cent of the work is expected to be completed by March, 1980. As the excess over the cost earlier approved by the MR is nearly 82 per cent, the Minister's approval to the revised cost of the work is solicited.”

51. Reacting to this, the Chairman, Railway Board stated:

"I have only a submission to make. Out of the total funds available, certain projects have to be deferred and certain projects have to be delayed when we find that a certain project can be delayed a little bit."

52. He further stated:

"I am submitting that it is within the total picture of the funds available. This debate was there and even today we can have the debate whether we should have at all remodelled Mughalsarai yard."

53. The Audit Para points out that while the original estimate was for Rs. 2.84 crores in December, 1971 the work is now estimated to cost Rs. 4.79 crores. The Committee desired to know the reasons for this escalation in the cost of the project. In reply, Chairman, Railway Board stated in evidence:

"Originally it was conceived that Mughalsarai would be the nodal point and the programme was that both up and down yards should be mechanised. Then paucity of funds was there and we had to make a choice. The choice obviously was for the up-yard which was passing the traffic coming from coalfield. Therefore, first money was invested there. Then the second priority was given to the down-yard, although the thinking was to do both simultaneously. If it had been done simultaneously, the entire cost would have been very much cheap. But when the scheme was finally sanctioned, it was more. Naturally any delay will definitely escalate the cost in the present day inflationary trends. We will give you a paper giving the entire sequence. I am grateful you have appreciated the point that a nodal yard has been remodelled and mechanised. It is something for the good of the country as a whole for a long time to come."

54. The Committee enquired if in view of the continuing shortages of critical material like cement, steel etc., it would not be desirable for the Railways to start a limited number of projects, complete the same within approved sanction and time and then take up new projects, rather than to start work on a number of projects simultaneously and keep many of them incomplete. In reply, Chairman, Railway Board stated before the Committee:

"There is absolutely no disputing the prime and fundamental wisdom you have spoken about. But, as Chairman of the Railway Board, I can assure you that we will not be able to achieve that very simple wisdom. It is absolutely indisputable that we should not delay the work."

55. Asked if there was any evaluation or monitoring of the progress, implementation, utility or planning of this project within the Railway Board to find out reasons for delay, cost escalation, defects in implementation etc. Chairman, Railway Board stated in evidence:—

"We have a planning Directors in the Board's office. We have got planning cells in each Railway. So, all the projects, in a manner, are under continuous review, and then priority among different Railways for different periods of time is also determined. We got monthly reports from Railways in the Board's office regarding progress made in different Railways. To that extent, review is almost constant."

56. He further clarified:

"Monitoring is one of the functions. Planning, projection for future, coordinating with other Ministries as to how the economic growth of the country is going to be there, what infrastructure is required, giving clearance for steel and cement plants and other projects in a particular locality etc. are also handled.

Every month reports come, and the review of all works in progress is done. It is a continuous process. Then once a year, we have works programme meeting when all the General Managers are called to review, with the full Board, and all the General Managers and their teams come individually. Each one spends with us two days, when we take a positive view to see if the circumstances have changed, whether material is available and whether it is necessary to slow down things or to accelerate. Those decisions at the highest level are reviewed once a year by the full Board at a two-day meeting, with each Railway individually. Of course, the other minor monitoring is done on a continuous basis, as I mentioned earlier by the Planning Directorate and the Works Directorate in the Board's office."

57. The Committee desired to know why inspite to the annual review, the majority of the projects were not being completed in time and within the approved estimates. The Chairman, Railway Board explained during evidence:

"There is a total climate of shortages of different types, including foreign exchange which was a big constraint at that time. We try to rationalize things. It is a tight rope walk. The aspirations of the people are there. I may say: let us have a moratorium on all new projects for the next 20 years. But we cannot live in isolation. So, we have to continue doing the balancing act; and to that extent perfection cannot be achieved, which is laudable, no doubt. It is not possible in the circumstances in which we live today."

58. The Committee desired to know about the major projects undertaken by the Railways so far along with their location, percentage of cost escalation, target date of completion, actual date of commissioning and the extent of time run-over. In reply, the Ministry of Railways (Railway Board) have furnished a statement giving information in respect of 27 projects (Appendix-II). It is seen from the statement that the majority of projects have been delayed because of non-availability of funds and shortage of critical materials like steel, Cement etc.

59. A decision to remodel Mughalsarai Down Yard was taken to avoid bunching in the receipt of goods trains and hold ups both at Mughalsarai and short of it due to the limited rate of handling and line capacity in the reception lines in the yard. A Work Study Team had estimated in 1969 an annual growth rate of 50 per cent in the goods traffic through the Down yard. The work was sanctioned by the Ministry of Railways in December 1971 at an estimated cost of Rs. 2.84 crores and was to be completed by December, 1974. However, the remodelling of the Mughalsarai Yard was completed only in May 1981 after a delay of more than 7 years and the cost of the work had already escalated to Rs. 4.79 crores by February, 1980. The delay in the completion of work is stated to be due mainly to delay in acquisition of land and issue of import licence for equipment. The Committee fail to understand why after having taken a decision to execute the project and fixing a target date, expeditious action was not taken for land acquisition and issue of import licence, and even after the acquisition of land and issue of import licence, the work was allowed to proceed in a leisurely fashion. The Committee cannot but reach at the conclusion that this is clearly indicative of absence of proper monitoring and defective planning on the part of Ministry of Railways. The Committee would like to express their deep concern at this state of affairs.

60. From the statement furnished by the Ministry of Railways relating to the major projects undertaken by the Railways, the Committee note that most of these projects have been considerably delayed and there has been heavy escalation in costs. . . The Committee have also noted that most of these projects have been delayed because of non-availability of

funds. To a query from the Committee whether it would not be desirable to start work on a limited number of projects in view of limitation of funds rather than starting work on a large number of projects and keeping them starved of funds, Chairman, Railway Board admitted during evidence that "There is absolutely no disputing the prime and fundamental wisdom you have spoken about." The Committee fail to appreciate why work on a large number of projects is taken in hand when the Railways are well aware that it would not be possible to complete the same within the target date due to inadequacy of funds. The result is that not only the works remain incomplete but the delay in completion of work also leads to escalation in costs. Moreover, this also results in frustration among the public likely to benefit from the these projects. The Committee feel that it is high time when Railways should examine the matter in depth and take a policy decision to start only such projects which can be completed within the available funds so that at least the benefit of these projects could reach the public at the earliest. The Committee further recommend that the target dates of the projects should be fixed realistically after taking all the relevant factors into consideration and these target dates once fixed should be strictly adhered to.

61. The Committee note that there have been heavy shortfalls in the supply of critical material like cement and steel to Railways which has contributed to delays in the completion of the projects undertaken by Railways. The Committee regret that the position in regard to supply of cement has been deteriorating in each successive year as is evident from the fact that while upto 1977, all the requirements of the Railways were being met in full, the shortfall was to the tune of 3,16,144 metric tonnes in 1978; 5,22,448 metric tonnes in 1979; 9,29,339 metric tonnes in 1980 and 10,75,229 metric tonnes in 1981. This situation needs to be remedied as the Railways cannot be expected to complete the projects in time until and unless the necessary basic materials are made available to them. The Committee recommend that this matter should be examined expeditiously and arrangements made to ensure that once a project which is vital to economy of the country is taken up for execution, its progress should not be allowed to suffer because of shortage of basic materials like cement and steel.

62. The remodelling of Mughalsarai Down yard was sanctioned in 1971 on the assumption of likely annual growth of 5 per cent in the goods traffic in the yard. However, as admitted by the Chairman, Railway Board, the traffic projections have not come true. Moreover, the daily number of wagons interchanged at the yard in 1973 and 1974 had actually shown a decline as compared to 1969 and the number of wagons dealt with in the Down Marshalling Yard even at the maximum level of 1977 viz., 1963, was well below the capacity of the manually operated hump

viz. 2600. The Committee feel that when the work on the project was started only in 1974, the need to remodel the yard should have been re-examined in view of the changing pattern of traffic and non-materialisation of increase in traffic as anticipated. The Committee find that while on the basis of 5 per cent growth in traffic, the daily average number of wagons interchanged in the yard was expected to be 4793 wagons in 1976 the actual daily number of wagons interchanged was 2,590.2 wagons per day in 1973, 2979 per day in 1976 and the same came down to 2594.1 wagons per day in 1980. Further the changing pattern of traffic needed provision of facilities for additional through capacity in the Central Yard. The Committee cannot but conclude that in view of this declining trend of traffic, the investment on the remodelling of Mughalsarai Down Yard was not justified. The Committee are distressed to note that facilities for faster movement of through passing loads in supplementary Down Central Yard are yet to be developed.

63. During evidence before the Committee, the Chairman, Railway Board stated that the remodelling of Mughalsarai yard was justified as 85 per cent of the money has been spent on mechanisation which is essential to maintain the health of the wagon fleet and that in manual marshalling of wagons, the wagons keep on banging against each other resulting in damage to them. As the cost of wagons had increased to about Rs. 1 lakh at present and the Railways were designing wagons which would cost more than Rs. 3/1-2 lakhs, the emphasis was to be given on protection of wagons. While the Committee appreciate the need for introduction of mechanisation and use of modern techniques in the marshalling yards, they cannot ignore the fact that the assumption of likely annual growth of traffic had not been realised. Therefore to justify the expenditure incurred on the basis of health of wagons alone appears to the Committee to be only an after-thought. The Committee would like to emphasise that even mechanisation should be undertaken on the basis of a cost benefit study in respect of each yard so as to ensure that the investment in mechanisation is commensurate with the anticipated growth in traffic and likely savings both in regard to health of wagons as also deployment of manpower. In the case of remodelling of Mughalsarai yard no such cost benefit study seems to have been done and therefore it is not possible to precisely estimate the benefit accruing to the Railways. The Committee, therefore, recommend that the Ministry of Railways should identify the details of the cost of mechanisation stated to be working upto 85 percent of the cost of this project and undertake a cost benefit study in this particular Down Yard. They should also undertake a cost benefit study in regard to the need for mechanisation in all the major marshalling yards in the country and then undertake a phased programme of mechanisation of such of the yards which justify the same.

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64. The Ministry of Railways (Railway Board) have stated that the increased facilities in the Down Yard and measures such as end to end running of trains, etc., would help increase the capacity of the Down Central Yard and reduce detention to through wagons and through goods trains. The Committee recommend that since the interchange traffic via Mughalsarai is mainly to through trains, the improvement in wagon detention resulting from this investment in respect of such traffic for two years should be watched and reported to the Committee.

NEW DELHI;

February 9, 1882.

Magha 20, 1903 (S).

SATISH AGARWAL,
Chairman,
Public Accounts Committee.

APPENDIX I

(Vide Para 29 of the Report)

Statement showing names of Major Marshalling Yards and the traffic passing through each Yard during 1978-79 to 1980-81.

S. No.	Name of Major Marshalling Yard	No. of wagons passing through the yard during :		
		1978-79	1979-80	1980-81
<i>(In thousands)</i>				
<i>Broad Gauge</i>				
1.	Cheoki	187	191	186
2.	Kanpur	389	350	394
3.	Tundla	269	234	215
4.	New Delhi	227	228	220
5.	Ghaziabad	299	318	227
6.	Khanalampura	423	401	384
7.	Bhatinda	234	253	260
8.	Ambala Cantt.	252	226	214
9.	Tughlakabad	600	610	613
10.	Ludhiana	238	211	199
11.	Amritsar	149	151	151
12.	Lucknow	287	271	259
13.	Bareilly	121	115	113
14.	Moradabad	250	251	234
15.	Mughalsarai	888	753	781
16.	Andal	1,126	989	987
17.	Asansol	434	373	363
18.	Sitarampur	213	198	205
19.	Pathardih	251	207	215
20.	Gomoh	373	260	272

S. No.	Name of Major Marshalling Yard	No. of wagons passing through the yard during		
		1978-79	1979-80	1980-81
		<i>(In thousands)</i>		
21.	Ghitpur	389	395	391
22.	Naihati	266	251	223
23.	Tondiarpet	439	451	461
24.	Iolarpetti	401	350	297
25.	Arakkonam	140	115	110
26.	Erode	281	265	248
27.	Nimpura	439	381	402
28.	Waltair	455	414	406
29.	Bhilai	488	458	438
30.	Pondamunda	369	359	273
31.	Tatanagar	364	346	288
32.	Adra	124	121	107
33.	Bhojudih	314	293	270
34.	Bandra	392	404	297
35.	Vadodara	448	375	342
36.	Ratlam	266	252	236
37.	Vatva* . . . . .	..	130	115
38.	Kalyan	396	374	344
39.	Bhusavai	954	894	941
40.	Itarsi	569	588	531
41.	Ajni	294	283	244
42.	New Katni	417	357	322
43.	Kazipet	222	193	170
44.	Vijaywada	377	406	367
	<i>Metre Gauge</i>			
1.	Rewari	198	192	182
2.	Bhagat-ki-kothi	153	160,	162
3.	Merta Road	149	132	113

S. No.	Name of Major Marshalling Yard	No. of wagons passing through the yard during		
		1978-79	1979-80	1980-81
		(in thousands)		
4.	Tiruchchirappalli	224	215	197
5.	Villupuram	169	199	169
6.	Virudnagar	187	164	160
7.	Yeswantpur	207	190	190
8.	Katihar	251	219	200
9.	Sigliguri	265	341	189
10.	New Gauhati	310	258	206
11.	Lumding	169	152	134
12.	Phulera	368	359	340
13.	Garhara	320	275	237
14.	Bareilly City	155	127	118
15.	Chupra	180	138	112
16.	Gonda	293	281	264
17.	Gorakhpur	219	202	169
18.	Kanpur Anwarganj	83	83	80
19.	Manduadih	185	178	156
20.	Kasganj	153	153	124
21.	Gauntakal	267	254	238
22.	Hubli	233	218	225
23.	Maula Ali* . . . . .	..	118	112

*New Marshaling Yard.

Note ; No. of wagons passing through the yard given above are the number of wagons dealt with in the Marshalling Yards and excludes wagons on through trains which bypassed the Marshalling Yards.

APPENDIX II

(Vide Para 58 of the Report)

Statement giving the major projects undertaken by Railways so far alongwith their location, percentage of cost escalation, targeted date of completion, actual date of commissioning and the extent of time run-over.

S. No.	Description	Length (kms)	Year of inclusion	Original cost (Rs. in crores)	Revised sanctioned cost & year of sanction (Rs. in cr.)	Present day cost (Rs. in crores)	Completion target		Reasons for delay
							Original	Revised	
1	2	3	4	5	6	7	8	9	10
1.	Vasai Road-Diva (Bg. C. Rly.)	41.96	1972-73	12.73	23.48 (1978-79)	..	Jun. '76	Dec. '80	Non-availability of funds
2.	Vani-Chanaka BG-C. R.	75.76	1973-74	5.30	..	8.47	not fixed	Dec. '81 u to Pimpalkoti 66.87	Do.
3.	Apta-Roha BG C.R.	62.00	1978-79	9.00	11.79 (1978-79)	..	Jun. '81	Dec. '81	Do.
4.	Karaila Rd-Jayant BG-E.R.	33.00	1977-78	16.14	18.32 (1980-81)	..	Dec. '80	Mar. '81 Phase I Mar. 82. Phase II	Due to delay in acquisition of land
5.	Howrah-Sheakhala B-G-E.R.	17.4	1973-74	3.5	..	6.49	Not fixed	Not fixed	Due to non-availability of funds

6.	Rampur-New Haldwani BG-N.E.	78.4	1974-75	12.9	..	13.7	1977	Jun. '83	U.P. State Govt. has not made available the land free as promised earlier.
7.	Chittauni Bagaha MG-E.R.	28.41	1973-74	6.74	..	10.00	Not fixed	Jun. '84	10 kms. new line from Bagaha to Valmikinagar has already been opened to traffic Delay was due to State Govt. of U.P. and Bihar not agreeing to their share of post for the river training works for Gandak Bridge. The controversy over apportionment of the cost has since been resolved and the work is in progress.
8.	Sakri-Hasanpur MG-N.E.	74.9	1974-75	4.75	..	5.86	Not fixed	Not fixed	Non-availability of funds
9.	Bibinagar-Nadikude BG-S.C.R.	151.00	1974-75	13.47	..	25.62	Mar. '80	Dec '80	Non-availability of funds Ist phase from upto Nal-gonda (Ph. I) Bibinagar to Nal-Phase II Dec. 82
10.	Bhadrachalam-Manuguru BG-SCR	52.00	1977-78	8.20	..	12.50	Mar. '80	Dec. '81	Non-availability of funds and critical materials.

1	2	3	4	5	6	7	8	9	10
11. Howrah-Amta-Champadanga BG-SER		73.53	1974-75	10.72	..	10.72	Mar. '80 Phase I	June '81 Phase I Dec. '82 (Phase II)	Non-availability of funds. Ist phase from Santragachi Bargachia 23 kms. is in progress and will be completed by March 1981
12. Jakhapura-Daitari BG-SER		33.5	1974-75	5.1	..	5.20	1979	Dec. '80	Non-availability of funds. Section from Jakhapura-Sukhinda opened to traffic in Jul. '80
Tirunelveli									
13. Nagercoil BG-S.R.		73.24	1972-73	6.5	..	15.0	Mar.'77	1980	Non-availability of funds and critical materials. This line is now ready.
14. Kapadvanj-Modasa BG-W.R.		60.5	1978-79	5.38	..	5.38	Not fixed	Not fixed	Non-availability of funds
15. Gauhati-Burnihat BC-N.F.R.		24.82	1978-79	8.00	..	8.20	1984	..	..
16. Dharamnagar-umarghat MG-N.F.R.		33.55	1978-79	9.67	..	9.167	Do.	..	..
17. Balipara-Bhalupong MG-N.F.R.		35.36	1978-79	4.70	..	4.70	Do.	..	..
18. Silchar-Siribam MG N.F.R.		50.70	1978-79	12.13	..	12.13	Do.	..	..
19. Amguri-Tuli MG-N.F.R.		17.07	1978-79	4.83	..	4.83	Do.	..	..
20. Lalaghat-Bhairabi MG N.F.R.		48.77	1978-79	10.76	..	10.76	Do.	..	..

21.	Alleppey-Ernakulam BG-S.R.	51.00	1979-80	7.00	..	6.97	Dec. '82	..	..
22.	Manickgarh-Chandur S.C.R.	28.49	1979-80	6.00	..	6.00	Not fixed	..	Final location survey completed. Report under examination
23.	Bringing old Madhavnagar Stn. on the main line BG-S.C.R..	1.50	1980-81	0.73	..	0.73	1982	..	..
24.	Restoration of Miraj-Sangli BG-S.C.R.	7.77	1980-81	0.54	..	0.54	1982	..	..
25.	Jaggayapeta-Bonakalu-BG-S.C.R.	34.00	1980-81	7.00	..	7.00	Not fixed	..	..
26.	Talgaria-Tupkadih BG-S.E.R.	32.00	1979-80	5.50	..	5.50	1982	..	..
27.	Kota-Chittorgarh BG-W.R.	242.00	1980-81	41.09	..	41.09	Not fixed	..	Final location Survey is in progress.

APPENDIX III

STATEMENT OF CONCLUSIONS AND RECOMMENDATIONS

S. No.	Para No.	Ministry/Deptt. concerned	Conclusions and Recommendations
1	2	3	4
1	59	Railways	<p>A decision to remodel Mughalsarai Down Yard was taken to avoid bunching in the receipt of goods trains and hold ups both at Mughalsarai and short of it due to the limited rate of humping and line capacity in the reception lines in the yard. A Work Study Team had estimated in 1969 an annual growth rate of 5 per cent in the goods traffic through the Down yard. The work was sanctioned by the Ministry of Railways in December 1971 at an estimated cost of Rs. 2.84 crores and was to be completed by December, 1974. However, the remodelling of the Mughalsarai yard was completed only in May, 1981 after a delay of more than 7 years and the cost of the work had already escalated to Rs. 4.79 crores by February, 1980. The delay in the completion of work is stated to be due mainly to delay in acquisition of land and issue of import licence for equipment. The Committee fail to understand why after having taken a decision to execute the project and fixing a target date, expeditious action was not taken for land acquisition and issue of import licence, and even after the acquisition of land and issue of import licence, the work was allowed to proceed in a leisurely fashion. The Committee cannot but reach at the</p>

conclusion that this is clearly indicative of absence of proper monitoring and defective planning on the part of Ministry of Railways. The Committee would like to express their deep concern at this state of affairs.

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Do

From the statement furnished by the Ministry of Railways relating to the major projects undertaken by the Railways, the Committee note that most of these projects have been considerably delayed and there has been heavy escalation in costs. The Committee have also noted that most of these projects have been delayed because of non-availability of funds. To a query from the Committee whether it would not be desirable to start work on a limited number of projects in view of limitation of funds rather than starting work on a large number of projects and keeping them starved of funds, Chairman, Railway Board admitted during evidence that "There is absolutely no disputing the prime and fundamental wisdom you have spoken about." The Committee fail to appreciate why work on a large number of projects is taken in hand when the Railways are well aware that it would not be possible to complete the same within the target date due to inadequacy of funds. The result is that not only the works remain incomplete but the delay in completion of work also leads to escalation in costs. Moreover, this also results in frustration among the public likely to benefit from these projects. The Committee feel that it is high time when Railways should examine the matter in depth and take a policy decision to start only such projects which can be completed within the available funds so that at least the benefit of these projects could reach the public at the earliest. The Committee further recommend that the target dates of the projects should be fixed realistically after taking all the relevant

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1	2	3	4
			<p>factors into consideration and these target dates once fixed should be strictly adhered to.</p>
3	61	Railways	<p>The Committee note that there have been heavy shortfalls in the supply of critical material like cement and steel to Railways which has contributed to delays in the completion of the projects undertaken by Railways. The Committee regret that the position in regard to supply of cement has been deteriorating in each successive year as is evident from the fact that while upto 1977, all the requirements of the Railways were being met in full, the shortfall was to the tune of 3,16,144 metric tonnes in 1978; 5,22,448 metric tonnes in 1979; 9,29,339 metric tonnes in 1980 and 10,75,229 metric tonnes in 1981. This situation needs to be remedied as the Railways cannot be expected to complete the projects in time until and unless the necessary basic materials are made available to them. The Committee recommend that this matter should be examined expeditiously and arrangements made to ensure that once a project which is vital to the economy of the country is taken up for execution, its progress should not be allowed to suffer because of shortage of basic materials like cement and steel.</p>
4	62	Do	<p>The remodelling of Mughalsarai Down Yard was sanctioned in 1971 on the assumption of likely annual growth of 5 per cent in the goods traffic in the yard. However, as admitted by the Chairman, Railway Board, the traffic projections have not come true. Moreover, the daily number of</p>

wagons interchanged at the yard in 1973 and 1974 had actually shown a decline as compared to 1969 and the number of wagons dealt with in the Down Marshalling Yard even at the maximum level of 1977 viz., 1963, was well below the capacity of the manually operated hump viz. 2600. The Committee feel that when the work on the project was started only in 1974, the need to remodel the yard should have been re-examined in view of the changing pattern of traffic and non-materialisation of increase in traffic as anticipated. The Committee find that while on the basis of 5 per cent growth in traffic, the daily average number of wagons interchanged in the yard was expected to be 4793 wagons in 1976, the actual daily number of wagons interchanged was 2,590.2 wagons per day in 1973, 2979 per day in 1976 and the same came down to 2594.1 wagons per day in 1980. Further the changing pattern of traffic needed provision of facilities for additional through capacity in the Central Yard. The Committee cannot but conclude that in view of this declining trend of traffic, the investment on the remodelling of Mughalsarai Down Yard was not justified. The Committee are distressed to note that facilities for faster movement of through passing loads in supplementary Down Central Yard are yet to be developed.

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Do

During evidence before the Committee, the Chairman Railway Board stated that the remodelling of Mughalsarai yard was justified as 85 per cent of the money has been spent on mechanisation which is essential to main-

tain the health of the wagon fleet and that in manual marshalling of wagons, the wagons keep on banging against each other resulting in damage to them. As the cost of wagons had increased to about Rs. 1 lakh at present and the Railways were designing wagons which would cost more than Rs. 3/1-2 lakhs, the emphasis was to be given on protection of wagons. While the Committee appreciate the need for introduction of mechanisation and use of modern techniques in the marshalling yards, they cannot ignore the fact that the assumption of likely annual growth of traffic had not been realised. Therefore to justify the expenditure incurred on the basis of health of wagons alone appears to the Committee to be only an after-thought. The Committee would like to emphasise that even mechanisation should be undertaken on the basis of a cost benefit study in respect of each yard so as to ensure that the investment in mechanisation is commensurate with the anticipated growth in traffic and likely savings both in regard to health of wagons as also deployment of manpower. In the case of remodelling of Mughalsarai yard such cost benefit study seems to have been done and therefore it is not possible to precisely estimate the benefit accruing to the Railways. The Committee, therefore, recommend that the Ministry of Railways should identify the details of the cost of mechanisation stated to be working upto 85 percent of the cost of this project and undertake a cost benefit study in this particular Down Yard. They should also undertake a cost benefit study in regard to the need for mechanisation in all the major marshall-

ing yards in the country and then undertake a phased programme of mechanisation of such of the yards which justify the same.

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Railways

The Ministry of Railways (Railway Board) have stated that the increased facilities in the Down Yard and measures such as end to end running of trains, etc., would help increase the capacity of the Down Central Yard and reduce detention to through wagons and through goods trains. The Committee recommend that since the interchange traffic via Mughalsarai is mainly of through trains, the improvement in wagon detention resulting from this investment in respect of such traffic for two years should be watched and reported to the Committee.

20. Atma Ram & Sons,
Kashmere Gate,
Delhi-6.
21. J. M. Jaina & Brothers,
Mori Gate, Delhi.
22. The English Book Store,
7-L, Connaught Circus,
New Delhi.
23. Bahree Brothers,
188, Lajpatrai Market,
Delhi-6.
24. Oxford Book & Stationery
Company, Scindia House,
Connaught Place,
New Delhi-1.
25. Bookwell,
4, Sant Narankari Colony,
Kingsway Camp,
Delhi-9.
26. The Central News Agency,
23/90, Connaught Place,
New Delhi.
27. M/s. D. K. Book Organisations,
74-D, Anand Nagar (Inder Lok),
P.B. No. 2141,
Delhi-110035.
28. M/s. Rajendra Book Agency,
IV-D/50, Lajpat Nagar,
Old Double Storey,
Delhi-110024.
29. M/s. Ashoka Book Agency,
2/27, Roop Nagar,
Delhi.
30. Books India Corporation,
B-967, Shastri Nagar,
New Delhi.

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