

EIGHTEENTH REPORT

PUBLIC ACCOUNTS COMMITTEE (1985-86)

(EIGHTH LOK SABHA)

PERFORMANCE OF CONTAINER SERVICE

**MINISTRY OF TRANSPORT (DEPARTMENT OF RAILWAYS)
(RAILWAY BOARD)**

[Action taken on 210th Report (Seventh Lok Sabha)]



Presented in Lok Sabha on 22.11.1985

Laid in Rajya Sabha on 22.11.1985

**LOK SABHA SECRETARIAT
NEW DELHI**

November 1985/Agrahayana 1907 (Saka)

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**COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(1985-86)**

CHAIRMAN

Shri E. Ayyapu Reddy

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Lok Sabha

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3. Shri Amal Datta
4. Shri Ranjit Singh Gaekwad
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Rajya Sabha

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19. Shri Ghulam Rasool Kar

(iv)

20. Shri Chaturanan Mishra
21. Shri K. L. N. Prasad
22. Shri Ramanand Yadav

SECRETARIAT

1. Shri N. N. Mehra—*Joint Secretary.*
2. Shri K. H. Chhaya—*Chief Financial Committee Officer.*
3. Shri Krishnapal Singh—*Senior Financial Committee Officer.*

INTRODUCTION

1. the Chairman of the Public Accounts Committee, as authorised by the Committee do present on their behalf this Eighteenth Report on action taken by Government on the recommendations observations of the Public Accounts Committee contained in their Two Hundred and Tenth Report (7th Lok Sabha) on Performance of Container Service.

2. The Committee in their earlier Report had observed that considering the overwhelming advantages enjoyed by the Railways in the matter of fuel consumption in case of long distance and in the interest of optimum utilisation of scarce resources of the country, the Railways should not only continue with the Container Service but also extend its coverage by overcoming the shortcomings they are facing at present. In their action taken reply, the Ministry of Transport (Department of Railways) (Railway Board) have stated that Container Service for domestic traffic is being continued and efforts made to improve its performance. Further, with the fast growing trend towards ISO containerisation the world over, the Indian Railways have already taken advantage of this new concept in providing multimodal transportation for import/export cargo in international containers. The Committee consider it unfortunate that the action taken reply of the Ministry does not spell out action taken to improve and expand container services for domestic customers. The Committee have, therefore, desired to know about the expansion and improvement achieved and plans for the future, keeping in view safe door-to-door and convenient mode of transport through containers.

3. Commenting on the deteriorating performance of the Container Service, the Committee had recommended that if the Railway Container Service were to wean away high rated traffic from road transport, the transit time should be reduced to level of transit time of the Quick Transport Service. The Committee also desired the Ministry to implement the proposal under their consideration to run direct super-fast trains regularly on container routes. In their action taken reply the Ministry have stated that with a view to improving the transit time of major streams of traffic and to provide better quality of service to the users, point-to-point "Speed Link Expresses" have been

introduced as an experimental measure with effect from last week of June, 1984. The Railway Board have, however, not indicated the extent of reduction in transit time of container service envisaged as a result of the introduction of these Expresses. The Committee have, therefore, desired to know the results of this experiment and of the plans to extend the experiment to other container routes.

4. The Committee considered and adopted this Report at their sitting held on 8 November, 1985. Minutes of the sitting form Part II of the Report.

5. For reference facility and convenience, the recommendations/ observations 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 the Appendix to the Report.

6. 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;

November 19, 1985
Kartika 28, 1907 (Saka)

E. AYYAPU REDDY,
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

1.1 This Report of the Committee deals with the action taken by Government of the Committee's recommendations and observations contained in their Two Hundred and Tenth Report on Paragraph 2 of the Advance Report of the Comptroller and Auditor General of India for the year 1981-82, Union Government (Railways) on Performance of Container Service.

1.2 The Committee's 210th Report was presented to Lok Sabha on the 30th April, 1984. The Report contained 15 recommendations/observations. These have been broadly categorised as follows :

- (i) Recommendations/Observations that have been accepted by Government :
Sl. Nos. 1, 2, 6, 7, 8, 12, 13, 14 and 15
- (ii) Recommendations/Observations replies to which the Committee do not desire to pursue in the light of replies received from Government :
Sl. Nos. 10 and 11
- (iii) Recommendations/Observations replies to which have not been accepted by the Committee and which require reiteration :
Sl. Nos. 3, 4 and 5
- (iv) Recommendation/observation in respect of which Government have furnished interim reply :
Sl. No. 9

1.3 The Committee will now deal with the action taken by Government on some of their recommendations/observations.

Expansion of Container Service (Sl. No. Para 1.65)

1.4 Stressing that Railway should not only continue the Container Service but also extend its coverage, the Committee in Para 1.65 of their 210th Report (Seventh Lok Sabha) had observed as follows :—

“As the Committee observe, the road traffic has certain inherent advantages over the Railways in the matter of providing door to door service. The transit time taken by the road transport

is much less than taken by the Container Service. For instance, the transit time fixed by the Railways between New Delhi and Tondiarpet (Madras)—a distance of 2185 Km is 10 days but the actual time taken by the Container Service is 14 days. As against this, the transit time taken by the road transport is 5-6 days. Likewise, the transit time fixed by the Railways between New Delhi and Bangalore—a distance of 2544 Km. is 11 days, but the time actually taken is 15 days. As against this, the transit time taken by the road transport is 6-7 days. The road transport has also the advantages of smaller unit load freedom to pick and choose and flexibility to offer rates on day to day basis. Rather than haul the truck empty on the return journey, it may even accept half the usual rates but not so the Container Service. The question now arises, therefore, is whether it was at all wise on the part of the Railways to have ventured into this line. The Committee have, however, considered the matter in a wider perspective especially in the context of development of integrated Sea, Rail and Road Container Service the world over. Considering the overwhelming advantages enjoyed by the Railways in the matter of fuel consumption in case of long distance, the Committee feel that in the interest of optimum utilisation of scarce resources of the country, the Railways should not only continue with the Container Service but also extend its coverage provided they can successfully overcome the shortcomings they are facing at present. This, the Committee will like to point out, is no easy task and for this the Railways will have to do some hard thinking not only to re-orient their whole approach and strategies but will have to be much more business-like than hitherto.

1.5 In their action taken reply, the Ministry of Transport (Department of Railways) (Railway Board) have stated as follows :--

“Container service for domestic traffic is being continued and efforts made to improve its performance. Further, with the fast growing trend towards ISO containerisation the world over, the Indian Railways have already taken advantage of this new technological development in providing multimodal transportation for import/export cargo in international containers. Five pilot Inland Container Depots (ICDs) have so far been set up at Bangalore Cantonment, Guntur, Anaparti, New

Delhi and Coimbatore for carriage of such containers between these ICDs and the gateway ports. To the extent possible, the ISO containers are being carried in Unit trains from the ICDs to the ports and vice versa so as to ensure the quickest transit time. In keeping with the Committee's observations, plans are also being drawn to set up a net work of ICDs in the country during the Seventh Five Year Plan period to meet the growing demand for extension of ISO container services."

1.6 In their earlier Report, the Committee had observed :

"Considering the overwhelming advantage enjoyed by the Railways in the matter of fuel consumption in case of long distance, the Committee feel that in the interest of optimum utilisation of scarce resources of the country, the Railways should not only continue with the Container Service but also extend its coverage provided they can successfully overcome the shortcomings they are facing at present. This, the Committee will like to point out, is no easy task and for this the Railways will have to do some hard thinking not only to re-orient their whole approach and strategies but will have to be much more business-like than hithertofore."

However, the action taken reply of the Ministry does not spell out action taken to improve and expand container services for domestic customers. The Committee would like to be informed about the expansion and improvement achieved and plans for the future, keeping in view safe and convenient mode of transport through containers.

Improvement in Transit Time of Container Service
(S. No. 4 & 5, Paras 1.66 & 1.67)

1.7 Commenting on the deteriorating performance of the Container Service, the Committee in paras 1.66 and 1.67 of their 210th Report (Seventh Lok Sabha) had observed as follows :—

"The Committee observe that one of the main reasons for the deteriorating performance of the Container Service is the unduly high turn-round time of containers. The reasonable turn-round for a container has been worked out as 10 days. As against this the actual turn-round time of the Container Service during 1981-82 was 21.6 days on an average. The

turn-round time is partly accounted by transit time for movement of containers between the two terminals and partly by their hold-up at the Railways' or consignees' premises at the terminal. How excessive is the transit time taken by the Container Service will be apparent from the fact that on Tondiarpet (Madras)—New Delhi Container Service the transit time fixed by the Railways was 10 days as compared to 4 days taken by QTS, but the actual time taken in March, 1982 was 14 days. Likewise, on Wadi Bunder-Yeswantpur Container Service the transit time fixed by the Railways was 6 days as against 2.5 days taken by QTS, but the actual time taken was 15.4 days. Owing to excessive transit time, Central Railway was not able to meet fully the demands of trade for containers during the years 1979-80 to 1981-82. There were short-falls in the supply of containers to the extent of 4133 in 1979-80, 3697 in 1980-81 and 1079 in 1981-82, leading to decline in loadings from 6186 containers in 1979-80 to 4223 in 1982-83. On the Western Railway, the position was even worse. Container loadings declined from 8822 in 1977-78 to 5352 in 1982-83. How costly the excessive transit time had proved to be will be seen from the fact that by controlling the transit time and reducing detention to containers, additional 981 containers could be available for loading, thereby augmenting the earning potential of Railways by Rs. 2.40 crores per year. In a note furnished to the Committee, the Ministry have stated that transit time can improve if direct super-fast goods trains are run regularly on container routes. This question is under the consideration of the Ministry."

"The Committee are firmly of the view that if the Railway Container Service is to successfully compete with the road service, the first thing it has to do is to drastically cut down the transit time. It is hardly necessary for the Committee to point out that with a substantial reduction in transit time, the existing containers can carry far more loadings than at present. The Committee note that a proposal under the consideration of the Ministry is to run direct super-fast trains regularly on container routes. The Committee will like the Ministry to implement the above proposal at the earliest. Together with it, the Committee will like the Ministry to consider re-orienting the existing system so as to concentrate more in sectors

where it is possible to run a single unit train from start to finish without any intermediate detention. In addition, determined efforts should be made by the Ministry to cut down the unnecessary hold-ups at the Railways' and consignees' ends at the terminals. In the opinion of the Committee, the aim of the Railway Container Service should be to bring down the transit time in the first instance to the level of the target time fixed by the Railways and later on to bring it as near as possible to the QTS time."

1.8 In their action taken reply the Ministry of Transport (Department of Railways) (Railway Board) have stated as follows :—

"With a view to improving the transit time of major streams of traffic and to provide better quality of service to the users, point to point Super Express Goods trains called the "Speed Link Expresses" without remmarshalling enroute have been introduced, as an experimental measure, with effect from last week of June '84 on the following routes :

- (1) New Delhi—Carnac Bridge (Bombay)
- (2) Carnac Bridge (Bombay)—New Delhi
- (3) New Delhi—Salt Cotaurs (Madras)
- (4) Salt Cotaurs (Madras)—New Delhi
- (5) New Delhi—Howrah
- (6) Howrah—New Delhi
- (7) Wadi Bunder (Bombay)—Shalimar (Calcutta)
- (8) Shalimar (Calcutta)—Wadi Bunder (Bombay)
- (9) Shalimar (Calcutta)—Salt Cotaurs (Madras)
- (10) Salt Cotaurs (Madras)—Shalimar (Calcutta)

Containers are also being transported by the Speed Link Expresses. An assessment of the impact of this experiment on the transit time of container services will be made in due course."

1.9 The Committee take note of the fact that a few "Speed Link Expresses" on certain routes have been introduced as an experimental measure from June, 1984. The Railway Board have not indicated the extent of reduction in transit time of container service envisaged as a result of the introduction of these Expresses. The Railway Board have

no doubt already obtained some preliminary idea of the success of the experiment during the period which has since elapsed. The Committee would like to know the results of this experiment and of the plans to extend the experiment to other container routes.

Road Units of Railway Container Service
(S.No. 9, Para 1.71)

1.10 Commenting on the unsatisfactory performance of roads units of the Railway Container Service, the Public Accounts Committee in Para 1.71 of their 210th Report observed as follows :—

“Performance of road units of the Railway Container Service has been another factor responsible for the deterioration of the service. The Railway’s container terminals held 116 road units. A test check of their performance reports during March 1982 disclosed that only 58 vehicles were in effective use for delivery and collection of the containers, 11 were out of use to cannibalisation of their parts and the remaining 47 were either under repair or awaiting repairs. Thus nearly 50% of the road vehicles were out of effective use for container traffic. This was mainly due to maintenance problems. The Railway workshops are not geared for the periodical overhauls and other repair facilities for road vehicles. Admittedly, it is necessary to maintain the road units in an efficient manner. The Committee were informed that if the work relating to repairs and overhauling was entrusted to private workshops, it would workout to be cheaper as compared to the existing system in the Railways. Since the Railways are not averse to this suggestion, the Committee would like the Ministry of Railways to examine it and implement it if found feasible and cheaper.”

1.11 In their action taken note, the Ministry Transport (Department of Railways) (Railway Board) have stated as follows :—

“It is already the policy of the Ministry of Railways to attend to only minor repairs in Railway installations and undertake heavy repairs/overhaul in accredited garages outside the Railways. These instructions have been reiterated *vide* the Board’s letter No. 83/M(N) 951/92 dated 27.10.1984.”

1.12 The Committee note that while vetting the action taken reply of the Ministry of Transport (Department of Railways) (Railway Board) that it is already the policy of the Department of Railways to attend to only minor repairs in Railway installations and undertake heavy repairs/overhaul in accredited garages outside the Railways and that these instructions have been reiterated, the Audit has *inter alia* made the following observations :

- “(1) It is seen from the instructions issued by the Railway Board vide their letter No. 83/M(N)/951/92 dated 27.10.1984 that the General Managers have been requested to review the position of repairs of their Road units. Their reports in the matter are still awaited.
- (2) It is further seen from a report of General Manager, Central Railway that in the recent past, repairers have not been responding to undertake heavy repairs. There is, therefore, a need to take suitable action in regard to repairs of road units in the light of difficulties experienced by the Zonal Railways.
- (3) In Para 1.53 and 1.54 of 210th Report of P.A.C. (Seventh Lok Sabha) it was stated by the Board that the suggestion of entrusting the work of road haulage to the contractor was under consideration.”

The Committee desire the Ministry of Transport (Department of Railways) (Railway Board) to chalk out a suitable system for repairs to road units in the light of the difficulties experienced by the Zonal Railways and the Committee apprised.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Conclusions/Recommendations

The Container Service was introduced by the Railways in 1966 between specified terminals in order to wean away diversion of high rated goods traffic to road by ensuring quick and safe door to door transport of goods without any handling of contents either at the transshipment point, enroute, if any, or at the goods shed. These services got established on 9 routes by 1971-72, 12 routes by 1974-75 and 16 routes by 1981-82. The Committee, however, observed that after having made a "dent" in the traffic all along held by the road transport, the Railways could not sustain it and during the last few years, there has been a gradual fall in the Efficiency Index of the Service, namely loadings per container per year. In 1971-72, with a holding of 686 containers, the Railways carried 31,880 loadings. But in 1981-82, with 2,345 containers, the number of loadings carried was only a fraction more, viz. 37,865 loadings. The Efficiency Index, declined from 46 in 1971-72 to 21 in 1980-81 and to 16 in 1981-82. On the Western Railway, which initially commenced this service in 1966, the decline in traffic was to the extent of 40% as compared to their traffic of 1976-77. Two of their regular services introduced in 1967 and 1973 were closed in 1979. During 1982-83, there was further decline in the container traffic.

As to the main reasons for the deterioration in the performance of the Container Service, the Committee observe that although certain external factors beyond the control of Railways had accentuated the process of deterioration, the root cause, as admitted by the Member (Traffic), Railway Board, was the inability of the Railways to provide the 'quality of service' which the private road hauliers were able to provide as also the inability of the Railways to compete with them in the matter of rates. Another reason was the inefficient functioning of the road units of the Railways Container Service.

[Recommendations Sl. Nos, 1 & 2—Paras 1.63 & 1.64
of 210th Report of PAC—1983-84 VIIIth Lok Sabha]

Action taken

The Committee's observations are noted. Railways are maintaining a close watch on the movement of containers with a view to avoid transit delays and ensure supply of containers to the needy terminals. Marketing efforts including contacting the potential customers have also been intensified by Railways to attract additional traffic. As a result, the loading of containers has increased to 30,247 during the period from April '84 to Jan.' 85 as against 26,207 during the corresponding period of last year. Every endeavour is thus being made to improve the loading of containers and quality of service to the users

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s U.N. 84-BC-PAC/VII/210 dated 24.4.85]

Recommendation

Intimately connected with the question of high turn-round time is the question of fixing a deterrent demurrage rate. The Committee observe that though the container Service has been in operation from January 1966, demurrage charges for the delayed release of containers were introduced in September 1979. No penalty was imposed on users for detaining the containers till then. However, the demurrage rate, viz. Rs. 30 for the first day is very low as compared to the average earnings of Rs. 63 per day of a container in 1981-82. The reason given by the Ministry for the very low rate of demurrage is that "the container service being sensitive, it was feared that if demurrage rates were increased the trade might resent and divert the traffic to road. Besides, there were hardly any cases of heavy delays to containers at the warehouses of the users." In evidence also, it was stated that the "incidence" of the people "retaining containers for a long time is not very high." The Committee are surprised to learn this in view of the fact that a random check by Audit on the Western Railway in October 1981 revealed that containers were often detained for unduly long periods extending upto 21 days after their arrival at terminals by the consignees using them as storage godowns. While the Committee agree that the question of demurrage charges should not be allowed to become an unnecessary irritant to the customers they are also positive that the containers should not be allowed to be

misused by unscrupulous consignees as storage godowns. With this end in view, the Committee desire that while the demurrage charges for the first two days may remain unchanged, the charges for the third day onwards should be sharply increased so as to act as a deterrent.

[S.No. 6, Para 1.68 of 210 th Report of PAC—(1983-84)—VII Lok Sabha]

Action taken

The Committee's suggestion has been examined. It is seen that the number of cases of detention exceeding more than 3 days are very few and any increase in demurrage charges in the existing rate may act as an irritant to the trade and may be counter-productive. However, for detention in excess of 7 days, it has been decided to double the existing rate of demurrage charge from Rs. 48/- to Rs. 96/- per container per day w.e.f. 1.11.84 as per Board's letter No. 84 TC (M&S) 7/13/Dem. dated 22.9.84 (copy enclosed).

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s O.M.No.84-BC-PAC/VII/210 dated 28.12.1984]

MOST IMMEDIATE

GOVERNMENT OF INDIA (BHARAT SARKAR) MINISTRY
OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)

No. 84-TC(M&S)/7/13/Dem.

New Delhi, dated 22.9.84.

The General Managers,
All Indian Railways.

SUB. Levy of demurrage for delaye in release of containers.

REF : Board's letter No. 75. TC (M&S)/7/30 dated 16.7. 1979, and wireless dated 30.8. 1979.

In partial modification of para 2 of Board's letter dated 16.7.79 referred to above, the Ministry of Railways have decided that the rates of demurrage charges for detention of containers should be revised as under :—

- (a) Rs. 30/-per container for the first day or part thereof (after expiry of the free time) ;

- (b) Rs. 36/-per container for the second day or part thereof ;
- (c) Rs. 48/-per container per day or part thereof, from third to seventh day; and
- (d) Rs. 96/-per container per day or part thereof from the eighth day onwards.

2. These orders issue with the concurrence of the Finance Directorate in the Ministry of Railways and will come into force from 1.11.84. The Railways should inform the booking parties at their end of the revision of demurrage charges leviable at destination for detention of containers beyond the free time.

- 3. Please acknowledge receipt of this letter.
(Hindi version will follow)

Sd/-

(S. REGUNATHAN)

*Dr. Director, Traffic Comml. (M&S)
Railway Board.*

DA : Nil.

Conclusions/Recommendations

Another important reason for the deteriorating performance of the Container Service is the heavy empty haulage of containers. With a view to reducing empty haulage and improving utilisation the containers were being utilised on a pooled basis from 1975-76 and not in Railway based closed circuits. But, in spite of this, a large number of containers are hauled empty. According to a test check of the performance reports of the Railways for March 1983 by Audit, empty haulage of containers was as high as 41.3% on the Eastern Railway, 39% on the South-Central Railway, 32% on the South-Eastern Railway and 27% on the Western Railway. In evidence, Member (Traffic) pleaded that "in any transport organisation, certain element of empty haulage is inevitable (and) to have a perfectly matched traffic is very, very difficult". However, he conceded "we will have to reorient our marketing strategy to reduce empty haulage. Our effort is to bring it down to 20%." The Committee strongly recommend that the Railways should keep the position under constant review and make sustained marketing efforts in order to minimise the empty haulage. With this end in view, the Committee would like the Ministry to examine the feasibility of offering special station to station, rates in case they find that on the return way, the containers are likely to go empty.

From the comparative data of the road transport rates and the railway container service rates furnished by the Ministry of Railways, the Committee find that as against the road rate of Rs. 35-40 per quintal on Carnac Bridge—New Delhi route the container service rate was Rs. 62.01 for lubricating oil and manufactured plastic. Like-wise, as against the road rate of Rs. 50.60 per quintal on Tondiarpet—New Delhi route, the container rate for lubricating oil was Rs. 92.35 and for welding rods Rs. 80.32 per quintal. Similarly, as against the road rate of Rs. 16-22 per quintal on the Wadi-Bunder—Secunderabad route, the container service rate was Rs. 61 for radios/transistors and Rs. 59 for switch-gears. The same is true of other routes. The Committee feel that there is enough scope to wean away high rated goods traffic from road transport by making container service more attractive. To this end, the Committee will like the Ministry of Railways (Railway Board) to make a thorough study of their haulage rates *vis-a-vis* those offered by road transport, and wherever possible, to make their rates competitive. The position should be kept under constant review.

[Recommendations Sl. Nos. 7 & 8—Paras No. 1.69 & 1.70 of 210th Report of PAC 1983-84) : VII Lok Sabha].

Action taken

The Committee's observations have been noted. A watch is being maintained at the Zonal Railways as well as at Board's level on the movement of container traffic to keep empty haulage to the minimum. The feasibility of quoting Station to Station rates in the empty flowing direction where justified is kept in view by Railways. For example, Southern Railway have quoted such rates from BNC/TNPM to WB and SHM*. Instructions have also been issued to the Railways authorising them to quote reduced station to station rates covering dependent/incremental cost of haulage wherever justified so as to attract additional container traffic. As stated in reply to paras 1.63-1.64 container loading is already picking up and the position will be closely watched.

This has been seen by Audit.

[Ministry of Railways (Railway Board's) U.N. 84-BC—PAC/VII/210 dated 24-4-1985].

- * BNC — Bangalore Cantt
- TNPM — Tondiarpet (Madras)
- WB — Wadi Bunder (Bombay)
- SHM — Shalimar (Calcutta)

Recommendation

1.74. The Committee note that on the basis of experience of some of the Railway systems abroad, the Indian Railways have adopted the life of a container as 15 years. The Committee also note that norms of periodical overhauling have also been laid down. The Committee desire that the norms of replacement and periodical overhaul should be strictly observed so that the container holdings remain in proper usable condition and the trade may not be discouraged from making use of the container service.

[S. No. 12, Para 1.74 of 210th Report of P.A.C. (1984-85)—
VII Lok Sabha].

Action taken

The observations of the Committee have been noted. The Railways have been instructed vide the Ministry of Railways (Railway Board) 's letter No. 83/M(N) 951/92 dated 21/25-6-1984 (copy enclosed).

This has been seen by Audit.

[Ministry of Railways (Railway Board) 's O.M. No. 84-BC-PAC/VII/210 dated 28-12-1984].

GOVERNMENT OF INDIA/BHARAT SARKAR
MINISTRY OF RAILWAYS/RAIL MANTRALAYA
(RAILWAY BOARD)

No 83/M(N)/951/92
The General Managers,
All Indian Railways.

New Delhi, dt. 21/25-6-84

SUB : *Audit Report No. 210—PAC—1983-84—Sub-para 1.74—
POH of Containers.*

An extract of para 1.74 from P.A.C. 210th Report (1983-84) is appended below :—

“1.74 The Committee note that on the basis of experience of some of the Railway systems abroad, the Indian Railways have adopted the life of a container as 15 years. The Committee also note that norms of periodical overhauling have also been laid down. The Committee desire that the norms of replacement and periodical overhaul should be strictly observed so

that the container holdings remain in proper usable condition and the trade may not be discouraged from making use of the container service.”

2. The Board desire that the recommendation of the Public Accounts Committee should be strictly adhered to with a view to keeping the container holdings in proper usable condition.

Sd/-
(PRAMOD KUMAR)
Addl. Director, Mech. Engg. (RS)
(Railway Board).

Copy (with 45 spares) to ADAI Railways, New Delhi for information.

Recommendation

The performance of the container service upto 1974-75 was the subject matter of comment in paragraph 8 of the Report of the Comptroller and Auditor General of India for the year 1975-76 Union Government (Railways). The Public Accounts Committee had called upon the Railway Board *inter alia* to undertake a study of the economics of each container service. This study has, however, not yet been undertaken for which the Member (Traffic) Railway Board expressed regret to the Committee during evidence and assured that such a study would be completed within the next six months. The Committee desire that the proposed study should also include a financial appraisal of the entire scheme. The Committee would like to be informed of the results of the study.

[S. No. 13 para 1.75 of 210th Report of PAC—1983-84
(VII Lok Sabha)]

Action taken

An attempt was made in 1979-80 to study the economics of each domestic container service but it could not succeed, since all containers and flat wagons were already being utilised on pooled basis on all services in order to improve their utilisation on account of imbalance in traffic between fixed pair of points. Accordingly, a study of the economics of the entire scheme of domestic container services has been

made for the years 1980-81, 1981-82 and 1982-83 and it has revealed that the percentage return on the investments has been as under :—

1980-81	—	12.62%
1981-82	—	17.63%
1982-83	—	14.78%

I.S.O. container scheme is not included in the study mentioned above as it is an entirely new scheme and is still in the initial stages of development.

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s O.M. No. 84-BC-PAC/VII/210 dated 12.4.1985]

Conclusions/Recommendations

The Committee note that the containers which are loaded either by the customers or by agents of the Railways (freight forwarders) are not subjected to weighment at originating points. A test weighment of a few containers on certain occasions during the period 1974 to 1981 at the Carnac Bridge terminal of Western Railway disclosed excess load in 40 to 60% of the containers. The representative of the Railway Board contended in evidence that overloading of the containers was not to the extent pointed out by Audit as about 80% of the commodities which are loaded in containers have a weight of 3-4 tonnes as against the capacity of 5 tonnes of a container. It was only in exceptional cases that there was an overloading. The Committee have also been informed by the Ministry that the Railway Board have asked all the Railway Administrations to place orders for cranes with weighing mechanism as and when the existing cranes become due for replacement. The Committee desire that pending the provision of proper weighing mechanism at important points, the Railway should ensure that all commodities to be loaded in containers particularly high density commodities are first test-weighed and their load ability as also the tariff to be charged therefor determined accordingly.

[Recommendation Sl. No. 14. Para 1.86 of 210th Report of PAC 1983-84. (Seventh Lok Sabha)]

Action taken

The Committee's observations are noted. Necessary instructions have been issued to the Railway Administrations for implementation.

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s M.O. 84-BC-PAC/
VII/210 dated 24.4.1985]

Conclusions/Recommendations

Noting an increase from 6825 to 1,56,583 numbers between the 1976-77 and 1981-82 in the import/export traffic via the Indian ports in 20' long, 20 tonne capacity International Standards Organisation Containers, the Railway Board, in consultation with the Ministry of Commerce, created matching inland transport facilities at Bangalore, Ahmedabad and New Delhi. The terminal at Pragati Maidan (New Delhi) was completed at a cost of Rs. 9 lakhs in August, 1981. About 140 bogie wagon flats have been modified at a cost of Rs. 9.52 lakhs and procurement of another 350 wagon flats at a cost of Rs. 4.70 crores have been ordered in 1980-81 Works Programme to transport the ISO containers. However, owing to delay in finalisation of combined transport document procedures by the concerned Ministries, the Railways could commence this foreign container service from August 1981 only in one route between Madras Port and Bangalore. The work of providing inland container depot at Ahmedabad in 1980-81 has not progressed, as acquisition of a suitable piece of land for the terminal is subjudice. The Committee note that the dispute between the Bombay Dock Workers Labour Union and the Bombay Port Trust has since been settled and movement of ISO container traffic from/to Bombay Port has commenced with effect from 14.3.1984. In 1980-81, 229 TEUs were transported earning freight charges of Rs. 2.29 lakhs and during 1982-83 the loading and earnings improved to 323 TEUs and Rs. 3.18 lakhs respectively. During the period from April 1983 to January 1984 the total number of ISO containers moved to/from Madras and Cochin ports was 2943 TEUs. As a result of these movements the Railways have earned a revenue of Rs. 35.12 lakhs. This increase was apparently due to the fact that movement of goods on sea-cum-road routes by ISO containers was being preferred increasingly. There is thus great scope for ISO container service, which the Committee feel should be fully exploited by the Railways. The Committee would like to have a fur-

ther report in the matter. They would also like to be informed of the latest position regarding establishment of ICDs at Ahmedabad and Gauhati as also movement of ISO traffic from Calcutta Port on a regular basis.

[Recommendation SJ. No. 15, Para No. 1.94 of 210th Report of PAC 1983-84 (Seventh Lok Sabha)]

Action taken

The year 1983-84 ended with an encouraging note in that the total number of ISO containers moved rose up to 3289 TEUs* with freight earnings of Rs. 39.27 lakhs. During the year 1984-85 Railways have already moved 8060 TEUs* upto January '85, earning more than Rs. 145 lakhs as freight charges. As the land acquisition proceedings at Ahmedabad are still subjudice, the feasibility of locating the ICD at an alternative site is being explored. As regards Gauhati ICD, a suitable piece of railway land at Amingaon near Gauhati had already been selected for setting up the ICD and the work was included in 1984-85 Works Programme. The work is in progress and it is expected that the ICD would become operational from the next tea season. It is proposed to link Amingaon ICD with Calcutta/Haldia Ports.

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s O.M. 84-BC-PAC/
VII/210 dated 24.4.1985]

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED FROM GOVERNMENT

Conclusions/Recommendations

Container Service operated only on one MG-cum-BG route, viz. Wadi-Bunder—Yesvantpur (introduced in November 1969) with transshipment of containers at Guntakal. This service remained in force till January 1983, when the Guntakal-Bangalore section was converted into BG. Another BG-cum-MG service was introduced in December 1980 between KP Docks, Calcutta and Raxaul. The Railways have stated that so far their thrust of investment and marketing efforts was on BG routes only. This was because any transshipment meant additional delay. However, there are certain other important considerations favouring the extension of container service to MG routes. All new containers with 5-tonne capacity have been so designed as to be capable of moving on both BG and MG sections. At present a major problem faced in transshipment is the damage to consignments; particularly in case of industrial goods of high value, the damage is sometimes serious. Pilferage is another problem. If the MG sections are also containerised, there will be no such problem in transshipment. In the context of the Railways' efforts to optimise the use of the existing containers, the Member (Traffic) promised to undertake a study to see if it is possible to extend the container service to certain MG sections. The Committee desire that the proposed study should be undertaken at an early date and its results communicated to the Committee.

[Recommendation Sl. No. 10, Para 1.72 of 210th Report of PAC 1983-84). (Seventh Lok Sabha)]

Action taken

A study was conducted to examine the feasibility of containerising the traffic passing through important transshipment points with a view to extending BG-cum-MG container services. The study has revealed that majority of such traffic consists of bulk commodities viz. coal, salt,

chemical manures, cement, foodgrains, oil cake, firewood, maganese ore etc., which are not amenable to containerisation.

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s O.M. 84-BC-PAC/VII/210,
dated 24.4.1985]

Conclusions/Recommendations

The Committee note that "Own your own container" scheme was launched in the year 1972, but there was no response from the trade. The scheme was again revised later and for the first time in December 1980, 12 containers were purchased by a firm of Nepal. The scheme has not been able to make headway thereafter. The Committee feel that a very half-hearted effort was made by the Railways first to launch the scheme and then to revive it. It has not functioned the way it should have. It is high time that the scheme was thoroughly re-examined and reoriented with a view to making it a success.

[(Recommendation Sl. No. 11—Para 1.73 of 210th Report
of PAC 1983-84). (Seventh Lok Sabha)]

Action Taken

The five-tonne payload container was adopted as the standard size more than 15 years ago taking into consideration the conditions prevailing at that time. The container was so designed as to meet the requirements of particular sections of users whose traffic consisting mostly of high-rated industrial and consumer goods, was moving in less than wagon-loads meant for different consignees on door-to-door basis. Conditions since then have vastly changed and the "Own Your Container" scheme has not found favour with the trade mainly on account of the following reasons :

1. High cost of investment for purchasing containers, the present cost of a container being about Rs. 50,000/-.
2. Full benefit of the scheme can be derived by the owners of containers only when they have regular and adequate traffic in both directions. Otherwise empty running of containers in one direction which is the pattern in most cases increases haulage cost and thereby the overall cost to the users.

3. Idling cost of containers during periods of factory shut-downs due to power cuts, strikes etc. and also during the periods of repairs and periodical overhauling of containers.
4. Ever increasing rates of interest and maintenance charges due to increase in costs of inputs.
5. The present trend is to obtain even sophisticated equipment on lease basis rather than on out-right purchase terms.

The 'Own Your Containers' scheme has therefore now little chance of evoking good response as the trade do not consider it economical to invest under the present day circumstances & changed financial climate.

This has been seen by Audit.

[Ministry of Railways (Railway Board)'s O.M. 84-BC-PAC/VII/210
dated 24.4.1985]

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS THE REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Conclusions/Recommendations

As the Committee observe, the road traffic has certain inherent advantages over the Railways in the matter of providing door to door service. The transit time taken by the Road Transport is much less than taken by the Container Service. For instance, the transit time fixed by the Railways between New Delhi and Tondiarpet (Madras)—a distance of 2185 Km.—is 10 days but the actual time taken by the Container Service is 14 days. As against this, the transit time taken by the road transport is 5-6 days. Likewise, the transit time fixed by the Railways between New Delhi and Bangalore—a distance of 2544 Km.—is 11 days, but the time actually taken is 15 days. As against this, the transit time taken by the road transport is 6-7 days. The road transport has also the advantages of smaller unit load, freedom to pick and choose and flexibility to offer rates on day to day basis. Rather than haul the truck empty on the return journey, it may even accept half the usual rates but not so the Container Service. The question now arises, therefore, is whether it was at all wise on the part of the Railways to have ventured into this line. The Committee have, however, considered the matter in a wider perspective especially in the context of development of integrated Sea, Rail and Road Container Service the world over. Considering the overwhelming advantage enjoyed by the Railways in the matter of fuel consumption in case of long distance the Committee feel that in the interest of optimum utilisation of scarce resources of the country, the Railways should not only continue with the Container Service but also extend its coverage provided they can successfully overcome the short-comings they are facing at present. This, the Committee will like to point out, is no easy task and for this the Railways will have to do some hard thinking not only to re-orient their whole approach and strategies but will have to be much more business-like than hithertofore.

In the succeeding paragraphs, the Committee have dealt with various specific points raised in the Audit paragraphs in regard to the performance of the Container Service.

The Committee observe that one of the main reasons for the deteriorating performance of the Container Service is the unduly high turn-round time of Containers. The reasonable turn round time for a Container has been worked out as 10 days. As against this, the actual turn-round time of the Container Service during 1981-82 was 21.6 days on an average. The turn-round time is partly accounted by transit time for movement of Containers between the two terminals and partly by their hold-up at the Railways or Consignees' premises at the terminal. How excessive is the transit time taken by the Container Service will be apparent from the fact that on Tondiarpet (Madras) - New Delhi Container Service the transit time fixed by the Railways was 10 days as compared to 4 days taken by QTS, but the actual time taken in March, 1982 was 14 days. Likewise, on Wadi Bunder—Yeswantpur Container Service the transit time fixed the Railways was 6 days as against 2.5 days taken by QTS, but the actual time taken was 15.4 days. Owing to excessive Transit time, Central Railways was not able to meet fully the demands of trade for containers during the years 1979-80 to 1981-82. There were short-falls in the supply of containers to the extent of 4133 in 1979-80, 3697 in 1980-81 and 1070 in 1981-82, leading to decline in loadings from 6186 containers in 1979-80 to 4723 in 1982-83. On the Western Railway, the position was even worse. Container loadings declined from 8822 in 1977-78 to 5352 in 1982-83. How costly the excessive transit time had proved to be will be seen from the fact that by controlling the transit time and reducing detention to containers, additional 981 containers could be available for loading, thereby augmenting the earning potential of Railways by Rs. 2.40 crores per year. In a note furnished to the Committee, the Ministry have stated that transit time can improve if direct super-fast goods trains are run regularly on container routes. This question is under the consideration of the Ministry.

The Committee are firmly of the view that if the Railway Container Service is to successfully compete with the road service, the first thing it has to do is to drastically cut down the transit time. It is hardly necessary for the Committee to point out that with substantial reduction in transit time, the existing containers can carry far more loadings than at present. The Committee note that a proposal under the consideration of the Ministry is to run direct super-fast trains regularly on container

routes. The Committee will like the Ministry to implement the above proposal at the earliest. Together, with it, the Committee will like the Ministry to consider re-orienting the existing system so as to concentrate more in sectors where it is possible to run a single unit train from start to finish without any intermediate detention. In addition, determined efforts should be made by the Ministry to cut down the unnecessary hold-ups at the Railways' and consignees' ends at the terminals. In the opinion of the Committee, the aim of the Railway Container Service should be to bring down the transit time in the first instance to the level of the target time fixed by the Railways and later on to bring it as near as possible to the QTS time.

[Recommendations Sl. Nos. 3 to 5—Paras 1.65 to 1.67 of 210th Report of PAC—1983-84. (Seventh Lok Sabha)]

Action Taken

1. The following points have been stressed in the three paras quoted above :

- (i) Railways should not only continue the container service but also extend its coverage to multimodal transportation by overcoming the present shortcomings relating to transit time and freight rates compared to road transport; and
- (ii) Running of direct Super Fast Unit Goods trains on the container routes with a view to improving the transit time and avoiding detention enroute.

2. *Regarding (i).* Container service for domestic traffic is being continued and efforts made to improve its performance. Further, with the fast growing trend towards ISO containerisation the World over, the Indian Railways have already taken advantage of this new technological development in providing multimodal transportation for import/export cargo in international containers. Five pilot Inland Container Depots (ICDs) have so far been set up at Bangalore Cantonment, Guntur Anaparti, New Delhi and Coimbatore for carriage of such containers between these ICDs and the gateway ports. To the extent possible, the ISO containers are being carried in Unit trains from the ICDs to the ports and vice versa so as to ensure the quickest transit time. In keeping with the Committee's observations, plans are also being drawn to set up a net work of ICDs in the country during the Seventh Five Year Plan period to meet the growing demand for extension of ISO container services.

3. *Regarding (ii).* With a view to improving the transit time of major streams of traffic and to provide better quality of service to the users, point to point Super Express Goods trains called the "Speed Link Expresses" without remmarshalling enroute have been introduced, as an experimental measure, with effect from last week of June '84 on the following routes :—

1. New Delhi—Carnac Bridge (Bombay)
2. Carnac Bridge (Bombay)—New Delhi.
3. New Delhi—Salt Cotaurs (Madras)
4. Salt Cotaurs (Madras)—New Delhi
5. New Delhi—Howrah
6. Howrah—New Delhi
7. Wadi Bunder (Bombay)—Shalimar (Calcutta)
8. Shalimar (Calcutta)—Wadi Bunder (Bombay)
9. Shalimar (Calcutta)—Salt Cotaurs (Madras)
10. Salt Cotaurs (Madras)—Shalimar (Calcutta)

Containers are also being transported by the Speed Link Expresses.—
An assessment of the impact of this experiment on the transit time of container services will be made in due course.

This has been seen by Audit.

[Ministry of Railways (Railway Board's) O.M. 84-BC-PAC/
VII/210 Dated 24-4-1985]

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLY

Recommendation

Performance of road units of the Railways container service has been another factor responsible for the deterioration of the service. The Railway's container terminals held 116 road units. A test check of their performance reports during March 1982 disclosed that only 58 vehicles were in effective use for delivery and collection of the containers, 11 were out of use to cannibalisation of their parts and the remaining 47 were either under repair or awaiting repairs. Thus nearly 50% of the road vehicles were out of effective use for container traffic. This was mainly due to maintenance problems. The Railway workshops are not geared for the periodical overhauls and other repair facilities for road vehicles. Admittedly, it is necessary to maintain the road units in an efficient manner. The Committee were informed that if the work relating to repairs and overhauling was entrusted to private workshops, it would work out to be cheaper as compared to the existing system in the Railways. Since the Railways are not averse to this suggestion, the Committee would like the Ministry of Railways examine it and implement it if found feasible and cheaper.

[Sl. No. 9, Para 1.71 of 210th Report of P.A.C.—(1983-84)
VII Lok Sabha]]

Action Taken

It is already the policy of the Ministry of Railways to attend to only minor repairs in Railway installations and undertake heavy repairs/overhaul in accredited garages outside the Railways. These instructions have been reiterated vide the Board's letter No. 83/M (N)/951/92 dated 27-10-1984 (copy enclosed).

Audit observations :—

1. It is seen from the instructions issued by the Railway Board vide their letter No. 83/M (N)/951/92 dated 27-10-1984 that the General

Managers have been requested to review the position of repairs of their road units. Their reports in the matter are still awaited. This action is therefore interim. It is therefore desired that the information when received may be consolidated and a summary thereof together with final action taken may be advised to P.A.C. for their information.

2. It is further seen from a report of General Manager, Central Railway that in the recent past, repairing have not been responding to undertake heavy repairs. There is therefore, a need to take suitable action in regard to repairs of road units in the light of difficulties experienced by the Zonal Railways.

3. In para 1.53 and 1.54 of 210th Report of P A.C. (Seventh Lok Sabha) it was stated by the Board that the suggestion of entrusting the work of road haulage to the contractor was under consideration. Final action taken in this regard may also please be advised for the information of P.A.C.

Railway Board's further remarks :—

The Audit observations have been noted and further communication will follow in due course.

[Ministry of Railways (Railway Board)'s O.M. No. 83-BC-PAC/VII/210 dated 28-12-1984]

GOVERNMENT OF INDIA (BHARAT SARKAR)
MINISTRY OF RAILWAYS (RAIL MANTRALAYA)
(RAILWAY BOARD)

No. 83/M(N)/951/92

New Delhi, dt. 27-10-84.

The General Managers (M),
All Indian Railways.

Sub : Container Services—Maintenance of.

The Public Accounts Committee have adversely criticised the performance of container terminals particularey on account of high incidence of ineffective road vehicles. They have commented that a spot check carried out showed that 50% of the road vehicles were ineffective. That Committee were informed that if the work relating to repairs and overhaul was entrusted to private workshops, it was likely to work out cheaper and better. The Committee have, therefore, asked the Ministry of Railways to examine this suggestion and implement it if found feasible and cheaper. Their observations are appended at the back of this letter.

2. Instructions on this subject were issued vide the Board's letter No. 67/M(N)/951/91 Pt., dt. 22/24-1-76, wherein following was mentioned with regard to road vehicles.

“While minor repairs for road units will be attended to by the Railways at the terminals, heavy repairs may be done outside in accredited garages.

An approved list of reputed garages, some of which may be repairing Railways' road vehicles already, should be prepared and repair work of road units assigned to them.”

3. Kindly review the position afresh in the light of PAC's observations and take suitable further action, keeping the Board advised of the same.

4. Kindly also furnish information for each container terminal in the following proforma.

- (i) No. of containers handled per day.
- (ii) Holdings of
 - (a) Tractors.
 - (b) Trailers.
- (iii) Target repair allowance and actual number out of commission as on 1.10.84 of tractors and trailers separately.
- (iv) Target and actual availability of tractors and trailers separately i.e. Holding minus R.A, Holding Minus actual number out of commission.
- (v) Agency used for repairing road vehicles.
 - (a) petty repairs.
 - (b) heavy repairs/overhaul.
- (vi) Reasons for poor performance, if any, and
- (vii) Action proposed for improving it.

This information may kindly be furnished by 25-11-84.

Sd/-

(Pramod Kumar)

Addl. Director Mech. Engg. (RS)

CC. TC(M & S) Branch, Rly. Bd. Their file No. 84-TC (M & S)/7/3/
Pt. I connects.

Extract of para 1.71-210th Report of P.A.C. on Container service.

1.71 Performance of road units of the Railways container service has been another factor responsible for the deterioration of the service. The Railways' container terminals held 116 road units. A test check of their performance reports during March 1982 disclosed that only 58 vehicles were in effective use for delivery and collection of the containers 11 were out of use due to cannibalisation of their parts and the remaining 47 were either under repair or awaiting repairs. Thus nearly 50% of the road vehicles were out of effective use for container traffic. This was mainly due to maintenance problems. The Railway workshops are not geared for the periodical overhauls and other repair facilities for road vehicles. Admittedly, it is necessary to maintain the road units in an efficient manner. The Committee were informed that if the work relating to repairs and overhauling was entrusted to private workshops, it would work out to be cheaper as compared to the existing system in the Railways. Since the Railways are not averse to this suggestion, the committee would like the Ministry of Railways to examine it and implement it if found feasible and cheaper.

NEW DELHI ;

19 November, 1985
Kartika 28, 1907 (S)

E. AYYAPPU REDDY,
Chairman,
Public Accounts Committee.

APPENDIX

Statement of Conclusions/Recommendations

Sl. No.	Para No.	Ministry concerned	Conclusions/recommendations
1	2	3	4
1	1.6	Ministry of Transport (Department of Railways) (Railway Board)	<p>In their earlier Report, the Committee had observed :</p> <p>“Considering the overwhelming advantage enjoyed by the Railways in the matter of fuel consumption in case of long distance, the Committee feel that in the interest of optimum utilisation of scarce resources of the country, the Railways should not only continue with the Container Service but also extend its coverage provided they can successfully overcome the shortcomings they are facing at present. This, the Committee will like to point out, is no easy task and for this the Railways will have to do some hard thinking not only to re-orient their whole approach and strategies but will have to be much more business-like than hithertofore.”</p>

However, the action taken reply of the Ministry does not spell out action taken to improve and expand container services for domestic customers. The Committee would like to be informed about the expansion and improvement achieved and plans for the future, keeping in view safe and convenient mode of transport through containers.

2 1.9 -do-

The Committee take note of the fact that a few "Speed Link Expresses" on certain routes have been introduced as an experimental measure from June, 1984. The Railway Board have not indicated the extent of reduction in transit time of container service envisaged as a result of the introduction of these Expresses. The Railway Board have no doubt already obtained some preliminary idea of the success of the experiment during the period which has since elapsed. The Committee would like to know the results of this experiment and of the plans to extend experiment to other container routes.

3 1.12 -do-

The Committee note that while vetting the action taken reply of the Ministry of Transport (Department of Railways) (Railway Board) that it is already the policy of the Department of Railways to attend to only minor repairs in Railway installations and undertake heavy repairs/overhaul in accredited garages outside the Railways and that these instructions have been reiterated, the

Audit has *inter alia* made the following observations :

- “(1) It is seen form the instructions issued by the Railway Board *vide* their letter No. 83/M(N)/951/92 dated 27. 10. 1984 that the General Managers have been requested to review the position of repairs of their Road units. Their reports in the matter are still awaited.
- (2) It is further seen from a report of General Manager, Central Railway that in the recent past, repairers have not been responding to undertake heavy repairs. There is, therefore, a need to take suitable action in regard to repairs of road units in the light of difficulties experienced by the Zonal Railways.
- (3) In Para 1.53 and 1.54 of 210th Report of P.A.C. (Seventh Lok Sabha) it was stated by the Board that the suggestion of entrusting the work of road haulage to the contractor was under consideration.”

The Committee desire the Ministry of Transport (Department of Railways) (Railway Board) to chalk out a suitable system for repairs to road units in the light of the difficulties experienced by the Zonal Railways and the Committee apprised.

PART II
MINUTES OF 26TH SITTING OF THE COMMITTEE ON
PUBLIC ACCOUNTS COMMITTEE HELD ON
8 NOVEMBER, 1985 (AN)

The Committee sat from 1500 to 1640 hrs.

PRESENT

Shri Girdhari Lal Vyas—*In the Chair*

MEMBERS

Lok Sabha

2. Shri Amal Datta
3. Shri Vilas Muttemwar
4. Shri H.M. Patel
5. Shrimati Jayanti Patnaik
6. Shri Simon Tigga

Rajya Sabha

7. Shri Nirmal Chatterjee
8. Shri Chaturanan Mishra

SECRETARIAT

1. Shri K. H. Chhaya—*Chief Financial Committee Officer*
2. Shri R. C. Anand—*Senior Financial Committee Officer*

REPRESENTATIVES OF THE OFFICE OF C&AG

1. Shri P. C. Asthana—*ADAI (Railways)*
2. Shri P. N. Mishra—*Joint Director (Railways)*

2. In the absence of the Chairman, Shri Girdhari Lal Vyas was chosen to act as Chairman of the sitting under rule 258(3) of the Rule of Procedure and Conduct of Business in Lok Sabha.

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—The Committee considered draft Report on action taken on the recommendations contained in 210th Report of the Public Accounts Committee (Seventh Lok Sabha) on Performance of Container Service and adopted it with the following modifications :—

(i) for the existing paragraph 1.9, *substitute*

“The Committee take note of the fact that a few ‘Speed Link Expresses’ on certain routes have been introduced as an experimental measure from June, 1984. The Railway Board have not indicated the extent of reduction in transit time of container service envisaged as a result of the introduction of these Expresses. The Railway Board have no doubt already obtained some pre-liminary idea of the success of the experiment during the period which has since elapsed. The Committee would like to know the results of this experiment and of the plans to extend the experiment to other container routes.”

(ii) Merge paragraphs 1.12 and 1.13 in a single Paragraph.

The Committee authorised the Chairman to finalise the draft Report in the light of the above modifications and present it to the Parliament.

The Committee then adjourned.

