HUNDRED AND THIRD REPORT

PUBLIC ACCOUNTS COMMITTEE
(1981-82)

SEVENTH LOK SABHA

WAGON AVAILABILITY ON THE RAILWAYS

MINISTRY OF RAILWAYS

Presented in Lok Sabha on ....

Laid in Rajya Sabha on .... ..

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*Ceased to be members of the Committee consequent on their appointment as Deputy Minister/Minister of State w.e.f. 15-1-1982.

**Ceased to be Members of the Committee Consequent on their retirement from Rajya Sabha on 2-4-1982

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Hundred and Third Report of the Public Accounts Committee (7th Lok Sabha) on Paragraph 1 of the Advance Report of the Comptroller and Auditor General of India for the year 1979-80, Union Government (Railways) regarding wagon availability on the Railways.

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

3. The Committee in this Report have pointed out that although the Railways were able to load 239.1 million tonnes of traffic in 1976-77 with a total wagon holding of 5,20,114 wagons the position deteriorated in the subsequent years and in 1979-80 only 217.8 million tonnes of traffic was carried despite the fact that the total wagon holding increased to 5,34,517 and capacity to carry 245-250 million tonnes of freight traffic had been created in that year. The number of outstanding indents also increased from 14,950 in 1976-77 to 3,27,253 in 1979-80. Even the fleet of wagons on line could not be put to the maximum utilisation due to various operational and non-operational factors such as increase in turn round time, wagons hold up in the siding of steel plants, Food Corporation of India, Port Trusts, etc., increase in number of over-aged and sick wagons, stabling of wagons by the manufacturers, coupler incompatability etc. The Committee have suggested that the Ministry of Railways should take suitable steps to bring about the desired improvement in the availability of wagons and their utilisation.

4. The Committee have observed that due to non-availability of wagons the quantities of cement, coal and fertiliser moved by rail declined while those moved by road increased gradually during last few years. Since movement of these commodities by road results not only in the Railways losing revenue but also leads to wastage of precious diesel and consequent burden on the import bill, the Committee have desired that all the concerned departments and the Railways should maintain a close coordination at all levels to maximise movement of these commodities by rail.

5. The Public Accounts Committee (1981-82) examined this paragraph at their sitting held on 14th December, 1981 (AN). The Committee considered and finalised this Report at their sitting held on 16th April, 1982 based on the evidence taken and the written information furnished by the Ministry of Railways. The Minutes of the sittings form Part II* of the Report.

6. A statement containing conclusions and recommendations of the Committee is appended to this Report (Appendix III). For facility of reference these have been printed in thick type in the body of the Report.

7. The Committee place on record their appreciation of the assistance rendered to them in the examination of this paragraph by the Comptroller and Auditor General of India.

8. The Committee would also like to express their thanks to the representatives of the Ministry of Railways, Ministry of Energy (Department of Coal), Ministry of Agriculture (Department of Agriculture and Cooperation) and Ministry of Industrial Development for the cooperation extended by them in giving information to the Committee.

NEW DELHI :
April 17, 1982

Chaitra 27, 1904(*Saka*)

SATISH AGARWAL,
Chairman,
Public Accounts Committee

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REPORT

WAGON AVAILABILITY ON THE RAILWAYS

Audit Paragraph

1. The Audit Para on Wagon Availability on the Railways as appearing in Advance Audit Report (Railways) of the Comptroller & Auditor General of India for the year 1979-80 is reproduced as Appendix I of this Report.

Procurement of Wagons

2. At the instance of the Committee the Ministry of Railways (Railway Board) have furnished the following note indicating the policy and procedure regarding acquisition and ordering of wagons for the Railways :

> "The total number of wagons required to be procured is determined by the funds allocated by the Planning Commission under the head 'Rolling Stock', which includes also the locomotives, coaches and EMU. Taking into account the comparative priorities and production capacity of manufacturing units, the total funds are distributed over these different types of rolling stock *viz.*, locomotives, coaches, EMUs and Wagons.
>
> Having arrived at the total funds available for wagons, the typewise requirements are worked out, *viz.*, special type like Tanks, BFR, BRH, KF, BOBS, BOY etc. and ordinaries including opens, covered four-wheelers or bogies for different gauges. If the funds are comparatively less, their allocation to different types of wagons is made on the basis of comparative importance of particular type of traffic from the national as well as revenue angle *e.g.* coal, P.O.L., Iron & Steel, Foodgrains. Another factor to be taken into account is the replacement requirement, if they are found abnormal in any category.
>
> Whereas these requirements are made rather in a macro-manner, the adjustments or corrections are made each year when the rolling stock programme is made for the next year. Any imbalances in production, or any change of pattern of traffic or in overall policy are taken note of and the rolling stock is revised.
>
> Generally in case of manufacture of wagons, there is a lead time of 3 years. That is to say, planning made in 1981-82 for 1982-83 Budget will fructify in 1983-84 or even in 1984-85. Thus, if materials have been procured against 1982-83 Budget allocation, it would generally not be possible to make any corrections. By and large this Policy has been followed".

3. The Committee desired to know whether the wagon fleet with the railway was adequate to meet the requirement of traffic during the Sixth

Five Year Plan. In reply, the Ministry of Railways (Railway Board) have explained the position in a note :

> "The Planning Commission provided for procurement of 1 lakh wagons during the Sixth Five Year Plan as against the requirements of 1.93 lakh wagons. Of these, 50,000 were proposed to be on additional account and 50,000 for replacement of over-aged wagons which number 64,000 during the plan. If all the 64,000 overaged wagons are condemned the net addition in Sixth Plan was expected to be 36,000 wagons. With this addition only 280 million tonnes of originating traffic could be lifted against Planning Commission's target of 309 million tonnes in the final year of the Plan.
>
> In view of the escalation of cost it is now expected that procurement would be possible of only about 75,000 wagons. That means during the entire plan period, the net addition will be only about 11,000 wagons and to lift 280 million tonnes with an overaged lead of 710 kms utilisation of wagons will have to be improved to a figure much better than the best of 1045 NT km. per BG wagon day."

4. In reply to a question the Ministry of Railways have stated that in the Sixth Plan a provision of Rs. 2,100 crores was provided for 'Rolling Stock' including 1 lakh wagons, 780 locomotives, 390 Electric Multiple Units Coaches and 5,680 conventional coaches.

5. The number of wagons placed on line and condemned during 1977-78, 1978-79, 1979-80 and 1980-81 was as under :—

Year	Placed on line	Condemned	Net increase in holdings
1977-78	11820.5	3657	8163.5
1978-79	9019.0	3914	5105.0
1979-80	12277.0	4475.5	78.005

6. It is seen that during 1980 while 11762 wagons (11067 BG and 635 MG) were added to the total fleet of wagons, 11634 wagons (9136 BG and 2498 MG) were put out of stock with the result that there has been a net addition of 158 wagons only. When asked whether this net addition of 158 wagons in a year was considered adequate to meet the increasing demand of traffic in the country, the Ministry of Railways (Railway Board) have stated in a written reply :

> "The net addition is indeed far from adequate to meet the increasing traffic demand. However more important than the number of wagons is the health of the wagon fleet and their mobility. The health of the wagon fleet is attempted to be improved by better maintenance and by removing from this fleet those wagons which cannot give adequate service even after repeated expenditure and maintenance. After removal of the over-aged or unserviceable wagons the remaining fleet is subjected to

rationalised movement for improving its mobility resulting in improvement in originating loading as well as net tonne kilometres. The effectiveness of this strategy is evident from the fact that without any note-worthy addition to wagon fleet there has been an improvement in the traffic carried primarily as a result of improvement in the turn round."

7. When asked about the circumstances in which Railways have not been able to add adequate number of wagons during 1980-81, the Ministry of Railways (Railway Board) have stated in a note :

"Less Plan outlay for railways than required is the major hurdle. It is affecting not only procurement of rolling stock but also development of facilities to maintain it."

8. While the Sixth Plan provides for an addition of 1,00,000 wagons during Sixth Plan, it is seen from the reply to a question No. 702 laid on the Table of Lok Sabha on 20th August, 1981 relating to "Manufacture of wagons and coaches" that only 11,762 wagons were added during 1980-81 and 18,000 wagons are likely to be added during 1981-82 making a total of 29,762 in the first two years of the Sixth Plan.

Imbalance in wagon holding between open and covered

9. Audit Para points out that a comparative study* of the wagon holding position at the beginning of the Fifth Plan (i.e. as on 1st April, 1974) with that at the end of 1977-78 (when the Railways carried the maximum traffic, achieving 96 per cent capacity utilisation), analysed into open and covered stock, revealed as under :

	Percentage increase in wagon capacity (tonnes) from 1973-74 to 1977-78	Percentage increase in traffic in commodities for which generally covered/open wagons are indented from 1973-74 to 1977-78	Variation
BG			
Covered	17	29	(−)12
Open	52	43	9
MG			
Covered	0.3	21	(−)20.7
Open	(−)3	7	(−)10

10. The above analysis brings out that the increase in covered stock was not commensurate with the increase in traffic in commodities (cement, foodgrains, fertilisers and other commodities) for which generally such wagons are indented.

*This comparative study does not take note of the effects of turnround and lead on the wagon availability.

11. The Committee desired to know whether the Railway Board had initiated any action to correct the imbalance between covered and open wagons in their wagon production programme. In a note furnished to the Committee in this regard, the Ministry of Railways (Railway Board) have stated :

"In the year 1976-77 and part of 1977-78 when Railways lifted all the traffic offered there was some stabling of all types of stock. In the later years when shortage occurred all types of wagons were found to be short. Again this year 1981-82 almost entire movement requiring covered wagons is taking place in covered wagons.

No neeed is felt, therefore, to alter the composition of wagon fleet in favour of covered stock.

The percentage of covered and open wagons as available on Indian Railways is indicated below :

Year	Total wagons (as on 31.3)	Percentage of total number of wagons					
		Covered	Open high-sided	Open low-sided KF/BFR	Special box BOBs	Total Open	Depart-mental
74-75 .	390968	53.7	28.2	3.1	11.4	42.7	3.5
75-76 .	395250	54.0	28.0	3.0	11.5	42.5	3.5
76-77 .	397773	54.1	28.1	3.0	11.4	42.5	3.4
77-78 .	399971	53.8	28.4	3.1	11.3	42.8	3.4
78-79 .	401880	53.7	28.4	3.2	11.2	42.8	3.5
79-80 .	405185	53.8	28.2	3.2	11.3	42.7	3.5

It would be seen that percentage of covered wagons has been of the order of about 54% whereas the percentage of open wagons is around 43%. As against this fleet of wagons, Indian Railways carried about 56% of traffic requiring use of open wagons and 34% of traffic requiring use of covered wagons in 1979-80 as would be seen from the following table :—

Traffic requiring use of open wagons	M. Tons originat-ing	Traffic requiring use of covered wagons	M. Tons originat-ing	Traffic requiring use of Dept. wagon and Tanks	G/Total originat-ing
Coal	75.80	Foodgrains	18.4	Ballast	6.6
Raw material for Steel Plants . . .	20.70	Cement	10.0	Mineral Oil	14.3
Finished product from Steel Plants . .	7.20	Fertilizer	8.2		
Iron-ore for export .	9.30	General goods	24.3		
General Goods . .	9.00	Rly. material	4.3		
Total	122.00		75.2	20.9	217.8
G/Total %	56%		34%		10%

While the traffic requiring use of covered wagons was only 34% the covered wagons are available to the extent of 54%."

12. The Committee wanted to know if any attempts were made to evolve a universally acceptable wagon open-cum-covered for industrial and trade use. In reply, the Railway Board (Ministry of Railways) have stated in a note :

> "A rake of 30 BOX wagons fitted with sliding roofs was put into service in 1971 to serve as an open-cum-covered wagon.
>
> The results obtained however were not very encouraging. The siding roof had a tendency to get jammed mainly due to accummulation of coal dust in the grooves. These wagons could also not be used for loading in the collieries with automatic loading as it took more time and the collieries had to deploy more men for opening and closing the roof. Also, these wagons could not be unloaded on the tipplers.
>
> In view of their restricted utility further ordering of such wagons was not pursued."

Inadequate provisioning of MG wagons

13. According to audit para the slowing down of execution of MG to BG conversion projects (on the Western, North Eastern and Southern Railways), delayed the release of MG wagons from the sections to be converted into BG and, as a result, there was practically no addition to the MG wagon fleet during the period from 1974-75 to 1978-79 to handle the increased traffic in the MG sections.

14. The Committee enquired as to why the policy in regard to reduction in the availability of M.G. wagons could not be synchronised to match the programme of conversion from MG to BG. The Ministry of Railways (Railway Board) have stated in a note :

> "Although on account of constraint of resources it has not been possible to allocate adequate funds for speeding up the progress of the conversion schemes, it was not considered necessary to acquire additional metre gauge wagons as these would have been rendered surplus after the conversions with no alternative usage.
>
> Any deployment of funds on acquisition of MG stock would have meant much less availability of funds for BG wagons which bear the burden of bulk of the freight traffic carried. Also it is assessed that the transport requirement on the MG will remain constant at 22 billion tonne kilometers that is 1977-78 level, because of conversion of some Metre Guage routes into B.G."

15. Asked why the progress of conversions had been slow, the Ministry of Railways (Railway Board) have stated that the progress of conversion schemes had been corresponding with financial and material inputs. These works could not be speeded up for constraints of resources.

Excess provisioning of special type wagons

16. Audit para points out that a type-wise analysis of the 59,338 wagons procured during the years 1974-75 to 1978-79 disclosed that as many as 15,154 special type wagons, (besides 25,307 covered wagons and 16,199 general purpose open type wagons*) had been procured.

17. The special wagons, as for instance BRHT (6,438 Nos.) for carrying long length finished steel products from steel plants, BOY (3,300 Nos.) for transporting iron ore for export in closed circuit sections of the South Eastern Railway and BOBS (2,010 Nos.) for transport of raw materials to the steel plants, had been procured in excess in relation to the traffic that materialised, but these could not be diverted to meet the traffic demand for general purpose, open or covered wagons.

18. When asked about the projections on the basis of which these wagons (BRHT, BOBS) were ordered and about their receipt and utilisation, the Ministry of Railways (Railway Board) have explained the position in a written reply as under :

"BRHT (Bogie Flats with Transition Couples)

The requirement of additional BRHT wagons during V Plan was assessed at 5,008 wagons against which 13,625 BRHTs were actually procured from 1974-75 to 1978-79.

The final projections of the finished products from steel plants to be moved by rail at the end of the V Plan in 1978-79 and the actual materialisation is as follows :

Finished Products from Steel Plants

Revised projections for the V Plan 1974-75 to 1978-79	Actual materialisation 1978-79	Maximum moved in a year in the V Plan 1976-77
9.5 million tonnes	8.3 million tonnes	9.9 million tonnes

The traffic in the subsequent year 1979-80 and 1980-81 when the tempo of all economic activity in the country suffered in consequence of general deterioration in discipline the traffic dropped and only 7.2 million tonnes and 7.53 million tonnes respectively were moved in these two years.

*Excludes 2,678 brake vans procured during 1974—79.

Against the order of 4,425 BRHT's in 1974-75 for the delivery schedule extending upto 30th June, 1979 the actual supplies have been as under :—

Year-wise provision in Rolling Stock Programme	Qnty ordered	Original delivery schedule	Year-wise supply	
1974-75	4425	30-6-79	1976-77	502.5
1975-76	nil		1977-78	1722.5
1976-77	nil		1978-79	1375.0
1977-78	nil		1979-80	590.0
			1980-81	95.0
			1981-82 (Upto July, 81)	140.0—4425
1978-79	1250	31-1-81	Nil (Production commenced from July, 81)	

The utilisation in 1976-77 and 1977-78 when the traffic was at its apex the utilisation has been optimum and there had been no idling.

BOBS : The requirement of BOBS wagons in 1978-79 was assessed as 670=2010. Of these 153—459 were on replacement account and 517—1551 on additional account. The projection of traffic, the assessment on which the wagon requirement was worked and the actual materialisation during the Vth Plan in 1978-79 is as follows :

Raw material to steel plants

Projections for V Plan 1974-75 to 1978-79	Assessment of traffic for provisioning of BOBs	Actual materialisation 1978-79	Traffic in best year of the Plan 1976-77
26.5 million tonnes	20.01 million tonnes	21.5 million tonnes	23.2 million tonnes

The procurement of these wagons, however, has been as follows :

Year of provisioning in RSP	Qnty ordered		Original delivery schedule	Year-wise supply	
1974-75	Addl-	Repl-	31-8-80	1978-79	—609
1975-76	a/c	ace-ment a/c		1979-80	—678
				Total	—1287
	1551 + 459 —2010			Outstanding/arrears as on 1-4-81	—723
				Total	2010

It would be seen from the above that only 609 BOBs wagons were procured during the period which is the subject matter of the Audit Para *viz.*, 1974-75 to 1978-79. Since then the actual traffic materialisation has been as follows :

1979-80	20.75 million tonnes
1980-81	20.17 million tonnes

Thus there was no excess provisioning as per assessments."

19. It is seen from the audit paragraph that there had been excess provisioning (1.101 Nos.) and excess procurement. (506 Nos.) of brake vans during this period. A background note supplied by audit in this connection is as under :

"Excess provisioning and ordering of Brake Vans : Brake vans do not add to transport capacity but are operationally necessary at the rate of one brake van per goods train and provisioning therefore was being made in the Rolling Stock Programme every year at the rate of one unit for every 50 BG 4 wheeler/40 MG 4 wheeler new wagons ordered. Actually the ratio of 1:50 for BG and 1 : 40 for MG required upward revision as bulk of the new wagons procured were bogie type wagons, each being equivalent to 2.5 four wheeler unit. However, there was excess provisioning of brake vans (in each year's Rolling Stock Programme from 1974-75) even with reference to the existing yard stick.

The total number of new wagons procured (excluding brake vans) during 1974-75 to 1978-79 was 49505 BG and 7298 MG and the number of vans to be procured according to the yardstick, *i.e.*, 1:50 for BG and 1:40 for MG, was 900 for BG and 182 for MG. The actual provisioning in the Rolling Stock Programme made in this period was, however, 2950 BG and 335 MG brake vans, the actual procurement being 1433 BG and 245 MG vans resulting in excess procurement to the extent of 443 BG and 63 MG brake vans at a total cost of about Rs. 3.10 crores.

In January 1980, the Railway Board decided to cancel the provision already made for brake vans to the extent of 1200 numbers and reorder in its place other types of wagons".

20. When enquired about the circumstances under which there was excess provisioning and excess ordering of BVGT vans during 1974-75 to 1979-80, the Ministry of Railways (Railway Board) have explained the position in note as follows :

"Until recently the norm of providing one Brake Van for every 50 wagons (in terms of 4 wheeler) was being followed. On this basis, the actual

availability of brake vans required and actually available at the end of the Vth Plan and the following years are given below :

Year	Total No. (BG) of wagon in terms of 4 wheeler	Requirement of Brake Vans@1 for 50	No. of Brake Vans available	Excess (+) or short-fall (—)
1978-79 . . .	408540	8170	7463	(—)707
1978-80 . . .	416302	8326	7492	(—)834

It will be noticed from the above that there was actually a shortage of goods brake vans.

Provision, ordering and supply of BVGTs from 1974-75 to 1979-80 were as under :—

Year	Provisioning			Ordered on	Delivered	
	Replacement	Addl.	Total			
1974-75 . . .	265	450	715	7-4-76	1977-78= 99 1978-79=423	522
1975-76 . . .	49	nil	49	7-4-76	nil	
1976-77 . . .	41	44	85	7-4-76	nil	
1978-79 . . .	920	710	1630	27-9-78	nil	
1979-80 . . .	nil	320	320	27-9-78	nil	
	1275	1524	2799			522

Outstanding orders as on 1-4-80 were 2799 (—) 522=2277. It will be seen that the total number of BVGTs procured during 1974-75 to 1979-80 was much less than even the replacement requirement."

21. The position of the numbers of BRHT and BOBS wagons and BVGT (Brake Vans) procured and outstanding wagons (yet to be supplied by wagon builders) was under :

	"1979-80	1980-81	Outstanding on 1-4-1981
BRHT	590	95	1,560
BOBS	678	—	723
BVGT	—	—	2277"

22. In reply to a question as to whether the Railway Board succeeded in cancelling a part of the outstanding orders (2277 Nos. as on 1-4-1981)

on wagon builders and re-ordering other types of wagons which were in short supply, the Ministry of Railways (Railway Board) have stated in a note :

> "Out of the 2277 BVGT orders pending on 1-4-80, orders for 327 were cancelled mainly for non-supply of wheel-sets by the Durgapur Steel Plant. The BVGT orders outstanding on 1-4-81 was 1950.
>
> In the supplementary programme for 1981-82 out of the outstanding BVGT order of 1950, 625 (in terms of 4 wheeler) have been ordered as BOXs as they were required to meet the demands of the traffic."

23. Audit para points out that even of the wagons ordered, a substantial number, though manufactured by the wagon builders, could not be taken over from them and put on line for traffic use but had to be kept stabled in their workshops for want of wheel-sets and roller bearing axle boxes. These fittings which were required to be supplied to wagon builders as free supply items could not be arranged by the Railway Board in adequate numbers to match the delivery schedule of wagons. During 1978-79 and 1979-80, on an average 839 and 784, wagons per day built for the Railways had to be kept stabled on this account. The loss to the Railways as a result was 3,06,235 and 9,86,160 wagons days, respectively during the two years.

24. When asked about the position of stabling of wagons during 1980-81 in 1981-82 and as to why it could not be brought to the level that existed during 1976-77 or 1977-78, the Ministry of Railways (Railway Board) have stated in a written reply :

> "During 1976-77, the maximum number of wagons stabled in a month was 217 numbers in 4 wheeler units. During 1977-78 stabling was resorted to only in the month of March, 1978 and 300 numbers in 4 wheelers were stabled as on 31st March, 1973. During 1980-81, the maximum number of wagons stabled in a month was 1045 numbers in 4 wheelers. As regards, 1981-82, 1217 numbers in 4 wheelers are lying stabled as on 1-8-1981.
>
> The stabling has been taking place for :
>
> (a) Shortage of wheel-sets from Durgapur.
>
> (b) Delays in arrival of imported wheel-sets.
>
> (c) Short supply of Laminated Bearing Springs by L.B. Spring manufacturers.
>
> Wagons production orders are placed in expectation of wheel-sets after proper coordination with manufacturers and with Ministry of Finance for foreign exchange availability for import.

With the arrival of imported wheel-sets and matching sets of L.B. Springs from indigenous sources these wagons are likely to be lifted progressively by the end of 1981."

25. Audit para points out that even the fleet of wagons on line could not be put to maximum utilisation due to various operational and non-operational factors within the control of the Ministry of Railways (Railway Board), as detailed in the following paragraphs :

Turn-round as a factor affecting wagon availability

26. The turn round time of a wagon comprises (i) the time to load/unload a wagon at the terminals (ii) the time spent at the marshalling transhipment/repacking sheds and (iii) its run time. Audit para points out that these operations are within the control of Railways and it is imperative to keep the turn-round near about the assumed level so that the demand and availability of wagons are evenly matched.

27. According to the Audit para, the turn round time of wagons on Indian Railways increased from 13.0 days in 1976-77 to 15.1 days in 1979-80 in respect of BG and from 11.1 days to 14.1 days in respect of MG. The average for 1980-81 was 15.1 days in respect of BG and 15.02 days in respect of MG. The following reasons have been attributed by the Ministry of Railways (Railway Board) to this increase in the turn round time of wagons :

"(i) General fall in discipline in the country as a whole, which affected productivity of railway men as well as railway users. Wagons were detained by loaders and unloaders as well as in railway yards, sick lines and workshops.

(ii) The lower productivity in railway workshops affected both quality and quantity of maintenance of rolling stock and other assets, which in turn led to increase in arrears of periodical overhaul and in the proportion of ineffective and unserviceable wagons.

(iii) Widespread and extensive power cuts.

(iv) Civil agitations in North Eastern region, etc.

(v) Deterioration in law and order situation in certain states which caused frequent dislocation of rail movement.

(vi) Strikes and work stoppages by Port, banks and workers of Coal India, Steel Authority, Food Corporation besides lack of discipline among railway staff contributed to deterioration of turn round.

(vii) 4 per cent increase in lead in 1979-80 and 5 per cent in 1980-81 over 1977-78 due to unnatural movement, like import of fertilizer for North India at Vizag, increase in foodgrain movement from Punjab to N.E. region."

28. When asked about the estimated loss to the Railways because of this increase in turn round time, the Ministry of Railways (Railway Board) have stated :

> "It is difficult to work out the loss in monetary terms to the Railways on account of increase in the turn round time but it has been assessed that if the turn round was less by one day in 1980-81 the wagon loading could have increased by 1656 wagons per day on the B.G. and about 335 of the M.G."

29. In reply to a query about the average turn round time of wagons at present, the Ministry of Railways (Railway Board) have stated that the average turn round time of wagons in 1981-82 is as follows :

B.G. 13.6 (upto December, 1981)

M.G. 15.3 (upto October, 1981)

30. The Chairman, Railway Board stated during evidence :

> "In the emergency days, we got the best turn-round of 13 days. Item it deteriorated to 16.6 days and we are now back to the emergency year level. This year, in March, we did 12.7 days and we hope by March next we will be well below 12."

31. When asked about the reasons for the deterioration in turn-round time in 1978-79, 1979-80 and 1980-81 and the various steps taken/ proposed to be taken to improve the position in regard to turn round in 1981-82 and thereafter, the Minister of Railways (Railway Board) have stated in a written reply :

> "This was due entirely to general fall in efficiency and discipline both within and outside the railways. The railwaymen as well as of the workers in Coal India, SAIL, Port Trusts, FCI, Banks etc. The years 1978-79, 1979-80 and 1980-81 have been years of industrial unrest all over affecting the wagon turn-round. In fact, even the public behaviour towards railways has been one of violence even for socio-economic and socio-political causes.
>
> Discipline is generally coming up but it is positively more pronounced in railway sector than in any other sectors. Besides, measures have been taken to improve operational efficiency by :
>
> (a) Segregation of CBC/TC fitted wagons.
>
> (b) Segregation of BCX/CRT wagons to form Jumbo rakes of covered wagons.

(c) Ensuring end to end running block train loads avoiding detention to through trains avoiding as many marshalling yards as possible.

(d) Increasing block rake loading.

(e) Withdrawing over-aged and other crippled wagons from service fleet or limiting its operational zone.

(f) Provision of new wagons of higher capacity fitted with roller bearings and air-brakes capable of longer runs without examination.

(g) Replacing steam operation by Diesel and Electric traction to the maximum extent possible."

32. The details of number of wagons dealt with and detentions to them in important Marshalling yards and Terminal yards (all located in BG/MG trunk routes) for the years 1976-77 to 1980-81 are indicated below :

Important Marshalling Yards (BG)	1976-77	1977-78	1978-79	1979-80	1980-81
1. No. of yards . . .	47	47	47	47	47
2. No. of wagons dealt with per month	1633604	1571252	1441538	1318210	1260118
3. Detention in hours (per wagon)	26.5	29.4	30.5	30.45	33.1
Terminal yards					
1. No. of yards . . .	24	25	25	25	25
2. No. of wagons loaded, re-loaded etc. (per month)	62150	88480	84040	75023	74430
3. Detention in hours (per wagon)	39.8	39.4	49.0	67.5	52.2

33. It would be observed from the above table that even though the number of wagons dealt with in the marshalling yards had come down by 22.2 per cent from 1976-77 to 1980-81, the detention to wagons had gone up by 25.1 per cent during the same period. The increase in detention to wagons in the years, despite the additional facilities provided, was stated to be due to factors such as wagons becoming unfit/damaged owing to deficient coupling, lack of power, late materialisation of stock, etc., besides inadequate capacity in the reception lines of the central yards which receive and despatch through goods trains.

34. A sample study of one month's (December) statistics during the busy period of some of the major marshalling yards during 1969-70 and 1979-80 disclosed that, though the number of wagons dealt with in the

yards had declined, the detentions to wagons had increased, as shown below :

Railway	Name of yard	1969-70		1979-80	
		No. of wagons dealt with	Detention All-wagons (in hours) per wagon	No. of wagons dealt with	Detention All-wagons (in hrs.) per wagon
Central	Jhansi	23736	22.1	19447	26.5
Eastern	Asansol	56982	19.6	32450	46.1
	Mughalsarai	96512	32.9	64005	55.3
Northern	Kanpur	43343	20.2	29134	24.1
	Lucknow	27209	24.3	23130	30.9
South Central	Kazipet	26992	20.1	15289	60.0
South Eastern	Bondamunda	49091	22.7	32143	67.7
	Waltair	53106	25.5	39532	32.1
Western	Ratlam	36447	19.8	23117	50.6
	Vadodara	47556	23.8	33714	35.0

The Western Railway Administration attributed the increased detentions to the fact that commensurate traffic facilities in keeping with the increase in traffic were not available in the yards. The following specific deficiencies were also listed :

(a) Lack of adequate reception facilities in the form of additional loops for receipt and despatch of through goods trains arriving in quick succession as bye-pass loads from double lines at either end.

(b) Constraint of yard lay out necessitating frequent movement across diamond crossings on the main lines for sorting holding back, despatch of loads, etc. to various individual siding for placement.

(c) Limited capacity of existing siding for tanks, loco coal, sick wagons, etc.

The other Railway Administrations—Eastern South Central, South Eastern—also brought out, more or less, similar explanations for heavy detention to wagons in their yards.

35. When asked whether there were any factors other than those brought out in the audit paragraph accounting for the increased detentions to wagons in the marshalling yards since 1976-77, the Ministry of Railways (Railway Board) have stated in a note :

"The main factor was a general drop in efficiency within and outside railways particularly railway users like Coal Companies, SAIL, Banks, Port Trusts, FCI, etc. In 1976-77 peaceful conditions were available for railway working. Neither were there problems of law and order nor was the staff indiscipline was so pronounced as in 1978-79 and 1979-80."

36. The percentage of block rake trains to total traffic bye-passing the marshalling yards constitutes a sizeable percentage of traffic in coal, ore, POL and as much as 24 to 32 per cent under other commodities and these rakes pass through the Central Yards of important marshalling yards without a record of the detentions to the wagons in these rakes being maintained to ascertain the reasons for detentions, etc. of through goods trains. The Committee desired to know how the detention to through goods train was, under these circumstances, watched and controlled. In reply, the Ministry of Railways (Railway Board) have stated :

> "Detention of wagons on through trains do not form part of the published Marshalling Yard Statistics. But detention to through trains are watched on day to day basis both in Divisional and Headquarters control of the Zonal Railways and are also recorded in a register to watch the trend."

37. It would be observed from the table at para 1.32 above that even though the number of wagons dealt with in the terminal yards had come down by 15.9 per cent from 1977-78 to 1980-81, the detention to wagons had gone up by 57.9 per cent during the same period. The abnormal increase in detentions at the terminals was due to inadequate terminal facilities for receipt and clearance for loading and unloading of terminating wagons and growth of passenger traffic, most terminals being common to goods and passenger traffic.

38. The Committee desired to know whether the increased detentions to wagons in the yards and terminals was due to want of adequate handling capacity at these points. In reply the Ministry of Railways (Railway Board) have stated *inter-alia* in a note :

> "Due to increased running of block rakes which by-pass yard the number of wagons dealt with in the yards has decreased. The wagons are therefore detained for longer periods for formation into trains. Thus the general increase in the detention to wagons is not due to want of adequate facilities in yards and terminals. A general drop in efficiency and discipline within and outside the railways has also been responsible for increased detentions. If efficiency drops, the same facilities become inadequate. Contrary-wise, when efficiency improves, same facilities are found to be adequate."

39. When asked how targets of detentions to wagons in the various marshalling yards and terminals were fixed, the Ministry of Railways have stated in a note that these were fixed both on the past trends and overall assessment of the various segments of operation in each year keeping in mind the layout and other factors affecting yard working and traffic patterns.

40. When enquired as to how the Railway Administration kept watch and control over the factors contributing to the detentions to wagons in order to bring the latter down to the targets fixed, the Ministry of Railways (Railway Board) have stated :

> "Analysis of detention to wagons is made periodically by operating officers and the reasons for abnormal increase in detention are

identified and wherever possible corrective steps are taken *e.g.* by changing patterns of yard and train working or revising grouping and marshalling orders."

41. The Audit para has pointed out that the problem of detention to wagons at yards and terminals had been dealt with by the Railway Board by revising upward the target of detention time (September and October 1978) without analysing in detail the reasons for the increase and without considering any remedial measures for bringing the detention to the previous levels (*e.g.* in Mughalsarai Marshalling yard the target was raised from 23.0 to 35.0 and in Carnac Bridge Terminal yard from 28 to 40 hours).

42. Audit para further points out that normally as per extent operating instructions and marshalling orders, a wagon in its round trip (or turn-round) would be dealt with, maximum, at 3 marshalling yards and 2 terminal yards, after it is loaded. If a wagon has to be dealt with in more than 3 marshalling yards, it would indicate a trend towards deterioration in efficiency.

43. On being asked about the reasons for assuming more number of marshallings as a result of survey carried out by Railways in 1977, per round trip of a wagon, the Ministry of Railways (Railway Board) have explained the position in a note :

"No upward revision of the number of marshalling per round trip of a wagon has been made. Only physical study was made to determine the actual number of marshalling that a wagon undergoes during its transit. Accordingly the norms were corrected.

This does not mean that a wagon must undergo that many marshallings even where lesser marshallings are possible. It is our constant endeavour to reduce the number of marshallings.

Prior to 1977 the following marshalling norms were being adopted :—

Distance	Marshalling per wagon (BG)
upto 400 Kms	2
400-800 Kms	3
800 and above	4

In 1977 a sample survey was undertaken to determine the number of marshallings that a wagon undergoes during its transit on a more realistic basis. In this study, the course of selected wagons was sraced from originating to the destination station and actual number of marshallings undergone

by the wagons were recorded. It was on the basis of this sample survey that the following revised norms were evolved :

Distance	Marshalling (BG)
1—40	3.00
41—120	3.00
121—240	3.50
241—500	4.00
501—800	4.50
801—1300	5.00
1301 and above	5.50

The above marshalling norms include the marshalling that a wagon undergoes at the terminals at either end. The revised marshalling norms for 800 Kms are thus 4.5 for Broad Gauge as compared to 3 marshallings in the old marshalling norms. It would thus be seen that the marshalling norms have been revised upwards on the basis of a sample survey. Since the old marshalling norms were fixed on an *ad hoc* basis and the revised norms are based on the results of the sample survey, the two are not directly comparable. It would therefore not be correct to infer that the increased marshallings in the revised marshalling norms indicate any deterioration in efficiency.

44. Since a greater percentage of the goods traffic moves in block rakes than in the earlier years, which require no marshalling in any of the yards between the two terminals, the Committee enquired as to how this assumption of more marshallings was justified. In reply, the Ministry of Railways (Railway Board) have stated in a note that wagons moving in block rakes were excluded from the purview of the same survey. The revised marchalling norms, therefore do not apply to wagons/commodities moving in block rakes.

45. Although as per the analysis conducted by Audit, traffic *via* the transhipment points (there are 97 such points on the Indian Railway) amounts to 11 to 12 per cent of the total traffic and the detention time to a wagon is hardly 0.2days in the turn-round time, lack of handling facilities such as cranes, non-availability of matching MG wagons, etc. had caused bottlenecks and led to wagon hold-ups both at transhipment points and short of transhipment points.

46. In a specific case noticed by Audit on the Western Railway (June 1978), a goods train consisting of 62 BG wagons, formed in Kota yard on 5th April, 1978 for Sawaimadhopur (108 km North of Kota) for transhipment into MG Wagons, was hauled by Jhalawar Road (South of Kota) and kept there till 24th May, 1978 *i.e.* for 49 days and then moved to Sawaimadhopur *via* Kota. The rake had been stabled as a result of

shortage of labour and matching MG wagons at Sawaimadhopur transhipment point during this period. The administration clarified to Audit (November 1979) that even if the load stabled at Jhalawar Road had been cleared another load would have had to be stabled and the detention to wagons would have been the same.

47. The Committee desired to be furnished with the information on the number of BG/MG wagons dealt with at the 97 transhipment points and the detention caused to them. The Ministry of Railways (Railway Board) have furnished the following information regarding the number of BG/MG wagons dealt with at the 18 important transhipment points, statistics for which are published, and the detentions caused to them in the year 1980-81 :

No. of wagons transhipped at the 18 major transhipment points (Average day)	Average detentions per wagon (in hours)
BG to MG 892	41.5
MG to BG 783	38.1

48. The Committee enquired whether these detentions to the rakes of BG wagons was due to inadequate reception facilities, matching M.G. wagons, etc. at the various transhipment points. In reply the Ministry of Railways (Railway Board) have stated in a note :

> "Detention to wagons for transhipment is due to various factors like behaviour of transhipment labour, pattern of loading, particularly, of imported goods, etc. Availability of matching wagons is itself dependent on these factors. Severe control is required in regulation of loading for transhipment points but exact precision is not possible. Hence detention to wagons for transhipment points are not unnatural. Efforts are made to keep down such detentions by diversion to another transhipment point wherever possible."

49. It is understood that these transhipment points (97) would be eliminated on completion of gauge conversion projects (13 as in 1979-80), which have been making very slow progress. Meanwhile transhipments cause delays in movement of wagons and also result in damages to consignments. Further, in day to day operations, the Railways are not able to maintain the optimum ratio of utilisation of BG/MG wagons, which was 2 BG being equated to 3 MG wagons. The actuals were 1 BG = 1 MG or 0.9 BG=1 MG which means wastages of transport capacity.

50. Since the Railway Board have laid down an optimum utilisation ratio to 2 BG wagons for 3 MG wagons and *vice-versa*, the Committee asked about the steps proposed to be taken to streamline the operations at the transhipment points so as to ensure maximum utilisation of BG and MG wagons. The Ministry of Railways (Railway Board) have stated that wherever possible, loading of MG is effected in groups of 3 Transhipment of 2 BG wagons in the 3 MG wagons is also attempted through local supervision.

51. The Committee have been informed that despite heavy investments on conversion projects, and completing about 326 km during the Fourth

Plan (1969—74) and 480 km during the subsequent period upto 1979-80, the number of transhipment points has remained 97. This seems largely due to undertaking conversion projects simultaneously on various M.G. Sections without having time bound programme for their completion.

52. The Committee enquired if there was any time bound programme to complete the conversion projects currently in progress to eliminate as many as possible of the transhipment points. In reply the Ministry of Railways (Railway Board) have stated in a note :

> "At present there are 15 conversion projects.... For want of funds only 6 are expected to be completed during the Sixth Plan."

53. From a statement furnished by Railway Board in this regard, it can be seen that target dates for completion have been fixed in respect of only 7 out of 15 projects. Two are to be completed by the end of 1982 and remaining five by the end of 1983.

Traffic facilities for improving the wagon turn round

54. It s seen from audit para that out of the budget allotments, nearly 60 per cent of the allocations for "Traffic facilities", viz., Rs. 145 crores in the Fourth Plan and Rs. 182 crores in the Fifth Plan, had been spent for gauge conversion and doubling works in patches. As a result, the amount allocated for yard remodelling and attendant facilities out of the total plan outlay was only Rs. 65 crores (4%) and Rs. 117.5 crores (5%) during the Fourth and Fifth Plan, respectvely. When asked about the precentage of funds allotted for works of traffic facilities and improvement/expansion of yards during 1979-80, 1980-81 and 1981-82, the Ministry of Railways (Railway Board) have furnished the following statement :

(Rs. crores)

Year	Total expenditure	Expenditure incurred on all Traffic facilities including doubling & conversions	Expenditure incurred on Traffic facilities excluding Doubling & conversions	Percentage of total expenditure to	
				Total traffic facilities 2÷3	Traffic facilities excluding doubling and conversions 2÷4
1979-80 (Actuals)	714.28	104.46	27.14	14.6	3.8
1980-81 (Provl. actuals)	973.48	141.43	37.54	14.5	4.0
1981-82 (Budget estimate)	980.00	130.75	26.18	13.3	2.6

The latest position, as seen from the Budget documents of the Ministry of Railways (Railway Board) 1982-83 is as under :

1980-81 (Actuals)	973.49	142.53	37.86	14.6	3.9
1981-82 (Revised estimate)	1137.29	146.95	38.80	12.9	3.4
1982-83 (Budget estimate)	1137	61.98	7.98	5.5	0.7

55. The percentage of the amount allocated for yard remodelling and attendent facilities to the total plan outlay was five during the Fifth Plan. This percentage in 1979-80 and 1980-81 was 3.8 and 4.0 and in 1981-82 (Budget estimate) is only 2.6 and is further reduced to 0.7 per cent in 1982-83 budget. When asked to state the reasons for decrease of amount allocated for yard remodelling and attendent facilities after the Fifth Plan, the Industry of Railways (Railway Board) have explained the position in a note as follows :

> "The Sixth Plan outlay of Rs. 5,100 crores is very much short of the total requirements of the Railways for creating additional transport capacity, construction of new lines and meeting the requirements of renewals and replacement. Priorities had to be laid by the Planning Commission, and Plan-head-wise allocation was made by the Planning Commission as under :

(In Crores)

Plan Head	Sixth Plan provision	1980-81 (Actuals)
1. Rolling Stock	2100	343.25
2. Workshops & Sheds	280.	49.34
3. Machinery & Plant	230.	17.80
4. Track renewals	500	109.30
5. Bridge Works	90	11.12
6. Line Capacity Works	480	141.43
7. Sigg. & Safety	90	22.37
8. Electrification	450	26.27
9. Other Elec. Works	20	8.00
10. New Lines	380	42.05
11. Staff Welfare	30	7.81
12. Staff Quarters	60	10.22
13. Users' Amenities.	25	5.18
14. Other Special Works	20	4.22
15. Inventories	40	119.35
16. Investment in Road Services	50	22.01
17. M.T.P.	225	33.76
Total	5100	973.48

Under the Traffic facilities Rs. 480 crores was allocated. Since Traffic Facility works include also Gauge conversions, more money is being spent now on Gauge conversions because of a general demand for gauge conversion even where Metre Gauge can cope with the traffic demand. A policy decision has been taken to limit Gauge conversions only to cases where traffic requirements cannot be met by Metre Gauge itself.

Since the most pressing requirement is for rehabilitation, a larger share of funds had to be given for development of maintenance facilities. Plan-head 'Electrification' had to be given more funds in view of the overall national interest of economising on energy. Planhead 'New Lines' had to be given a greater share of funds in order to progress project oriented and other New Lines. As a result of this a lesser percentage of funds could be allotted under Plan-head 'Traffic Facilities'.

The percentage of outlay of major plan-heads during the Fifth and Sixth Plans have been as follows :

S.No.	Planhead	% of total outlay in V Plan	% of total outlay in VI Plan
1.	Workshop & Sheds	3.5	5.4
2.	Machinery & Plant	1.8	4.5
3.	Electrification	4.5	8.8
4.	New Lines	14.4	7.4
5.	Traffic Facilities	14.3	9.4
6.	Rolling Stock	48	41

56. Audit para points out that it was noticed during the course of a review of some of the yard remodelling projects and line capacity works on the Eastern, Northern, Southern, South Central, South Eastern and Eastern Railways undertaken to ease congestion and reduce detentions to wagons and goods trains, that these had either not been planned/executed in a manner that could relieve congestion or been taken up after considerable delay and the pace of their execution had been slow.

57. The Public Accounts Committee, in their 11th Report (Sixth Lok Sabha), had recommended a comprehensive study of the major yards with a view to streamlining their working. Though the Railway Board called upon the Zonal Railways to make a systematic appraisal in this regard, effective action in this regard yet remains to be taken as is evident from the continuing detentions in the yards.

58. When asked to furnish details of the studies undertaken, if any, of the working of the major marshalling yards for streamlining the operations and reducing the detentions to wagons, the Ministry of Railways (Railway Board) have stated in a note :

> "The studies undertaken of the following yards for streamlining the operations and reducing detentions to wagons in pursuance of the recommendations of the PAC in their 11th Report are given below :
>
> 1. Chitpur, 2. Naithati, 3. Bondamunda, 4. Lumding, 5. Tondiarpet, 6. Tundla, 7. Kanpur (GMC), 8. Arkonam, 9. Khanalampura, 10. Kanpur-Anwarganj.
>
> The suggestion made by the Study Team were examined by by respective COPSs and those accepted have been implemented. But it may be pointed out that these measures are not substitute of general drop in efficiency and discipline amongst staff, which are a major factor of increase in detentions."

59 In a note subsequen ly furnished to the Committee, the Ministry of Railways (Railway Board) have explained the position as under :

"In pursuance of the recommendations made by the Public Accounts Committee in their 11th Report (Sixth Lok Sabha) a comprehensive study of various major marshalling yards was undertaken. Studies have been completed for 10 yards. The position of recommendations made in these Reports, their acceptance and implementation is given below :

S. No.	Particulars of Study	Recommendations made	Recommendations accepted	Position of implementation	
				Already Implemented	In process of implementation
1.	Kazipet	27	27	Nil	27
2.	Bondamunda	7	5	5	..
3.	Juhi	64	52	27	25
4.	Khanalampura	32	32	25	7
5.	Tundla	80	72	35	37
6.	Kanpur Anwarganj	7	7	5	2
7.	Arakkonam	56	56	27	29
8.	Tondiarpettai	44	39	21	18
9.	Lumding	16	16	Nil	16
10.	Chitpur	23	23	..	23
		356	329	145	184

Factors affecting wagon availability, Inspection, sorting, etc. of empty wagons and adjustment of loads in Railway Yards.

60 The Audit Para points out that the empty wagons are required to be cleaned, inspected and sorted into covered and open wagons and tanks in the marshalling yards prior to their despatch to the bulk loading points (viz. Collieries, steel plants, cement and fertilizer plants, etc.). Similarly, proper loading of wagons upto their carrying capacity is required to be ensured and adjustment of loads made so as to avoid underloading or overloading. It was noticed by Audit during the course of a review of coal loaded wagons despatched from collieries that the Railways had not been adhering to the prescribed rules and procedures in this regard, with the result that empty wagons sent to the collieries from the marshalling yards had either been left behind unloaded (at least until the next pilot) or hauled empty. The number of wagons so left behind ranged between 1,043 and 1,336 and the wagons hauled empty ranged between 60 and 136 per day during the years 1975-76 to 1979-80. There were also cases of overloading leading to damage to wagons.

61 The Committee desired to know whether the Railway Board had issued any instructions in this regard to the marshalling yards. In reply, the Minisry of Railways (Railway Board) have stated in a note :

> "No instructions have been issued except All India (Inter-railway) Marshalling Orders. For each Yard the zonal railways issue the grouping and marshalling orders. Safe to run examination of wagons takes place, when wagon arrive or leave yards."

62 When asked whether any supervisory checks are exercised in regard to the observance of these instructions, the Ministry of Railways (Railway Board) have stated in a note :

> "Yes, Yard Master and operating officers are supposed to make occasional checks on observance of marshalling orders. Cases of wrong marshalling are taken up as and when they come to notice on such checks."

63 When asked whether any remedial measures are proposed to be taken to streamline the existing procedure, the Ministry of Railways (Railway Board) have stated :

> "No large-scale remodelling of yard is possible for developing wagon examination facilities. The present system has stood the test of time and needs no change. The incidence of 'Left Behind' and 'Drawn Empty' is not due entirely to failure in examination or sorting but also due to colliery's own failure or inability to use them say for want of labour, want of road transport to bring coal to railway sidings, or want of production due to mining difficulties."

64. On the Eastern Railway during 1976 to 1979, overloading of coal wagons varied from 14.7 to 39.7 per cent in the case of BOX wagons and from 11.9 to 43.1 per cent in the case of four wheeler wagons. As a result, 33659 bearing springs of BOX wagons were damanged and the Railway Administration had to incur expenditure of Rs. 64.63 lakhs on repair. The rules provide for adjustment of loads on the spot after weighment and levy of stringent demurrage charges for non-adjustment of loads. Though adequate weighment facilities exist in the Depot Yards of the Railways these rules were not being strictly observed and charges against the collieries were not being enforced. When asked about the reasons for the non-observance of rules in this regard, the Ministry of Railways (Railway Board) have stated in a written reply :

> "Adequate facilities for weighment of wagons in depot yards do not necessarily imply adequate facility for adjustment of loads, when over loading of wagons attains large proportions. Any attempt to adjust over loads of all over-loaded wagons, irrespective of the facilities available in coal depot yards and in view of the fact that at least more than 80 per cent of all coal

movement is in block rakes, would have resulted in serious immobilisation of coal loaded wagons in the depot yards, seriously affecting the turn round and productivity of these wagons. The loss to the national economy would have been much more. It is for the coal companies to do correct loading as far as possible to avoid other difficulties."

65 It is understood that as per the rules as they existed prior to 1975, the consignee/consigner had to pay extra penal freight charges calculated at double the highest classification rates on the excess weight loaded and detected at the loading or unloading stations or enroute and that in April 1975 the rules were amended to provide for levy of penalty only if excess weight was discovered enroute or at the destination.

66 The Commmittee enquired what the occasion and justificaion was for rules being amended in this manner. The Ministry of Railways (Railway Board) have stated in a note :

"Prior to 4-4-75 penalty charges were leviable on overloaded wagons detected at the loading point, enroute or at the destination. Representations were received from the trade that the responsibility for overloading of wagons was that of the consignors and that for the fault of the consigners, the consignee should not be penalised by levy of penal charges. They pointed out that in cases where overloading was detected at the loading point, it is the responsibility of the Railways to adjust the overload before booking and permit only the premissible weight. It was contended that when overweight was detected at the orginating point, it was the responsibility of Railways to accept the wagon for booking only after the excess weight was removed. For these reasons, it was decided in April, 1975 to amend Rule 161 of the IRCA Goods Traff, Part I, Vol. I specifying the penal charges only in cases where over-loading was discovered enroute or at destination."

67 When asked how it was proposed to be ensured that at the booking point there was no overloading of wagons, the Ministry of Railways (Railway Board) have stated in a note :

"Experience has shown that it is not possible for the Railways to permit adjustment of overloaded wagons at the booking point or enroute for operational reasons, particularly in respect of commodities loaded loose, such as coal, ores, gypsum, limestone, etc.

While it is considered desirable to impose penal charges for overloaded wagons detected even at the booking point, in the interest of curbing the tendency to overload it has to be appreciated that it will be difficult for the consignors to load commodities offered loose precisely to the extent of the premissible carrying capacity of the wagons. Accordingly a new

Rule 161-A applicable to coal with effect from 7-5-81 and loose commodities with effect from 1-11-81 has been provided in the Goods Traiff according to which if wagons are discovered over-loaded at the booking point, enroute, or at destination, such overweight beyond the premissible carrying capacity of the wagon should be charged at the normal wagon load rate if the overweight is upto one tonne, for the entire distance from the booking point to the destination.

The Ministry of Railways consider that this arrangement is both equitable and satisfactory. Complete evidence is not possible unless the loading is mechanical and weighment is simultaneous or the loading itself is electronically controlled. Not all the collieries or other loaders can possible have these arrangements. But penalty is imposed for over-loading and concessions are offered for providing weigh-bridges by the loaders at their sidings. The smalls rates for coal are higher by 57.5% than wagon load rates."

68 It is understood that the Railway Board had issued instructions in December 1980 and April 1981 premitting loading of coals and certain commodities upto 5 tonnes in excess of the carrying capacity of the BOX wagons. These were withdrawn in March 1981 and May 1981 respectively consequently restoring permission to overload upto CC and 2 tonnes. Asked whether the instructions permitting over-loading upto 5 tonnes were issued in consultation with the Mechanical Directorate of the Railway Board or RDSD, the Ministry of Railways (Railway Board) stated in a note :

"To meet the immediate requirements of steel plants loading upto 5 tonnes in excess of market carrying capacity instead of 2 tonnes was permitted as a trial measure. In the first instance it was for short distances and later was permitted for longer distances also. This expedient permitted a quick build up of coal stocks at the steel plants, and as the stocks built up the relaxation was withdrawn. The relaxation was issued in consultation with the Mechanical Directorates."

69 When enquired whether overloading upto 5 tonnes (upto May 1981) did not affect the fettle and life of the axles and other components like roller bearing wheel sets of wagons, the Ministry of Railways (Railway Board) have stated :—

"It is difficult to make a precise evaluation of the effect of overloading. This was adopted as a temporary expedient and has since been given up. No data can be compiled from short periods of overloading in regard to its effect on stock performance and costs, as means for measuring cumulative fatigue on stock on service are not available."

70 It is seen from audit para that due to the general shortage of covered wagons, loading of foodgrains fertilisers and cement, in open (BOX) wagons covered with tarpaulins was permit ed by the Railway Board in November, 1978, subject to these wagons being booked for short distances and over routes not likely to be affected by rain. These conditions were, however, not observed by the Railway staff and open wagons with the above commodities were despatched to distant places thereby retarding availability of open empties for loading of coal at the collieries.

71 The Committee enquired whether the Railway Board had laid down any policy on the use of open (box) wagons for loading of foodgrains, fertilisers and cement and whether the Railway Board had set up adequate machinery to ensure that (1) such open wagons are securely covered with tarpaulins and pilfer proof arrangements, (2) such movements are for point to point short leads permitting no diversions to long leads (3) there is proper accountal of such tarpaulins at the booking and destination points and (4) a watch is kept on the extent of claims preferred by the cnsignee. In a note urnished to the Committee in this regard, the Ministry of Railways (Railway Board) have stated :

"(i) Commodities susceptible to damage by wet are not normally loaded in open wagons. But, in certain cases where open wagons are readily available, but covered wagons are not, loading is allowed in open wagons in block loads in order to avoid empty haulage. In such cases the consignments are covered wi h tarpaulins and escorted by RPF staff to the extent possible.

(ii) Procedure for securing such consignments in open wagons with tarpaulins, etc. has been laid down in Para 1521 of Indian Railways Commercial Manual Vol. II. Through traffic and local traffic covering distance above 320 Kms is transported in block-loads, covered with tarpaulins lashed properly and escorted by the RPF. Use of tarpaulins can be dispensed with for local traffic for a distance of less than 320 Kms keeping in view the weather conditions.

Diversions are effected only in emergencies arising from bunching and delays in uloading, labour trouble etc.

(iii) Yes, proper account of tarpaulins is kept both at the booking and destination points.

(iv) An analysis of claims paid on account of damage by wet to commodities carried in open wagons is made by the zonal Railways as well as by the Ministry of Railways. Separate statistics for theft/pilferage from open wagons are, however, not maintained."

wagon shortage due to wagons being held up in siding of major Railway users

72. Audit para points out that wagon availability for trade and industry is affected owing to wagons being held up in Steel Plants, Food Corporation, Port Trusts, etc. which are not worked by the Railways. The number of wagons handled in such sidings has been of the order of 25,000—26,000 in recent years, of which 16,000—17,000 are at the six major steel plants for their inward and outward traffic. Despite liberal free time upto 48 hours for single operation of loading or unloading as against 5 hours allowed to trade, detentions to wagons in the yard of the steel plants are much higher.

73. When asked to state the number of wagons detained and detention per wagon at the Steel Plants, the Ministry of Railways (Railway Board) have furnished the following statement :

Steel plants	Daily average balance at worksite		Average detention time	
	Units	In terms of 4-wheelers	At exchange yard	At work-site
1	2		3	
TISCO 1980-81	868	1783	9.00	64.2
April-June 81	919	1933	10.40	106.10
IISCO 1980-81	701	1005	5.35	77.22
April-June	660	916	6.10	70.02
Bhilai 1980-81	719	1594	5.00	70.42
April-Jun 81	906	2058	5.40	89.20
Rourkela 1980-81 . . .	830	1687	14.00	179.00
April-June 81	726	1502	14.20	160.40
Durgapur 1980-81 . . .	963	1714	10.50	87.25
April-June 81	854	1560	10.50	78.30
Bokaro 1980-81 . . .	789	1681	NA	202.00
April-June 81	653	1437	NA	168.28

74. When asked to explain the steps being taken to reduce the detention to wagons at steel plants in coordination with the Ministry of Steel, the Ministry of Railways (Railway Board) have stated in a note :

> "When ever excessive detention to wagons is noticed inside steel plants, the matter is taken up at appropriate levels. The concerned Zonal Railways take up the matter direct with the management of the concerned steel plant or Steel Authority of India Ltd. At Railway Ministry's level the mater is taken up with the SAIL and the Ministry of Steel & Mines. Detention to wagons inside steel plants is a phenomenon which occurs from

time to time. To keep it to the minimum possible level, remedial actions are taken in coordination with the steel plants/ SAIL/Ministry of Steel."

75. The Committee desired to know whether the demurrage charges in the case of wagons detained by steel plants covered the cost of detentions and whether there was any proposal to review the charges. The Ministry of Railways (Railway Board) have stated in a note :

"The rate of demurrage charges is fixed by correlating it to the average earning capacity of a BG 4-wheeled wagon per day. The avearge earning capacity of a BG-4 wheel wagon per day during 1981-82 is estimated at Rs. 120.15. As against this, the demurrage charge leviable since 15th February, 1981 for detention to wagons in Steel Plants is Rs. 120 per 4-wheeler wagon per day or part thereof.

The rate of demurrage charge leviable for detention to wagons in steel plants was recently revised with effect from 15th February, 1981.

There is, at present, no proposal to review this rate, but will be reviewed with increase in freight rates."

76. It is learnt from audit that the demurrage charges levied in the case of wagons detained by the steel plants in excess of the free time from January, 1981 is Rs. 120 per day per wagon whereas the rate for public/ trade is Rs. 316/80 for first 24 hours.

77. In reply to a question as to why the Railway Board did not consider it necessary to revise the demurrage charges for detention to wagons in steel plants, the Ministry of Railways (Railway Board) have stated :

"The rate of demurrage charge for detention to wagons beyond the prescribed free time is fixed by correlating it to the average earning capacity of a BG-4 wheeler wagon which is estimated at Rs. 120 per day during 1981-82. While the rate of demurrage for the general public has been fixed at a level higher than the average earning capacity of the wagon per day to make it sufficiently deterrent, the rate or demurrage for steel plants has all along been fixed more or less equal to the average earning capacity per wagon. The present rate of demurrage for steel plants, effective from 15th February, 1981 is Rs. 120 per BG 4-wheeler wagon per day.

The rate of demurrage for detention to wagons in the steel plants has been kept at a lower level than that for the general public in view of the magnitude and complexi y of operations involved in the handling of wagons with the steel plants.

78. When asked to explain the reasons for accumulation of such a high amount as demurrage charges (particularly in South Eastern Railways), Ministry of Railways (Railway Board) have stated in a written reply :

> "The reason for the accumulation of heavy demurrage charges against Steel Plants is the unwillingness on the part of the Steel Plants to pay these charges partly due to the enhancement in the rate of demurrage charges with effect from 15 February, 1981. Efforts have been made by the Eastern and South Eastern Railway Administrations to recover these outstanding amounts by making personal contacts with the Steel Plant Authorities at appropriate level. The matter has also been taken up with the Steel Authority of India and the Ministry of Steel. A meeting has been held between the representatives of the Steel Authority of India and the Ministry of Railways on 19 February, 1982 to resolve this issue and Steel Authority of India has been requested to expedite payment of all outstanding demurrage dues."

79. The Committee desired to know the steps proposed to be taken to reduce the detentions to wagons in view of the continuing heavy detention in the yards of steel plants and non-payment of demurrage charges even till March, 1981. The Ministry of Railways (Railway Board) have stated in reply :

> "This is purely a matter of Steel Plants to improve upon their working and is not in the hands of Railways. We can merely increase demurrage rates of work as a deterrent to some extent and bring to the notice of the Steel Plants and the Ministry for reducing detention and payment of demurrage.
>
> The Steel Plants fall in core sector and the extremeremedy of restricting booking of traffic for and from Steel Plants cannot be applied to them."

80. According to the Audit Para, the Khandelwal Committee had recommended in 1973 a series of measures and works to be implemented mutually by the Railways and the Steel Plants for reducing the detention to wagons inside their yards. However, not all the recommendations of the Committee have been implemented so far; according to the record made available to Audit by the Ministry of Railways (Railway Board) the Railways had implemented 75 out of 97 recommendations concerning them and the steel plants 56 out of 149 concerning them (September 1980).

81. As regards the implementation of recommendations pertaining to the Railways, the Ministry of Railways (Railway Board) have stated *inter alia* in a note :

> "So far as the recommendations pertaining to the Railways are concerned, 75 have been implemented and 13 have not been accepted. Of the balance 9, 5 really pertain to Bharat Coking Coal and Steel Plants. Only 4 remain to be implemented.

Of these 4 recommendations, one pertains to Rourkela, two to Bokaro and one to Bhilai. The recommendation pertaining to Rourkela is for providing a connection from Dumerta to the steel plant. This will be considered along with Rourkela's plans for expansion. The recommendation concerning Bokaro for providing pre-warning system from the Steel Plant's yard to the outward exchange yard would be required to be implemented when the quantum of traffic goes up after expansion of the steel plant. The recommendation regarding charging of damage and deficiency from the steel plant on the basis of periodical sampling rather than on actual continuous checking has to be considered in the context of interchange of traffic with all the steel plants and is under examination. The outstanding recommendation regarding Bhilai pertains to certain modifications in the loco shed at Dalli Rajhara and improving loading arrangements of coal into the engines. At present, as a matter of policy, no additional investments in steam sheds are being made to as there is a possibility of the reduction in workload and also of change in the mode of traction."

82. In a statement furnished to the Committee the Railway Board have further stated that out of 153 recommendations pertaining to steel plants, 77 have been implemented, 32 have been rejected, 22 are under implementation, 15 are under examination and in the case of 7 recommendations, implementation has been deferred.

Wagon shortage due to overaged and sick wagons

83. According to Audit para, another factor affecting wagon availability during recent years has been the increased percentage of overaged and sick wagons under or awaiting repairs on the line. The number of overaged wagons was as follows :

At the end of	Numbers		Percentage to total on line	
	BG	MG	BG	MG
1973-74	12054	10464	4.15	11.31
1977-78	18917	10381	6.18	11.66
1978-79	19014	9777	6.17	11.04
1979-80	20245	10109	6.49	11.46

84. The number of sick wagons was as follows :

At the end of	Numbers		Percentage to total on line	
	BG	MG	BG	MG
1977-78	14660	4057	3.98	3.91
1978-79	16255	4364	4.34	4.14
1979-80	16812	4973	4.43	4.73

85. When asked about the present position, the Ministry of Railwa (Railway Board) have stated :

> "The overaged position as on 1 April, 1981 was 37,814 wago (BG & MG) in terms of four-wheelers, Another 10,356 wago are likely to become overaged during 1981-82. With t estimated condemnation of about 18,000 wagons during t year, the overaged stock as on 1 April, 1982 is expected to 29,570 wagons (BG & MG) in terms of four wheelers.
>
> The number of ineffective wagons in 1980-81 was 26,3 (BG&MG) and at the end of October 1981 this was 34,8 wagons (in terms of four wheelers). The rise in the ineffecti is on account of taking up more wagons for repair than bef in order to clear the maintenance arrears."

86. The reasons attributed by the Ministry of Railways (Railw Board) to the increase in the number of overaged and sick wagons are :

(i) Fall in discipline amongst railway workers leading deterioration in output both in term of (a) quality a (b) quantity.

(ii) Power cuts in shops and sick lines leading to reduced output

(iii) Increasing pilferage of wagons and victimisation of wagons run due to deterioration in law and order condition in certa states.

(iv) These factors together increased the arisings of sick wago but decreased the output leading to arrears in maintenan and lesser wagon mobility.

(v) Lesser wagon mobility caused reduction in wagon availabi which induced keeping of the over-aged wagons and over-d POH wagons on run; more particularly when they could n be sent to shops either as their output was not good.

(vi) Reduction in codal life of wagons from 40 years to 35 ye since 1978-79.

(vii) Inadequacy of workshop facilities for POH and non-POH wagons due to inadequacy of plan allocation.

87. According to the Ministry of Railways (Railway Board) the t criteria to determine a wagon as overaged are as under :

(i) Expiry of codal life.
(ii) Condition of the wagon on or before the expiry of life.

88. Enquired whether any norm regarding proportion of wagons to discarded every year had been fixed, the Ministry of Railways (Railw Board) have stated in a note that no norms have been prescribed determine the proportion of wagons to be discarded every year. Discard of wagons depends on the condition of wagons as well as needs of traffic

89. The following statement indicates the number of wagons which have been declared over-aged during each of the last five years :

Year	Number of wagons			
	Overaged in service at the beginning of the year	Become overaged during the year	Actual condemnation during the year	Balance overaged stock in service at the end of the year
			(Broad Gauge)	
1976-77	14,452	1894	2,757	13,589
1977-78	13,589	7200	1,872	18,917
1978-79	18,917	2295	2,198	19,014
1979-80	19,014	3766	2,535	20,245
1980-81	20,245	845	7,774	13,316
Total		16000	17,136	
			(Metregauge)	
1976-77	8,918	1002	1,346	8574
1977-78	8,574	2977	1,170	10381
1978-79	10,381	674	1,278	9777
1979-80	9,777	1766	1,434	10109
1980-81	10,109	190	2,134	8165
Total		6609	7,362	

90. When asked about the steps taken to reduce the number of sick and overaged wagons on the Indian Railways, the Ministry of Railways (Railway Board) have stated :

> "During the Sixth Five Year Plan, it is proposed to replace 50,000 wagons (in terms of four wheelers) out of 64,000 that will be overaged and get condemned during the period. This will reduce the number of overaged wagons in use. Additional funds are being pressed for from the Planning Commission for augmenting workshop/shed capacity to deal with sick wagons and reduce their percentage."

91. Explaining the current strategy to increase loading on the Railways, Chairman, Railway Board stated in evidence before the Committeee :

> "One of the things that we are continuously doing is to throw out the overaged wagons. Unfortunately, in this direction also we have not been as successful as would like to. I, for one at the helm of affairs, would have liked to work on that. I am working on having at least 20,000 wagons less. Unfortunately, I am not able to throw out the wagons fast enough."

Coupler incompatibility

92. Audit para points out that another reason for the large number of sick wagons is the problem of coupler incompatibility. All the new (BG) buffer wagons procured after 1973-74 are fitted with centre buffer couplers (CBC), while the older wagons on line have the conventional screw couplings and the two cannot be readily couple. A transitional device, known as 'transitional coupling', to enable the two to be coupled is, therefore, being used. The consequential increased requirement of the device could not, however, be met due to its limited production in the country, the supplies during the period April, 1977 to June 1980 having been only 96,712 as against the requirement of 2,08,123. resulting in wagons being put out of commission. When enquired of the shortage of transitional couplin continued to affect wagon availability in 1980-81, the Ministry of Railways (Railway Board) have stated in a Note :

> "Yes. it did affect in 1980. But with the segregation of CBC/TC fitted wagons, the demand for TC's has come down considerably. No shortage is being felt in 1981 so far."

93. It has been further stated in the Audit Para that this device, attached to the CBC fitted wagons and stated to be rather weak, has often been getting demaged in the marshalling yards while humping due to inadequate observance of the prescribed drill. Further, there has also been reportedly largescale 'pilferage' of this device in the marshalling yards, more particularly since 1977-78.

94. The Committee desired to know whether the Railway Board have taken any steps to prevent large scale pilferage of this item and train the staff in the marshalling yards in correct observance of procedure in regard to positioning of this device in the wagons while doing shuting operations. The Ministry of Railways (Railway Board) have replied :

> "Increase or decrease in pilferage is directly dependent on general conditions of law and order in particular areas. Railways intensify checks by Railway Protection Force and try to apprehend the receivers as far as possible. There is also a greater control on inventories."

95. It is seen for Audit para that according to the standing instructions in force and reiterated by the Ministry of Railways (Railway Board) in August, 1980, CBC Wagons should as far as possible be move in block rakes.

96. It is learnt from audit that it has been especially from December 1980 (as verified from the outward despatches from collieries and steel plants), that a greater percentage of the traffic has been moving in block rakes and this has enabled the Railways to overcome to some extent the problem of coupler incompatibility. However, by adopting this procedure the Railways would be able to meet the demand for wagons of the bulk users offering traffic in rake loads. As pointed out in the Audit paragraph (para 1.28) et seq. as much as 28 per cent of the coal traffic

and 76 per cent of the traffic in other commodities moves in wagon loads on the BG; on the MG a greater percentage (30 per cent for coal and 85 per cent for other commodities) on the basis of 1979-80 data of traffic moves in wagon loads. Consequently, the oustanding indents for wagons continue, both on BG and MG, to be at high level even at the end of March 1981. Since the new wagons added are fitted with centre buffer coupling suitable for block rakes, the increasing trend towards block rakes in close circuit may result in reduction in wagon availability for non-bulk users.

97. The Committee desired to know whether this arrangement would enable the Railways to meet the demands of the trade for movement of traffic in wagon loads, which also constitutes as sizeable percentage of the traffic. In reply, the Ministry of Railways (Railway Board) have stated in a note :

> "The yard staff are adequately trained in positioning of TC equipments. What is required is not so much training as enforcement on the spot. Both the yard and train examining supervisors have to conduct checks.
>
> Block rake loading is our future strategy and the sooner the trade and industry accept this concept the better. However, it would not be correct to conclude that wagon load traffic demands are now being met any less than before intensifying block rake loading. The number of outstanding registrations have come down sharply from an average of 177,068 to 71,752 on the BG and from 75,811 to 44,843 wagons on the MG during the first six months of the current financial year as compared to the first six months of 1980-81."

Lead of traffic, as a factor affecting wagon availability

98. According to the Ministry of Railways (Railway Board) the present wagon shortage is attributable to a significant extent to the increase in lead over which the Railways have no control, as extra time is needed for the wagon to cover the additional distance and, further the wagons may have to be hauled over additional intermediate yards involving extra detention enroute.

99. It is, however, observed from the audit para that while the average lead on the BG had increased by 37 km during 1976-77 to 1978-79 and further by 28 km in 1979-80, the turnround during the same period had increased disproportionately from 13 to 143 days and 15.1 days.

100. The Committee desired to know whether the Railway Board had examined the reasons for the disproportionate increase in turn round time

as compared to the increase in average lead. In reply the Ministry of Railways (Railway Board) have stated in a note :

"The average lead and the wagon turnround for the year 1973-74 to 1979-80 are given below :

Year	Average lead		Wagon turnround	
	BG	MG	BG	MG
1973-74	630	462	15.00	12.5
1974-75	651	478	14.0	12.0
1975-76	635	457	13.5	11.6
1976-77	627	458	13.0	11.3
1977-78	659	473	13.3	11.5
1978-79	663	507	14.3	12.8
1979-80	691	521	15.1	14.1
%increase	9.7%	12.8%	0.07%	12.8%

It would be seen from the above table that in 1979-80 as compared to 1973-74 average lead on BG increased by 9.7% but the wagon turnround increased by 0.07 per cent only. On MG the wagon turn round increased corresponding to the increase in lead *viz.* 12.8%.

Taking 1976-77 as base, which is one of the best years in the recent past the wagon turn round on the BG increased by 16.1% against 10% increase in the lead. This disproportionate increase in wagon turnround is due to general deterioration in efficiency within as well as outside railways."

101. Audit para has pointed out that a review of the position of increase in the leads of the major commodities transported by rail on the B.G. since 1974-75 has shown that the increase in lead in recent years has been confined mainly to commodities for transport of which covered wagons are generally indented, procurement of which has not been adequate.

102. It is learnt that the number of covered wagons procured for traffic was only 6691 out of 22,891 procured during 1979-80 and 1980-81. When asked whether the trend did not once again point to the need for procurement of more covered wagons than open, the Ministry of Railways (Railway Board) have stated in a note :

"Of late, all demands of covered wagons for loading foodgrains, fertiliser and cement have been fully met for block rake loading.

Within the funds available for the Sixth Plan, we are procuring high capacity open type BOX 'N' wagon for increasing the trailing load of trains from 3,5004 Tonnes to 4,500 tonnes without any investment on line capacity works. Half the wagon fleet that would be procured will comprise of Open type BOX 'N'. The remaining half will comprise general service covered wagons as well as Special Type stock like Tank Wagons, low-sided open wagons like KFs and BFRs."

103 The increasing lead in respect of the traffic in commodities such as foodgrains, fertilisers and cement would call for a coordinated effort with the assistance of the main users to rationalise the movement of these commodities with reference to the available wagon capacity on the basis of the optimum level of lead and turn round. Since the Railways are an efficient mode of transport for most type of foodgrain goods traffic in excess of 300 kms., the Committee enquired whether the Ministry of Railways have considered the desirability of taking the initiative in the matter with a view to evolving a rationalised movement of these commodities keeping in view the overall national interest. In reply, the Ministry of Railways (Railway Board) have stated in a note :

> "Foodgrains loading and fertiliser loading programmes are made in coordination with Food and Fertiliser Corporations ensuring rationality in movement as far as possible. But difficulties in unloading or in movement over certain routes occasionally lead to diversions. Besides, there are constraints. Where the imports or seasonal or other shortages at the linked source of supply determie the pattern of movement. Imports of fertilisers are being made at Vishakapatnam Port instead of at Kandla, Okha and Porbandar. This has increased the lead for movement of fertiliser, for Punjab and Haryana. Similar is the case of Rock phosphate. On the other hand we refused movement of imported sponge iron for Bombay from Vishakapatnam as it should have been received at Bombay.
>
> The Calcutta Port which should be meeting the requirements of Bihar, Eastern U.P. and the North Eastern States is loading more than 25 wagons per day although the railways are prepared to load upto 100 wagons a day from this Port. Similarly, the rail capacity available at Haldia is also not being utilised.
>
> But railways are ultimately obliged to undertake the movements in national interests."

Results of non-availability of Wagons after 1976-77

(i) *Fall in originating traffic*

104. The traffic tonnage carried by the Railways from 1976-77 to 1979-80 was as under :

Traffic tonnage carried

Year	Total wagon holding	Coal (in million tonnes)	Cement (in million tonnes)	Total traffic (in million tonnes)	Total traffic in NTKM in billions
1976-77 . .	520114	82.3	13.7	239.1	156.8
1977-78 . .	527863	83.8	13.6	237.3	162.6
1978-79 . .	532072	77.9	12.3	223.4	154.8
1979-80 . .	534517	75.8	10.0	217.8	155.9

105. It is seen from the table that the total wagon holding in the Indian Railways in 1976-77 was 5,20,114 and the total traffic tonnage moved was 239.1 million tonnes. However, in 1979-80 with a total wagon holding of 5,34,517 the Railways could move only 217.8 million tonnes of traffic. The Committe desired to know the reasons why the Railways despite the increased wagon holdings could move about 22 million tonnes less traffic in 1979-80 as compared to 1976-77. The Chairman, (Railway Board) stated in reply during evidence :

"I would request that the year 1979-80 be not treated in isolation.

It is one of the years when there was a downhill reverse flow. As is well known, the best performance by the Railways was achieved during the Emergency years and immediately after the Emergency when the momentum had carried on; as far as revenue-earning traffic is concerned, it was at that time that the maximum was loaded, *i.e.* about 212 million tonnes; it was followed the next year by 210 million tonnes; in the next year it was 199 after that, it was followed by 193, that is in 1979-80, in 1980-81 it would have been 193 minus as in the first seven months only 105 million tonnes had been loaded, that means, an average of 15 million tonnes per month. Fortunately, last year, the downhill, reverse flow was halted: November was the first month last year when it was halted; and then the up-swing started; because there were still four months in the financial year left for the up-swing to gather momentum, we could close the year for the first time, after three or four years' continuous downhill reverse flow, with an incline of 195 million tonnes."

He added :

"This angle of incline we do hope to maintain and we do feel that we will be able to reach the figure very soon of a total loading of 240 million tonnes for which the projections were made for the total investments that have been made on the railways notwithstanding the external handicaps. So this wagon fleet by itself contributing or not contributing to the total quantum of transport, I am afraid, is no index at all, if I may submit, as an operating man. What really matters is the health of the fleet and the use we make of the fleet. In the emergency years we got the best turn-round of 13 days. Then it deteriorated to 16.6 days and we are now back to the emergency year level. This year, in March, we did 12.7 days and we hope by March next we will be well below 12. Therefore, our aim is always to better the performance of last year or the year before and that is nothing to compare with the total investment we have made. There have been several factors, which have been responsible. The wagon fleet of 4,000 less or more, has to my mind made the least of a difference in the whole thing.

Basically, it has been a question of discipline among the railway staff. Every second day we heard of train stoppages. Now, the railways may move in a continuous chain. Even if

one man does not allow the train to pass the whole section or the whole route, gets affected. This is one of the prime reasons. Then, of course, there are certain management techniques. As a matter of fact, these have enabled us to increase the loading. Paradoxically, we have been reducing the fleet. Today we have got less wagons in use than we had exactly on the same day December, 1980.

Paradoxically we did a record-loading with less fleet of wagons than what we had last year. Our emphasis has been to throw out the unfit wagons, the old wagons or overaged wagons. They were thrown out and the stock is reduced to a lower level of 5/1-4 lakhs. The position will become worse. But this fear we have to throw over-board. It is the old wagons which add to more danger and it adds to more drain on our limited resources maintenance etc. Simultaneously, we are increasing the loading."

106. When asked about the factors which were responsible for bringing down the figure from 237 million tonnes in 1977-78 to 217.8 million tonnes in 1979-80, the witness replied :

"Sir, I have described a few reasons. It is the collective will of the total management that counts. That has made the difference. Somehow will to manage has been shown. We were on a razor's edge in January last year but fortunately the will to manage prevailed and then we turned the corner. It only proves that system has a resilience. It has to be given certain ingredients. But the damage of the years of the inaction or total action as far as management it concerned will have its telling effects for a number of years. Millions of mandays which should have gone in the wagons and tracks have not gone in the wagons and tracks. It will take time to recover from that situation. One is discipline. The other prime factor has been change of operating techniques. Sir, the entire operating techniques have been changed. Now, I am in a situation when I am closing a number of yards. We are quite sure that this process, which is universal, will continue and we have been able to do the fundamental changes and that are required which we could not do earlier. For example, either you can expand a yard and have more lines or you just say the train will run through that station. Now, instead of spending more money on the yard it requires only one line to pass that station.

We have come to a situation where we have to put up huge investment in other areas where we feel expansion is required. Railway efficiency depends upon many things, the input must be there. Coal and power are needed. Necessary infrastructure is needed. Now rolling stock is segregated. We load 2/3 of the traffic with 1/3 of the fleet."

107. In a note furnished to the Committee subsequently, the Ministry of Railways (Railway Board) have explained the position as under :

"The total originating freight traffic in 1976-77 was 239. 1 million tonnes with an average lead of 656 kms whereas the originating traffic in 1970-80 was 217.8 million tonnes with an average lead of 716 kms. The net tonne kilometres which is the real index of the work rendered by the Railways were 156.0 billion tonnes in 1979-80 and 158.4 billion in 1980-81 as against 156.8 billion in 1976-77. Al hough the Railways lifted about 22 million tonnes less of originating traffic in 1979-80 as compared to 1976-77, the Net Tonnes Kilometre transported were only marginally less during 1979-80 in comparison to 1976-77.

The basic reason for lesser movement in 1979-80 was the general drop in discipline in the country which affec ed productivity both in railways and outside railways, which in turn led to wagon detentions at loading and unloading points as well as in railways yard, workshops, sick lines, etc. The ineffectives went high. Arrears of periodical overhaul star ed building as productivity in workshops suffered."

108 When asked about the methodology adopted and steps taken by Railways for improving its performance in the field of movement of goods traffic, the Ministry of Railways (Railway Board) have stated in a note :

"During the last one year several steps have been taken to accelerate the rail transport capacity. These measures include, *interalia*, the following :

(i) Segregation of conventional wagon fleet from the wagon fleet fitted with roller bearings and with centre buffer couplers, which can move at compara ively faster speed and with heavier trailing loads.

(ii) Introduction of integrated end to end runnning of trains, thus cutting out avoidable detentions enroute for engine changing or train examination.

(iii) Optimization of frailing loads of trains.

(iv) Rationalisation of loco utilisation so that superior class of locos are available in comparatively difficult sections in preference to others.

(v) Segregation of covered wagon fleet, comprising again of roller bearing and centre buffer couplers equipped stock, into jumbo rakes to cater for the demand of commodities, like foodgrains and cement.

(vi) Formation of fixed train consists to cater for specific streams of traffic.

(vii) Maximisation of loading in block rakes.

109. The Committee enquired if some of the steps taken by the Railways to increase the amount of traffic carried by them, like permitting overloading of wagons by 2 to 5 tonnes, greater use of jumbo rakes, not conforming to the practice of inspection after every 1000 kms, allowing locos to haul more than the authorised load, etc. would not be detrimental to the interests of the Railways in the long run as it would result in shortening the lives of locomotives and other rolling stock. In reply, the Ministry of Railways have stated in a note furnished to the Committee :

> "It is difficult to precisely evaluate the effects of overloading BOX wagons to the extent of 5 tonnes over the marked carrying capacity instead of 2 tonnes, which was the practice earlier. This overloading to 5 tonnes was resorted to for a very short period and has since been withdrawn.
>
> BOX|CRI|BCX wagons are fitted with Roller bearings and Centre Buffer Couplers. With a view to take advantage of those special fittings these wagons have been segregated and formed into rakes for block rakes loading and end-to-end running. These rakes are being given intensive examination at or near the originating points. In addition, these are subjected to axle box feelings at engine changing|traction changing points. Performance of end-to-end running is closely under watch. In addition, examination of roller bearing axle boxes on over-due periodic overhaul|routine overhaul wagons, is also being undertaken in nominated yards to prevent failures.
>
> There are no instructions for running locomotives with than authorised loads."

110. Audit para points out that wagon capacity to load 247—250 million tonnes of traffic had been created in the years 1976-77 and 1977-78; further that with lesser traffic in subsequent years the Railways should have had more wagons than what the traffic moved needed. A review by Audit of the operating position from 1976-77 to 1979-80 on the Central, Eastern, Northern, Southern, South-Central, South-Eastern and Western Railways, which together accounted for 90.7 per cent of the total tonnage carried by the entire Railways system, indicated shortage of both covered as well as open wagons. The following is the result of a survey to gauge the extent of outstanding indents for wagons (average monthly outstanding indents for one month in the lean period—April to September and one month in the peak period—October to March) :

Year	Outstanding indents (average per month)	
	BG	MG
1976-77	1,0143	4,807
1977-78	23,480	14,065
1978-79	1,03,839	57,970
1979-80	2,44,368	82,885

111. As regards the position of outstanding indents in 1981-82, the Ministry of Railways (Railway Board) have stated in a note :

> **"At the end of the year 1979-80 i.e. on 31 March, 1980 number of outstanding indents stood at 1.76 lakhs wagons on BG and 74,000 on M.G. As on 30 November, 1981 number of outstanding indents on BG was only 68,207 and on MG 27,613.**
>
> **During the current financial year 1981-82 upto December, 1981, 160.72 million tonnes of revenue earning traffic has been lifted against the budgetary target of 157.00 million tonnes i.e. 3.7 million tonnes over and above the budget target."**

112. It has been claimed by the Minister for Railways that Railways were expected to carry around 220 million tonnes of originating revenue earning traffic during 1981-82, which was the highest ever freight loading achieved on the Indian Railways.

Ministry of Railways (Railway Board) (December 1980) have stated in a note :

> "The number of outstanding registrations did not correctly indicate the unfulfilled demand in view of the practice of bogus registration by indentors".

113. The Committee desired to know whether in view of practice of bogus registration by indentors any action had been taken by Railway Board to review the existing arrangements for registrations of wagon indents. In reply, the Ministry of Railway (Railway Board) have stated in a note :

> "In order to prevent the registration of 'bogus' indents by the users of rail transport, the Railway Board has taken the following measures :
>
> (i) Supply of wagons are being maximised at those points where there are huge outstanding demands. It is railways' experience that as and when adequate supplies are made there are large scale cancellation of fictitious registrations.
>
> (ii) The registration fee has also been enhanced from Rs. 70 to Rs. 150 since 1 September, 1980 to discourage the indentors from registering bogus indents.
>
> (iii) Final cancellations of indents if wagons are not loaded as per supply."

114. Due to non-availability of wagons, there was also considerable diversion of traffic from rail to road, which not only resulted in the Railways losing revenue but also in haulage over long distances by the costlier road transport, as indicated in the following paragraphs :

Movement of Cement

115. The quantity of cement carried by rail fell from 12.86 million tonnes in 1976 to 10.07 million tonnes in 1979 and further to 9.6 million tonnes in 1980-81. When asked to state the reasons for the continuous decline in the quantity of cement carried by the Railway after 1976, the Ministry of Railways have explained the position thus :

> "Since the year 1978-79 there was a general decline in all spheres of economic activity in the country. It affected rail movements too. There was, therefore, a shortfall in loading of almost all commodities, including cement. Extensive power cuts, deterioration in law and order situation, strikes, work stoppages in practically all industries including Ports, CIL, SAIL, FCI and Banks affected mobility and availability of wagons."

116. When asked whether this decline was not due to the short supply of wagons to the Cement factories and considerable time taken by the Railways to carry the same to the destination points, the Minister of Railways (Railway Board) have stated in reply :

> "Railways have been suggesting that cement which has to per force move on cross country basis from surplus areas in the South to deficit areas in the North and North East over very long distances, must move in block loads. Cement factories, however, have been reluctant to fall in line with this rationalisation of rail transport movement. Retail movement of cement is taking place by road although capacity is available with the railways to carry in bulk if so offered. In fact, the liberal policy of the railways is to permit clubbing piecemeal demands of one single destination or of the farthest common destination. But even this has not found much favour with the cement factories. If the cement factories adopt movement in bulk, it will help increase of movement of cement by rail."

117. Explaining the position regarding movement of cement by rail during recent years, the Cement Controller stated during evidence :

> "Over the years, in the last 10 years or so, we have found that as a percentage, the quantity of cement moved by rail has tended to decline, that is from about 75 per cent in 1969 to about 50 per cent now. In fact, in quantitative terms, the quantity despatched by rail has tended to remain more or less, constent while the production has been going up every year. This year, of course, in terms of the number of wagons available, the

position is much better than that of last year. As I said because the production keeps on going up, the increase in the number of wagons has not made any real difference to the percentage of the quantity of cement moved by rail. That is roughly the position."

He added :

"The cement despatched by road transport has been increasing from about 25 per cent to 30 per cent in the period between 1969-71 and it has now gone upto 50 per cent."

118. Despatches of cement made by cement factories by road and rail and quantity of cement produced indigenously, according to the office of Cement Controller, during 1976 to 1981 were as under :

Year	Cement moved by road	Cement moved by rail	(in 1000 tonnes) indigenous production
1976	4549	12773	
1977	4824	12706	19077
1978	6630	12073	19526
1979	7639	9945	18238
1980	8078	8818	17790
1981 (Jan. - Sep.)	7471	6846	20760 (Prov.) in 1981

119. When asked about the reasons for this declining trend in the movement of cement by rail, the Cement Controller stated :

"The main factor responsible has been the non-availability of wagons though I would also qualify that we work out with the railways every quarter as to what likely availability of wagons might be during that quarter on per day basis. Then, the cement factories themselves only asked for wagons within the quota which is allotted to them in the sense that the number of wagons asked for by the cement factories is not necessarily an index of what that might have been if the wagons were available. To an extent, of course, we have advised the cement factories to despatch cement by road because for distances below 250 kms., the economics of sending by road from the point of view of the consumer, is better than by transporting through railways because it gives the consumer the advantage of delivery from the factory to the door step: it saves loss due to seepage in transfer and things like that."

120. In this connection Chairman, Railway Board stated :

"The movement of cement has certainly declined; cement production have also declined."

He added :

"I shall read out the figures to reconcile.

Railway	Broad Gauge % of supply to demand (May to Oct. 81)
Central	85%
Southern	98%
Western	93%
South-Eastern	80%
South-Central	79%
Northern	67%
Eastern	47%
Metre Gauge	
N.F.	100%
Western	85%
South-Central	78%
Southern	74%

I am afraid that 50 per cent will have to be reconciled between us."

121. Clarifying the position in this regard, the Cement Controller stated:

"Regarding the two sets of figures, what the Chairman. Railway Board, has mentioned is the supply of railway wagons against the demand placed by the factories in the last few months; to that extent, the figures are correct. When I mentioned the figure of 50 per cent, it was the quantity of cement moved by the Railways against the overall cement despatches in the country and not against the wagon indents placed by the factories on the basis of the quota fixed for the every quarter; out of that quota, depending on the production capacity, they place these indents. Indeed as the Chairman, Railway Board, has said, against those indents, the supplies of wagons have, by and large, been satisfactory."

122. Audit para points out that the number of wagons loaded against the indents placed by the cement industry was 99 and 93 per cent during 1976 and 1977 respectively. Following the deterioration in turnround in the subsequent years, the number of wagons loaded against indents fell to 71.3 and 64.5 per cent during 1978-79.

123. The number of wagons indented by cement factories during the years 1976 to 1981 (January—September) and received from the Railways was as under :

Year	No. of wagons Indented	No. of wagons supplied	Shortfall if any
1976	554993	589913	..
1977	595633	588322	7311
1978	722061	538143	183918
1979	639553	433483	206070
1980	567620	377586	190034
1981 (Jan-Sept.)	424700	277781	146919

124. According to the Ministry of Industrial Development (Cement Controller), many cement factories, particularly those on South Central Railway and South Eastern Railways are still complaining about continuous short supply of wagons and movement restrictions imposed by Railways. The cement factories situated on other Zonal Railways are also not in a very easy position except small units who are in a position to transport major portion of cement production to nearby areas.

125. This generally affects these cement factories in two ways :

(i) Cement factories have to curtail grinding as well as despatch of cement if they are not able to have sufficient orders for nearby areas where cement can be moved by road. This is particularly important because every factory has limited capacity for stocking of cement in silos and production has to be curtailed as soon as silos are full.

(ii) Cement factories can move cement in a particular direction where railway is agreeable to give wagons only if factory has sufficient orders for that direction. This normally results in disproportionate despatches in particular direction thus distorting the allocation pattern.

126. On being asked as to why the Railways could not meet the demands of the cement factories for more wagons, the Ministry of Railways have stated in a note :

"The percentage of wagon loading to wagon demand by Cement Plants in South Central and South Eastern Railways during

the months of September to November, 1981 has been as follows :

Months	Percentage of loading to demand	
	Broad Gauge	Metre Gauge
Sep 1981	87.77	80.19
Oct 1981	82.92	79.50
Nov 1981	86.55	86.59

Efforts are being made to improve the supplies further :

"Operating restrictions are imposed only when absolutely necessary and are removed as soon as possible."

127. Regarding the position of wagons for transporting cement, Chairman, Railway Board, stated in evidence before the Committee :

"There are certain areas where we have a surplus of covered wagons like the Southern Railway..... We load the foodgrains to Southern Railway and bring the empties back all the way. Therefore, about Southern, South-Central and Western, we are confident that we could meet the demand.... The Eastern is not a big loader of Cement. But South-Eastern is a very critical area. There the Cement Factories are located in the midst of steel plants and the Steel Plants take all their raw materials basically in opens. To that extent, I think, it will take quite some time, till we change fundamentally the pattern of moving cement, that is cement in bulk, to meet the demand there; in the South Eastern, I do not visualise that the total demand of cement loading will be met till then."

The witness further stated :

"My experience is that whenever there is a little shortage, there is clamour. For example.....Cement Factory has been clamouring for more wagons for years, upto the end of last year. We started supplying wagons. After loading only a couple of rakes, they incurred a demurrage charge of Rs. 46,000 on one single rake.. Once the demurrage was realised, they reduced their requirement. Since then after paying this demurrage, there is no complaint that the factory has not been supplied wagons in full. Very often there is vested interest in loading by road."

128. The Committee desired to know the reasons for moving 50 per cent of the cement by road when the position regarding supply of wagons was stated to be satisfactory. The Cement Controller stated in reply before the Committee :

"As was mentioned there could in certain cases be vested interests between transport operators and the cement factories which could from time to time cause the cement factories to prefer

at least on a short term basis to send cement by road rather than by railway. It is not as if that out of the wagons placed at the disposal of the cement factories they did not load those wagons. In fact if you compare the figures of the wagons allotted to the cement factories meaning wagons actually received by them and the wagons loaded by them, there would not be very much difference. Whatever malpractices such as there are could be because of their placing indents for a lesser number of wagons than they might be able to send. Once the wagons become available—excepting those, some times the wagons might be damaged or there may be some other difficulty—those wagons are loaded and cement is sent by wagons. There are, of course, instances sometimes—there may be some little trouble at the factory that the loading plant may be defective or there might even be instances of occasionally not having workable orders for moving cement to a particular destination for which the wagon has to be sent or other factors may be there but they would not make a sizeable impact upon the position."

He added :

"The Cement Controller's instructions to the factories are that except for distances below 250 kms, cement is to be moved by rail. To the extent possible wagons are made available. We take up the matter with the factories and persuade them to despatch the maximum amount of cement beyond 250 kms. by rail but we do not have any statutory power to compel factories to send cement by rail. Generally cement factories do not ignore our advice."

129. When pointed out that if cement is moved by road by the factories they are given subsidy, the witness stated :

"There is subsidy for movement of cement by road. Actually the quantum subsidy is lower in practice than the road freight and, therefore, factory wanting to send cement by road for claiming this road subsidy is not the real fear. What we subsidise does not fully cover the rate of road transport."

130. When asked whether it was not a fact that cement was being transported by road transport even beyond 250 km. and in which case the cost of transport must be much more to the consumer, the Cement Controller replied :

"Yes, sir, and also to the Cement Regulation Account. To an extent, the road transport is subsidised under the Cement Regulation Account. This subsidy is not adequatte to cover the entire cost and the balance is borne by the consignee. It certainly increases the cost in terms of movement beyond 250 kms."

131. Questioned about the extra expenditure incurred per annum for movement of cement by road for distance over 250 km. instead of by rail, the witness stated :

"To the Cement Regulation Account, it costs about Rs. 5 crores to 6 crores per year."

132. When asked about the criteria of payment of subsidy, the witness stated :

> "We have laid down schedule rates upto different distances; say how much we are subsidising. It is linked to rail freight. It takes into account cost of transport, our capacity to pay. We can not make subsidy allocation taking into account actual cost of road transport. Cement price is fixed on FOR destination on the basis of rail freight."

133. In a detailed note furnished to the Committee in this regard, the office of Cement Controller have further explained the position as under :

> "Under the provision of Cement Control Order price of cement has been fixed on F.O.R. destination rail head basis. The consumers all over the country, therefore, are entitled for the cement at the same price. This price has been worked out after taking into account expected all India average rail freight incidence for distribution of Cement.
>
> For despatch of cement by rail, actual rail freight from factory to the nearest rail head is reimbursed from Cement Regulation Account which in turn is paid by the cement factory either directly to the railways by obtaining paid RRs or allow credit for the same in the invoices if 'to pay RRs' are obtained.
>
> 2. For movement by road, freight reimbursement is allowed on notional basis by linking it with rail freight. For this purpose, different weightages are allowed over the rail freight depending on total road distance covered. The extra weightages are allowed because railway freight rate structure is based on telescopic rates i.e., rate per tonne per kilo meter reduces with increase in distance. This is not true in case of road movement. The freight allowed to Government Departments and other than Government Departments during last 3 years has been at the following rates :
>
> (i) *Rates applicable from* 1-1-79 *to* 31-5-1979
>
> (a) *Government Department*

Road distance from factory's loading point to serving rail head of destinations	Rate of reimbursement
1	2
Ex-factory (upto 5 Kms.)	Nil
6 to 100 Kms.	National rail freight under 52.5 classification excluding surcharge for total rail distances from factories' loading point to destination serving rail head.
101 to 350 Kms.	150% of national rail freight under 52.5 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.

1	2
351 and above	200% of notional rail freight under 52.5 p classification excluding surcharge for total rail distances from factories' loading points to destinations' serving rail head.
(b) *Other than Government Departments*	
0 to 350 Kms.	Notional rail freight under 52.5 classification excluding surcharge for total rail distance from factories loadingpoint to destinations' serving rail head.
351 to 500 Kms.	125% of notional rail freight under 52.5 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.
501 and above	150% of notional rail freight under 52.5 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.

(ii) *Rail freight rates from* 1-6-79 *to* 14-9-81

Surcharge at the rate of 5 per cent for a distances upto 500 and 10 per cent for distances beyond 500 Kms. levied by railways from April, 1976 but not allowed earlier has been added but no change in the weightages over different distance slabs indicated (a) above.

(iii) *Rates effectve from* 15-9-81

(a) Government Departments

Road distances from factory's loading point to serving rail head of destinations	Rate of reimbursement
Ex-factory (up to 5 Kms.) . . .	Nil
5 to 100 Kms.	Notional rail freight under 55 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.
101 to 350 Kms.	125% of notional rail freight under 55 classification excluding surchage for total rail distances from factories 'loading point to destinations' serving rail head.
351 and above	150% of notional rail freight under 55 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.
(b) *Other than Government Departments*	
Upto 5 Kms.	Nil
Above 5 Kms.	Notional rail freight under 55 classification excluding surcharge for total rail distances from factories 'loading point to destinations' serving rail head.

The actual road freight paid by the consignees are normally higher than the notional freight at the above rates reimbursed from Cement Regulation Account for movement of cement by road. In case any consignee takes delivery of cement by road, the cement manufacturer will allow freight reimbursement in the bills at the above rates limited to actual (which will be in a very few cases). The consignee will pay actual road freight to the transporters so that the difference between the actual freight and the notional freight allowed by this office is met by the consignee from its own pocket. Part of this difference is compensated to him by saving in expenses which he would have otherwise incurred for taking delivery at the rail head and moving it by road from rail head to his point of consumption, if cement would have been moved by rail upto that rail head. The cement manufacturers, after reimbursing the expenses at the above rates to the consignees" send monthly claims to Cement Regulation Account for reimbursement. The cement manufacturer, therefore, neither lose nor gain any amount for movement of cement by rail|road. He, therefore, has no incentive in moving more quantity by road in preference to rail movement. In fact, for despatches to Government Departments, he preferred to move cement by rail because he can get 98 per cent of the total cost from Pay and Accounts Office on the basis of RRs without waiting for actual delivery of cement at the destination. Some cement plants, however, have inclination in moving more cement by road because of irregular supply of wagons by railways and insisting for movement in rake loads to single point or permitting movements onl in particular directions. The position is, however, reviewed from time to time to take corrective actions."

134. During evidence, the Chairman, Railway Board stated that the Railways had writen a letter to the Cement Controlier about 4 months back suggesting (i) that subsidy should be given strictly on the condition that they should carry the cement beyond 250 Kms. by rail. (ii) that subsidy limit in the South may be reduced from 250 Kms. to 150 Kms. & (iii) anything moved beyond 250 Kms. by road must be on a specific certificate by the Railways that they were not able to move the cement by rail. Reacting to these suggestions made by Railways the Cement Controller stated that :

"I would not only accept it, but I will welcome it."

135. As pointed out in the N.T.P.C. Report, for most commoditles the haulage costs by road are uneconomical as compared to rail haulage beyond the range of 300-350 Kms. The committee desired to know the steps proposed to be taken by Ministry of Railways to minimise road movement beyond the economic range. In reply, the Ministry of Railways (Railway Board) have stated in a note :

> "The choice of transport is of the user. We have little control. We have offered to the Ministry of Industrial Development that we can lift all the cement in block rakes by rail. Exercise of control in issuing National Permits for road carriers is expected to minimise road movements beyond its economic range.
>
> Since railways are at present undertaking full movement by rail as per demand of block rake movement, it is for Ministry of Industrial Development to curtail road movement."

136. As per the Cement Controller even on the basis of the present low production in the cement industry, there has been no problem in offering originating cement traffic of about 15 to 16 million tonnes per annum. When asked as to how the Railways proposed to carry this traffic, the position has been explained by the Ministry of Railways as under :

> "The maximum tonnage of cement offered for movement by Railways has been 13.70 million tonnes in 1976-77 and was all lifted.
>
> In order to move 15 to 16 million tonnes per annum the Railways will have to move at the rate of 1.25 million tonnes per month. The Railways can move this quantum of traffic subject to the following conditions :
>
> (i) The rail transport demand is uniform throughout the year.
>
> (ii) The movement of cement is arranged in block rakes to a single destination or to two nearby destinations by clubing the requirements of such consignees whose demands are not adequate for a full rake.
>
> (iii) In fair weather, use of Open type of wagons is accepted.
>
> (iv) The irrational pattern of movements which increase the lead or involve criss cross movement are avoided.
>
> 2. In view of the satisfactory position of railway movement we have since offered to lift all the cement by rail."

Movement of Coal

137. During the last 2-3 years, there have been persistent complaints of shortfall in the supply of wagons for haulage of coal with the result that a number of power stations, fertiliser plants, cement factories etc. which are in the core sector had to be closed down from time to time with disasterous effect on the national economy.

138. The following statement indicates the offers for loading of wagons made by Coal India Ltd. and Singareni Collieries Company Ltd. for movement of coal and actual loading of 4 wheeler wagons per day from 1975-76 to 1980-81.

Year	offers for loading made by			Average loading			% of loading
	CIL	SCCL	Total	CIL	SCCL	Total	
1975-76	9781	817	10598	7960	754	8714	82.2
1976-77	10367	909	11276	8172	845	9017	79.9
1977-78	10701	1057	11758	8379	845	9224	78.4
1978-79	10230	1056	11286	7540	884	8424	74.6
1979-80	9976	984	10960	7160	886	8046	73.4
1980-81	10457	1018	11475	7308	880	8188	71.3

139. When asked whether the Railways were not in a position to supply sufficient wagons for coal loading during 1975-76 to 1980-81, the Chairman, Railway Board replied :

> "From the figures I have the offers made to coal companies by the railways for loading were much above the level of wagons actually supplied and therefore it does appear that in those years perhaps the railways may not have been able to meet the demand fully. Therefore, there was a corresponding increase in road movement. Currently, I am happy to say that the trend is being reversed and we are now working in coordination to see that the ground stocks which had risen to a rather high level at the end of last year are brought down to reasonable level."

140. When views of the Department of Coal regarding availability of wagons for coal transport were sought during evidence, their representative deposed :

> "There has been a very remarkable improvement in the loading of coal by railways wagons. At the end of November, according to the figures available with us, we had an average loading of nearly 9800 wagons a day, for Singareni and Coal India put together. In December, it has further improved to 9900 wagons, and we hope by March next we may have a record loading of 10500 wagons a day. In fact, the Railway figures even now indicate this figure of 10500 wagons but they have certain other elements included in this and which we do not include. The improvement has been remarkable. In November, despite a very high level of loading, the stocks at the pitheads had marginally gone up, because the production is more now. Encouraged by the welcome progress that we had shown in the first six months, it was decided that we should increase this year's production target to 124 million tonnes. And we are quite confident that this 124 million tonnes of production would be achieved. This would again be about 9 per cent growth over last year's production. In fact, till now we have maintained a 11 per cent growth over the previous year's production. Therefore, we need, of course a very high number of wagons if the coal despatches are to keep pace with the increasing production. We feel that pithead stock level at 10 to 12 million tonnes is more than adequate and reasonable, and we would like to bring it down a little from 15 million tonnes to 10-12 million tonnes.
>
> Sectorwise, average loading to the power houses is over 3800 wagons a day, which again is a record level. And power house stocks by and large are comfortable. There may be one or two odd exceptions, but that is because certain distortions take place because of local reasons.
>
> It has improved not only in power, but in other sectors also the loading is satisfactory. Though stocks are not confortable, they are sizeable. Cement plants also have got good stocks. By and

large the priority sectors are doing very well, but non-priority sectors to which the Railways accord lower priority in the matter of allotment of wagons, may be facing shortages. In some of the coal fields like Western Coal fields, Singareni fields, there are no shortages of wagons and we are getting whatever is required. In other areas like Jharia field, Raniganj fields and Mugma Salmpur field in Eastern Coal fields and Dhari area in Central Coal fields, there is some shortage against the demand of wagons and probably in all these fields we may be able to load another thousand wagons a day. But the progressive trend has been very encouraging and I think with more wagons available we can still load more coal to meet the total demand; because of the progress that has been taking place, there should be no problem of meeting the demand for interim grades of coal."

141. The year-wise production of coal from 1975-76 to 1980-81 was as under :

Year	Production of Coal (Figures in lakh tonnes)
1975-76	996.26
1976-77	1010.00
1977-78	1009.81
1978-79	1019.48
1979-80	1039.48
1980-81	1140.05

142. During evidence the Committee desired to know the quantities of coal moved by rail and road during these years. The representative of the Department of Coal stated, in reply, as under :

"Very broadly speaking, we had a rail movement of approximately 75 million tonnes, and the road movement was about 28 million tonnes. Of course, road movement of coal has been going up also, along with increase in its production. It increased in 1980-81 to 280.85 lakhs. In 1979-80 it was 24.8 million tonnes, and earlier in 1975-76, it was only 14 million tonnes. So, there is a substantial increase in road movement last year. This year it is not likely to increase over the figures of last year. According to the trend that we have got, during April to October this year, the figure is a little over 15 million tonnes. We estimate that it will be at the same level as last year. As far as rail movement is concerned, it is very much higher than last year."

143. Explaining the position further, the witness stated :

"First I will mention the figures of rail despatches which I have got with me. These figures are for Coal India Co. and the Singareni Collieries. As you are aware, within the nationalised sector there are some captive coal mines and also the

Indian Iron and Steel Company which has its own coal supplies. We do not have those figures. For Coal India and Singareni Coal, which constitute about 90 to 95 per cent of the coal sector the rail despatches are as follows. They are in metric tonnes. For the year 1975-76, it was 724.79 lakhs, 1976-77 it is 761.19 lakhs, for 1977-78 it is 775.33 lakhs, 1978-79 there has been a decline and the figure is 714.71 lakhs, in 1979-80 it is 687.54 lakhs and for 1980-81 it is 701.06 lakhs. In the current year from April to October, it is 451.31 lakhs. On the basis of the existing trends it should be well over 750 lakhs at the end of the current year. As far as road despatches are concerned for Coal India and Singareni, as a whole again, in 1975-76 it was 139.45 lakhs; in 1976-77 it was 139.01 lakhs; in 1977-78 it was 172.67 lakhs; in 1978-79 it was 191.56 lakhs. Then there was a sharp increase and the figure rose to 246.36 lakhs and 1980-81 it is 280.85 lakhs for the period from April to October during the current year it is estimated at 156.15 lakhs."

144. According to the Department of Coal the quantity of coal transported by rail/road year-wise during the period from 1975-76 to 1980-81 was as under :

(Figures in lakh tonnes)

Transport by rail

Year	Coal India Ltd.			SCCL (Raw coal)	CIL and SCCL		
	Raw coal	Washed coal, soft/ hard coke and middlings	Total		Raw coal	Washed coal, soft/ hard coke, and middlings	Total
1975-76	553.33	107.66	660.99	63.80	617.13	107.66	724.79
1976-77	567.26	120.86	688.12	73.07	640.33	120.86	761.19
1977-78	582.75	119.37	702.12	73.21	655.96	119.37	775.33
1978-79	530.35	109.12	639.47	75.24	605.59	109.17	714.71
1979-80	512.84	98.62	611.46	76.18	589.02	98.62	687.64
1980-81	523.98	101.64	625.62	75.44	599.42	101.64	701.06
Transport by road							
1975-76	111.83	21.92	133.75	5.70	117.53	21.92	139.45
1976-77	108.87	23.44	132.31	6.70	115.57	23.44	139.01
1977-78	136.32	25.25	163.57	9.10	147.42	25.25	172.67
1978-79	151.28	29.18	180.46	11.10	162.38	29.18	191.56
1979-80	202.97	30.29	233.26	15.10	213.07	30.29	248.36
1980-81	226.99	33.36	260.35	20.50	247.49	33.36	280.85

145. When asked about the factors responsible for the downfall of coal movement through rail transport, the representative of Department of Coal stated during evidence :

> "Between 1975-76 and 1979-80 the coal production remained at one particular level. Now since there was a decline in rail transport in 1979-80, when compared to the previous year, this probably is responsible for increase in road transport. Last year, while rail movement was also stepped up but the previous surge in production was very very substantial. Therefore, there was a further increase in road movement because the railway transportation could not keep pace with the increased production. This year, we are constant at last year's level as far as road movement is concerned and the increase in production is taken of by railway movement. In certain fields, we do feel that rail movement can pick up further. There is excellent coordination between us and the railways and the way things are going not only at the field level but at the highest level. I think we will be able to increase the rail movement in the next few months."

146. In this connection the Chairman, Railway Board stated :

> "Railways and the Department of Coal are working hand in-hand, and the efficiency of one is correlated to the other. The target for 1981-82 is 112 million tonnes originally, out of which Railways' share is 80 million tonnes. Now the target is being raised. We are also trying to increase movement by rail proportionately."

He added :

> "The first year has been devoted to building up stocks in the core sector. Power houses and cement factories have got 21 days' stock. In other core sectors also, the stock has been built up. You require a certain working balance. You can not just lift the coal from the mine and out it into the wagon. Spread all over the country 11 to 12 million tonnes of coal will be required. That should be the position basically when the busy season starts from 1st November. Now the inventory has been brought down to a level of 15 m. tonnes and we are confident that by 1st November, next, it will be in the 11 to 12 m. tonnes level. We have reduced it by 3 million tonnes between April and October this year. Similarly between next April and October we hope to reduce it by another 3 million and reach the level of 11 to 12 million tonnes by 1st November."

147. Since road haulage of coal by using diesel power is considered uneconomical, the Committee desired to know whether any steps were

proposed to be taken by the Railways to bring down the despatches by road. To this, the Ministry of Railways (Railway Board) have replied :

> "The railways have offered that as an experimental measure all road despatches during July to September, 1981 may be stopped except from Jharia. The choice of transport in any case is of the user. The user's preference for road transport is not due entirely to shortage of wagons but also to vested interests in road despatches."

148. The Committee drew the attention of the Ministry of Railways to the statement made by the representative of Department of Coal that they were maintaining 10 per cent growth rate of production of coal every year and they needed increasing number of wagons if the coal despatches were to keep pace with the increasing production, and asked the steps taken by them in this direction. In reply, the Ministry of Railways (Railway Board) have stated in a note :

> "Wagons are planned for total movement as a whole. are also used universally. In case of overall shortage of wagons, coal suffers as much as other commodities. But in supply and allotment of wagons it is ensured that wagons are supplied for core sector movements in preference to other movements. A major step taken by the Railways in transportation of coal is the development of a new type of BOX 'N' wagon which will help increasing the trailing load of a train of the same length so that more coal can be carried by the same number of trains, if wagon fleet increases. To meet the needs of incremental traffic which includes coal, during the Sixth Five Year Plan, provision was made for procurement of about 100,000 wagons (in terms of four-wheelers) a large proportion of which will be BOX N' wagons, which will cater largely to the traffic that will be generated on account of additional production of coal during the Sixth Plan period."

149. It has been stated above by the representative of the Department of Coal that pitheads stock level at 10 to 12 million tonnes is considered more than adequate and reasonable and they would like to bring it down from 15 million tonnes to 10 to 12 million tonnes. At the Committee's instance, the Department of Coal have furnished the following note indicating the steps being taken by them in coordination with the Ministry of Railways to attain this objective :

> "(i) Railways have been requested to make available wagons according to the coalfieldwise requirements.
>
> (ii) They have also been requested to avoid supplying rakes of covered wagons (jumbo rakes) or rakes having a mixture of open and covered wagons at sidings where coal companies have mechanised loading arrangements. Such rakes are to be supplied only at nominated sidings where the coal companies would be ready for annual loading.

(iii) They have further been requested to ensure supply of wagons according to a fixed time scheduled and avoid erratic supply of wagons or bunching of supplies, particularly at such sidings where coal companies have to resort to loading manually.

(iv) While coal companies have capacities to load according to the fieldwise requirements they are taking steps to improve this capacity further by installation of payloaders and coal handling plants. They are also taking steps to redeploy their manual loaders even at nominated sidings where open wagons are to be supplied to load covered wagons in addition to the payloaders in use for loading open wagons.

(v) Close coordination is maintained by the coal companies with the Railways at all operating levels and steps are taken by them for improving the supervision on coal loading. This is leading to better utilisation of wagons supplied and decline in the incidence of left behind wagons."

150. When the attention of the representative of Ministry of Railways was invited to the closure of trains on account of shortage of coal in certain parts of the country, the Chairman, Railway Board clarified the position thus :

"There is a cancellation of some trains on unimportant broad-gauge lines due to shortage of steam coal. There are deliberate reasons for it. First of all, a committee was appointed by the Government on unimportant railway lines. It has fully justified that those lines should be closed. But due to the overall political situation, although there is no economic justification, all those lines could not be closed down.

For Railways, coal has the highest priority. I can appropriate to myself that steam coal which is being used for these useless passenger trains, but it will be at the cost some vital industries. Whatever may be the availability of coal, I am sure, there is no excess of steam coal in the country. Steam coal basically remains in short supply and that is the problem we have. Though all investments have been made in the coal regions for more production, the basic fact is that we cannot afford to burn the steam coal away because every single extra railway engine operation will close down two or three small scale industries.

Some steam engines have been closed on those lines, to the extent to make use of diesel or electrical engines. But diesel and electrical engines cannot be used where the number of bogies is small or there is no electric line. But basically that is a fact, that we have taken a calculated decision not to run certain trains to conserve steam coal and keep it available for

the industry although we can choose to appropriate all the coal for ourselves."

151. The Ministry of Railways (Railway Board), in a statement (Appendix II) submitted to the Committee, have stated that 30 trains were cancelled for varying periods during the month of November, 1981 due to shortage of coal.

Supply of wagons for movement of Fertilizers

152. During evidence the Committee enquired whether Ministry of Agriculture was experiencing any difficulty of shortage of wagons for movement of fertilizers. To this the representative of the Department of Agriculture stated :

"In the past, there had been some problem. With the rationalisation of the system, that sort of difficulty is not being experienced now except at two or three places. For example we produce lot of fertiliser at Sindri and other places. The consumption areas are situated in such places where rake movement is not possible. And we requested the Railway Ministry and they agreed to our request. Similarly in Kandla there is a factory of IFFCC. They have large materials, roughly, 20,000 metric tonnes. Recently the loading has improved. The problem is not to that extent aggravated. This is on account of two factors. One is, we have a system of working out this movement programme in collaboration with the Ministry of Railways. We all sit together once in a quarter and iron out all our differences if we have any and then come to each other's help. Secondly for each port we have a review for a month. I think this mechanism paid dividends because we have inter-ministerial coordination. Thirdly, a separate Department of Coordination has been created in the Government. If the problems are within the Government and a policy decision is taken, we go there and we bring all the problems to the notice of the Coordination Secretary and then all the Departments meet together and the Minister of Shipping and Transport the Ministry of Railways the Ministry of Chemicals and Fertilizers and everybody is present and we put our problems there and we get the solutions. The day-to-day monitoring has also facilitated the situation."

153. At the instance of the Committee the Ministry of Agriculture have furnished a statement showing daily average number of wagons indented, supplied in respect of domestic fertilizers factories and ports during each of the months from April 1978 to March 1981.

154. According to this statement, average number of wagons indented and supplied for domestic fertiliser factories from April 1980 to March 1981 was as under :

Month	Wagons Indented	Wagons supplied
April, 1980	1206	424
May, 1980	1155	367
June, 1980	1227	315
July, 1980	1302	396
August, 1980	1143	435
September 1980	983	386
October, 1980	1026	451
November, 1980	1270	492
December, 1980	1251	557
January, 1981	957	530
February, 1981	1002	565
March, 1981	1249	626
TOTAL.	13771	5544

155. The average number of wagons (BG&MG) indented by 24 ports and supplied during April 1980 to March 1981 was as under :

Month	Wagons Indented	Wagons supplied
April, 1980	2221	299
May, 1980	2409	286
June, 1980	2137	234
July, 1980	3093	329
August, 1980	3400	344
September, 1980	2293	330
October, 1980	3043	387
November, 1980	3326	468
December, 1980	2731	567
January, 1981	3065	538
February 1981	2537	493
March, 1981	2356	463
TOTAL.	33619	4665

156. When asked about the quantum of fertilisers moved by rail from 1976-77 onwards, the representative of the Department of Agriculture stated :

"The quantum of fertilizers which we moved through rail was 7.8 million tonnes in 1976-77. It was 8.2 million tonnes in 1977-78, 8.6 million tonnes in 1979-80, 8.1 million tonnes in 1980-81 and in 1981-82 between April and October, it was

5.7 million tonnes, compared to the figures for the same period last year *viz.*, 3.9 million tonnes. So, there has been an increase of 45% in the railway transportation system."

157. It is seen from audit para that for 1978-79, the demand for loading having been stepped up by the Ministry of Agriculture to 11.5 million tonnes, and in view of the shortage of covered wagons, it was agreed that the imported fertilizers should be moved by road upto 500 kms and indigenous fertilisers upto 1,000 km by subsidising the additional cost on road haulage; the distance upto which imported fertilisers were to be moved by road was also subsequently stepped upto 100 km in May, 1979. Consequent on the shift of short/intermediate lead traffic to road, the haulage tonnes (90%) and 8.2 million tonnes (65%), the average lead having increased to 1,038 km and 1,122 km, respectively.

158. The Ministry of Agriculture had informed the audit that :

"For the year 1978-79, the Department of Agriculture & Cooperation had revised their target of rail capacity requirement for fertilisers from 9.2 million tonnes to 11 million tonnes. The Ministry of Railways agreed to provide a capacity of 9.2 million tonnes but the actual rail movement was 8.6 million tonnes. This gap was correctly anticipated by the Department of Agriculture well in time and had in consultation with the Minisry of Finance permitted movement of indigenous and imported fertilisers by road as mentioned in the draft review. The idea was to supplement rail movement and ensure timely availability of fertilisers in the consumption areas at the right time and in sufficient quantity."

159. The Committee desired to know why against the wagon availability for a level of 9.2 million tonnes as committed by Railways, the actual rail movement was only 8.6 million tonnes in 1978-79 and 8.2 million tonnes in 1979-80. In a note furnished in this regard, the Ministry of Railways (Railway Board) have stated :

"In terms of Tonne Kilometres the position emerges as under :

Year	Tonne/ KM millions	Originating Tonnes (Millions)	Lead (Kms)
1976-77	7347	7.9	930
1977-78	8366	8.3	1009
1978-79	8927	8.6	1038
1979-80	9200	8.2	1122

At the average lead of 740 Kms. as recommended by a Study Group, the loading would work out to the order of 12.06 million tonnes and 12.43 million tonnes in 1978-79 and 1979-80 respectively.

The basic effort to rationalise the movements so as to reduce the lead is of the Ministry of Agriculture. Railways can insist on their view point to a limited extent, particularly in movement of such a sensitive commodity as fertilizer."

160. When asked about the percentage of movement of fertilisers through road, the representative of the Department of Agriculture stated :

"I start from 1976-77 when the railway movement was 90 per cent. In 1977-78 it was 81 per cent, in 1978-79 it was 70 per cent, and in 1979-80 it was 65 per cent."

161. In a note furnished to the Committee subsequently in this regard, the Department of Agriculture have *inter-alia* stated :

"From the complex nature of the movements, the combination of modes and procedures involved, it is not possible to give the exact quantity of fertilisers moved by rail or road. However to give an idea of the quantity of imported fertilizers discharged at the ports as well as those produced in the country during the last three years and the quantity moved by rail for which the data is available—the position is as follows :

(lakh tonnes)

	1978-79	1979-80	1980-81
1. Quantity unloaded	39.26	42.36	50.91
2. Domestic production	77.57	77.56	*78.16(Apprx.) *Nutrient/ product ratio 1:2 : 6 has been assumed
3. Total (1+2)	116.83	119.92	129.07
4. Movement by rail	85.75	82.33	81.00 (Apprx.)

The balance quantity is deemed to have been moved primarily by road."

162. When asked as to how much the movement of fertilisers by road was subsidised, the witness stated :

"In 1980-81, upto 1,000 km by road."

When asked about the criteria for fixing the terms of subsidy, the witness stated :

"The criterion is the availability of wagons. For short distances of 300 or 500 kms. wagons will not be available. This is the practical experience of the industry."

163. Explaining the position further in this regard another representative of Department of Agriculture stated :

"The thousand kilometre road movement was permitted keeping in view the total capacity available. During the previous years, 1978-79 and onwards when it was 500 kms. We found that the fertiliser beyond a certain distance could not reach the destination in a safe condition, because this would involve double handling and damage to the fertilisers.

So we have sought a special dispensation to exceed 500 kms. upto 1000 kms. so that at one stretch, the quantity which cannot be moved by rail can be moved by road. When we analysed the situation during the above period, we found that lots of stocks were accumulated at the Ports and we were having certain difficulties in discharging the vessels. The supplies get accumulated because there are not enough wagons."

164. Emphasising the need for piecemeal movement of fertilizers by rail, the representative of the Department of Agriculture stated during evidence :

"Fertiliser is mostly loaded at the sea-ports and it is carried through some open wagons and some closed wagons. But through the courtesy of the Chairman, Railway Board due to the facilities provided by him, we could move bulk of the fertiliser without much damage, and it is easily loaded at the points from where it is sent. For example, in large number of areas, the foodgrains move from north to south. Some foodgrains like wheat are brought from north to south and fertiliser is transported from south to north, the area where the fertiliser is most consumed. The fertilizer factories are located in the coastal areas, and in the eastern part of the country and the western part of the country, but the major consumption areas are in the North, like Punjab, Haryana, U.P., Rajasthan and so on and so forth. Therefore, in the earlier years we had to depend on this, because our ports are located at a long distance and that distance cannot be reduced. But now, over the years, due to good working between the Railway Ministry and ourselves the position is very comfortable. One thing I wanted to mention that block rake system has proved to be very beneficial in moving the fertiliser, my submission is this, that when we move for long distances in a country like ours, there is some loss during transportation. There are many areas which do not consume more fertilisers and fertilisers has direct relationship with production. My suggestion for your consideration and for consideration of the Chairman is that for some years, till this system is fully developed. I think we must also allow piece-meal movement. We have been doing this earlier. This is my request on behalf of the farmer. It should not be full rake of 2000 tons. Some small fertiliser factories also do not have so much material to [illegible]"

165. In this connection the Chairman (Railway Board) put forth his point of view as under :

> "Railway transport, I am afraid is not meant for piecemeal movement. The more you put it to piecemeal movement, the more you will reduce the overall carrying potential. We are prepared to move it 3500 Km. but after that for the next 100 km. it should go by road. We must develop nodal points or central dump points from where road transport should take over."

166. In reply to a query that imported fertiliser is also being transported by road upto 1000 km., the witness stated :

> "We do not want imported fertiliser to move 1000 km. by road. You bring the rake upto Meerut and distribute it from there. But we cannot take it to individual stations. A factory may not be producing a rake of fertilisers a day but that does not mean they cannot load a rake every third day. We have said that silos should be provided at producing centres so that they can store it till a full rake load is available."

167. The Committee drew the attention of the Chairman, Railway Board to the fact pointed out in the audit para that earlier impored fertilisers used to be moved by road upto 500 km. and indigenous fertilisers upto 1000 km by subsidising the cost of road haulages but the distance upto which imported fertilisers might be moved by road was stepped upto 1000 km in May, 1979. To this the Chairman, Railway Board has stated :

> "These are things of the past when we could not move. In certain areas it suits me and it is economical to move even up to 100 km. by rail. For instance, there is a fertiliser plant at Panipat. I can easily take fertilisers from there to Kurukshetra although it is a short distance, because otherwise the rake will be going empty. In such cases even short distance haulage is welcome to railway."

He added in this connection :

> "The National Transport Policy Committee has recommended that stockyards should be set up. 33 nodal points have been identified for Punjab and Haryana and Rajasthan for taking train loads of fertilisers. Similarly, for example, for the food-grains, in West Bengal we take a rake to Kharagpur and the entire area is served. But all points have to be worked out. Then only rail can meet the needs of the country. If you feel that individual wagon should move to the individual station, that way we cannot deliver the goods."

He further added :

> "We have the best of coordination with the Agriculture Ministry. As has been mentioned there is direct coordination, then we drew up programmes. There is a Secretary (Coordination) who coordinates everything and I do not think there is any

problem that we cannot surmount as far as movement of food and fertilisers is concerned."

168. The Committee desired to know whether any coordination had been achieved by the Railways in consultation with the Ministry of Agriculture to make the road movement of fertiliser a feeder to rail traffic and so that the average lead of latter is brought down to the level (700 km.) worked by RITES. The Ministry of Railways (Railway Board) have stated in a note :

"Coordination in the matter of movement of fertilizer is achieved through an agreed programme for movement of fertiliser both imported and indigenous. The movement of fertilizers is attempted to be rationalised so that the indigenous fertiliser is consumed mostly in the areas where it is produced. Only surplus fertiliser and imported fertilizer is moved to deficit areas to meet the requirements of the different states. In order to reduce the lead of this traffic, product exchange is advocated. Some headway has been made in respect of Urea being manufactured by various units in the country. Lead is likely to come down only after the problem of congestion at ports is overcome and imports are canalised as per the rationalisation scheme. It is necessary for the purpose to centralise the marketing of fertilizer with one control agency such as FAI or FCC. The Ministry of Agriculture has also to make a start in setting up nodal points upto which movement will be done by rail and further destination from there by road."

Movement of Foodgrains

169. Audit para points out that while, according to the Railway Board, attempts had been made by them to rationalise the movement of foodgrains in block rakes, timely remedial measures such as provision of adequate siding facilities at the godowns to facilitate quick loading/unloading had not been taken by the Ministry of Food and Agriculture/Food Corporation. Consequently, block rake loading at stations in Punjab and Haryana had to be done by blocking running lines resulting in detention to wagons and affecting their turnround.

170. The following information had been supplied to the audit by the Ministry of Agriculture :

"It is a fact that out of many godown centres, each with a capacity of 10,000 MT or more in Punjab and Haryana captive sidings are available in only 4 godowns. Proposals for providing railway siding facilities were initiated by the FCI with the Railways as far back as 1975. In fact 5 silos each having a capacity of 20,000 tonnes were taken up for construction during the period from 1975 to 1980, and each of these silos has been provided with railway siding facilities. Likewise, proposals were initiated under the Second World Bank Project for construction of godowns with capacity of 25,000 tonnes and 50,000 tonnes with Railway siding facilities in 1976 itself. The problem that the FCI has been facing in speedy execution of the siding works by the Railways has been

insistence on the part of the Railways to provide full rake length sidings of 75 wagons in each case. The land for the purpose of constructing godowns had already been acquired in many cases on the basis of the earlier position with the Railways where siding facilities were being provided in 2 or 3 spurs without insistence on full rake siding. The change in the policy has caused serious delays in finalisation and execution of the works. It may be mentioned here that it may not be possible under the new policy of the Railways in respect of provision of Railway sidings to have siding facilities for godowns having even 10,000 tonnes capacity. This problem is also to be viewed in the context of the difficulties which the FCI is experiencing in the matter of acquisition of land Moreover, the provision of railway sidings is also linked with the nearness of the location of the godowns to the rail head."

171. When asked why the Railways have been insisting on provision of full rake length sidings of 75 wagons in each case irrespective of the size of the godowns, the Ministry of Railways (Railway Board) have stated in a note :

"Provision of storage capacity by FCI is related to the procurement in the area and the business resulting therefrom It is with respect to the size of the godown that the FCI decisions for the infrastructural facilities to be provided at the loading terminal and whether the haulage is to be done by road or rail. Provision of terminal facilities depends upon the availability of land and other requisites according to which the pattern of movement is planned out. If the land and other requisites are available full length siding is considered, otherwise two spurs are provided. The same considerations are given at the unloading terminal. As the concept is to move foodgrains in train-loads between two terminals it is in the interest of the economy to have full length sidings to accommodate full length trains as a policy measure."

172. In reply to a question as to why the matter could not be sorted out at proper level between the Ministry of Agriculture and the Ministry of Railways, the Ministry of Railways (Railway Board) have stated :

"At the initial stage, the matter is sorted out between the Divisional officers of the Zonal Railway and the Regional Officers of FCI. The final approval of the plans is coordinated by the Zonal Railway Headquarters officers and the FCI. The matters of policy are discussed between the Department of Food and the Ministry of Railways. Since most of the FCI's storage and Warehousing Projects are aided by the World Bank, periodical meetings are held by the Ministry of Agriculture (Department of Food) at the highest level to review the progress achieved in this regard by the FCI. The Ministry of Railways are consulted to resolve points between the zonal railways and FCI for which inter-Ministerial groups meet. There is thus a close coordination maintained between the Railways and the FCI/ Department of Food."

173. There was, according to audit para, reportedly lack of response from the Ministry of Food and Agriculture to a proposal to move foodgrains intended for southern states upto Kandla and Vizag by rail and thereafter by coastal shipping. When asked about the present position in this regard, the Ministry of Railways (Railway Board) have informed the Committee in a note that the Department of Food has not agreed to move foodgrains by rail-*cum*-sea route on grounds of cost. The Railways want more export and shipment *via*. Kandla so that the wagons after release can be utilised to load the imported fertiliser, etc.

174. In a note furnished to the Committee subsequently in this regard, the Ministry of Railways (Railway Board) have explained the position further as under :

> "Ministry of Agriculture (Department of Food) have advised that the proposal regarding rail-*cum*-sea movement from north to south through Kandla and Vizag ports was examined in consultation with the Ministry of Shipping and Transport, and FCI but was not found feasible for the following reasons :—
>
> (a) The freight for sea-*cum*-rail movement of foodgrains from Moga to Trivandrum *viz*. Kandla and Vizag ports was Rs. 324.20 per tonne against Rs. 148.50 per tonne by all rail routes.
>
> (b) Lack of facilities at the ports for storing the foodgrains pending arrival of coastal vessels.
>
> (c) Multiple handling would be involved, *e.g.*, unloading of consignments at the intermediate port, moving them to the local godowns, lifting them again from godowns to the ships for loading/unloading of the consignment at the destination port, movement to local godowns for storage until availability of wagons and loading again into wagons for movement by rail. This would have involved greater transit losses than in case of direct movement by rail upto the final destinations."

175. The Committee desired to know whether it was a fact that on 29 June, 1981 the FCI booked 1600 quintals of wheat at Barnale station in Punjab in open box wagons which arrived at Dhanbad yard of Eastern Railway on 6 July, 1981 and were detained there upto 12 July, 1981 and these wagons were not even covered with tarpaulin and so the wheat got badly rotten being drenched in rain and the entire wheat not fit for human consumption. In reply to this, the Ministry of Railways (Railway Board) have stated in a note :

> "29 BOX wagons containing wheat booked by Food Corporation of India on 30 June, 1981/1 July, 1981 at Barnala Railway Station on Northern Railway for Dhanbad duly covered with Tarpaulins were received at Dhanbad on 6 July, 1981. Since there was congestion in the Food Corporation of India's godown at Dhanbad, they requested for re-booking of the rake to Tatsilwai, a station on the South-Eastern Railway. As re-

booking was not permitted, fresh booking of the rake was made under Railway receipt No. 375601 of 10 July, 1981. 17 BOX wagons from this rake were received at Tatsilwai Railway Station and 12 BOX wagons at Ranchi Railway Station. Delivery of the consignment was given to Food Corporation of India on assessment of damages as contents of some wagons were found damaged by wet on account of rain since some of the tarpaulins got disturbed during transit. The Ministry of Railways are, however, not aware how the consignment in question has been disposed of by the Food Corporation of India."

176. According to audit para the Railway Convention Committee, 1977 had recommended that the question of laying down firm criteria for determining the total freight carrying capacity of the Railways on an acceptable basis so as to arrive at optimum lead in each case should be gone into critically. Effective action in this regard also yet remains to be taken, as is evident from the uncoordinated traffic movement of foodgrains and fertilisers. When asked to clarify whether any action in this context had been taken by the Railways to reassess their freight carrying capacity, taking into account the recommendations of the National Transport Policy Committee, the Ministry of Railways (Railway Board) have replied in a note :

"No reassessment of freight carrying capacity is considered necessary since the allocation made by the Planning Commission for railways under different heads are short of requirements of the Planning Commission's estimated traffic of 309 M. tonnes and 220 Billion Tonne Kms. This fact has been brought to the notice of the Planning Commission."

176A. Enquired whether any follow up action had been taken or was proposed to be taken through coordination efforts on the recommendations of the NTPC, the Ministry of Railways (Railway Board) stated in reply :

"Planning Commission are coordinating in the matter. After the Government's approval the accepted re-commendations will be implemented. But we are not in a position to refuse the traffic either for shorter uneconomical distances or for longer lead although irrational movements are not undertaken. We are compelled to carry the long lead imparted traffic of fertilisers, cement, coal just because the efficiency of national ports does not permit the pattern of movement which will reduce the lead."

177. The Indian Railways carry about 67 per cent of the originating tonnage and 82 per cent of tonne kms. of the total inter-regional movement of freight traffic in the country and thus constitute the main artery of the nation's inland transport. The unit of rail transport for freight traffic is wagon.

178. The Committee note that Railways had 4,90,817 wagons towards the end of the Fourth Plan which, according to the Ministry of Railways, were adequate to meet a traffic level of 235 million tonnes of traffic in the

last year of the Fourth Plan viz, 1973-74). By 1976-77, the total holding of BG and MG wagons had increased to 5,20,114 wagons. The Railways were able to load 239.1 million tonnes of traffic which meant a capacity utilisation of 96 per cent in terms of rolling stock.

179. The Committee regret to note that in the subsequent years while the wagon holdings of the Railways were on the increase, the total traffic carried continued to show a declining trend. This is evident from the fact that in 1977-78 with a wogon holding of 5,27,863 wagons (7,749 more than in 1976-77), the traffic carried was only 237.3 million tonnes (1.8 million tonnes less than in 1976-77). The position continued to deteriorate in subsequent years and in 1978-79 and 1979-80 the total traffic carried by Railways was 223.4 million tonnes and 217.8 million tonnes only. Thus while by 1979-80, a capacity to carry 245—250 million tonnes of freight traffic had been created, the actual traffic carried was about 30 million tonnes less. This not only resulted in financial loss to the Railways but had serious adverse repercussions on vital sectors of economy like power stations, fertiliser plants, cement factories etc. which had to be closed down from time to time for want of coal or other raw materials. The representative of the Ministry of Railways has explained that the decline in the traffic carried by Railways was mainly due to the general decline in efficiency and discipline in these years. The Committee express their deep concern at this fall in the efficiency of Railways during all these years.

180. The Committee would like the Ministry of Railways to examine the matter in depth particularly the defects in the system which contributed to this decilen in efficiency in the previous years and take adequate measures to effect improvement in their working on a long term basis so that the factors which contributed to the deterioration in their performance are not allowed to recur.

181. The Committee are distressed to note that there has been perceptible increase in the number of outstanding indents for wagons. While in 1976-77, the average monthly number of outstanding indents was 10,143 for BG and 4,807 for MG, this increased to 23,480 and 14,065 in 1977-78, 1,03,839 and 57,970 in 1978-79 and was as high as 2,44,368 for BG and 82,885 for MG in 1979-80. The Committee cannot accept the contention of the Ministry of Railways that the number of outstanding registrations did not correctly indicate the unfulfilled demand in view of the practice of bogus registration. The Committee feel that it is the failure of the Railways to meet the demand for wagons which is responsible for this increase in outstanding and tendency for bogus registration. The Committee are perturbed to note that inspite of the claim of the Ministry of Railways that there has been perceptible improvement in the haulage of traffic, the number of outstanding indents stood at 68,207 on BG and 27,613 on MG on 30 November, 1981. The Committee feel that with more sustained efforts on the part of the Railways and improvement in efficiency it is possible to eliminate the outstanding demand for wagons. The Committee would like to be apprised of the latest position regarding the outstanding indents for wagons and the steps taken by the Ministry of Railways in this regard.

182. The Committee are perturbed to note that the sick and overaged wagons with the Indian Railways are on the increase. While the number of sick wagons in 1977-78 was 18,717 (14,660 on BG and 4,057 on MG), the same increased to 20,619 in 1978-79 and to 21,785 in 1979-80. The number of overaged wagons also increased from 29,298 in 1977-78 to 30,354 in 1979-80. As on 1 April, 1981 the number of overaged and sick wagons was 37,814 and 24,378 respectively. The Committee need hardly emphasise the need for immediate repair/replacement of these sick and overaged wagons as even one sick or overaged wagon may impede the movement of the entire train and have adverse impact on the quick and fast movement of goods traffic.

183. The Committee have been informed that the Planning Commission had provided funds for procurement of 1 lakh additional wagons during the Sixth Plan period against a requirement of 1.93 lakh wagons. Out of these, 50,000 wagons (in terms of 4 wheelers) were to replaced overaged wagons which will number 64,000 during the plan. However, due to escalation in costs and financial constraints it will now be possible to procure only 75,000 wagons during the Sixth Plan period. In case all the overaged wagons are replaced, there will be a net addition of only 11,000 wagons. The Committee note that the Sixth Plan provides for a target of 309 million tonnes of originating traffic to be hauled by the Railways in 1984-85. However, the Ministry of Railways have stated that due to inadequate allocation of funds, it would not be possible for them to carry more than 280 million tonnes. The Committee have, however, an apprehension that due to inadequate rolling stock and in view of the fact that even in 1982-83 i.e. third year of the Plan, Railways have fixed the target of carrying only 230 million tonnes of freight traffic it would not be possible for the Railways to achieve even the target of 280 million tonnes of traffic by 1984-85. This would inevitably have an adverse impact on the various sectors of the economy. The Committee, therefore, recommend that the Planning Commission should examine the matter in depth and make adequate allocation to enable Railways to replace their overaged rolling stock and make requisite addition to the same to achieve the target of freight traffic contemplated in the Plan. In addition, the Committee would recommend that the Ministry of Railways (Railway Board) should also accord due priority to allocation out of available funds for increasing vital traffic facilities, track renewals, etc. to optimise the use of available wagons by reducing the turnround, etc.

184. The Committee note that a type-wise analysis of the 59,338 wagons procured during the years 1974-75 to 1978-79 disclosed that as many as 15,154 special type wagons (besides 25,307 covered wagons, 16,199 general purpose open type wagons and 2678 brake vans) had been procured and some of the types of special wagons procured during this period were not generally in demand by trade and industry. The special wagons as for instance, BRHT (6,438 Nos.) for carrying long length finished steel products from steel plants, BOY (3,300 Nos.) for transporting iron ore for export in closed circuit sections of the South Eastern Railway and BOBS (2,010 Nos.) for transport of raw materials to the steel plants had been procured and ordered from 1974-75 onwards in excess in relation to the traffic that materialised but these could not be diverted to meet the

traffic demand for general purpose ,open or covered, wagons. The Committee cannot but conclude that this provisioning of excess BRHT and BOBS wagons and their under-utilisation clearly indicate the faulty planning of procurement of wagons particularly when Railways have been complaining of inadequate allocation of funds. The Committee expect the Ministry of Railways to undertake a fresh assessment of the requirements of wagons and take necessary corrective measures.

185. The Committee are constrained to point out that a substantial number of wagons, though manufactured by wagon builders, could not be taken over from them and put on line for traffic use but had to be kept stabled in their workshops for want of wheel sets and roller bearing axle boxes. These fittings which were required to be supplied to wagons builders as free supply items could not be arranged by the Railway Board in adequate numbers to match the delivery schedule of wagons. During 1976-77, the maximum number of wagons stabled in a month was 217 numbers in 4 wheeler units. During 1977-78 stabling was resorted to only in the month of March 1978 and 300 numbers in 4 wheelers were stabled as on 31st March, 1978. During 1978-79 and 1979-80, on an average 839 and 784 wagons per day, out of 12,056 and 10,827 wagons respectively, built for the Railways had to be kept stabled on this account. The loss to the Railways because of stabling of wagons has increased in subsequent years as during 1981-82, upto 31 December, 1981, while the average monthly outturn of wagons was 1,367, as many as 1321 wagons per month on an average were stabled because of non-availability of components which are supplied free to the wagon builders. According to the Ministry of Railways, the stabling has been taking place for shortage of wheel sets from Durgapur, delays in arrival of imported wheel-sets and short supply of Laminated Bearing Springs by L-B spring manufacturers. The Committee cannot but express their serious concern over the increase in number of wagons stabled since 1976-77. This stabling has resulted not only in revenue loss to the Railways but the country has also been deprived of the use of these wagons for haulage of traffic at a time when there is a huge outstanding demand for wagons. The Committee feel that there was clearly bad planning on the part of Railways not to have arranged for the supply of these components simultaneously with the manufacture of wagons. The Committee hope that suitable steps would be taken in coordination with suppliers of wheel sets and matching sets of L-B springs to avoid any stabling of wagons in future.

186. The Committee regret to note that even the fleet of wagons on line could not be put to maximum utilisation due to various operational and non-operational factors within the control of the Ministry of Railways (Railway Board) as is clear from the succeeding paragraphs.

187. The Committee are constrained to point out that the turn-round time of wagons on Indian Railways increased from 13.0 days in 1976-77 to 14.3 days in 1978-79 and further to 15.1 days in 1979-80 on BG. Similarly, on MG the turn-round time increased from 11.1 days in 1976-77 to 12.8 days in 1978-79 and further to 14.1 days in 1979-80. In 1976-77 and 1977-78 when the wagon turn-round was brought to 13.0 and 13.3 the efficiency indices were the best. Wagon (BG) km. per wagon day was 81.1 and 81.9 in 1976-77 and 1977-78 as compared to

73.3 in 1979-80. Net tonne km. per wagon days was 1019 and 1045 in 1976-77 and 1977-78 as compared to 972 in 1979-80. The loss in monetary terms to the Railways on account of increase in the turn-round time during all years can be estimated from the fact that if the turn round was less by one day in 1980-81 the wagon loading could have increased by 1656 wagons per day on the BG and by about 335 on the M.G.

188. An analysis of the turn round time of wagons during 1978-79 and 1979-80 has revealed that the main reasons for the high turn-round time were the detentions at terminals, marshalling yards and enroute. A reduction in the time spent by a wagon in its round trip under any of these factors namely, at the terminals, in marshalling yards or even by reduction in the number of marshallings (i.e. by block rake movement), quicker marshalling through mechanisation of hump and reducing hold ups of wagons enroute could improve its availability.

189. The Committee are surprised to find that even though the number of wagons dealt with in the marshalling yards had come down by 22.2 per cent from 1976-77 to 1980-81, the detention to wagons had gone up by 25.1 per cent during the same period. A sample study of one month's (December) statistics during the busy period of some of the major marshalling yards during 1969-70 and 1979-80 disclosed that, though the number of wagons dealt with in the yards had declined, the detentions to wagons had increased. The increase in detention to wagons in the yards, despite the additional facilities provided was stated to be due to factors such as wagons becoming unfit|damaged owing to deficient coupling, lack of power, late materialisation of stock, etc.

190. The quantum of block rake trains bye-passing the marshalling yards constitutes a sizeable percentage of traffic in coal, ore, POL etc. and as much as 24 to 32 per cent under other commodities. These rakes pass through the Central yards of important marshalling yards. However, a record of the detentions to the wagons in these yards is not being maintained and as such it is not possible to ascertain the reasons for detentions of through goods trains. The Committee would suggest that the Railways should maintain records of detention of wagons to through trains and include them in the published Marshalling Yard Statistics so that such detentions could be watched and controlled by taking suitable measures.

191. The Committee further find that even though the number of wagons dealt with in the terminal yards had come down by 15.9 per cent from 1977-78 to 1980-81 the detention time of wagons had gone up by 57.9 per cent during the same period. The Ministry of Railways (Railway Board) have informed the Committee that due to increase running of block rakes which by-pass yard, the number of wagons dealt with in the yards has decreased. The wagons are, therefore, detained for longer periods for formation into trains. Further, according to the Ministry of Railways the general increase in detention to wagons is not due to want of adequate facilities in yards and terminals. A general drop in efficiency and discipline within and outside the railways has also been responsible for increased detentions.

192. The Committee are surprised to note that the problem of detention to wagons at yards and terminals had been dealt with by the Railway Board by revising upward the target of detention time (September and October 1978) without analysing in detail the reasons for the increase and without considering any remedial measures for bringing down the detention time to the prevsous levels. The Committee are dissatisfied with this ad hoc step taken by the Railway Board. They would like the Railways to keep a strict watch on the detentions to wagons in yards and terminals and take corrective steps to reduce such detentions in future.

193. The Committee further find that during 1980-81 the average number of wagons transhipped per day at the 18 major transhipment points, statistics for which are published, from BG to MG was 892 and from MG to BG 783. Average detention per wagon was 41.5 hrs and 38.1 hrs respectively. According to the Ministry of Railways the detention to wagons for transhipment is due to various factors like behaviour of transhipment labour, pattern of loading particularly of imported goods etc. Availability of matching wagons is itself dependent on these factors The Committee are informed that 97 transhipment points would be eliminated on completion of gauge conversion projects which have been making very slow progress. Despite heavy investments on conversion projects, and completing about 326 km during Fourth Plan (1969-74) and 480 km during the subsequent period upto 1979-80, the number of transhipment points has remained at 97. This seems largely due to undertaking conversion projects simultaneously on various MG Sections without having any time bound programme for their completion. The Ministry of Railways (Railway Board) have stated in this connection that at present there are 15 conversion projects and for want of funds only 6 are expected to be completed during the Sixth Plan. The Committee find that out of these 15 conversion projects, in respect of 8 projects, even target dates of completion have not been fixed. The Committee would like to express their dissatisfaction at the slow progress of these coversion projects. They fail to understand that when Railways are well aware of the difficulties regarding financial constraints, why so many conversion projects are taken in hand resulting in scattering of scarce resources. The Committee recommend that Railways should try to complete the on going conversion projects as early as possible according to a time bound programme so that the transhipment points may be eliminated early. In future only selected conversion projects should be taken in hand and efforts made to complete these projects before undertaking new projects. In the meantime, handling facilities such as cranes, matching MG wagons etc. should be made available at important transhipment points and other suitable steps taken to avoid detention to wagons at transhipment points so that delay in movement of wagons and damages to consignments and their pilferage etc. could be obivated.

194 The Committee note that traffic facilities broadly comprise facilities at terminals in marshalling yards and on enroute sections to facilitate movement of traffic as far as possible at the booked speed and to remove congestions in busy yards, etc, The Fourth and the Fifth Plans' total allocation of funds for traffic facilities and line capacity works was Rs. 315

crores and Rs. 500 crores, respectively (out of a total plan outlay of Rs. 1525 and Rs. 2350 crores, respectively). While the budget allotments year to year totalled Rs. 238.5 crores in the Fourth Plan and Rs. 326.5 crores in the Fifth Plan, the expenditure was only Rs. 210.7 crores and Rs. 299.5 crores respectively. This was despite the fact that Railways have been continuously complaining of inadequate allocation of funds. The Committee further note that out of the budget allotments, nearly 60 per cent of the allocations for 'Traffic facilities', viz. Rs. 145 crores in the Fourth Plan and Rs. 182 crores in the Fifth Plan had been spent on gauge conversion and doubling works in patches.

The Committee would like to express their deep concern on this decline of investments in traffic facilities as this is bound to have an adverse impact on the quick movement of traffic and will lead to congestion.

195. The Committee further observe that a review of some of the yard remodelling projects and line capacity works on the Eastern, Northern, Southern, South Central, South Eastern, Eastern and Western Railways undertaken to ease congestion and reduce detentions to wagons and goods trains had revealed that these were either not been planned/executed in a manner that could relieve congestion or were taken up after considerable delay and the pace of their execution had been slow. The Public Accounts Committee, in their 11th Report (Sixth Lok Sabha), had recommended a comprehensive study of the major yards with a view to streamlining their working. The Committee find that although, in pursuance of this, Railways have undertaken a comprehensive study of various major marshalling yards, the studies have been completed for 10 yards only. Even in the case of these 10 yards, majority of recommendations though accepted by the Railways are still to be implemented. The Committee would like the Railway Board to ensure that Zonal Railways take necessary action for implementation of these recommendations and complete studies of the remaining major yards as early as possible.

196. The Committee note that empty wagons are required to be cleaned inspected and scarted into covered and open wagons and tanks in the marshalling yard prior to their despatch to the bulk loading points (viz. collieries, steel plants, cement and fertiliser plants, etc.). A review of coal loaded wagons despatched from collieries revealed that the Railways had not been adhering to the prescribed rules and procedures in this regard, with the result that empty wagons sent to the collieries from the marshalling yards had either been left behind unloaded (at least until the next pilot) or hauled empty. The number of wagons so left behind ranged between 1043 and 1336 per day and the wagons hauled empty ranged between 60 and 136 per day during the years 1975-76 to 1979-80. The Committee regret that the number of wagons left behind and hauled empty over the years has been on the increase. The increase was despite the assertion made by the Railways that cases of wrong marshalling are taken up as and when they come to notice on occasional checks which the yard master and operating officers are supposed to make. The Committee would urge upon the Railways to strengthen the supervisory checks in regard to the observance of the extant instructions and if necessary to revise them suitably so as to avoid the instances of wagons left behind or hauled empty. If any wagon is left behind or haulted empty due to Colliery's own failure, a provision for suitable penalty should be made in the relevant rules and the same should be strictly enforced.

197. Further, the proper loading of wagons upto their carrying capacity is required to be ensured and adjustment of loads is made so as to avoid underloading or overloading. A review of coal loaded wagons despatched from collieries revealed that there were cases of overloading of wagons leading to damage to wagons. On the Eastern Railway during 1976 to 1979, overloading of coal wagons varied from 14.7 to 39.7 per cent in the case of Box wagons and from 11.9 to 43.1 per cent in the case of four wheeler wagons. As a result 33659 bearing springs of BOX wagons were damaged and the Railways administration had to incur expenditure of Rs. 64.63 lakhs on repair. The rules provide for adjustment of loads on the spot after weighment and levy of stringent demurrage charges for non-adjustment of loads. Though adequate weighment facilities exist in the Depot Yards of the Railways these rules were not being strictly observed and charges against the collieries were not being enforced. The Committee are not satisfied with the reply of the Railway Board that adequate facilities for weighment of wagons in depot yards do not necessarily imply adequate facility for adjustment of loads whenever loading of wagons attains large proportions and that it is for the coal companies to do correct loading as far as possible to avoid other difficulties. Since overloading contributes to damage and consequent sickness to the wagons and possibilities of overloading of wagons are more at the loading point, it is for the Railways to ensure that the wagons are not overloaded at any point and particularly at loading points.

198. It is surprising to note that although as per the rules as they existed prior to 1975, the consignee/consigner had to pay extra penal freight charges calculated at double the highest classification rates on the excess weight loaded and detected at the loading or unloading stations or enroute, the rules were amended in April 1975 to provide for levy of penalty only if excess weight was discovered enroute or at the destination. The amended rule continued for six years and it was only in 1981 that new Rule 161-A applicable to coal with effect from 7.5.81 and loose commodities w.e.f. 1-11-1981 was provided in the Goods Tariff according to which if wagons are discovered overloaded at the booking point, enroute or at destination, such over-weight beyond the permissible carrying capacity of the wagon should be charged at the normal wagons load rate if the overweight is upto one tonne and at the 'smalls' rate if the overweight is more than one tonne, for the entire distance from the booking point to the destination.

199. It is also pertinent to note that the Railway Board had issued instructions in December 1980 and April 1981 permitting loading of coal and certain other commodities upto 5 tonnes in excess of the carrying capacity of the BOX wagons. These instructions were withdrawn in March 1981/May 1981. In the first instance the relaxation was for short distances but later it was extended for longer distances also. The Ministry of Railways have stated in this connection that these instructions were issued in consultation with the Mechanical Directorate of the Railway Board and RDSO, to meet the immediate requirement of steel plants for building coal stocks there.

Since such measures even if resorted for short periods adversely effect life of the axles and other components of wagons, these are bound to result in the shortening of the life span of wagons which cannot be permitted. The Committee expect that Railways would ensure that such overloading of wagons is not permitted in future.

200. Another factor which affects the wagon availability for trade and industry is the holding up of wagons by steel plants, Food Corporation of India, Port Trusts, etc. The number of wagons handled in such sidings has been of the order of 25,000—26,000 in recent years, of which 16,000—17,000 are at the six major steel plants for their inward and outward traffic. Despite liberal free time upto 48 hours for single operation of loading or unloading as against 5 hours allowed to trade, detention to wagons in the yards of steel plants was much higher. The Ministry of Railways have stated that whenever excessive detention of wagons was noticed inside steel plants, the matter was taken up at appropriate level and remedial action was taken in coordination with the steel plants/SAIL Ministry of Steel to keep it to minimum possible level.

201. In this connection, the Khandelwal Committee had recommended in 1973 a series of measures and works to be implemented mutually by the Railways and the steel plants for reducing the detention to wagons inside their yards. According to the Railway Board, while 75 out of 97 recommendations concerning them have been implemented, out of 153 recommendations pertaining to steel plants only 77 have so far been implemented although the number of recommendations rejected were only 32.

202. Even after the implementation of 75 out of 97 recommendations pertaining to Railways and 77 out of 153 recommendations pertaining to steel plants and despite the assertion of the Railways that remedial action is taken in coordination with the steel plants/SAIL/Ministry of Steel whenever there is excessive detention to wagons inside steel plants, there has been no perceptible improvement as can be seen from the fact that in 1980-81, average detention per wagon in all the six steel plants was more than the liberal free time upto 48 hours, and even in 1981-82 (April—June) average detention per wagon was excessive. In TISCO, IISCO, Bhilai, Rourkela, Durgapur and Bokaro Steel Plants, it was 106.10 hrs., 70.10 hrs., 89.20 hrs., 160.40 hrs., 78.30 hrs. and 168.20 hours respectively. The Committee would like the Ministry of Steel and Ministry of Railways to examine the matter expeditiously and find out the reasons with a view to reduce the detention to wagons inside the steel plants.

203. The demurrage charge leviable since 15 February, 1981 for detention to wagons in steel plants is Rs. 120 for 4 wheeler wagons per day or part thereof, whereas the rate for public/trade is Rs. 316.80 for first 24 hours. According to the Ministry of Railways, the rate of demurrage charges is fixed by correlating it to the average earning capacity of BG 4 wheeler wagon per day during 1981-82 is estimated at Rs. 120.15. The Committee find it suprising that although the rate of demurrage for detention to wagons in the steel plants has been kept at a lower level than that for

the general public, substantial demurrage charges were outstanding against the steel plants as on 31st March, 1981. Whereas on Eastern Railway these were Rs. 5.24 lakhs, the demurrage charges outstanding were as high as Rs. 968.46 lakhs in South Eastern Railway and these have not yet been realised. The Committee take a serious view of these large outstandings. They feel that in view of the continued detentions of wagons in steel plants there is an urgent need not only to realise the outstandings, but also to consider the desirability of upward revision in the rate of demurrage charges in case there is no reduction in the detention time.

204. The new BG wagons procured after 1973-74 are fitted with centre buffer couplers (CBC) while the older wagons on line have the conventional screw couplings and the two cannot be readily coupled. A transitional device, known as "transitional coupling", to enable the two to be coupled is, therefore, being used. The consequential increased requirement of the device could not, however, be met due to its limited production in the country, the supplies during the period April, 1977 to June, 1980 having been only 96,712 as against the requirement of 2,08,123, resulting in a large number of wagons being put out of commission. The Committee note that this device, attached to the CBC fitted wagons and stated to be rather weak, has often been getting damaged in the marshalling yards while humping due to the inadequate observance of the prescribed drill. Further, there has also been reportedly large scale 'pilferage' of this device in the marshalling yards, more particularly since 1977-78. The Committee regret the failure of the Railways to take adequate preventive measures to reduce the damage to couplings of wagons through correct observance of maintenance instructions and to guard against large scale pilferage of this item in their yards. The Committee would like the Ministry of Railways to take remedial measures in this regard expeditiously.

205. According to the Ministry of Railways (Railway Board) the present wagon shortage is attributable to a significant extent to the increase in lead as extra time is needed for the wagon to cover the additional distance and, further, the wagon may have to be hauled over additional intermediate yards involving extra detention enroute. The Committtee note that the increase in lead from 656 km. in 1976-77 to 717 km. in 1979-80 was mainly due to the much longer average lead in respect of foodgrains, fertilisers and cement, due partly to cross-country traffic and partly to diversion of short intermediate lead traffic to road because of the inability of the Railways to cope with the demand. The Railway Board have stated in this connection that there are constraints where the imports or seasonal or other shortages at the linked source of supply determine the pattern of movement. Imports of fertilisers are being made at Vishakhapatnam Port instead of at Kandla, Okha and Porbandar with the resultant increase in lead for movement of fertiliser for Punjab and Haryana. Similar is the case of Rock Phosphate. Further, according to the Ministry, the Calcutta Port which should be meeting the requirements of Bihar, Eastern UP and the North Eastern States is loading not more than 25 wagons per day although the Railways are prepared to load upto 100 wagons a day from this Port and also the rail capacity available at Haldia is not being utilised. The Committee feel that this is clearly indicative of lack of proper coordination between the Ministry

of Railways and Ministry of Shipping and Transport as well as user Ministries. The Committee would like the Ministry of Railways to sort out this matter with the Ministries|Departments concerned with a view to evolving and finalising a coordinated approach to rationalise the movement of these commodities so as to reduce the lead of traffic as far as possible and to put the available wagon capacity to the best possible use.

206. The Committee find that due to non-availability of wagons there was considerable diversion of traffic from rail to road, which not only resulted in the Railways losing revenue but also in some cases in haulage over long distances by the costlier road transport.

207. The Committee are constrained to point out that the quantity of cement moved by rail declined from 127.73 lakh tonnes in 1976 to 99.45 lakh tonnes in 1979 and further to 68.46 lakh tonnes in 1981 (January-September) whereas that moved by road increased gradually from 45.49 lakh tonnes in 1976 to 76.39 lakh tonnes in 1979 and during the first nine months of 1981, 74.71 lakh tonnes had been moved by road. According to the office of the Cement Controller, the main reasons for the decline in the quantity of cement moved by rail over the years were shortage of wagons supplied to cement factories. The Ministry of Railways (Railway Board) have stated in this connection that there was a general decline in all spheres of economic activity in the country and there was, therefore, a shortfall in loading of almost all commodities, including cement. Further, according to them they have offered to the Ministry of Industrial Development that they can lift all the cement in block rakes by rail, but this has not found favour with the cement factories.

208. The Committee find that the indigenous cement production declined from 190.77 lakh tonnes in 1978 to 182.38 lakh tonnes in 1979 and further to 177.90 lakh tonnes in 1980. It is really a matter of concern that inspite of this decline in the production of cement, Railways could not meet the demand of cement factories and the outstanding indents of wagons increased from 7311 in 1977 to 183,918 in 1978 and further to 206,070 in 1979. Further, according to the Ministry of Industrial Development (Cement Controller), many cement factories, particularly those on South Central Railway and South Eastern Railway had been complaining about continuous short supply of wagons and movement restrictions imposed by the Railways. The cement factories situated on other Zonal Railways were also not in a very happy position.

209. The Committee are given to understand that many Government projects have been delayed due to non-availability of cement for want of wagons. The most adversely affected States in this respect are Assam, West Bengal (beyond Farakka), Sikkim, Tripura, Manipur, Nagaland and Arunachal Pradesh in Eastern Region, J,K, Punjab, Haryana, Himachal Pradesh, Delhi and UP in Northern Region and Kerala in Southern Region. Due to short supply of wagons, cement factories are moving cement not only to short distances which can conveniently be served by road but are compelled to move cement over longer distances. At present, very large quantity is moving by road for distances beyond 250 kms.

210. The Cement Cotroller has informed the Committee in this connection that the Cement Controller's instructions to the factories are that except for distances below 250 kms cement is to be moved by rail to the extent possible if wagons are made available but they do not have any statutory power to compel factories to send cement by rail. It is however, pertinent to note that this office is permitting freight reimbursement on movement by road beyond 100 kms for Government Parties and 350 kms for other consignees with extra weightage over rail freight to cover part cost of additional road freight incurred for movement by road from Cement Regulation account and to this account, it costs about Rs. 5 crores to Rs. 6 crores per year. Due to several increases in diesel prices and other costs of operations, transport companies are charging much higher freight from the consignees which unnecessarily increases burden on consumers, including Government Departments, and causes strain on road transport system.

211. The Chairman, Railway Board had informed the Committee that the Railways had written a letter to the office of the Cement Controller suggesting (i) that subsidy should be given strictly on the condition that they should carry the cement beyond 250 kms. by rail, (ii) that subsidy limit in the South may be reduced from 250 kms to 150 kms and (ii) anything moved beyond 250 kms by road must be on a specific certificate by the Railways that they were not able to move the cement by rail. Reacting to these suggestions the Cement Controller had stated "I would not only accept it but I will welcome it". The Committee have also taken note of the statement made by the Chairman of the Railway Board before the Committee that "very often there is vested interest in loading by road." The Committee feel that this is a disturbing situation with Railways claiming adequate capacity to transport cement provided these are offered in block loads and the cement factories moving increasing quantities of cement by road because of so called non-availability of wagons. The Committee feel that there is an urgent need for this matter to be sorted out at the highest level between the Ministry of Railways and Ministry of Industry so that movement of cement by road which not only puts additional burden on the consumer but also results in wasteful use of scarce petroleum products could be reduced to the barest minimum. The Committee feel that in view of the partial decontrol of cement, the whole question of subsidy needs to be reviewed.

212. The Committee are constrained to find that the average number of wagons (4-wheelers) loaded per day for transportation of coal during the last six years i.e. from 1975-76 to 1980-81 was far less than the offers for loading of wagons made by Coal India Ltd. and Singareni Collieries Company Ltd. for movement of coal. The shortfall in the supply of wagons for haulage of coal has been recurrent and has assumed serious proportions during these years as is apparent from the fact that the percentage of average loading of wagons per day to the offers made by Coal India Ltd. and Singareni Collieries Company Ltd. gradually decreased from 82.2 per cent in 1975-76 to 78.4 per cent in 1977-78 and further to 71.3 per cent in 1980-81. In this connection, the Chairman (Railway Board) stated during evidence that "from the figures I have, the offers made by Coal Companies to the Railways for loading were

much above the level of wagons actually supplied and therefore it does appear that in those years perhaps the Railways may not have been able to meet the demand fully."

213. The Committee find that the quantity of coal transported by rail declined from 77.53 million tonnes in 1977-78 to 71.47 million tonnes in 1978-79 and further to 68.76 million tonnes in 1979-80. It is only in 1980-81 that the quantity moved by rail has picked up to 70.10 million tonnes. On the other hand the quantity of coal transported by road has increased gradually from 13.90 million tonnes in 1976-77 to 19.16 million tonnes in 1978-79 and to 28.08 million tonnes in 1980-81.

214. During evidence, the representative of the Department of Coal informed the Committee that there has been improvement in the loading of coal by railway wagons. At the end of November 1981, on an average 9800 wagons were loaded per day and they hope to achieve record loading of 10500 wagons a day by March 1982. Despite a very high level of loading in November, the stock at the pitheads had, however, gone up because of the increase in production of coal.

215. The Committee were further informed that during the last 2-3 years 9 to 11 per cent annual growth in production of coal has been maintained and that pithead stock level at 10 to 12 million tonnes is considered more than adequate and reasonable. The Department of Coal would like to bring it down from 15 million tonnes to 10 to 12 million tonnes and for this purpose coal fields require increasing number of wagons if the coal despatches are to keep pace with the increasing production.

216. In this connection the Department of Coal have informed the Committee that with a view to increasing the quantum of coal carried by rail as a result of increase in production of coal every year, Railways have been requested to make available wagons according to the coal fieldwise requirements, to avoid supplying rakes of covered wagons (jumbo rakes) or rakes having a mixture of open and covered wagons at sidings where coal companies have mechanised loading arrangements. The Railways have also been requested to ensure supply of wagons according to a fixed time schedule and avoid erratic supply of wagons or bunching of supplies, particularly at such sidings where coal companies have to resort to loading manually. The Committee would like the Ministry of Railways to consider these suggestions of the Department of Coal and intimate to the Committee the measures taken by them in this regard.

217. The Committee would urge upon the Department of Coal to issue necessary instructions to the Coal fields to augment the supervisory checks in regard to loading of coal wagons to ensure better utilisation of wagons supplied. Since movement of coal by road leads to wastage of precious diesel and consequent burden on the foreign exchange, the Committee hope that close coordination will be maintained by Coal Companies with the Railways at all levels to maximise movement of coal by rail.

218. In regard to the movement of fertilisers also, the Committee find that Ports as well as domestic fertiliser factories are experiencing shortage

of wagons. That the shortage was uniform is borne out by the fact that during each month in the lost three years i.e. from April 1978 to March 1981 the averoge number of wagons supplied to the ports and domestic fertiliser factories was far less than that indented by them. The ffuantum on this shortfall is evident from the fact that during 1980-81 the number of wagons indented by domestic fertiliser factories and ports was 13771 and 33619 and that actually supplied to them was 5554 and 4665 respectively. The quantity unloaded at Ports and domestic production, according to Ministry of Agriculture, increased from 11.68 million tonnes in 1978-79 to 11.99 million tonnes in 1979-80 and to 12.91 million tonnes in 1980-81. The Railways could not meet the demand for more wagons to cope with the increase in total quantum of fertilisers to be transported during these years, as is borne out by the fact that whereas the quantity of fertilisers moved by rail declined from 8.6 million tonnes in 1978-79 to 8.2 million tonnes in 1979-80 and further to 8.1 million tonnes in 1980-81, that transported by road increased from 3.1 million tonnes in 1978-79 to 3.8 million tonnes in 1979-80 and further to 4.8 (approx.) million tonnes in 1980-81.

219. The Committee are informed that for the year 1978-79, the Department of Agriculture & Cooperation had revised their target of rail capacity requirement for fertilisers from 9.2 million tonnes to 11 million tonnes. The Minisfy of Railways however, agreed to provide a capacity of 9.2 million tonnes only. Keeping in view the shortage of wagons, the Department of Agriculture in consultation with the Ministry of Finance agreed that the imported fertilisers should be moved by road upto 500 km. and indigenous fertilisers upto 1000 km. by subsidising the additional cost of road haulage. The distance upto which imported fertilisers were to be moved by road was also subsequently stepped upto 1000 km. in May, 1979. The actual rail movement of fertilisers during 1978-79 and 1979-80 was 8.6 million tonnes and 8.2 million tonnes, the average lead having increased from 929 km. in 1976-77 to 1038 km. in 1978-79 and 1122 km. in 1979-80. According to the Ministry of Agriculture, the programme for movement of fertilisers was drawn up in coordination meetings with the Railway Board, but in view of the inability of the Railways to provide the required number of wagons at ports close to the consumption centres, they were compelled to move fertiliser from distant port locations in the South which inevitably added to the lead of the fertiliser movements. The Committee are of the opinion that movement of fertilisers during these years by rail/road to various points of consumption centres was not properly coordinated between the two ministries resulting in increase in lead of rail traffic and diversion of considerable quantum to road. The Committee are unhappy at this lack of coordination and would like remedial measures in this regard to be taken early.

220. The Committee have been informed by the Railway Board that as the concept is to move foodgrains in train-leads between two terminals it is in the interest of the economy to have full length sidings to accommodate full length trains as a policy measures. While attempts had been made by them to rationalise the movement of foodgrains in block rakes, timely remedial measures such as provision of adequate siding facilities at the godowns to facilitate quick loading/unloading had not been taken by the

Ministry of Food and Agriculture/Food Corporation. Consequently, block rake loading at stations in Punjab and Haryana had to be done by blocking running lines resulting in detention to wagons and affecting their turn round. The Ministry of Agriculture have admitted that out of many godown centres, each with a capacity of 10,000 MT or more in Punjab and Haryana, captive sidings are available in only 4 godowns. However, the problem that the FCI has been facing in speedy execution of the siding works by the Railways has been insistence on the part of the Railways to provide full rake length sidings of 75 wagons in each case. The land for the purpose of constructing godowns had already been acquired in many cases where siding facilities were being provided in 2 or 3 spurs without insistence on full rake siding. The change in the policy has caused serious delays in finalisation and execution of the works. Further, according to the Ministry of Agriculture it may not be possible under the new policy of the Railways regarding provision of Railway sidings to have siding facilities for godowns having even 10,000 tonnes capacity.

221. The Committee regret to observe that the matter could not be sorted out at proper level between the Ministry of Agriculture and the Ministry of Railways. They are of the view that where the land has been acquired by FCI and the siding facilities are being provided in 2 or 3 spurs and in godowns where FCI is experiencing difficulties in acquiring sufficient land for rake siding, the Ministry of Railways may not insist on full rake siding. Where the land and other requisites are available the Food Corporation of India/Department of Food should initiate proposal for railway siding suitable for block rake loading.

The Committee would like the Ministry of Railways and FCI/ Department of Food to maintain a close coordination between them so as to provide adequate siding facility at maximum number of godowns particularly in Punjab and Haryana.

222. The Committee note that loading of foodgrains, fertilisers and cement in open (BOX) wagons covered with tarpaulins was permitted by the Railway Board in November, 1978 subject to these wagons being booked for short distances and over routes not likely to be affected by rain. These conditions were, however, not observed by the Railway staff and open wagons with the above commodities were despatched to distant places. For examples, 29 BOX wagons containing wheat booked by Food Corporation of India on 30-6-1981/1-7-1981 at Barnala Railway Station on Northern Railway for Dhanbad duly covered with tarpaulins were received at Dhanbad on 6-7-1981. Due to congestion in FCI's godown at Dhanbad, fresh booking of the rake was made on 10-7-1981. 17 BOX wagons from this rake were received at Tatsilwai Railway Station and 12 BOX wagons at Ranchi Railway Station. Delivery of the consignment was given to FCI on assessment of damages as contents of some wagons were found damaged by wet on account of rain since some of the tarpaulins got disturbed during transit. The Committee strongly disapprove the use of open wagons for the commodities such as cement, foodgrains, fertiliser etc. particularly when the Railways have claimed that the traffic requiring use of covered wagons was only 34 per cent while such wagons are available to the extent of 54 per cent. Since such commodities transported in open

wagons even if covered by tarpaulins in turn entail unnecessary expenditure and can fall easy prey to pilferage or get damaged in rain, it is desirable that these are booked in covered wagons only thereby releasing sufficient open wagons for loading of coal at collieries. The Committee recommend that necessary instructions may be issued by the Railway Board to all concerned. In case the number of covered wagons with the Railways is not commensurate with the increase in traffic in commodities needing such wagons, immediate measures may be taken to procure such wagons.

SATISH AGARWAL
Chairman
Public Accounts Committee

NEW DELHI ;
April 17, 1982.
Chaitra 27, 1904 (*Saka*)

APPENDIX I

(*Vide* para 1)

WAGON AVAILABILITY ON THE RAILWAYS*

Audit Paragraph

1. Introduction

1.1 The Indian Railways carry about 67 per cent of originating tonnage and 82 per cent of tonne km of the total inter-regional movement of freight traffic in the country and thus constitute the main artery of the nation's inland transport. Freight traffic is also the main source of their earnings and nearly 97 per cent of it is in wagon loads.

1.2 The unit of rail transport for freight traffic is the wagon. The number of wagons required is assessed by the Ministry of Railways (Railway Board) in consultation with the Planning Commission and the main users, taking into account the anticipated traffic under major commodities, the turn-round time of wagons i.e. interval between two loadings, and the average lad, i.e. distance of haul, in the light of past trends and likely future developments. The requirements of wagons so assessed are distributed into various types and included in the Rolling Stock Programme (Budget) and ordered on the wagon builders each year by the Railway Board.

1.3 The Railways had 4,90,817 wagons** towards the end of the Fourth Plan, which according to the Ministry of Railways (Railway Board), were adequate*** to meet a traffic level of 235 million tonnes or 148 billion net tonne km in the last year (1973-74) of the Fourth Plan. However, the traffic carried in that year was only 184.9 million tonnes or 122.3 billion net tonne km, which meant a capacity utilisation of 83 per cent. The average turn-round of wagons in that year had increased from the assumed level of 11.9 and 8.8 days to 15 and 12.5 days for broad gauge (BG) and metre gauge (MG) wagons, respectively.

1.4 For the Fifth Five Year Plan (1974-75 to 1978-79), the Railway Board were as per the revised targets of traffic, to procure 54,024 wagons including 16,500 wagons on replacement account for carrying an estimated originating freight traffic of 250 million tonnes. Cognisance was taken of the need for better utilisation of the existing track and rolling stock capacity and higher operational efficiency by maximising movement in block rakes and reducing turn-round time (to a level of 12.1 and 10.5 days for BG and MG respectively).

*A detailed draft review was issued to the Ministry of Railways (Railway Board) on 6th November 1980; it was finalised in the light of discussions with the officials of the Ministry of Railways (Railway Board) on 24th December 1980.

**Wagons are reckoned in terms of four wheelers unless otherwise stated.

***Railway Convention Committee, 8th Report, 1973.

1.5 By 1976-77, the total holding of BG and MG wagons had increased to 5,20,114. The turn-round of wagons had also come down, with improved operating efficiency from 15 and 12.5 days during 1973-74 to 13 and 11.1 days for BG and MG respectively during 1976-77. The Railways were as a result, able to load 239.1 and 237.3 million tonnes during 1976-77 and 1977-78 which meant a capacity utilisation of 96 per cent in terms of rolling stock.

1.6 By 1978-79, against the Fifth Plan provision of 54,024 wagons, the actual procurement of wagons was 59,338. Accordingly, the total wagon holdings increased further from 5,20,114 in 1976-77 to 5,32,072 in 1978-79 and 5,34,517 at the end of 1979-80. However, the traffic tonnage carried, especially under coal and cement declined from 1977-78, as under :

Year	Total wagon holding	Traffic tonnage carried			Total Traffic in NTKM (in billions)
		Coal (in million tonnes)	Cement (in million tonnes)	Total traffic (in million tonnes)	
1976-77	520114	82.3	13.7	239.1	156.8
1977-78	527863	83.8	13.6	237.3	162.6
1978-79	532072	77.9	12.3	223.4	154.8
1979-80	534517	75.8	10.0	217.8	155.9

II. Position after 1976-77—Wagon shortage

1.7 The preceding para would indicate that wagon capacity to load 247—250 million tonnes of traffic had been created and traffic of 239.1 and 237.3 million tonnes had been moved in the years 1976-77 and 1977-78; further, that with lesser traffic in the subsequent years the Railways should have had more wagons than what the traffic moved needed. However the factual posttion turned out to be different, as indicated below :

1.8 A review by Audit of the operating position from 1976-77 to 1979-80 on the Central, Eastern, Northern, Southern, South-Central, South Eastern and Western Railways, which together account for 90.7 per cent of the total tonnage carried by the entire Railway system, indicated shortage of both covered as well as open wagons. The following is the result of a survey to gauge the extent of outstanding indents for wagons (average monthly outstanding indents for one month in the lean period—April to September and one month in the peak period—October to March) :

Year	Outstanding indents (average per month)		
	BG	MG	
1976-77	10,143	4,807	
1977-78	23,480	14,065	
1978-79	1,03,839	57,970	
1979-80	2,44,368	82,885	
1980-81	1,92,256	46,594	(June 1980 only)

1.9 A further analysis of the outstanding indents to the end of June 1980 showed that the oldest date of registration was November 1978 in respect of BG and March 1979 in respect of MG wagons on the Eastern and Northern Railways, respectively.

1.10 A review by Audit of the procurement of wagons as also of the factors responsible for reducing the wagon availability during recent years revealed the following :

(As the BG accounts for 89 per cent of the freight traffic this review deals mainly with the position on the BG).

III. Procurement of Wagons

Imbalance in wagon holding between open and covered

1.11 A comparative study* of the wagon holding position at the beginning of the Fifth Plan (i.e. as on 1-4-1974) with that at the end of 1977-78 (when the Railways carried the maximum traffic, achieving 96 per cent capacity utilisation), analysed into open and covered stock, revealed as under :

	Percentage increase in wagon capacity (tonnes) from 1973-74 to 1977-78	Percentage increase in traffic in commodities for which generally covered/open wagons are indented, from 1973-74 to 1977-78	Variation
BG			
Covered	17	29	(—)12
Open	52	43	9
MG			
Covered	0.3	21	(—)20.7
Open	(—)3	7	(—)10

1.12 The above analysis brings out that the increase in covered stock was not commensurate with the increase in traffic in commodities (cement, foodgrains, fertilisers and other commodities) for which generally such wagons are indented. Even in the case of open wagons, the apparent higher capacity was not genuine, firstly because the increase was largely in special type wagons (for carrying iron ore, other raw materials for steel plants, long length finished steel items, etc.) rather than general purpose (open) wagons and, secondly, the general purpose (open) wagons had to be used for transport of commodities even where covered wagons had been indented.

*This comparative study does not take note of the effects of turnround and lead on the wagon availability.

Inadequate provisioning of MG wagons

1.13 The MG wagon holding position having indicated a surplus of 591 wagons when the Railway Board assessed the requirements of wagons for the Fifth Plan period, mainly because of projects for conversion of MG track into BG, no provisioning of MG wagons on additional account was made in the Rolling Stock Programmes of 1975-76 to 1977-78. The slowing down of execution of MG to BG conversion projects (on the Western, North Eastern and Southern Railways), however, delayed the release of MG wagons from the sections to be converted into BG and, as a result, there was practically no net addition to the MG wagon fleet during the period from 1974-75 to 1978-79 to handle the increase traffic in the MG sections.

Excess Provisioning of special type wagons

1.14 A type-wise analysis of the 59,338 wagons procured during the years 1974-75 to 1978-79 disclosed that as many as 15,154 special type wagons, (besides 25,307 covered wagons and 16,199 general purpose open type wagons*) had been procured. Further, some of the types of special wagons procured during this period were not of the types generally in demand by trade and industry.

1.15 The special wagons, as for instance, BRHT (6,438 Nos.) for carrying long length finished steel products from steel plants, BOY (3,300 Nos.) for transporting iron ore for export in closed circuit sections of the South Eastern Railway and BOBS (2,010 Nos.) for transport of raw materials to the steel plants, had been procured in excess in relation to the traffic that materialised; but these could not be diverted to meet the traffic demand for general purpose, open or covered, wagons. Similarly, there had been excess provisioning (1,101 Nos.) and excess procurement (506 Nos.) of brake vans during this period.

1.16 Even of the wagons ordered, a substantial number, though manufactured by the wagon builders, could not be taken over from them and put on line for traffic use but had to be kept stabled in their workshops for want of wheelsetes and roller bearing axle boxes. These fittings which were required to be supplied to wagon builders as free supply items could not be arranged by the Railway Board in adequate numbers to match the delivery schedule of wagons. During 1978-79 and 1979-80, on an average, 830 and 784 wagons per day, out of 12,056 and 10,827 wagons, respectively, built for the Railways, had to be kept stabled on this account. The loss to the Railways as a result was 3,06,235 and 2,26,160 wagon days, respectively, during the two years.

IV. Factors affecting wagon availability

1.17 Even the fleet of wagons on line could not be put to maximum utilisation due to various operational and non-operational factors within

*Excludes 2678 brake vans procured during 1974—79.

the control of the Ministry of Railways (Railway Board), as brought out hereunder :

Inspection, sorting, etc. of empty wagons and adjustment of loads in Railway yards.

1.17.1 The empty wagons are required to be cleaned, inspected and sorted into covered and open wagons and tanks in the marshalling yards prior to their despatch to the bulk loading points (viz. collieries, s eel plants, cement and fertiliser plants etc.). Similarly, proper loading of wagons upto their carrying capacity is required to be ensured and adjustment of loads made so as to avoid underloading or overloading. It was noticed by Audit during the course of a review of coal loaded wagons despatched from collieries that the Railways had not been adhering to the prescribed rules and procedures in this regard, with the result that empty wagons sent to the collieries from the marshalling yards had either been left behind unloaded (atleast until the next pilot) or hauled empty. The number of wagons so left behind ranged between 1,043 and 1,336 and the wagons hauled empty ranged between 60 and 136 per day during the years 1975-76 to 1979-80. There were also cases of overloading leading to damage to wagons*.

1.17.2 Further, due to the general shortage of covered wagons, loading of foodgrains, fertilisers and cemen', in open (BOX) wagons covered with tarpaulins was permitted by the Railway Board in November 1978, subject to these wagons being booked for short distances and over routes not likely to be affected by rain. These conditions were, however, not observed by the Railway staff and open wagons with the above commodities were despatched to distant places thereby retarding availability of open empties for loading of coal at the collieries. As a result, the inter change commi'ment to supply open empties from Northern Railway to Eastern Railway at Mughalsarai for loading coal came down from 1,748 in 1978 to 1,506 in 1979, per day.

1.17.3 Coal accounts for 32—33 per cent of the originating tonnage on the Indian Railways and the Eastern and South Eastern Railways carry between them over 90 per cent of the total coal tonnage carried. As a result of the above factors contributing to reduced availability of open wagons, there was a setback in the daily wagon allotment* and coal loading, as indicated below :

Year	Offer indents	Allotment (Numoer	Loading of Wagons)	Production in million tonnes (Coal India only)
1976-77	10367	8734	8172	89.48
1977-78	10701	9218	8379	88.96
1978-79	10230	8124	7540	90.06
1979-80	9979	7646	7160	91.39

*Specific illustrative cases of damage noticed by Audit are given in the Annexure.

*Data from "Sales and Traffic Review" of Coal India Ltd., 1979-80.

1.17.4 While the Ministry of Railways (Railway Board) attributed the reduction in the loading of coal to failure of the collieries to organise their labour, etc. for loading of wagons within the free time, the Ministry of Energy (Department of Coal), on behalf of the collieries, attributed (February 1978) this to, a part from less availability of wagons, unscheduled supply of wagons resulting in (colliery) labour being kept idle at times for the whole day; improper sequencing of rakes resulting in the collieries not being able to load coal properly; and supply of empties with defetcs and without cleaning, etc.

1.17.5 Such differences are required to be sorted out at co-ordination meetings between the collieries and the Railway officers at the local level as well as at the level of Ministry of Railways and Ministry of Energy (Department of Coal). Nevertheless, the position had deteriorated over the years as seen from the above figures.

Wagon shortage due to wagons being held up in sidings of major Railway users

1.18.1 *Steel Plants* : Wagon availability for trade and industry is affected also owing to wagons being held up in the sidings or yards of major Railway users, *e.g.* steel plants, Food Corporation, Port Trusts, etc., which are not worked by the Railways. The number of wagons handled in such sidings has been of the order of 25,000—26,000 in recent years, of which 16,000—17,000 are at the six major steel plants for their inward and outward traffic. Despite liberal free time upto 48 hours for singe operation of loading or unloading as against 5 hours allowed to trade, detentions to wagons in the yard of the steel plants were much higher, as revealed during test check of records of December 1979, undertaken by Audit, as indicated below :

Type of wagon	Name of Steel Plant	No. of wagons detained	Detention per wagon (hours)
BOX	Bokaro	1391	72
	Rourkela	1178	64
BFR	TISCO	172	80
	Durgapur	128	93
BRH	Bokaro	140	250
	Rourkela	82	186
Ordinary covered wagons	TISCO	281	55
	Bokaro	229	321
	Rourkela	362	153
	Durgapur	115	142
Ordinary open wagons	Durgapur	216	110
Tank Wagons	Durgapur	88	92

According to the Ministry of Railways (Railway Board), the yards of the steel plants having been built on certain assumptions and the situation having changed with the passage of time, there were hold ups of wagons.

In this connection, the Khandelwal Committee had recommended in 1973 a series of measures and works to be implemented mutually by the Railways and the steel plants for reducing the detention to wagons inside their yards. However, not all the recommendations of the Committee have been implemented so far; according to the records made available to Audit by the Ministry of Railways (Railway Board), the Railways had implemented 75 out of 97 recommendations concerning them and the steel plants 56 out of 149 concerning them (September 1980).

Departmental users

1.18.2 The free time allowed for traffic wagons inside departmental workshops and sidings is as it is much in excess of the normal free time of 5 hours, ranging from 48 to as high as 216 (reduced to 144 from 1-8-80) hours per wagon on the Eastern, South Central and Southern Railways. Even then, the actual time for which wagons were held up was much in excess of even this liberal free time, mainly owing to non-execution/delayed implementation of measures to improve loading/unloading facilities inside the workshops. (see para 3).

Wagon shortage due to overaged and sick wagons

1.19 Another factor affecting wagon availbilty during recent years has been the increased percentage of overaged and sick wagons under or awaiting repairs on the line.

1.19.1 The number of overaged wagons was as follows :

At the end of	Numbers		Percentage to total on line	
	BG	*MG*	*BG*	*MG*
1973-74	12054	10464	4.15	11.31
1977-78	18917	10381	6.18	11.66
1978-79	19014	9777	6.17	11.04
1979-80	20245	10109	6.49	11.46

1.19.2 The number of sick wagons was as follows :

At the end of	Numbers		Percentage to total on line	
	BG	*MG*	*BG*	*MG*
1977-78	14660	4057	3.98	3.91
1978-79	16255	4364	4.34	4.14
1979-80	16812	4973	4.43	4.73

The extent of overaged wagons would appear to be one of the reasons for the high percentage of wagons in workshops and sick lines (and also detention to rakes in yards and on the line), thus reducing their availability for traffic.

1.20 *Coupler incompatibility*

Another reason for large number of sick wagons is the problem of coupler incompatibility. All the new (BG) wagons procured after 1973-74 are fitted with centre buffer couplers (CBC), while the older wagons on line have the conventional screw couplings and the two cannot be readily coupled. A transi ional device, knownas 'transitional coupling,' to enable the two to be coupled is, therefore, being used. However, this device, attached to the CBC fitted wagons and stated to be rather weak, has often being getting damaged in the marshalling yards while humping due to inadequate observance of the prescribed drill. Further, there has also been reportedly largescale 'pilferage' of this device in marshalling yards, more particularly since 1977-78. The consequential increased requirement of the device could not, however, be met due to its limited production in the country, the supplies during the period April 1977 to June 1980 having been only 96712 as against the requirement of 208123, resulting in wagons being put out of commission.

According to the standing instructions in force and reiterated by the Ministry of Railways (Railway Board) in August 1980, CBC wagons should CBC wagons should as far as possible move in block rakes. In the connection, the Ministry of Railways (Railway Board) observed (December 1980) that "As regards closed circuit rakes where this problem did not exist it had to be seen whether the country can really afford this."

Turn-round as a factor affecting wagon availability

1.21.1 The turn-round time of a wagon comprises (i) the time to load/unload a wagon at the terminals, (ii) the ime spent at the marshalling/transhipment/repacking sheds and (iii) its run time. These operations are within the control of Railways and it is imperative to keep the turn-round near about the assumed level so that the demand and availability of wagons are evenly matched.

As already stated, the Ministry of Railways (Railway Board), while working out the wagon requirements for the Fifth Plan period, had assumed that the turn-round would be brought down to 12.1 days on BG (for M.G. 10.5 days). It was expected that the investment in line capacity works, in yard facilities, in the number of rolling stock, etc. would improve the turn-round through better speed, rationalised movement (block rakes) etc.

1.21.2 The actual turnround of wagons on the BG and MG has however, been as follows :

Year	Turnround	
	BG	*MG*
1973-74	15.0	12.5
1974-75	14.6	12.0
1975-76	13.5	11.6
1976-77	13.0	11.1
1977-78	13.3	11.5
1978-79	14.3	12.8
1979-80	15.1	14.1

As a result of the higher turnround, the wagon availability became less. The following are the results of an analysis of the effects causes of the increase in turnround on BG wagon availability (the position on MG is similar and has hence not been brought out here).

(i) At the level of wagon holding in 1973-74 and 1974-75, increase in turnround by 0.5 day meant shortfall in availability of wagons for loading to the extent of about 700 to 1000 per day.

(ii) In 1976-77 and 1977-78, when the wagon turnround was brought down to 13.0 and 13.3, the efficiency indices were the best, as detailed below :

Details of efficiency indices of wagon utilisation

BG	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
1. Turnround (days)	15.0	14.6	13.5	13.0	13.3	14.3	15.1
2. Wagon Km per wagon day	67.2	70.3	71.8	81.1	81.9	75.9	73.3
3. Net tonne Km per wagon day	837	907	982	1019	1045	976	972
4. Speed (All traction) (Km per hour)	18.3	18.4	18.8	20.1	19.7	19.6	19.5

(iii) A study of the statistics, compiled by the Railway Board, of wagons dealt with and their detention during a period of two selected months (one peak month—December, and one lean month—June) in all important marshalling yards and terminal points (all located in BG/MG trunk routes)

for the years 1976-77, 1977-78, 1978-79 and 1979-80 indicated in the following position :

Important Marshalling Yards (BG)	1976-77	1977-78	1978-79	1979-80
1. No. of Yards	47	47	47	47
2. No. of wagons dealt with (per month) .	163304	1571252	1441538	1318210
3. Detention in hours (per wagon) . .	26.5	29.4	30.5	30.45
Terminal Yards				
BG				
1. No. of Yards	24	25	25	25
2. No. of wagons loaded unloaded, re-loaded etc. (per month)	62150	88480	84040	75023
3. Detention in hours (per wagon) . .	39.8	39.4	49.0	67.5

It would be observed that even though the number of wagons dealt with in the marshalling yards had come down by 19.3 per cent from 1976-1977 to 1979-80, the detention to wagons had gone up by 14.9 per cent during the same period. The increase in detention to wagons in the yards, despite the additional facilities provided, was stated to be due to factors such as wagons becoming unfit/damaged owing to deficient coupling, lack of power, late materialisation of stock, etc., besides inadequate capacity in the deception lines of the central yards which receive and despatch through goods trains.

It would also be observed that both the number of wagons dealt with in terminal yards and the detention to them during the years 1976-77 to 1979-80 registered respectively an increase of 20.7 per cent and 69.6 per cent. The abnormal increase in detentions at the terminals was due to inadequate terminal facilities for receipt and clearance for loading and unloading of terminating wagons and growth of passenger traffic, most terminals being common to goods and passenger traffic.

This problem had been dealt with by the Railway Board by revising upward the target of detention time (September and October 1978) without analysing in detail the reasons for the increase and without considering any remedial measures for bringing the detention to the previous levles (e.g. in Mughalsarai Marshalling yard the target was raised from 23.0 to 35.0 and in Carnac Bridge Terminal yard from 28 to 40 hours).

(iv) Normally, as per extant operating instructions and markshalling orders, a wagon in its round trip (or turnround) would be dealt with, maximum, at 3 marshalling yards* and 2 terminals yards**, after it is loaded. If a wagon has to be dealt with in more than 3 marshalling yards, it would indicate a trend towards deterioration in efficiency. Assuming that a wagon is dealt with in its round trip in 3 or at the most

*First immediately after loading second, immediately before unloading; and third, possibly, for haulage as empty.

**One for loading and one for unloading.

4 marshalling yards (one extra marshalling being allowed for unforeseen contingency), the wagon turnround of 14.3 days during 1978-79 15.1 days during 1979-80 can be accounted for as follows :

1976-77	1977-78		1978-79	1979-80
Days	Days		Days	Days
2.28	2.40	1. Run time on the basis of wagon km per wagon day (of effective stock) and average speed.	2.41	2.47
3.30	3.28	2. Time spent by wagon at the two terminals on the basis of weighted average detention for all terminal yards.	4.08	5.62
3.32/ 4.42	3.68/ 4.90	3. Time spent by wagon at 3/4 marshalling yards on the basis of weighted average detention for all marshalling yards***	3.81/ 5.08	3.81/ 5.08
0.18	0.18	4. Time spent by wagon at transhipment points on the same basis as (3) above with reference to the transhipment tonnage percentage.	0.18	0.18
0.06	0.06	5. Time spent at repacking sheds.	0.06	0.04
0.42	0.42	6. Free time 5 hours at each terminal (Total : 10 hours)	0.42	0.42
3.44/ 2.34	3.28/ 2.06	7. Time unaccounted, wagon being stabled/ empty in goods train short of junctions, in transit from or to sick line or in sidings or in sections awaiting clearance***.	3.34/ 2.07	2.56/ 1.32
13.00 days	13.30 days		14.30 days	15.10 days

***Figures for three/four marshallings.

It would be seen from the above analysis by Audit (on the pattern of a similar study undertaken by the Railway Board in June 1979) that the main factors of the high turnround time were the detentions at terminals, marshalling yards and *en route*. In other words, a reduction in the time spent by a wagon in its round trip under any of these factors namely, at the terminals, in marshalling yards or even by reduction in the number of marshallings (i.e. by block rake movement), quicker marshalling through mechanisation of bump, and reducing hold ups of wagon *en route* i.e. short of important junctions, terminals, way-side stations etc. (through provision of bye-pass lines, loops, extra reception lines/facilities in marshalling and terminal yards), would improve its availability.

Further, although as per the analysis conducted by Audit, traffic via the transhipment points (there are 97 such points on the Indian Railways) amounts to 11 to 12 per cent of the total traffic and the detention time to a wagon is hardly 0.2 day in the turn-round time, lack of handling facilities such as cranes, non-availability of matching MG wagons, etc. had caused bottlenecks and led to wagon hold-ups both at transhipment

points and short of the transhipment points.* The holdups were mainly due to lack of handling and reception facilities and adequate matching MG wagons at the transhipment points.

V. Traffic facilities for improving the wagon turnround

1.22 These broadly comprise facilities at terminals, in marshalling yards and on *enroute* sections to facilitate movement of traffic as far as possible at the booked speed and to remove congestions in busy yards, etc.

1.23 The Fourth and the Fifth Plans' total allocation of funds for traffic facilities and line capacity works was Rs. 315 crores and Rs. 500 crores, respectively (out of a total plan outlay of Rs. 1525 and Rs. 2350 crores, respectively). While the budget allotments year to year totalled Rs. 238.5 crores in the Fourth Plan and Rs. 326.5 crores in the Fifth Plan, the expenditure was only Rs. 210.7 crores and Rs. 299.5 crores, respectively. Out of the budget allotments, nearly 60 per cent of the allocations for "Traffic facilities", viz. Rs. 145 crores in the Fourth Plan and Rs. 182 crores in the Fifth Plan, had been appropriated for gauge conversion and doubling works in patches. As a result, the amount allocated for yard remodelling and attendant facilities out of the total plan outlay was only Rs. 65 crores (4 per cent) and Rs. 117.5 crores (5 per cent) during the Fourth and Fifth Plan, respectively.

1.24 The line capacity works, which were carried out, did lead to creation of more section capacity and made possible running of more Q.T.S. trains, block rakes and passenger trains over the years from 1969-70 to 1978-79. However, during this period, the growth of passenger traffic was more pronounced than that of the goods traffic—while the utilisation of track by goods services increased by 16.6 per cent, that by passenger services went up by 76 per cent. Further for lack of matching allocations for facilities at marshalling and terminal yards, there were congestions and detentions to goods trains.

1.25 It was noticed during the course of a review of some of the yard remodelling projects and the line capacity works on the Eastern, Northern, Southern, South Central, South Eastern, and Western Railways, undertaken to ease congestion and reduce detentions to wagons and goods trains, that these had either not been planned|executed in a manner that could relieve congestion or been taken up after considerable delay and the pace of their execution had been slow.

The following works of traffic facilities executed|or under execution by the zonal Railways are mentioned as illustrative examples.

Eastern Railway—Mughalsarai Yard

1.25.1 As pointed out in para 18, while executing the work of remodelling of the Down Yard, adequate reception facilities in the Central Yard, which handles through trains, block rakes and trains not requiring much shunting operations, had not been created. As a result, while the additional humping and marshalling yard facilities created might not be put to effective

*Details of an illustrative case given in Annexure.

use (as about 70 per cent of the goods trains interchanged were through trains not requiring marshalling), detention to wagons in the Central yard and to Northern Railway trains had showed no improvement (1979-80).

Northern Railway—Lucknow yard

1.25.2 Apart from handling terminating/originating/traffic from/in different directions, Lucknow yard deals with through loads coming from and going to Mughalsarai (14/15 through goods trains in Up and Down directions on an average per day). The yard has a total of 20 reception lines (9 in the Up and 11 in the Down Yard) but these are not adequate and, as a result, wagon detention in Lucknow marshalling and terminal yards has been on the increase, as indicated below :

	Detention hours per wagon	
	1969-70	1979-80
Marshalling yard	24.3	30.9
Terminal yard	30.2	48.5

Though in the 1980-81 Works Programme the Board has approved the provision of a bye-pass-line for through goods traffic to ease the congestion in Lucknow marshalling and terminal yards at a cost of Rs. 4.69 crores, no progress in the execution of the work has been made so far (December 1980).

South Central Railway

Bye-pass for Hyderabad/Secunderabad terminals

1.25.3 Another example of delayed traffic facility work is the case of construction of a chord line (length 22 km) connecting Maula Ali and Sanatnagar to avoid the busy terminals of Hyderabad|Secunderabad. This work was found necessary since 1970 for speedy movement of diesel hauled through goods trains from and to Kazipet side on the G.T. route and to and from Wadi side. The average detention per train on these lines recorded as early as in 1972 was :

(a) Bye-pass trains . . . . . 3.15 hours
(b) Pilots . . . . . 3.13 hours
(c) Originating/terminating trains . . . . . 3.70 hours

Nevertheless, final decision to include the chord line in the works programme could not be taken till 1978-79 owing to the inability of the South Central Railway Administration to work out the financial savings accruing from his project, necessary for allocation of funds to capital. The project was finally sanctioned by the Railway Board in June 1979 at a cost of Rs. 4.24 crores (net) chargeable to Capital and is due to be completed by December 1981.

1.26 The Public Accounts Committee, in their 11th Report (Sixth Lok Sabha), had recommended a comprehensive study of the major yards with a view to streamlining their working. Though the Railway Board had called upon the zonal Railways to make a systematic appraisal in this regard, effective action in this regard yet remains to be taken as evident from the continuing detentions in the yards.

VI. Lead of traffic as a factor affecting wagon availability

1.27 The average lead of traffic hauled over the Railway system, the other constituent of the turnround time, has been on the increase as shown below :

	Year	Lead assumed in the two Plan periods (combined lead for BG and MG, with the lead for BG which accounts for over 4/5th of the total traffic given in brackets)	Actuals	
		km	km	
IV Plan	1969-70	630	617	(585)
	1973-74		662	(630)
V Plan	1974-75	678 (642)	686	(655)
	1976-77		656	(626)
	1977-78		686	(659)
	1978-79		693	(663)
	1979-80		717	(691)

1.28 According to the Ministry of Railways (Railway Board), the present wagon shortage is attributable to a significant extent to this increase in lead, over which the Railways have no control, as extra time is needed for the wagon to cover the additional distance and, further, the wagon may have to be hauled over additional intermediate yards involving extra detention enroute.

It may, however, be observed from the data given earlier that while the average lead in the BG had increased by 37 km during 1976-77 to 1978-79 and further by 28 km in 1979-80, the turnround during the same period had increased disproportionately from 13 to 14.3 days and 15.1 days.

Further, the traffic, especially of bulk commodities, has been increasingly moving in block rakes, thereby eliminating the need for marshalling at intermediate yards between the forwarding and the destination stations as indicated below :

	1969-70	1976-77	1977-78	1978-79	1979-80
	(Percentage of wagons loaded in block rakes to the total number of wagons loaded on BG)				
Coal	67.0	86.2	87.0	82.0	*72.2
Iron Ore	100.0	100.0	100.0	100.0	100.0
Manganese	..	83.0	96.0	100.0	100.0
POL	68.0	90.0	92.4	93.0	91.7
Cement, Fertilizer, Foodgrains	Not available separately but included under other commodities.				
Other commodities	7.7	23.3	29.0	32.0	*24.0

*Deterioration in 1979-80 was both the cause and the result of deterioration in turnround.

In the circumstances, detention to wagons in marshalling yards enroute should have been minimal and the overall turnround of the wagons should have been expected to improve rather than deteriorate despite increased lead of traffic ; but this was not the case.

1.29 Audit also conducted a review of the position of increase in the leads of the major commodities transported by rail on the BG since 1974-75 to analyse and verify how far the increase in lead had led to increase in the turn round time of wagons. The following facts are relevant :

1.29.1 Details of the leads of major commodities yearwise since 1976-77 :

Commodity	Lead assumed in V Plan for calculation of wagon requirements	Actual lead (BG traffic only) 1976-77 (Best year)	1977-78	1978-79	1979-80	Increase in lead 1978-79/1979-80 (percentage with reference to best year 76-77 or 77-78)
1	2	3	4	5	6	7
			(in km)			
1. Coal						
(a) For steel plants	250	305	310	314	318	1.3/2.6
(b) For others	800	729	737	706	718	(—)4.2/(—)2.6
2. Steel plants traffic						
(a) Finished product	970	983	1046	1083	1100	3.5/5.2
(b) Raw materials	198	238	203	207	215	2.0/5.9
3. Iron Ore for export	645	690	689	682	685	(—)1.2/(—)0.6
4. Cement	655	633	651	723	759	14.2/19.9
5. Food grains	1050	879	1137	1193	1253	35.8/42.5
6. Fertilizers	750	823	893	961	1081	16.8/31.3
7. Other commodities	800	815	840	860	889	2.4/5.8
Overall (BG) lead	..	626	659	663	691	

Note. : Comparison of lead in 1978-79,1979-80 is with reference to 1976-77 in respect of cement, fertilizers and food grains, and with reference to 1977-78 for all other commodities on the consideration that the effect of instructions of the user Ministries/Departments authorising diversion of short lead traffic in respect of cement and fertiliser to road was felt mainly during 1977-78.

1.29.2 The above commodity-wise analysis shows that the increase in lead in recent years has been confined mainly to commodities for transport of which covered wagons are generally indented, procurement of which has not been adequate (as brought out in para 1.11 above). In respect of coal

for steel plants and other users, which constitutes by far the major item of the goods traffic, there has been a very small increase only as compared with the lead in 1976-77.

1.29.3 A further analysis of the factors which affected the increase in lead in respect of the three commodities, cement, fertilisers and food grains, disclosed the following position :

*Cement**

The number of wagons loaded against the indents placed by the cement industry was 99 and 93 per cent during 1976 and 1977 respectively. Following the deterioration in turnround in the subsequent years, the number of wagons loaded against indents fell to 71.3 and 64.5 per cent during 1978 and 1979. This was the period when the availability of covered wagons deteriorated, leading the Cement Controller, with the concurrence of the Railway Board, to decide that, effective from 1st July 1978, all movements of cement from factories upto a distance of 250 kms for all categories of consignees would be by road only, the extra expenditure on road haulage being taken into account in the fixation of the sale price of cement. Consequent on the shift of short lead traffic to road, the quantity carried by rail fell from 12.86 million tonnes in 1976 to 10.07 million tonnes in 1979 and the overall average lead for cement went up from 633 km in 1976-77 to 741 km in 1979-80.

Fertilizers

During 1976-77 and 1977-78, the loading was 7.78 million tonnes and 8.21 million tonnes with a lead of 929 km and 991 km respectively. For 1978-79, the demand for loading having been stepped up by the Mnistry of Agriculture to 11.5 million tonnes, and in view of the shortage of covered wagons, it was agreed that the imported fertilisers should be moved by road upto 500 km and indigenous fertilisers upto 1000 km by subsidising the additional cost on road haulage; the distance upto which imported fertilisers were to be moved by road was also subsequently stepped upto 1000 km in May, 1979. Consequent on the shift of short/intermediate lead traffic to road, the haulage by rail during 1978-79 and 1979-80 was 8.6 million tonnes (90%) and 8.2 million tonnes (65%), the average lead having increased to 1038 km and 1122 km respectively.

According to the Ministry of Agriculture, the programme for movement of fertilisers was drawn up in co-ordination meetings with the Railway Board ; but in view of the inabilty of the Railways to provide the required number of wagons at ports close to the consumption centres, they were compelled to move fertiliser from distant port locations in the South which inevitably added to the lead of the fertiliser movement.

The decision to divert all short/intermediate lead traffic of cement and fertiliser (even upto 1000 km in the case of the latter) to road, which inevitably led to an increase in their lead was, thus, itself the result of the inability of the Railways to meet the requirement, in turn due to shortage

*Data from Annual Report on 'Cement Production' and despatches of the relevant years of the Cement Controller, Ministry of Industry.

of wagons caused by deterioration in operational efficiency. 'Lately, even coal has been moving long distances by road.....,' as pointed out by the National Transport Policy Committee (May 1980).

Foodgrains

The pattern of foodgrains traffic, which was largely from the ports to the godown points in the interior in the earlier years, gradually changed with large scale movement from Punjab and Haryana to stations on the Southern Railway involving a longer lead over saturated routes. The loading during 1976-77, 1977-78, 1978-79 and 1979-80 was 19.96, 19.45, 16.7 and 18.35 million tonnes with a lead of 940, 1181, 1229 and 1279 km respectively. Thus in the case of foodgrains traffic the increase in lead has not only been very significant but also for reasons over which the Railway Board had little control.

While, according to the Railway Board, attempts had been made by them to rationalise the movement of foodgrains in block rakes, timely remedial measures such as provision of adequate siding facilities at the godowns to facilitate quick loading/unloading had not been taken by the Ministry of Food and Agriculture/Food Corporation. Consequently, block rake loading at stations in Punjab and Haryana had to be done by blocking running lines resulting in detention to wagons and affecting their turnround. There was also reportedly lack of response from the Ministry of Food and Agriculture to a proposal to move foodgrains intended for Southern States upto Kandla and Vizag by rail and thereafter by coastal shipping.

1.29.4 It would appear that the Railway Board and the concerned Ministries had not been able to co-ordinate their efforts to organise the movement of bulk commodities, especially cement, fertilisers and foodgrains, and even coal, so as to achieve optimum rail-cum-road haulage in a planned manner involving reasonable levels of lead of traffic for the Railways.

It may be mentioned that, in a study on the movement of fertilisers in the country by the RITES in 1978, it had been concluded that under a rationalised pattern of movement, the average lead of the traffic should be only 472 km (as against 1122 km in 1979-80) but there had apparently been no concerted effort to work out the modalities for attaining this optimum.

1.29.5 The Railway Convention Committee, 1977 had recommended that the question of laying down firm criteria for determining the total freight carrying capacity of the Railways on an acceptable basis so as to arrive at optimum leads in each case should be gone into critically. Effective action in this regard also yet remains to be taken, as is evident from the uncoordinated traffic movement of foodgrains and fertilisers.

VII. Results of high turn round time

Fall in originating traffic

1.30 The overall effect of the deterioration in the turnround time of wagons from 1976-77 has been the continuing shortage of wagons for trade and industry. The deterioration in turnround by 1.3 days in 1978-79 and 2.1 days in 1979-80 as compared to 1976-77 meant a loss of 2350 and 3491 wagon loadings per day, respectively, on the BG alone even after

taking into account the longer lead of traffic. The result is reflected in the fall in traffic carried from 239 million tonnes in 1976-77 to 223 million tonnes in 1978-79 and 218 million tonnes in 1979-80, coupled with ten-fold and seventeen-fold increase in the outstanding indents for wagons during the some period.

Diversion of goods traffic from rail to road

1.31 Due to non-availability of wagons, there was also considerable diversion of traffic from rail to road, which not only resulted in the Railways losing revenue but also in some cases in haulage over long distances by the costlier road transport, as indicated below :

In respect of coal, over the years from 1976-77 to 1979-80, despite the aggregate wagon holding on the BG (which carries the entire originating coal traffic) going up by 2.67 per cent, the Railways lost traffic by 8 per cent and the traffic transported by road increased from 13.23 million tonnes to 23.2 million tonnes *i.e.* by 76 per cent.

In the case of cement, over the years from 1976 to 1979, the traffic carried by rail dropped by 22 per cent and correspondingly that transported by road increased from 4.54 million tonnes to 7.69 million tonnes i.e. by 69 per cent.

In the case of fertiliser, the traffic carried by rail dropped to 90 per cent in 1978-79 and 65 per cent in 1979-80. The loadings by rail in respect of other commodities also fell in 1979-80 as compared to 1976-77 to the extent of 11.8 per cent.

Following a Government decision, fertiliser has been moving even upto 1000 km by road on a subsidised basis. According to the National Transport Policy Committee, movement by road beyond 200—300 km is not economic in relation to rail movement. In the case of coal, which has also been moving long distances by road, the Committee has urged that the position needs to be rectified. These considerations become all the more significant in the context of the rising oil prices.

Fall in efficiency of wagon utilisation

1.32 As a concomitant of the fall in traffic carried by the Railways, the wagon utilisation, as measured by wagon km per wagon day and net tonne km per tonne of wagon capacity, also fell from 81.1 and 16754 in 1976-77 to 73.3 and 16119 in 1979-80 respectively on the Broad Guage.

Performance in 1980-81

1.33 The performance in the matter of loading, turnround etc. worsened in 1980-81 as indicated below (for BG) :

	1978-79	1979-80	1979-80 (upto October 1979)	1980-81 (upto October 1980)
Turnround (days)	14.3	15.1	(14.4)	16.3
Originating loading (in million tonnes) .	223.4	217.7	(108.7)	105.2

The Ministry of Railways (Railway Board), while assessing the wagon requirements during the Sixth Plan period, had proposed (in February--June 1980) to revise upward their norms of turnround adopted for the purpose from 12.1 to 14.4 days for BG. As may be seen from the above, considerable improvement in wagon utilisation, by means within the control of the Railways, and otherwise, would be required even to achieve the proposed higher norms.

VIII. *Summing up* :

1. (i) The Indian Railways, with a total holding of 520114 wagons (in terms of 4 wheelers), had been able to carry 239 million tonnes of freight traffic during 1976-77, which meant a capacity utilisation of 96 per cent in terms of rolling stock. Yet, with a total wagon holding of 532072 and 534517 wagons (in terms of 4 wheelers) in 1978-79 and 1979-80, they were able to carry only 223 and 218 million tonnes, involving a capacity utilisation of 89 per cent and 87 per cent respectively.

(ii) The outstanding indents for wagons, which used to be of the order of 10143 on BG and 4807 on MG in 1976-77, had gone up to 2,44,368 on BG and 82,885 on MG at the end of 1979-80; in other words, despite the increase in the number of wogons, their availability for traffic had gone down due mainly to the increase in turn round time (interval between two loadings) from 13.0 days on BG and 11.1 days on MG in 1976-77 to 15.1 days on BG and to 14.1 days on MG in 1979-80.

(iii) The wagon holding had also become somewhat imbalanced, as amongst the various types, in that there had been comparatively more procurement of open wagons than covered wagons (31353 open and 25307 covered wagons during 1974—79). Of the open wagons, as many as 15154 were special purpose wagons suitable only for certain special types of traffic; besides, there had been inadequate procurement of MG wagons.

A substantial number of wagons ordered had also remained stabled with the manufacturers for want of free supply items by the Railway Board during the years 1978-79 and 1979-80.

(iv) Even in regard to wagons available for loading, non-observance of prescribed rules and procedures for sorting, cleaning and inspection of empties and omission to detect under/over loading, had contributed to a large number of wagons being either left behind, drawn empty, underloaded or over-loaded, the last one contributing to damage and consequent sickness also.

Wagon availability had also affected by heavy detentions in the yards of steel plants and various private sidings as also in departmental workshops and sidings of the Railways themselves, mostly due to lack of adequate yard capacity, loading/unloading facilities, etc.

(v) The number of overaged wagons on line had increased from 22518 in 1973-74 to 30354 in 1979-80. As a result, the number of sick wagons (both in workshops and on sick lines in the yards) had also increased from 18717 in 1977-78 to 21785 in 1979-80. In part, this was also due to the problem of coupler incompatibility consequent on the failure of the Railways

to take adequate preventive measures to reduce the extent of damage to couplings of the wagons through correct observance of maintenance instructions and guard against large scale pilferage of this item in their yards after 1977-78.

(vi) A serious cause of non-availability of wagons for traffic has been the increase in detentions to wagons at terminal yards, in marshalling yards (particularly in the central yards meant for through traffic) and enroute, due mainly to works for increasing the capacity of the yards and the reception lines therein having received comparatively lower priority, in terms of provision of funds and time taken to execute them, than doubling and gauge conversion works.

Of the turn-round time of 13|15.1 days in 1976-77|1979-80, 3.3|5.6 days were contributed by detentions in terminal yards, 4.4|5.1 days by detentions in marshalling yards and 2.3|1.3 days by unaccounted time due to detentions in transit or short of junctions.

(vii) A comparatively smaller factor of the increase in turnround time was was the increase in lead from 656 km in 1976-77 to 717 km in 1979-80. This increase had, however, been mainly contributed by the much longer average lead in respect of foodgrains, fertilisers and cement, due partly to cross-country traffic and partly to diversion of short|intermediate lead traffic to road (because of the inability of the Railways to cope with the demand). A co-ordinated approach to rationalise the movement of these commodities, to put the available wagon capacity to the best use, is yet to evolved and finalised in consultation with the Ministries concerned.

(viii) Consequent on the inability of the Railways to move the traffic offered, and following a Government decision or otherwise, there has been considerable diversion of traffic, particularly in the case of fertilisers and coal, to road, over un-economic long distances. This should be a matter for concern, particularly in the context of the oil crisis and the fact that, as pointed out by the National Transport Policy Committee, the 'Railways are an energy efficient mode' of transport.

(ix) The inability of the Railways to carry the available traffic, as evidenced by the large number of outstanding indents for wagons, is directly traceable to the decline in operating efficiency, as reflected in the various operating indices, more particularly at the terminal yards, marshalling yards and enroute, which in turn, was due to a significant extent to the imbalanced pattern of investment in the various traffic facilities.

(x) Increase in the turnround time had adversely affected the availability of wagons for loadings to the extent of 2350 in 1978-79 and 3491 in 1979-80 per day on the (BG) as compared to 1976-77. The position worsened in 1980-81, the turnround time on BG having increased from 15.1 days in 1979-80 to 16.3 days upto October 1980.

(xi) Considerable improvement in wagon utilisation, by means within the control of the Railways, and otherwise, would be required even to achieve the norms of turnround time adopted by the Railway Board (14.4 days on BG) for assessing the requirement of wagons during the Sixth Plan period.

2. According to the Ministry of Railways (Railway Board) (December 1980) :

(i) The number of outstanding registrations did not correctly indicate the unfulfilled demand in view of the practice of 'bogus' registrations by indentors.

(ii) More open wagons than covered wagons had been procured as the former were more economical.

(iii) The existing line capacity and facilities available at marshalling and terminal yards were adequate.

(iv) The deterioration in turnround was due to :

(a) Large number of wagons by-passing large marshalling yards, resulting in the number of wagons waiting to be despatched going up; and

(b) Non-release of wagons by steel plants due to holdups in their yards and by trade due to inadequate facilities like roads outside the Railway premises, etc.

3. The following are relevant in connection with the above :

(i) No data/statistics in support of the contention regarding 'bogus' registrations were made available. If, however, there have been 'bogus' registrations, the existing arrangements regarding registration fee for wagon indent (Rs. 70/-per BG wagon|Rs. 150-since September 1980) would call for a review (e.g. by enhancement of fee, forfeiture, etc.).

(ii) It is not in doubt that trade and industry have been experiencing acute shortage of wagons, both covered and open, and that there is also a general preference for covered wagons due to security and immunity to damage.

(iii) Even in the better years, there have heavy detentions in the yards and unaccounted time, clearly indicating (see para 1.21.2 ((iv) that there is considerable scope for reducing detentions in the yards, short of junctions and at wayside stations so as to improve the availability of wagons for movement of traffic.

(iv) The holdups of wagons in the yards of steel plants, etc. were due mainly to inadequate yard and terminal facilities consequent on these not having been streamlined to cope with the changing needs.

Moreover much also yet remains to be achieved, in consultation with the major users, for securing a co-ordinated and rationalised movement of traffic, particularly in bulk commodities.

[Paragraph 1of the Advance Report of C&AG of India for the year 1979-80, Union Government (Railways)]

APPENDIX II

(*Vide* Para 151)

List of trains cancelled for varying periods during the month of November, 1981 due to shortage of coal.

S. No.	Train No.	Section on which cancelled
1.	63/64	Anand-Vadtal Swami Narayan
2.	203/204 (NG)	Bharuch-Kavi Fast Mixed
3.	217/218	Samni-Dahej Mixed
4.	181/182	Nadiad-Bhadran Mixed
5.	135/136	Ankleswar-Rajpipla Fast Mixed
6.	163/166	Nadiad-Kapadvanj Passenger
7.	183/184	Nadiad-Bhadran Mixed
8.	389/390 (MG)	Prachi Road-Kodinar Mixed
9.	285/286	Sihor-Palitana
10.	287/288	Sihor-Palitana
11.	316/443	Rajula Jn-Rajula City Mixed
12.	313/314	Rajula Jn-Rajula City Mixed
13.	311/312	Rajula City-Victor
14.	493/494 (NG)	Bhavnagar-Mahuva
15.	141/142	Mahesana-Taranga Hill
16.	401/402	Saharsa-Forbesganj
17.	419/420	Banmankhi-Bahariganj
18.	404/405	Saharsa-Forbesganj
19.	141/142	Keruganj-Sahahbaznagar
20.	111/112	Mathura-Brindabad
21.	113/114	-do-
22.	134 UP	Ramnagar-Lalkua
23.	131 Up	Lalkua-Kasipur
24.	541/540	Shoranur-Nilambur
25.	817/818 (MG)	Villupuram-Pondicherry
26.	735/738	Tirunelveli-Tiruchendur
27.	6 AD/1 AD (BG)	Derababanak-Amritsar
28.	3 ABQ/4 ABQ	Amritsar-Qadian
29.	2 SRM/3 SRM	Moradabad-Sambhal Hatamsarai
30.	1 SR/2 SR	Sambhal Hatimsarai-Rajakasahaspur

APPENDIX III

Statement of Conclusions and Recommendations

Sl. No.	Para No. of Report	Ministry Deptt. Concerned	Conclusion and Recommendation
(1)	(2)	(3)	(4)
1	177	Railways	The Indian Railways carry about 67 per cent of the originating tonnage and 82 per cent of tonne km of the total inter-regional movement of freight traffic in the country and thus constitute the main artery of the nation's inland transport. The unit of rail transport for freight traffic is wagon.
2	178	-do-	The Committee note that Railways had 4,90,817 wagons towards the end of the Fourth Plan which, according to the Ministry of Railways, were adequate to meet a traffic level of 235 million tonnes of traffic in the last year of the Fourth Plan (viz. 1973-74). By 1976-77, the total holding of BG and MG wagons had increased to 5,20,114 wagons. The Railways were able to load 239.1 million tonnes of traffic which meant a capacity utilisation of 96 per cent in terms of rolling stock.
3	179	-do-	The Committee regret to note that in the subsequent years while the wagon holdings of the Railways were on the increase, the total traffic carried continued to show a declining trend. This is evident from the fact that in 1977-78 with a wagon holding of 5,27,863 wagons (7,749 more than in 1976-77), the traffic carried was only 237.3 million tonnes (1.8 million tonnes less than in 1976-77). The position continued to deteriorate in subsequent years and in 1978-79 and 1979-80 the total traffic carried by Railways was 223.4 million tonnes and 217.8 million tonnes only. Thus while by 1979-80, a capacity to carry 245-250 million tonnes of freight traffic had been created, the actual traffic carried was about 30 million tonnes less. This not only resulted in financial

(1)	(2)	(3)	(4)
			loss to the Railways but had serious adverse repercussions on vital sectors of economy like power stations, fertiliser plants, cement factories etc. which had to be closed down from time to time for want of coal or other raw materials. The representative of the Ministry of Railways has explained that the decline in the traffic carried by Railways was mainly due to the general decline in efficiency and discipline in these years. The Committee express their deep concern at this fall in the efficiency of Railways during all these years.
4	180	Railways	The Committee would like the Ministry of Railways to examine the matter in depth particularly the defects in the system which contributed to this decline in efficiency in the previous years and take adequate measures to effect improvement in their working on a long term basis so that the factors which contributed to the deterioration in their performance are not allowed to recur.
5	181	-do-	The Committee are distressed to note that there has been perceptible increase in the number of outstanding indents for wagons. While in 1976-77, the average monthly number of outstanding indents was 10,143 for BG and 4,807 for MG, this increased to 23,480 and 14,065 in 1977-78, 1,03,839 and 57,970 in 1978-79 and was as high as 2,44,368 for BG and 82,885 for MG in 1979-80. The Committee cannot accept the contention of the Ministry of Railways that the number of outstanding registrations did not correctly indicate the unfulfilled demand in view of the practice of bogus registration. The Committee feel that it is the failure of the Railways to meet the demand for wagons which is responsible for this increase in outstanding and tendency for bogus registration. The Committee are perturbed to note that inspite of the claim of the Ministry of Railways that there has been perceptible improvement in the haulage of traffic, the number of outstanding indents stood at 68,207 on BG and 27,613 on MG on 30 November, 1981. The Committee feel that with more sustained efforts on the part of the Railways and improvement in efficiency it is possible to

(1)	(2)	(3)	(4)
			eliminate the outstanding demand for wagons. The Committee would like to be apprised of the latest position regarding the outstanding indents for wagons and the steps taken by the Ministry of Railways in this regard.
6	182	Railways	The Committee are perturbed to note that the sick and overaged wagons with the Indian Railways are on the increase. While the number of sick wagons in 1977-78 was 18,717 (14,660 on BG and 4,057 on MG), the same increased to 20,619 in 1978-79 and to 21,785 in 1979-80. The number of overaged wagons also increased from 29,298 in 1977-78 to 30,354 in 1979-80. As on 1 April, 1981 the number of overaged and sick wagons was 37,814 and 24,378 respectively The Committee need hardly emphasise the need for immediate repair/replacement of these sick and overaged wagons as even one sick or overaged wagon may impede the movement of the entire train and have adverse impact on the quick and fast movement of goods traffic.
7	183	Railways Planning Commission	The Committee have been informed that the Planning Commission had provided funds for procurement of 1 lakh additional wagons during the Sixth Plan period against a requirement of 1.93 lakh wagons. Out of these, 50,000 wagons (in terms of 4 wheelers) were to replace overaged wagons which will number 64,000 during the plan. However, due to escalation in costs and financial constraints it will now be possible to procure only 75,000 wagons during the Sixth Plan period. In case all the overaged wagons are replaced, there will be a net addition of only 11,000 wagons. The Committee note that the Sixth Plan provides for a target of 309 million tonnes of originating traffic to be hauled by the Railways in 1984-85. However, the Ministry of Railways have stated that due to inadequate allocation of funds it would not be possible for them to carry more than 280 million tonnes. The Committee have, however, an apprehension that due to inadequate rolling stock and in view of the fact that even in 1982-83 i e third year of the Plan, Railways have fixed the target of carrying only 230 million tonnes of freight

(1)	(2)	(3)	(4)
			traffic it would not be p ssible for the Railways to achieve even the target of 280 million tonnes of traffic by 1984-85 This would inevitably have an adverse impact on the various sectors of the economy, The Committee, therefore, recommend that the Planning Commission should examine the matter in depth and make adequate allocation to enable Railways to replace their overaged rolling stock and make requisite addition to the same to achieve the target of freight traffic contemplated in the Plan. In addition, the Committee would recommend that the Ministry of Railways (Railways Board) should also accord due priority to allocation out of available funds for increasing vital traffic facilities, track renewals, etc. to optimise the use of available wagons, by reducing the turnround, etc.
8	184	Railways	The Committee note that a type-wise analysis of the 59,338 wagons procured during the years 1974-75 to 1978-79 disclosed that as many as 15,154 special type wagons (besides 25,307 covered wagons, 16,199 general purposes open type wagons and 2678 brake vans) had been procured and some of the types of special wagons procured during this period were not generally in demand by trade and industry. The special wagons as for instance, BRHT (6,438 Nos.) for carrying long length finished steel products from steel plants, BOY (3,300 Nos.)for transporting iron ore for export in closed circuit sections of the South Eastern Railway and BOBS (2,010 Nos.) for transport of raw materials to the steel plants had been procured and ordered from 1974-75 onwards in excess in relation to the traffic that materialised but these could not be diverted to meet the traffic demand for general purpose, open or covered, wagons. The Committee cannot but conclude that this provisioning of excess BRHT and BOBS wagons and their underutilisation clearly indicate the faulty planning of procurement of wagons particularly when Railways have been complaining of inadequate allocation of funds. The Committee expect the Ministry of Railways to undertake a fresh assessment of the requirements of wagons and take necessary corrective measures.

(1)	(2)	(3)	(4)
9	185	Railways	The Committee are constrained to point out that a substantial number of wagons, though manufactured by wagon builders, could not be taken over from them and put on line for traffic use but had to be kept stabled in their workshops for want of wheelsets and roller bearing axle boxes. These fittings whi h were required to be supplied to wagon builders as free supply items could not be arranged by the Railway Board in adequate numbers to match the delivery schedule of wagons. During 1976-77, the maximum number of wagons stabled in a month was 217 numbers in 4 wheeler units. During 1977-78 stabling was resorted to only in the month of March 1978 and 300 numbers in 4 wheelers were stabled as on 31 March, 1978. During 1978-79 and 1979-80, on an average 839 and 784 wagons per day, out of 12,056 and 10,827 wagons respectively, built for the Railways had to be kept stabled on this account. The loss to the Railways because of stabling of wagons has increased in subsequent years as during 1981-82 upto 31 December, 1981, while the average monthly outtern of wagons was 1,367, as many as 1321 wagons per month on an average were stabled because of non-availability of components which are supplied free to the wagon builders. according to the Ministry of Railways, the stabling has been taking place for shortage of wheel sets from Durgapur, delays in arrival of imported wheel-sets and short supply of Laminated Bearing Springs by L-B spring manufacturers. The Committee cannot but express their serious concern over the increase in number of wagons stabled since 1976-77. This stabling has resulted not only in revenue loss to the Railways but the country has also been deprived of the use of these wagons for haulage of traffic at a time when there is a huge outstanding demand for wagons. The Committee feel that there was clearly bad planning on the part of Railways not to have arranged for the supply of these components simultaneously with the manufacture of wagons. The Committee hope that suitable steps would be taken in coordination with suppliers of wheel sets and matching sets of L—B springs to avoid any stabling of wagons in future.

(1)	(2)	(3)	(4)
10	186	Railways	The Committee regret to note that even the fleet of wagons on line could not be put to maximum utilisation due to various operational and non-operational factors within the control of the Ministry of Railways (Railway Board) as is clear from the succeeding paragraphs.
11	187	-Do-	The Committee are constrained to point out that the turn-round time of wagons on Indian Railways increased from 13.0 days in 1976-77 to 14.3 days in 1978-79 and further to 15.1 days in 1979-80 on BG. Similarly. on MG the turn-round time increased from 11.1 days in 1976-77 to 12.8 days in 1978-79 and further to 14.1 days in 1979-80. In 1976-77 and 1977-78 when the wagon turn-round was brought to 13.0 and 13.3 the efficiency indices were the best. Wagon (BG) km per wagon day was 81.1 and 81.9 in 1976-77 and 1977-78 as compared to 73.3 in 1979-80. Net tonne km per wagon day was 1019 and 1045 in 1976-77 and 1977-78 as compared to 972 in 1979-80. The loss in monetary terms to the Railways on account of increase in the turn-round time during all these years can be estimated from the fact that if the rturn round was less by one day in 1980-81 the wagon loading could have increased by 1656 wagon per day on the BG and by about 335 on the M.G.
12	188	-Do-	An analysis of the turn round time of wagons during 1978-79 and 1979-80 has revealed that the main reasons for the high turnround time were the detentions at terminals. marshalling yards and enroute. A reduction in the time spent by a wagon in its round trip under any of these factors namely. at the terminals. in marshalling yards or even by reduction in the number of marshlalings (i.e. by block rake movement). quicker marshalling through mechanisation of hump and reducing hold ups of wagons enroute could improve its availability.
13	189	-Do-	The Committee are surprised to find that even though the number of wagons dealt with in the marshalling yards had come down by 22.2 per cent from 1976-77 to 1980-81, the detention to wagons had gone up by 25.1 per cent during the same period. A sample study of one

(1)	(2)	(3)	(4)
			month's (December) statistics during the busy period of some of the major marshalling yards during 1969-70 and 1979-80 disclosed that, though the number of wagons dealt with in the yards had declined, the detentions to wagons had increased. The increase in detention to wagons in the yards, despite the additional facilities provided was stated to be due to factors such as wagons becoming unfit/damaged owing to deficient coupling, lack of power, late materialisation of stock, etc.
14	190	Railways	The quantum of block rake trains bye-passing the marshalling yards constitutes a sizeable percentage of traffic in coal, ore, POL etc. and as much as 24 to 32 per cent under other commodities. These rakes pass through the Central yards of important marshalling yards. However, a record of the detentions to the wagons in these yards is not being maintained and as such it is not possible to ascertain the reasons for detentions of through goods trains. The Committee would suggest that the Railways should maintain records of detention of wagons to through trains and include them in the published Marshalling Yard Statistics so that such detentions could be watched and controlled by taking suitable measures.
15	191	-do-	The Committee further find that even though the number of wagons dealt with in the terminal yards had come down by 15.9 per cent from 1977-78 to 1980-81, the detention time of wagons had gone up by 57.9 per cent during the same period. The Ministry of Railways (Railway Board) have informed the Committee that due to increased running of block rakes which by-pass yard, the number of wagons dealt with in the yards has decreased. The wagons are, therefore, detained for longer periods for formation into trains. Further according to the Ministry of Railways the general increase in detention to wagons is not due to want of adequate facilities in yards and terminals. A general drop in efficiency and discipline within and outside the railways has also been responsible for increased detentions.

(1)	(2)	(3)	(4)
16	192	Railways	The Committee are surprised to note that the problem of detention to wagons at yards and terminals had been dealt with the Railway Board by revising upward the target of detention time (September and October 1978) without analysing in detail the reasons for the increase and without considering any remedial measures for bringing down the detention time to the previous levels. The committee are dissatisfied with this *ad hoc* step taken by the Railway Board. They would like the Railways to keep a strict watch on the detentions to wagon in yards and terminals and take corrective steps to reduce such detentions in future.
17	193	-Do-	The Committee further find that during 1980-81 the average number of wagons transhipped per day at the 18 major transhipment points. statistics for which are published from BG to MG was 892 and from MG to BG 783. Average detention per wagon was 41.5 hrs and 38.1 hrs respectively. Accordingly to the Ministry of Railways the detention to wagons for transhipment is due to various factors like behaviour of transhipment labour, pattern of loading particularly of imported goods etc. Availability of matching wagons is itself dependent on these factors. The Committee are informed that 97 transhipment points would be eliminated on completion of gauge conversion projects which have been making very slow progress. Despite heavy investments on conversion projects. and completing about 326 km during Fourth Plan (1969-74) and 480 km during the subsequent period upto 1979-80. the number of transhipment points has remained at 97. This seems largely due to undertaking conversion projects simultaneously on various MG Sections without having any time bound programme for their completion. The Ministry of Railways (Railway Board) have stated in this connection that at present there are 15 conversion projects and for want of funds only 6 are expected to be completed during the Sixth Plan. The Committee find that out of these 15 conversion projects in respect of 8 projects, even target dates of completion have not been fixed. The Committee would like to express their dissatisfaction at the slow progress of these

(1)	(2)	(3)	(4)
			conversion projects. They fail to understand that when Railways were well aware of the difficulties regarding financial constraints why, so many conversion projects are taken in hand resulting in scattering of scarce resources The Committee recommend that Railways should try to complete the ongoing conversion projects as early as possible according to a time bound programme so that the transhipment points may be eliminated early. In future only selected conversion projects should be taken in hand and efforts made to complete these projects before undertaking new projects. In the meantime, handling facilities such as cranes, matching MG wagons etc. should be made available at important transhipment points and other suitable steps taken to avoid detention to wagons at transhipment points so that delay in movement of wagons and damages to consignments and their pilferage etc. could be obviated.
18	194	Railways	The Committee note that traffic facilities broadly comprise facilities at terminals. in marshalling yard and on enroute sections to facilitate movement of traffic as far as possible at the booked speed and to remove congestions in busy yards. etc. The Fourth and the Fifth Plan's total allocation of funds for traffic facilities and line capacity works was Rs. 315 crores and Rs. 500 crores. respectively (out of a total plan outlay of Rs. 1525 and Rs. 2530 crores. respectively). While the budget allotments year to year totalled Rs. 238.5 crores in the Fourth Plan and Rs. 326.5 crores in the Fifth Plan. the expenditure was only Rs. 210.7 crores and Rs. 299.5 crores respectively. This was despite the fact that Railways have been continuously complaining of inadequate allocation of funds. The Committee further note that out of the budget allotments. nearly 60 percent of the allocations for 'Traffic failicties'. viz. Rs. 145. crores the Fourth Plan and Rs. 182 crores in the Fifth Plan. had been spent on gauge conversion. and doubling works in patches. The Committee would like to express their deep concern on this decline of investments in traffic facilities as this is bound to have an adverse impact on the quick movement of traffic and will lead to congestion.

1	2	3	4
19	195	Railways	The Committee further observe that a review of some of the yard remodelling projects and line capacity works on the Eastern, Northern, Southern, South Central, South Eastern, Eastern and Western Railways undertaken to ease congestion and reduce detentions to wagons and goods trains had revealed that these were either not been planned /executed in a manner that could relieve congestion or were taken up after considerable delay and the pace of their execution had been slow. The Public Accounts Committee. in their 11th Report (Sixth Lok Sabha). had recommended a comprehensive study of the major yards with a view to stream-lining their working. The Committee find thyt although, in pursuance of this, Railways have undertaken a comprehensive study of various major marshalling yards. the studies have been completed for 10 yards. only. Even in the case of these 10 yards, majority of recommendations though accepted by the Railways are still to be implemented. The Committee would like the Railway Board to ensure that Zonal Railways take necessary action for implementation of these recommendations and complete studies of the remaining major yards as early as possible.
20	196	Railways ——— Deptt. of Coal	The Committee note that empty wagons are required to be cleaned. inspected and sorted into covered and open wagons and tanks in the marshalling yard prior to their despatch to the bulk loading points (viz. collieries. steel plants. cement and fertiliser plants. etc). A review of coal loaded wagons despatched from collieries revealed that the Railways had not been adhering to the prescribed rules and procedures in this regard. with the result that empty wagons sent to the collieries from the marshalling yards had either been left behind unloaded (at least until the next pilot) or hauled empty. The number of wagons so left behind ranged between 1043 and 1336 per day and the wagons hauled empty ranged between 60 and 136—per day during the years 1975-76 to 1979-80. The Committee regret that the number of wagons left behind and hauled empty over the years has been on the increase. The increase was despite the assertion. made by the Railways that cases

(1)	(2)	(3)	(4)
			of wrong marshalling are taken up as and when they come to notice on occasional checks which the yard master and operating officers are supposed to make. The Committee would urge upon the Railways to strengthen the supervisory checks in regard to the observance of the extant instructions and if necessary to revise them suitably so as to avoid the instances of wagons left behind or hauled empty. If any wagon is left behind or hauled empty due to Colliery's own failure, a provision for suitable penalty should be made in the relevant rules and the same should be strictly enforced.
21	197	Railways	Further, the proper loading of wagons up to their carrying capacity is required to be ensured and adjustment of loads is made so as to avoid under loading or overloading. A review of coal loaded wagons despatched from collieries revealed that there were cases of overloading of wagons leading to damage to wagons. On the Eastern Railway during 1976 to 1979. over-loading of coal wagons varied from 14.7- to 39.7 per cent in the case of Box Wagons and from 11.9 to 43.1 per cent in the case of four wheeler wagons. As a result 33659 bearing springs of BOX wagons were damaged and the Railway administration had to incur expenditure of Rs. 64.63 lakhs on repair. The rules provide for adjustment of loads on the spot after weighment and levy of stringent demurrage charges for non-adjustment of loads. Though adequate wighment facilities exist in the Depot Yards of the Railways these rules were not being strictly observed and charges against the collieries were not being enforced. The Committee are not satisfied with the reply of the Railway Board that adequate facilities for weighment of wagons in depot yards do not necessarily imply adequate facility for adjustment of loads whenever loading of wagons attains large proportions and that it is for the coal companies to do correct loading as far as possible to avoid other difficulties. Since overloading contributes to damage and consequent sickness to the wagons and possibilities of overloading of wagons are more at the loading point, it is for the Railways to ensure that the wagons are not overloaded at any point and particularly at loading points.

(1)	(2)	(3)	(4)
22	198	Railways ——— Deptt. of Coal	It is surprising to note that although as per the rules as they existed prior to 1975. the consignee/consigner had to pay extra penal freight charges calculated at double the highest classification rates on the excess weight loaded and detected at the loading or unloading stations or *enroute*, the rules were amended in April, 1975 to provide for levy of penalty only if excess weight was discovered *enroute* or at the destination. The amended rule continued for six years and it was only in 1981 that new Rule 161-A applicable to coal with effect from 7-5-81 and loose commodities w.e.f. 1-11-81 was provided in the Goods Tariff according to which wangons are discovered overloaded at booking point, *enroute* or at destination. such overweight beyond the permissible carrying capacity of the wagon should be charged at the normal wagon load rate if the over-weigh is upto one tonne and at the 'smalls' rate if the overweight is more than one tonne, for the entire distance from the booking point to the destination.
23	199	-Do-	It is also pertinent to note that the Railway Board had issued instructions in December 1980 and April 1981 permitting loading of coal and certain other commodities upto 5 tonnes in excess of the carrying capacity of the BOX wagons. These instructions were withdrawn in March 1981/May 1981. In the first instance the relaxation was for short distances but later on was extended for longer distances also. The Ministry of Railways have stated in this connection that these instructions were issued in consultation with the Mechanical Directorate of the Railway Board and RDSO, to meet the immediate requirement of steel plants for building coal stocks there. Since such measures even if resorted for short periods adversely affect life of the axles and other components of wagons, these are bound to result in the shortening of the life span of wagons which cannot be permitted. The Committee expect that Railways would ensure that such overloading of wagons is not permitted in future.

(1)	(2)	(3)	(4)
24	200	Railways Steel	Another factor which affects the wagon availability for trade and industry is the holding up of wagons by steel plants, Food Corporaton of India, Port Trusts, etc. The number of wagons handled in such sidings has been of the order of 25,000-26,000 in recent years, of which 16,000-17,000 are at the six major steel plants for their inward and outward traffic. Despite liberal free time upto 48 hours for single operation of loading or unloading as against 5 hours allowed to trade, detention to wagons in the yards of steel plants was much higher. The Ministry of Railways have stated that whenever excessive detention of wagons was noticed inside steel plants. the matter was taken up at appropriate level and remedial action was taken in coordination with the steel plants/SAIL/Ministry of Steel to keep it to minimum possible level.
25	201	-Do-	In this connection, the Khandelwal Committee had recommended in 1973 a series of measures and works to be implemented mutually by the Railways and the steel plants for reducing the detention to wagons inside their yards. According to the Railway Board, while 75 out of 97 recommendations concerning them have been implemented, out of 153 recommendations pertaining to steel plants only 77 have so far been implemented, although the number of recommendations rejected were only 32.
26	202	-Do-	Even after the implementation of 75 out of 97 recommendations pertaining to Railway and 77 out of 153 recommendations pertaining to steel plants and despite the assertion of the Railways that remedial action is taken in coordination with the steel plants/SAIL/ Ministry of Steel whenever there is excessive detention to wagons inside steel plants, there has been no perceptible improvement as can be seen from the fact that in 1980-81, averages detention per wagon in all the six steel plant was more than the liberal free time upto 48 hours. and even in 1981-82 (April-June) average detention per wagon was excessive. In TISCO, IISCO, Bhilai, Rourkela, Durgapur and Bokaro Steel Plants, it was 196.10 hrs. 70.10 hrs., 89.20 hrs., 160.40 hrs., 78.30 hrs.,

1	(2)	(3)	(4)
			and 168.20 hours respectively, The Committee would like the Ministry of Steel and Ministry of Railways to examine the matter expeditiously and find out the reasons with a view of reduce the detention to wagons inside the steel plants.
27	203	Railways — Steel	The demurrage charge leviable since 15 February 1981 for detention to wagons in steel plants is Rs. 120 for 4 wheeler wagons per day or part thereof, whereas the rate for public/ trade is Rs. 316.80 for first 24 hours. According to the Ministry of Railways. the rate of demurrage charges is fixed by correlating it to the average earning capacity of a BG 4 wheeler wagon per day and the average earning capacity of a BG 4 wheeler wagon per day during 1981-82 is estimated at Rs. 120.15. The Committee find it surprising that although the rate of demurrage for detention to wagons in the steel plants has been kept at a lower level than that for the general public, substantial demurrage charges were outstanding against the steel plants as on 31 March, 1981. Whereas on Eastern Railway these were Rs. 5.24 lakhs, the demurrage charges outstanding were as high as Rs. 968.46 lakhs in South Eastern Railway and these have not yet been realised. The Committee take a serious view of these large outstandings. They feel that in view of the continued detentions of wagons in steel plants, there is an urgent need not only to realise the outstandings, but also to consider the desirability of upward revision in the rate of demurrage charges in case there is no reduction in the detention time.
28	204	Railways	The new BG wagons procured after 1973-74 are fitted with centre buffer couplers (CBC) while the older wagons on line have the conventional screw couplings and the two cannot be readily coupled. A transitional device, known as "transitional coupling", to enable the two to be coupled is, therefore, being used. The consequential increased requirement of the device could not, however, be met due to its limited production in the country, the supplies during the period April 1977 to June 1980 having been only 96,712 as against the

(1)	(2)	(3)	(4)
			requirement of 2,08,123, resulting in a large number of wagons before put out of commission. The Committe note that this device. attached to the CBC fitted wagons and stated to be rather weak, has often been getting damaged in the marshalling yards while humping due to the inadequate observance of the prescribed drill. Further, there has also been repcrtedly large scale 'pilferage' of this device in the marshalling yards, more particularly since 1977-78. The Committee regret the failure of the Railways to take adequate preventive measures to reduce the damage to couplings of wagons through correct observance of maintenance instructions and to guard against large scale pilferage of this item in their yards. The Committe would like the Ministry of Railways to take remedial measures in this regard expeditiously.
29	205	Railways	According to the Ministry of Railways (Railway Board) the present wagon shortage is attributable to a significant extent to the increase in the lead as extra time is needed for the wagon to cover the additional distance and, further, the wagon may have to be hauled over additional intermediate yards involving extra detention enroute. The Committee note that the increase in lead from 656 km in 1976-77 to 717 km in 1979-80 was mainly due to the much longer average lead in respect of foodgrains, fertilisers and cement, due partly to cross-country traffic and partly to diversion of short/intermediate lead traffic to road because of the inability of the Railways to cope with the demand. The Railway Board have stated in this connection that there are constraints where the imports or seasonal or other shortages at the linked source of supply determine the pattern of movement. Imports of fertilisers are being made at Vishakapatnam Port instead of at Kandla, Okha and Porbandar with the resultant increase in lead for movement of fertiliser for Punjab and Haryana. Similar is the case of Rock Phosphate. Further, according to the Ministry, the Calcutta Port which should be meeting the requirements of Bihar, Eastern UP and the North Eastern States is loading

(1)	(2)	(3)	(4)
			not more than 25 wagons per day although the Railways are prepared to load upto 100 wagons a day from this Port and also the rail capacity available at Haldia is not being utilised. The Committee feel that this is clearly indicative of lack of proper coordination between the Ministry of Railways and Ministry of Shipping and Transport as well as user Ministries. The Committee would like the Ministry of Railways to sort out this matter with the Ministries/Departments concerned with a view to evolving and finalising a co-ordinated approach to rationalise the movement of these commodities so as to reduce the lead of traffic as far as possible and to put the available wagon capacity to the best possible use.
30	206	Railways	The Committee find that due to non-availability of wagons there was considerable diversion of traffic from rail to road, which not only resulted in the Railways losing revenue but also in some cases in haulage over long distance by the costlier road transport.
31	207	Railways ——— Industrial (Development)	The Committee are constrained to point out that the quantity of cement moved by rail declined from 127.73 lakhs tonnes in 1966 to 99.45 lakh tonnes in 1979 and further to 68.46 lakh tonnes in 1981 (January—September) whereas that moved by road increased gradually from 45.49 lakh tonnes in 1976 to 76.39 lakh tonnes in 1979 and during the first nine months of 1981, 74.71 lakh tonnes had been moved by road. According to the office of the Cement Controller, the main reasons for the decline in the quantity of cement moved by rail over the years were shortage of wagons supplied to cement factories. The Ministry of Railways (Railway Board) have stated in this connection that there was a general decline in all spheres of economic activity in the country and there was, therefore, shortfall in loading of almost all commodities, including cement. Further, according to them they have offered to the Ministry of Industrial Development that they can lift all the cement in block rakes by rail, but this has not found favour with the cement factories.

(1)	(2)	(3)	(4)
32	208	-Do-	The Committee find that the indigenous cement production declined from 190.77 lakh tonnes in 1978 to 182.38 lakh tonnes in 1979 and further to 177.90 lakh tonnes in 1980. It is really a matter of concern that inspite of this decline in the production of cement, Railways could not meet the demand of cement factories and the outstanding indents of wagons increased from 7311 in 1977 to 183,918 in 1978 and further to 206, 070 in 1979. Further, according to the Ministry of Industrial Development (Cement Controller), many cement factories, particularly, those on South Central Railway and South Eastern Railway had been complaining about continuous short supply of wagons and movement restrictions imposed by the Railways. The cement factories situated on other Zonal Railways were also not in a very happy position.
33	209	-Do-	The Committee are given to understand that many Government projects have been delayed due to non-availability of cement for want of wagons. The most adversely affected States in this respect are Assam, West Bengal (beyond Farakka,) Sikkim, Tripura, Manipur, Nagaland and Arunachal Pradesh in Eastern Region, J'K, Punjab, Haryana, Himachal Pradesh, Delhi and UP in Northern Region and Kerala in Southern Region. Due to short supply of wagons, cement factories are moving cement not only to short distances which can conveniently be served by road but are compelled to move cement over longer distances. At present, very large quantity is moving by road for distances beyond 250 Kms.
34	210	-Do-	The Cement Controller has informed the Committee in this connection that the Cement Controller's instructions to the factories are that except for distances below 250 kms cement is to be moved by rail to the extent possible if wagons are made available but they do not have any statutory power to compel factories to send cement by rail. It is however, pertinent to note that this office is permitting freight reimbursement on movement by road beyond 100 kms for Government Parties and

(1)	(2)	(3)	(4)
			350 Kms for other consignees with extra weightage over rail freight to cover part cost of additional road freight incurred for movement by road from Cement Regulation account and to this account, it costs about Rs. 5 crores to Rs. 6 crores per year. Due to several increases in diesel prices and other costs of operations, transport companies are charging much higher freight from the consignees which unnecessarily increases burden on consumers, including Government Departments, and causes strain on road transport system.
35	211	Railways	The Chairman, Railway Board had informed the Committee that the Railways had written a letter to the office of the Cement Controller suggesting (i) that subsidy should be given strictly on the condition that they should carry the cement beyond 250 kms by rail, (ii) that subsidy limit in the South may be reduced from 250 kms to 150 kms and (iii) anything moved beyond 250 kms by road must be on a specific certificate by the Railways that they were not able to move the cement by rail. Reacting to these suggestions the Cement Controller had stated "I would not only accept it but I will welcome it". The Committee have also taken note of the statement made by the Chairman of the Railway Board before the Committee that "very often there is vested interest in loading by road." The Committee feel that this is a disturbing situation with Railways claiming adequate capacity to transport cement provided these are offered in block loads and the cement factories moving increasing quantities of cement by road because of so called non-availability of wagons. The Committee feel that there is an urgent need for this matter to be sorted out at the highest level between the Ministry of Railways and Ministry of Industry so that movement of cement by road which not only puts additional burden on the consumer but also results in wasteful use of scarce petroleum products could be reduced to the barest minimum. The Committee feel that in view of the partial decontrol of cement, the whole question of subsidy needs to be revived.

(1)	(2)	(3)	(4)
36	212	Railways — Deptt. of Coal	The Committee are constrained to find that the average number of wagons (4—wheelers) loaded per day for transportation of coal during the last six years i.e. from 1975-76 to 1980-81 was far less than the offers for loading of wagons made by Coal India Ltd. and Singareni Collieries Company Ltd. for movement of coal. The shortfall in the supply of wagons for haulage of coal has been recurrent and has assumed serious proportions during these years as is apparent from the fact that the percentage of average loading of wagons per day to the offers made by Coal India Ltd. and Singareni Collieries Company Ltd. gradually decreased from 82.2% in 1975-76 to 78.4% in 1977-78 and further to 71.3% in 1980-81. In this connection, the Chairman (Railway Board) stated during evidence that "from the figures I have, the offers made by Coal Companies to the Railways for loading were much above the level of wagons actually supplied and therefore it does appear that in those years perhaps the Railways may not have been able to meet the demand fully."
37	213	-Do-	The Committee find that the quantity of coal transported by rail declined from 77.53 million tonnes in 1977-78 to 17.47 million tonnes in 1978-79 and further to 68.76 million tonnes in 1979-80. It is only in 1980-81 that the quantity moved by rail has picked up to 70.10 million tonnes. On the other hand the quantity of coal transported by road has increased gradually from 13.90 million tonnes in 1976-77 to 19.16 million tonnes in 1978-79 and to 28.08 million tonnes in 1980-81.
38	214	-Do-	During evidence, the representative of the Department of Coal informed the Committee that there has been improvement in the loading of coal by railway wagons. At the end of November 1981, on an average 9800 wagons were loaded per day and they hope to achieve record loading of 10500 wagons a day by March 1982. Despite a very high level of loading in November. the stocks at the pitheads had, however, gone up because of the increase in production of coal.

(1)	(2)	(3)	(4)
39	215	-Do-	The Committee were further informed that during the last 2-3 years 9 to 11 per cent annual growth in production of coal has been maintained and that pithead stock level at 10 to 12 million tonnes is considered more than adequate and reasonable. The Department of Coal would like to bring it down from 15 million tonnes to 10 to 12 million tonnes and for this purpose coalfields require increasing number of wagons if the coal despatches are to keep pace with the increasing production.
40	216	-Do-	In this connection the Department of Coal have informed the Committee that with a view to increasing the quantum of coal carried by rail as a result of increase in production of coal every year. Railways have been requested to make available wagons according to the coal fieldwise requirements, to avoid supplying rakes of covered wagons (jumbo rakes) or rakes having a mixture of open and covered wagons at sidings where coal companies have mechanised loading arrangements. The Railways have also been requested to ensure supply of wagons according to a fixed time schedule and avoid erratic supply of wagons or bunching of supplies, particularly at such sidings where coal companies have to resort to loading manually. The Committee would like the Ministry of Railways to consider these suggetions of the Department of Coal and intimate to the Committee the measures taken by them in this regard.
41	217	-Do-	The Committee would urge upon the Department of Coal to issue necessary instructions to the Coalfields to augment the supervisory checks in regard to loading of coal wagons to ensure better utilisation of wagons supplied Since movement of coal by road leads to wastage of precious diesel and consequent burden on the foreign exchange, the Committee hope that close coordination will be maintained by Coal Companies wtih the Railways at al levels to maximise movement of coal by rail.

(1)	(2)	(3)	(4)
42	218	Railways ——— Deptt. of Agriculture & Cooperation	In regard to the movement of fertilisers also, the Committee find that Ports as well as domestic fertiliser factories are experiencing shortage of wagons. That the shortage was uniform is borne out by the fact that during each month in the last three years i.e. from April 1978 to March 1981 the average number of wagons supplied to the ports and domestic fertiliser factories was far less than that indented by them. The quantum of this shortfall is evident from the fact that during 1980-81 the number of wagons indented by domestic fertiliser factories and ports was 13771 and 33619 and that actually supplied to them was 5554 and 4665 respectively. The quantity unloaded at Ports and domestic production, according to Ministry of Agriculture, increased from 11.68 million tonnes in 1978-79 to 11.99 million tonnes in 1979-80 and to 12.91 million tonnes in 1980-81. The Railways could not meet the demand for more wagons to cope with the increase in total quantum of fertilisers to be transported during these years, as is borne out by the fact that whereas the quantity of fertilisers moved by rail declined from 8.6 million tonnes in 1978-79 to 8.2 million tonnes in 1979-80 and further to 8.1 million tonnes in 1980.81, that transported by road increased from 3.1 million tonnes 1978-79 to 3.8 million tonnes in 1979-80 and further to 4.8 (approx.) million tonnes in1980-81.
43	219	-Do-	The Committee are informed that for the year 1978-79, the Department of Agriculture & Cooperation had revised their target of rail capacity requirement for fertilisers from 9.2 million tonnes to 11 million tonnes. The Ministry of Railways however, agreed to provide a capacity of 9.2 million tonnes also keeping in view the shortage of wagons the Department of Agriculture in consultation with the Ministry of Finance agreed that the imported fertilisers should be moved by road upto 500 km and indigenous fertilisers upto 1000 km by subsidising the additional cost of road haulage. The distance upto which imported fertilisers were to be moved by road was also subsequently stepped up to 1000 km in May, 1979. The actual rail movement of fertilisers during 1978-79 and 1979-80 was 8.6 million tonnes and 8.2 million tonnes, the average

(1)	(2)	(3)	(4)
			lead having increased from 929 km in 1976-77 to 1038 km in 1978-79 and 1122 km in 1979-80. According to the Ministry of Agriculture, the programme for movement of fertilisers was drawn up in coordination meetings with the Railway Board, but in view of the inability of the Railways to provide the required number of wagons at ports close to the consumption centres, they were compelled to move fertiliser from distant port locations in the South which inevitably added to the lead of the fertiliser movements. The Committee are of the opinion that movement of fertilisers during these years by rails/road to various points of consumption centres was not properly coordinated between the two ministries resulting in increase in lead of rail traffic and diversion of considerable quantum to road. The Committee are unhappy at this lack of coordination and would like remedial measures in this regard to be taken early.
44	220	Railways — Deptt. of Agriculture & Cooperation.	The Committee have been informed by the Railway Board that as the concept is to move foodgrains in train-loads between two terminals it is in the interest of the economy to have full length sidings to accommodate full length trains as a policy measure. While attempts had been made by them to rationalise the movement of foodgrains in block rakes, timely remedial measures such as provision of adequate siding facilities at the godowns to facilitate quick loading/unloading had not been taken by the Ministry of Food and Agriculture/Food Corporation. Consequently, block rake loading at stations in Punjab and Haryana had to be done by blocking running lines resulting in detention to wagons and affecting their turn round. The Ministry of Agriculture have admitted that out of many godown centres, each with a capacity of 10,000 MT or more in Punjab and Haryana, captive sidings are available in only 4 godowns. However, the problem that the FCI has been facing in speedy execution of the siding works by the Railways has been insistence on the part of the Railway s to provide full rake length sidings of 75 wagons in each case. The land for the purpose of constructing godowns had already been acquired in many cases where

(1)	(2)	(3)	(4)
			siding facilities were being provided in 2 or 3 spurs without insistence on full rake siding. The change in the policy has caused serious dealys in finalisation and execution of the works. Further, according to the Ministry of Agriculture it may not be possible under the new policy of the Railways regarding provision of Railway sidings to have siding facilities for godowns having even 10,000 tonnes capacity.
45	221	-Do-	The Committee regret to observe that the matter could not be sorted out at proper level between the Ministry of Agriculture and the Ministry of Railways. They are of the view that where the land has been acquired by FCI and the siding facilities are being provided in 2 or 3 spurs and in godowns where FCI is experiencing difficulties in acquiring sufficient land for rake siding, the Ministry of Railways may not insist on full rake siding. Where the land and other requisites are available the Food Corporation of India/Department of Food should initiate proposal for railway siding suitable for block rake loading. The Committee would like the Ministry of Railways and FCI/Department of Food to maintain a close coordination between them so as to provide adequate siding facility at maximum number of godowns particularly in Punjab and Haryana.
46	222	Railways	The Committee note that loading of foodgrains, fertilisers and cement in open (BOX) wagons covered with tarpaulins was permitted by the Railway Board in November 1978, subject to these wagons being booked for short distances and over routes not likely to be affected by rain. These conditions were, however, not observed by the Railway staff and open wagons with the above commodities were despatched to distant places. For example, 29 BOX wagons containing wheat booked by Food Corporation of India on 30-6-31/1-7-81 at Barnala Railway Station on Northern Railway for Dhanbad duly covered with tarpaulins were received at Dhanbad on 6-7-81. Due to congestion in FCI's godown at Dhanbad, fresh booking of the rake was made on 10-7-81.

(1)	(2)	(3)	(4)
			17 BOX wagons from this rake were received at Tatsilwai Railway Station and 12 BOX wagons at Ranchi Railway Station. Delivery of the consignment was given to FCI on assessment of damages as contents of some wagons were found damaged by wet on account of rain since some of the tarpaulins got disturbed during transit. The Committee strongly disapprove the use of open wagons for the commodities such as cement, foodgrains, fertiliser etc. particularly when the Railways have claimed that the traffic requiring use of covered wagons was only 34% while such wagons are available to the extent of 54%. Since such commodities transported in open wagons even if covered by tarpaulins in turn entail unnecessary expenditure and can fall easy prey to pilferage or get damaged in rain, it is desirable that these are booked in covered wagons only thereby releasing sufficient open wagons for loading of coal at collieries. The Committee recommend that necessary instructions may be issued by the Railway Board to all concerned. In case the number of covered wagons with the Railways is not commensurate with the increase in traffic in commodities needing such wagons, immediate measures may be taken to procure such wagons.

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