

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

STARRED QUESTION NO:166
ANSWERED ON:03.08.2006
RAIL WAGONS MANUFACTURING UNITS .
Baxla Shri Joachim

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) Whether a substantial manufacturing capacity in the rail wagons manufacturing units in public sector has been lying unutilized;
- (b) If so, the number of rail wagons produced by each public sector enterprises during each of the last three years and the reasons for under-utilisation of installed capacity; and
- (c) The steps contemplated by the Government to enhance the capacity utilization of these units?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) to (c): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (c) of the Lok Sabha Starred Question No.166 for reply on 3rd August 2006 raised by Shri Joachim Baxla regarding rail wagon manufacturing units.

(a) & (b): The manufacturing capacity and production of railway wagons by the Public Sector Enterprises during the last three years are as under:-

(in FWUs units)

Sl.No	Public Sector Enterprises	Current Production	manufacturing capacity				
		2003-04	2004-05	2005-06	2006-07		
1.	Burn Standard Company Ltd. (BSCL)	5250	2190	2282	1982		
2.	Braithwaite & Company Ltd. (BCL)	3000	1225	1000	1302		
3.	Bharat Wagon & Engineering Company Ltd. (BWEL)	2200	285	440	702		
4.	Bridge & Roof Co. (India) Ltd. (B&R)	450	265	390	285		
	Total:	10900	3965	4112			

Major reasons for the underutilization of the current manufacturing capacity are:

Delayed and inadequate receipt of matching free supply items like Bogies, Couplers, Wheel Sets, Steel & Bearings; shortage of working capital for purchase of bogies and couplers from outside vendors; sudden fall in wagon prices due to adoption of open tender policy by the Railways making some of the PSEs in competitive due to high overheads coupled with increase in input price; lack of consistent supply order by major consumers; etc.

(c) : To improve the capacity utilization, the Government have sanctioned revival schemes for Bridge & Roof Co. (India) Ltd. (B&R) in 2005 and Braithwaite & Company Ltd. (BCL) in 2006. Revival plans for Burn Standard Company Ltd. (BSCL) and Bharat Wagon Engineering Company Ltd. (BWEL) are in process. Constant follow up action is being taken up with the Railways to improve supply of free issue critical items and enhance order booking.