

ESTIMATES COMMITTEE (1967-68)

TENTH REPORT (FOURTH LOK SABHA)

MINISTRY OF RAILWAYS

**Commercial and other Cognate matters relating to
Indian Railways**



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C O R R I G E N D A

TO

Tenth Report (Fourth Lok Sabha) of
Estimates Committee on the Ministry.
of Railways - Commercial and other
Cognate matters relating to Indian
Railways.

Page 2, line 21, for 'and to'
read 'and also to'.

Page 3, line 17, for 'appoint'
read 'appointment'.

Page 6, -

(i) line 10, for 'an' read 'all'.

(ii) line 18, for 'officers'
read 'offices'.

Page 9, line 2 from below, for 'have'
read 'has'.

Page 13, line 10, for 'does yield'
read 'does not yield'.

Page 21, line 11 from below, for
'frienght' read 'freight'.

Page 27, line 5 from below, for 'leived'
read 'levied'.

Page 28, line 5 from below, for
'recommened' read 'recommend'.

(p.t.o.)

Page 30, line 7, for 'servies' read 'services'.

Page 31, 1st statement :

(i) line 1, column 1, for '1062-63' read '1962-63'.

(ii) line 2 last column, for '79.6' read '78.6'.

Page 35, 1st statement, from the heading of the last column delete 'Revised'.

Page 37 -

(i) line 20, for 'Clause' read 'Class'.

(ii) line 24, for 'Railwawys' read 'Railways'.

Page 52, 1st statement, line 3, column 6, for '28,089' read '28,098'.

Page 53, column 5 of the statement, under 'Northeast Frontier', against 1963-64, for '1.1' read '1.01'.

Page 54, line 2, for 'Railways' read 'Railway'.

Page 70, -

(i) line 12 from below for 'Committee' read 'Committees'.

(ii) line 13 from below for 'Association' read 'Associations'.

Page 71, line 2 from below, last column for '128,23,130' read '198,23,130'
Page 79, lines 4-5, for 'happenings a publicised' read 'happenings publicised'
Page 86 -

(i) line 6, for 'such a' read 'such as'
(ii) line 23, for 'adequately represented' read 'on the' .
Page 88, column 3, against Northern for '6,53,261' read '6,53, 261'.
Page 89 -

(i) line 9, for 'tht' read 'the'
(ii) line 16, for 'art' read 'are'.
Page 92 -

(i) line 6, for 'by' read 'to'.
(ii) line 11, for 'profit' read 'profits'.
(iii) line 18, for 'the' read 'that'
(iv) line 6 from below for 'rate' read 'rated'.
Page 93 -

(i) line 8, for 'justified improvement' read 'justified, improvement'.
(ii) line 18, for 'Administration' read 'Administrative'
(iii) line 28, for 'competitions' read 'competition'.
(p.t.o.)

Page 94, line 17, for 'commodity'
read 'community'.

Page 95, line 8 from below, for 'this'
read 'last'.

Page 103, -

(i) line 4, for 'dunch' read 'lunch'

(ii) line 7, for 'only slightly'
read 'only was slightly'.

Page 105, line 15, after 'contract'
insert 'catering'.

Page 106, line 11, for 'dinning'
read 'dining'.

Page 109, -

(i) line 14, for 'requested'
read 'required'.

(ii) line 12 from below, for 'least
at two' read 'least two'.

Page 114, line 11 from below, for
'sleeper has' read 'sleeper coach has'.

- Page 115, line 17, for 'protacting'
read 'protecting'.
Page 116, line 6, for 'power'
read 'powers'.
Page 117, line 3 from below, for '127'
read '124'.
Page 123, line 2, for 'para 6'
read 'para 11'.
Page 132, line 3, for 'th efright'
read 'the freight'.
Page 144, line 3, for 'Charges' read
'Changes'.
Page 160, serial No. 2, line 2, for
'in' read 'an'.
Page 163, serial No. 11-
 (i) line 4, for 'railways' read
 'railway'.
 (ii) line 7, for 'forkard' read
 'forward'.
Page 165, serial No. 18, line 4, for
'Pool' read 'Pull'.
Page 168, line 5, for 'these' read 'those'.
Page 169, line 1, delete 'also'.
Page 172, line 7 from below, for
'Committee' read 'Committees'.
Page 176, column 1 -
 (i) for '662' read '62'.
 (ii) for '3' read '63'.

(p.t.o.)

Page 177, serial No.67, line 3, for
'that on' read 'that the
regulation'.

Page 178, -

- (i) line 4, for 'Passenger'
read 'Passengers'.
- (ii) line 3 from below, for
're-introduction extension'
read 're-introduction/extension'

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(1967-68)

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INTRODUCTION

1. The Chairman, Estimates Committee, having been authorised by the Committee to submit the Report on their behalf, present this Tenth Report on the Ministry of Railways—Commercial and other cognate matters relating to Indian Railways.

2. The subject was examined by the Estimates Committee (1966-67) and necessary information obtained and evidence taken by them. That Committee, however, could not finalise their report due to the sudden dissolution of the Lok Sabha on the 3rd March, 1967. The Estimates Committee (1967-68) have perused the minutes of evidence and have come to their own conclusions which have been embodied in the Report.

3. The previous Committee (1966-67) took evidence of the representatives of the Ministry of Railways (Railway Board) on the 26th, 27th and 28th October, 1966. On the 27th October, 1966, that Committee also heard the representatives of the Ministries of Law and Transport on the various aspects of regulation of road transport in the country, including inter-State movement of road vehicles. The Committee wish to express their thanks to the Chairman and other Members of the Railway Board, the Financial Commissioner, Railways and the Secretaries of the Ministries of Law and Transport for placing before them the material and information they wanted in connection with the examination of the estimates.

They also wish to thank the General Managers, Central Railway, Eastern Railway, Northern Railway, South Eastern Railway, Southern Railway and Western Railway, and other officers of these Railways, the Members and Secretary of the Railway Routes Tribunal, Madras, and the representatives of the Nagercoil Out Agency, for rendering assistance and offering their views and suggestions to the Study Groups of the Estimates Committee (1966-67) during their visits to the various Railway Stations, Reservation Offices, Railway Catering Establishments, and Railway Goods and Parcel Sheds, etc.

4. The Committee also wish to express their thanks to Shri D. C. Modi, Vice-President, All India Federation of Transport Users' Association, Bombay, Shri Maruthai Pillai, Vice-President, Southern India Chamber of Commerce, Madras, Shri K. Bhattacharjee, Vice-President, West Bengal Passengers' Association, Calcutta, and Dr. Mahadeo Chand, Honorary Secretary, Bihar Transport Users' Association, Patna, for giving evidence and making valuable suggestions to the Committee.

5. The thanks of the Committee are also due to the All India Manufacturers' Organisation, Bombay, the Associated Cement Companies, Ltd., Bombay, the Associated Chambers of Commerce and Industry of India, Calcutta, the Bihar Industries Association, Patna, the Cement Allocation and Co-ordinating Organisation, Bombay, the Coal Consumers' Association of India, Calcutta, the Department of Tourism (in the erstwhile Ministry of Transport and Aviation), the Hindustan Steel, Ltd., Ranchi, the Indian Jute Mills Association, Calcutta, the Indian Sugar Mills Association, Calcutta, the National Mineral Development Corporation, Ltd., Faridabad, the Passengers' and Traffic Relief Association, Bombay and the U.P. Chamber of Commerce, Kanpur, for furnishing Memoranda to the Committee.

6. The Report was considered and adopted by the Committee (1967-68) on the 6th and 7th July, 1967.

7. A statement showing the analysis of recommendations in the Report is also appended to the Report (Appendix XI).

NEW DELHI;
July 25, 1967.

Sravana 3, 1889 (Saka).

P. VENKATASUBBIAH,

Chairman,
Estimates Committee.

CHAPTER I

INTRODUCTORY

Development of Railways

Route Kilometrage

The railway age dawned in India in 1853 when the first railway line from Bombay to Thana, 34-Km. long, was opened to public traffic. A period of rapid construction followed and on April 1, 1947, the railway network in India had a route kilometrage of 65,217. As a result of the partition of the country later in that year, the route kilometrage of railways in India came down to about 54,130. Since then, about 4,930 Km. more of route length have been added following new constructions or restorations of old lines dismantled during the war so that as on 31st March, 1966 there was a total route kilometrage of 59,060 under all the three gauges, broad, metre and narrow. The total Capital-at-Charge of the Government Railways was about Rs. 2846.6 crores and the number of men employed on that date was about 1.3 million.

Transport load

2. In 1950-51, the total traffic on Indian Government Railways amounted to 1,284 million passengers originating and 93.0 million tonnes of originating goods. Consequent upon the implementation of the First, Second and Third Five Year Plans for the economic growth of the country, the traffic has increased as indicated below:

Year	Passengers Origina- ting	(In Millions).		
		Passenger Kilo- metres	Tonnes Origina- ting	Tonne Kilo- metres
1950-51	1,284	66,517	93.0	44,117
1955-56	1,275	62,400	115.9	59,576
1960-61	1,594	77,665	156.2	87,680
1963-64	1,872	88,588	191.1	106,841
1964-65	1,992	93,489	193.8	106,570
1955-66	2,097	96,294	203.1	116,784

From the above, it will be clear that the transport load on the Indian Railways has nearly doubled during the last 15 years and is still increasing. As regards future development of traffic, it has been stated that earlier it was expected that the originating freight traffic would increase from 203 million tonnes in 1965-66 to about 265 to 277 million tonnes in 1970-71. However, since the anticipated increase from the beginning of the Fourth Plan upto now has not materialised on account of the general depression in the country, the traffic target is being reviewed by the Railways in consultation with the Planning Commission and various Ministries.

Plan development

3. At the commencement of the First Five Year Plan, the Railways in India were in a battered and dilapidated condition, having been starved of fresh capital investment, first by the depression of the thirties and then on account of strain of the World War II. With the help of the three successive Five Year Plans and the outlay made on Railways thereunder, which amounted to 21.6 per cent of the total Plan outlay in the public sector in the First Plan, 22.3 per cent in the Second Plan and 19.5 per cent in the Third Plan, the Railways continued to rehabilitate their dilapidated assets and to develop their resources in a big way in order to equip themselves for their vastly increasing responsibilities. The Third Plan witnessed a radical change in their position and for the first time on a long-term basis since 1939, the rail transport was generally ahead of demand, particularly for moving basic commodities such as coal, steel and minerals which form the main bulk of goods transport in the country.

Thus today the railways constitute the largest national undertaking in the country and the extent and rapidity of general economic growth is largely dependent on the growth of the railway system.

Importance of Commercial Department

4. While the movement of goods traffic has registered significant improvements during the Third Plan period—in fact there is now surplus transportation—the position in regard to the passenger traffic continues to be difficult, as is evident from overcrowding on trains and long waiting lists for reservation of seats and berths in view of ever-increasing demand for accommodation. It has become necessary for the Railways as a Government public utility undertaking to perform their important public service obligations efficiently on the basis of responsibility to the community as a whole. Being also a commercial undertaking, the Railways are expected to meet their operating expenses as well as over-head charges from their total earnings. In addition, they must earn a surplus to fulfil the financial

commitments as determined from time to time by Parliamentary conventions.

The Commercial Departments of the Railways have thus assumed a greater importance, they are required to zealously watch the earnings of this business-cum-public undertaking and find out new markets for the surplus transportation available. They have to keep a constant watch on the customers' choice and preference. Success in this direction can be achieved by a complete reorientation of the outlook of Commercial Officers, who have to be properly selected and trained in the art of Salesmanship.

Training of Commercial Officers

5. The Committee have been informed that arrangements have been made by the Railways for imparting proper training to the Probationers recruited (through the Union Public Service Commission on the basis of all-India competitive examinations held for all class I services) for the Transportation (Traffic) and Commercial Departments before their appoint to working posts. Commencing from 1962, such Probationers during their period of 2 years' training have to undergo a Foundational Course of 4 months' duration along with Probationers of other Central Services, Class I, at the National Academy of Administration, Mussoorie. The syllabus for this course has been framed with a view to train Probationers to acquire an appreciation of the democratic context in which they have to function and their responsibility as members of the higher Civil Service. The training consists of a study of the structure and functioning of Government and the basic provisions of the Constitution and is designed to give them some familiarity with the tools of administration. They are expected to familiarise themselves with the salient features of the country's economy and with the broad provisions of the more important laws which Civil Servants are required to be familiar with.

The training at the Mussoorie Academy is followed by a period of training on the Railways including two phases of training at the Railway Staff College, Baroda. The first phase is for three months and second phase for 1½ months.

The training given on the Railways and at the Staff College, Baroda is intended to cover all important aspects of Operating and Commercial work. It includes Claims, Traffic Development, Law, Passenger Amenities and Public Relations, Accounts and Statistics. The syllabus for Statistics at the Railway Staff College, Baroda includes Operating Statistics, Commodity Statistics, Financial Statistics and Administrative Statistics.

Besides the training referred to above, a scheme is in operation on the Railways by which Transportation (Traffic) and Commercial Department officers who show aptitude for Rates work are picked out and given further training in Rates for a period of six months.

A copy of the detailed syllabus of training is enclosed (Appendix I).

The Estimates Committee in their 26th Report (First Lok Sabha) on the Ministry of Railways—Commercial Matters, had underlined the importance of proper selection and training of Commercial Officers in the art of salesmanship. The recommendations of the Committee were accepted by the Railway Board *vide* the 32nd Report (Second Lok Sabha) showing Action taken by Government on the Recommendations of the Estimates Committee contained in their Twenty-Sixth Report (First Lok Sabha) on 'Commercial Matters'.

The Ministry of Railways have in a written note now stated that:

"The recommendations contained in the 26th Report of the Estimates Committee were duly examined by the Railway Board and it was found that the existing system of recruitment and the syllabi of training prescribed for T.T. & C.D. Probationers fully cover the Committee's recommendations."

While appreciating the scheme of training provided by the Railways for Probationers of the Commercial Department, the Committee feel that there is need for a review of the contents and programme of training in the light of the experience gained during the three Plan periods, in order to ensure that it inculcates in the trainees a customers-oriented approach, a sense of dedication to duty and a fuller realisation of the fact that the performance of the Railways would be judged according to the standards of regularity and dependability acceptable to the public.

With this object in view, the training programme should be made more broad-based and also include visits to, and placement with factories, steel plants etc. so that the trainees could appreciate from the very beginning the difficulties of their customers and develop a co-operative attitude towards their solution.

The Committee feel that although such changes might seem expensive at the initial stages, they are bound to repay rich dividends in the long run.

Functions and Organisation of the Commercial Department

Functions

6. A complete list of the subjects dealt with in the Commercial Department of the Railways is enclosed (Appendix II), but the following list would give a general idea of the main functions of the Commercial Department:—

- (i) Fixation of rates, fares and publication of tariffs;
- (ii) Acceptance, booking and delivery of goods and parcels traffic;
- (iii) Issue, checking and collection of passenger tickets;
- (iv) Collection, accountal and remittance of traffic receipts;
- (v) Settlement of compensation claims and of refunds including the remission of demurrage and wharfage charges;
- (vi) Catering;
- (vii) Traffic Surveys for new constructions etc.
- (viii) Development of traffic;
- (ix) Publicity and advertisements;
- (x) Maintaining close touch with the travelling and trading public to ascertain their reactions and for taking proper remedial measures etc. wherever necessary.

Organisational set-up

7. The need for a strong Commercial organisation has been stressed by previous Committees that have examined the working of the Indian Railways, including the Indian Railway Enquiry Committee, 1947.

The Committee understand that at present the Commercial set-up of the Railways is headed by an Additional Member (Commercial) in the Railway Board who is assisted by three Joint Directors and other officers and subordinate staff.

At the Zonal level, in each of the nine Zonal Railways the Commercial Departments is headed by a Chief Commercial Superintendent (an officer in the Senior Administrative Grade) who is responsible to the General Manager for the efficient working of the Commercial Department. He is generally assisted at Headquarters by three Deputy Chief Commercial Superintendents (officers in the

Junior Administrative Grade) incharge of Claims, Rates and Development respectively, except in North Eastern and South Central Railways where there are two deputies each and on Northeast Frontier Railway where there is one. Senior and Junior scale officers are also posted at Zonal Headquarters.

At the Divisional/District level, there is a Divisional/District Commercial Superintendent (Senior Scale Officers) responsible for an efficient conduct of commercial work. He reviews the existing facilities at various stations in his Division/District for receiving, booking, forwarding and delivering of an descriptions of traffic. He oversees that the Commercial staff under his charge are prompt; civil and courteous in their dealings with the public and comply with the various rules and regulations laid down for the conduct of their work and that the various Tariffs, Rate Advices, Rate Tables, Priority Registers, etc. are available at stations, and that Time Table Sheets, Fare lists and other notices are suitably displayed on the Notice Boards. He also arranges for periodical inspections of stations, Parcels and Goods officers, Out Agencies, City Booking offices and other ancillary services and catering and vending arrangements provided at stations and on trains.

At the lower echelons of the Commercial Department of the Railways are Assistant Commercial Superintendents (Officer in the Junior Scale—Class I and Class II) and other subordinate staff.

In reply to a question whether the Efficiency Bureau of the Railways has made any study to assess the strength of the Commercial officers, the Ministry of Railways have in a written note stated as under:—

“The efficiency Bureau has not made study of the strength of Commercial Officers. While creating posts in the Commercial Department, all possibilities of increasing efficiency by improved methods have been kept in view and only such posts as are amply justified have been created. Commercial work has also increased considerably in the context of greater attention to improvements in the quality of service provided for Railway users. There is, therefore, little scope for reduction in the strength of Commercial Officers.”

The Committee would urge that the Efficiency Bureau of the Railways should conduct an examination of the working of the Commercial Departments and suggest measures with a view to improve efficiency without any increase in staff.

In view of the keen competition with the road transport, the Committee feel that the Commercial staff of the Railways should be properly equipped and trained to serve as efficient salesmen. The Committee hope that in assigning the duties and responsibilities of the Commercial Officers due care will be taken to ensure that they are able to devote full attention to their jobs as salesmen and to earn an increasing amount of revenue for the Railways.

Financial Results of working

Earnings and Expenses

8. As has been stated earlier, the Railways have not only to meet all their operating expenses and overhead charges from their total earnings but have also to find a reasonable surplus to discharge the financial commitments determined by Parliamentary Conventions from time to time and to create the necessary reserves required by them for remaining in business.

In this connection, the Committee find that although the gross earnings of the Railways have registered an increase of 131 per cent. between 1955-56 and 1965-66 (the gross traffic receipts went up from 316.29 crores in 1955-56 to 733.57 crores in 1965-66), their total working expenses also increased by 121 per cent. during the same period (the working expenses being Rs. 583.04 crores in 1965-66 as against Rs. 258.21 crores in 1955-56).

Operating ratio

9. The operating ratio, representing the percentage of working expenses to gross traffic receipts, which stood at 81.64 in 1955-56 and had gradually fallen to 74.70 in 1963-64 again rose to 79.90 in 1964-65, and 79.50 in 1965-66. According to the revised estimates for 1966-67 and the budget estimates for 1967-68, it is expected to stand at 82.90 in 1966-67 and 81.1 in 1967-68.

Return on Capital

10. In terms of the return (net revenue after appropriation to Depreciation Reserve Fund but before making payment of Dividend and payments in lieu of tax on passenger fare to the General Revenues) on Capital, while the Railways were earning a net return of about 5.2 per cent. on their Capital-at-Charge in 1955-56 and had improved the position to 6.5 per cent in 1962-63 and further to 6.71 per cent. in 1963-64, they suffered a set-back in 1964-65 having earned a net return of only 4.9 per cent during that year. The position slightly improved to 5 per cent. (actuals) in 1965-66 but

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according to the revised estimates for 1966-67 there would again be a set back inasmuch as the percentage would come down to 4.1 per cent. The Railways expect to improve it to 4.7 per cent in 1967-68 (Budget estimates).

Analysis of performance

11. The Committee desired to know as to why, in spite of larger turn-over of business, and the increases made in freight rates and fares, the Railways could not bring down their operating ratio and improve upon the percentage returns on Capital. The representative of the Ministry has explained in evidence that some of the factors responsible for increase in the working expenses were beyond the control of the Railways and were completely unconnected with efficiency. The implementation of the Central Pay Commission scales of pay and the adjudicators' awards in various phases, and the increase of dearness allowance from time to time have contributed to a great deal to the increase in working expenses. It has been added that the increase in the price of coal, larger contributions to the Depreciation Reserve Fund and to the Pension Fund, and the large rise in prices of materials and stores are some of the other factors responsible for the growth in the working expenses of the Railways.

The Ministry of Railways have also furnished the following figures to show that the increase in freight rates and passenger fares has been much less than the increase in the prices:

Year	Goods		Passenger		Index No. of consumer prices (Working class) (Annual average)*
	Rate realised per tonne Kilometre		Rate realised per passenger Kilometre		
	(Paise)	Index	(Paise)	Index	
1950-51	3.16	100	1.48	100	101
1955-56	3.50	111	1.73	117	96
1960-61	3.87	122	1.71	116	124
1965-66	4.58	145	2.28	154	169

*1949—100

Since the index number of consumer prices is drawn up on the basis of many commodities which are not actually used by the Railways, the Committee desired to be furnished with a statement showing the rise in rates and fares as compared to the rise in prices of commodities and stores (like iron, coal, oil etc.) used by the Railways and the rise in average cost of Railway staff. The reply furnished by the Railways is reproduced below:—

“It is not possible to work out a combined index of the various items of stores and staff costs, as several assumptions have to be made regarding the weightage to be given to the different constituents. An index thus worked out may not satisfy fully the various tests traditionally applied in the construction of index numbers.

It will, however, be seen from the statement below that the increase in the average rate charged per passenger km./tonne kilometre has been much less, compared to the increase in the *per capita* cost of staff, and prices of certain important stores consumed by the Railways, such as coal, mineral oils, iron and steel manufactures, and cement, which account for the major proportion of the ordinary working expenses:—

Commodities.	Indices (Base 1950-51=100)			
	1950-51	1955-56	1960-61	1965-66
A.I. (a) General index number of wholesale prices.	100	82.7	111.7	147.7
(b) 'Manufactures' group	100	96.5	119.9	144.3
(c) Coal	100	100.7	140.5	176.0
(d) Mineral oils	100	107.2	123.5	157.2
(e) Iron and steel manufactures	100	140.4	174.9	218.5
(f) Cement	100	108.8	143.6	193.0
(g) Timber	100	100.6	128.0	141.7
(h) Bricks & Tiles	100	84.2	107.1	127.6
(i) Paper & News print	100	100.6	110.8	109.4
(j) Electricity	100*	98.3	119.3	137.9
A. II. Average cost per employee (Rs.).	1,263	1,476	1,799	2,328
Index	100	117	142	184

*Same index number as 1952-53 have been adopted in absence of the figure for 1950-51.”

Commodities	Indices (Base 1950-51=100)			
	1950-51	1955-56	1960-61	1965-66
B.I. Rate realised per tonne				
km. of goods (Paise). . . .	3·16	3·50	3·87	4·58
Index.	100	111	122	145
II. Rate realised per Passenger				
km. (Paise).	1·48	1·73	1·71	2·28
Index.	100	117	116	154

Note:—Index numbers of prices shown under item AI above have been converted from the series with 1952-53 as the base year. Index numbers for 1950-51 with base 1952-53=100 were calculated by converting from 'old series' of index numbers (base year ending August 1939=100) to the new base year 1952-53=100 by applying the prescribed conversion factor in each case.

As regards growth of traffic and its impact on the rise in gross earnings of the Railways, the representative of the Ministry has stated in evidence that although there has been considerable increase in the quantum of goods traffic, a major part of this increase has taken place in 'low-rated' commodities.

In a written note furnished to the Committee the Ministry of Railways have stated that if the commodities charged upto 40 per cent, of Scale 'A' of the railway goods tariff schedule were treated as low rated traffic*, the percentage increase in traffic in 1965-66 over 1951-52 would work out to 138·4 per cent. in the case of low-rated commodities as against only 66·4 per cent. in the case of other commodities, as would be seen from the statement of Tonnes originating of low-rated and other commodities reproduced at Appendix III.

*The Committee on Transport Policy and Coordination had adopted this basis for division between low rated and high rated traffic.

The representative of the Ministry has also stated during evidence that the advice of the Planning Commission and the information given by the various Ministries and industries had indicated that in the last year of the 3rd Plan the Railways would be required to move 249 million tonnes of traffic. Although the Railways had created additional capacity to move this traffic and had to meet the depreciation charges on that capacity which formed a part of the working expenses, the expected increase in traffic had not materialised and the actual traffic in 1965-66 was only 203 million tonnes. This was another factor responsible for the set back in the operating ratio.

In the opinion of the Railway Board, it is in itself a great thing that the operating ratio has been able to absorb all the rising costs and rising wages and has been revolving round about 80 per cent. between 1955-56 and 1965-66. It is claimed that if the extraneous factors like increase in dearness allowance, increase in the prices of coal, increase in contribution to Depreciation Reserve Fund and Pension Fund, etc. on the one side, and the revision of freight rates on the other side were segregated, the operating ratio would work out to 60.2 per cent. in 1965-66 as against 67.3 per cent. in 1955-56.

Since the Estimates Committee (1966-67) had examined the representatives of the Ministry of Railways in October, 1966, the Committee find that in 1967-68, the Railways have made some increases in freight rates and passenger fares. The Committee also find that the financial position of the Railways in 1966-67 was rather unsatisfactory inasmuch as they had to appropriate a sum of about Rs. 24 crores from their Revenue Reserve Fund in order to make good the shortfall in the revenue for payment of full dividend to the general revenues.

While there is no doubt that there has been an increase in the cost of basic raw materials and labour, the Committee feel deeply concerned about the significant drop in the percentage of net return on their Capital-at-Charge. In this context, they would like to remind the Railways about the increased burden that they would have to share by way of increase in the rate of dividend payable to the general revenues and increased appropriations to the Depreciation Reserve Fund, as recommended by the Railway Convention Committee, 1965.

The Committee would emphasise that a concerted drive should be made to plug the losses arising out of idling of wagons, ticketless travel, compensation claims etc. and all modern "tools" available to rail management should be pressed into service and the available manpower more efficiently utilised so that the railways are able

not only to earn an increased net return on their Capital-at-Charge but also to considerably bring down their operating ratio by reducing the cost of operations and of maintenance which a more intensive usage of their expanded assets would imply.

The Committee feel deeply concerned to note that roughly 63 per cent. of the working expenses of the railways is on staff cost and 37 per cent. on materials and equipments. The Committee cannot too strongly stress the need for reduction of the high expenditure on administration.

Work Study

12. The Committee have been informed by the representative of the Ministry of Railways during evidence that the importance of increasing productivity per man has been realised and steps are being taken in that direction by introducing incentive schemes, instituting work-study analysis, operational research methods and so on. He has further stated that "in our workshops during the last five years, we have introduced an incentive scheme. The result of that is that with even a lesser number of men, the quantity of work has gone up. The other thing is that a number of operations during the last two years have been analysed on work-study basis, improving the time taken in operation, improving the methods adopted for various types of work and so on. This process is continuing. In six of the nine railways, we have set up work-study cells at headquarters and also on some divisions. They are undertaking detailed work-study analysis, evolving simpler procedures, adopting more scientific and rational methods and also cutting out waste in manpower and material. The result of all this would be reflected in greater productivity per man, machine and equipment. Mechanisation of the accounting system, compilation of statistics, use of computers for salary bills and other bills—all these would also increase productivity per head as measured by the number of men required to move one million ten kilometres a year."

The Committee appreciate the efforts made by the Ministry of Railways to increase productivity by instituting Work Study Cells at Headquarters and in some Zonal Railways. The Committee feel that the Work Study is a useful tool that can produce effective and speedy results. They would, however, caution that the staff conducting work studies should be carefully selected and thoroughly trained so that reliable statistics become available. The Committee recommend that such Work Study Cells may be set up in all the

Zonal Railways and continuous studies made not only to improve the operational techniques but also to eliminate wastages in men and materials.

The Committee also recommend that the Work Study Cells should lay down targets for the completion of the various studies undertaken by them and it should be ensured that these targets are adhered to. It is important to stress that the utility of the Work Study Cells should be judged by their performance.

Unremunerative Branch lines

13. Any line that does yield a return of at least 6.75 per cent. per annum is considered as unremunerative by the Railways.

According to present reckoning, there are 63 unremunerative branch lines on Indian Railways, most of which are metre gauge and narrow gauge lines.

A statement showing the particulars of these lines, their capital cost and the profit or loss incurred on their running is enclosed (Appendix IV).

During his Budget speech for 1967-68 on the 22nd May, 1967, the Minister of Railways has informed the Parliament that a conservative estimate of the loss on unremunerative lines would be about Rs. 5½ crores which, from present indications, would increase progressively in the coming years.

It has been stated that the financial working of branch lines and the transport needs and plans of the areas served by them are periodically reviewed by the Railways. Following such a review undertaken between 1961-62 and 1963-64, the Sanala—Amran Road line on the Western Railway was closed down for traffic with effect from 25th October, 1965. On similar considerations of reducing the burden of unremunerative lines, the Kalighat—Falta Light Railway, and more recently the Pamban—Dhanuskodi Railway lines were closed down. The Railways are generally in favour of closing down such of the unremunerative lines where adequate road transport is available. The State Governments, however, are generally reluctant to support proposals for closure of railway lines even in cases where adequate roads run parallel to such railway lines. As a result, it takes quite a long time before even a small line can be closed.

Future policy

14. It has been stated that the formulation of the future policy of Railways in regard to the retention or closure of unremunerative branch lines was awaiting the recommendations of the Committee on Transport Policy and Co-ordination. That Committee has since submitted its report and Government have accepted certain recommendations of the Committee relating to unremunerative railway lines. One of the most important recommendations that have been accepted by the Government is that if alternative facilities have been or are capable of being developed to a point where the requirements for transport can be met substantively by means other than the railways at no higher cost to the economy, there should be no hesitation in giving up an existing branch line which is proving unremunerative and will not serve any object which cannot be met otherwise and at lesser cost.

The Committee would suggest that the recommendations of the Committee on Transport Policy and Co-ordination regarding closure of unremunerative branch lines should be implemented by the Government. For this purpose, the Central Government should impress upon the State Governments that while giving licences or permits for road transport they should keep in view the broad national interests. They should also extend full co-operation to the Railways in closing such of the unremunerative branch lines on which the losses incurred by the Railways are not commensurate with the public utility served, and where such closure could be effected by developing alternative transport facilities, at almost the same cost to the economy, to serve the needs of the areas concerned.

CHAPTER II

RAILWAY RATES AND FARES

Freight Rates

Previous History

15. The first Railway companies of India, incorporated in England, started on their enterprise with a Government guarantee of five per cent on the Capital outlay. Political and military considerations were uppermost and with the backing of the Government guarantee, construction and operation were often extravagant. All these factors had their repercussions on the railway freight rates, which originally were not fixed to assist in the internal development of industries.

By 1880, the Railway rates began to be affected by inter-railway competition, and as this competition went on increasing, Government had to pay a good deal of attention to the policy governing railway rates and in their historic resolution No. 1446-RT, dated 12th December, 1887, it was *inter alia* laid down that "to protect the public and to prevent unreasonable charges on the part of the Railway Administration, it was necessary for the Government to impose restrictions as regards the maximum fares to be levied for the carriage of all classes of passengers, and the maximum rates for all descriptions of goods". It was also considered necessary to fix certain minimum rates and fares in view of the possibility of the railways working under guarantee system reducing the rates in competition with one another to an unremunerative level without affecting the share holders as they were protected by the guarantee. The maximum and minimum rates prescribed were appended to the said Resolution.

The prescribed schedule which divided the goods traffic into five classes and one Special class was revised in 1891, as the earlier schedule was declared to be unworkable by the Railway companies since it left them no latitude to vary the rates. Whilst notifying the revised schedule, it was specified that companies were prohibited from making any alterations in the prescribed classification without the sanction of Government. In spite of this, sufficient uniformity could not be secured in rate-making and the complexity of the

tariffs gradually grew since the same commodity could be, and actually was in many cases, put into a different class by each railway.

The class rates framed in 1891 were in force till 1910 when the special class was withdrawn and amalgamated with the 1st Class with the result that the minimum of the 1st class was replaced by the minimum of special class.

While the pressure of war-time demands compelled the railway administrations to enhance their rates within their prescribed maximum, the demands of finance led the Government of India also to impose a surcharge tax of one pie per maund on coal, coke and fire-wood and of 2 pies per maund on all other goods in 1917, on freight carried by rail. This charge was further enhanced in 1921 as Government needed further revenue. The imposition of the surcharge was, however, disliked by the public on the one hand and by the railways on the other. The Acworth Committee, which was appointed in 1921, also disapproved of the principle of the levy of a sur-charge and recommended that a general and substantial increase in the rates and fares was long over-due. The matter was pursued further through the Indian Railway Conference Association and ultimately the number of classes were increased to 10 and the maxima rates were raised to the extent of 15 to 25 per cent without disturbing the minima rates, with effect from 1st April, 1922. The evolution of the railway freight structure upto the years preceding the First World War had only an indirect effect on the development of industry in the country though it influenced more directly agricultural development. It was only during the inter-war period, particularly after 1923, when the new fiscal policy of discriminating protection was adopted that some stimulus was given to industrial development. The emphasis laid by the Industrial Commission earlier and the criticism of the Tariff Board (1929) under the Chairmanship of Dr. John Mathai, later served the purpose of ultimately making the railways wake up to the importance of developing local industries even in the hinterland by the quotation of promotional rates. Iron, Coal, Sugar, Cement and Paper industries, amongst others, owe much of their prosperity to the assistance given by the railways in the shape of low rates both for materials and finished products.

In the later years of the inter-war period, i.e., during the world-wide depression period of the thirties, railways had to face the great depression and its after-math and gradually a demand grew for a general reduction of rates and other complaints were also voiced regarding the rating system. A conference of railway commercial

and other representatives was held in Delhi in 1935 and as a result of their discussions a revised classification was introduced on 1st May, 1936, with the number of classes increased from 10 to 16. Although the revised classification permitted a wider range for re-grouping, nothing was done to rationalise the freight structure as such and the major defects inherent in the individualistic system of working of railways were left untouched. For instance, there were exceptional class rates, i.e., classifications, higher or lower than the standard class, which were prescribed for particular commodities in local booking and in through booking upto the junction with the Foreign Railway. There were also "adjusted class rates" lower than the class rates, quoted between particular points and applying to all commodities falling in the particular class indiscriminately.

Developments after Independence

16. The attainment of national independence radically altered the approach to the fixation of Railway freight rates and the individualistic line, so far followed by the Railways, was replaced by a national policy calling for uniformity of practice to the largest extent possible. As a result, a uniform rates structure, comprising telescopic rates on through distance, was introduced with effect from the 1st October, 1948. Along with this, standard telescopic wagon load scales were also introduced in replacement of the different schedule rates quoted on different railways. (Kindly see Appendix V). Inter-railway competition was abolished and traffic was required to be routed by the shortest route. The objects of the revision of 1948 may be summed up briefly as follows:—

- (1) Simplification and rationalisation of freight rates on Indian Railways;
- (2) re-orientation of railway rating policy along national lines;
- (3) prevention of wastage of transport resulting from circuitous routing due to competitive reasons; and
- (4) securing of a modest increase in freight rates to match in part the increase in working cost.

Railway Freight Rate Structure Enquiry Committee

17. The railway freight rate structure was again reviewed in all its aspects by the Railway Freight Rate Structure Enquiry Committee which was constituted on the 29th June, 1955.

The revised rates structure was introduced with effect from 1st October, 1958 as a result of a detailed investigation made by the said Committee. This rate structure was built on two separate rate bases known as class 100-A and class 100-B and all the other class rates are expressed as percentages of these two basic scales. This practice of "percentage class rates" is also in vogue in U.S.A. and Canada.

Coal in wagon loads was charged according to a distinct scale.

The per quintal (100 kilogram) per kilometre basis of class 100-A and class 100-B are given below:—

Distance in kilometres	Basis per quintal per kilometre.	
	Class 100-A (Paise)	Class 100-B (Paise)
1—40	3·126	2·259
+41—120	1·218	1·088
+121—240	·958	1·019
+241—480	·871	·0958
+481—800	·741	·871
+801—1290	·610	·697
+1291—1930	·524	·636
+1931—2410	·437	·480
+2411 and beyond	·133	·133

The terminal, short distance, transshipment and ghat charges which were being separately levied with effect from 1st October, 1958 were merged in the basic rates.

There were in all 45 class rates, 14 of which were percentages of class 100-A and the remaining 31 were percentages of class 100-B.

Existing Policy

18. The Committee desired to be furnished with a note regarding existing policy of the Railways in regard to Rates and the information furnished by the Ministry is reproduced below:—

"Railways carry a heterogenous variety of articles such as raw materials, finished products, goods in bulk and in bags or packages, perishables, liquids, fragile and dangerous goods, chemicals, medicines, foodstuffs, minerals etc. All these commodities are directly or indirectly important in the daily life of the common man. Railways cannot, for instance, go on the basis that, since a low priced commodity like coal comprises about 33 per cent of its total traffic in

terms of tonne kilometres, it should produce 33 per cent of its revenue; they must take into account all the factors relating to the individual commodity and must apportion the transport cost burden equitably so as to ensure a sufficient aggregate return upon their investment and at the same time place no undue burden on any commodity nor unduly favour any commodity so as to discriminate against other commodities.

2. The principal factors considered in fixing the rates for individual commodities are given below:—

(i) *Value of Service*

- (a) *Price of the Commodity.*—This is an important factor related to the commodity indicative of its ability to pay its transportation charges. For example, commodities of high value such as Piece-goods, cotton, medicines, electric goods, etc., are all relatively high priced commodities and have accordingly been classified in higher classes for charging freight. Low priced commodities such as, minerals, ores, manures, etc., have been placed in lower classes for charging freight owing to their lower price and, consequently their poorer ability to pay their transportation charges.
- (b) *Stage of manufacture.*—Manufactured goods can bear higher rates than semi-finished products and the latter can bear higher rates than raw materials. Accordingly, Iron and Steel products such as structurals, bars etc. are placed in a higher class than Steel Billets, a semi-finished product, and the latter in a higher class than iron ore, a raw material.
- (c) *Use to which a commodity is put.*—Commodities of great social utility have to be charged at lower rates, if their movement over long distances is to be facilitated. Accordingly, commodities like coal, foodgrains, chemical fertilizers etc. are placed in lower classes than those justified on the basis of their price. Contrawise, luxury goods like Refrigerators, piecegoods, silk etc. are placed in higher classes, although their susceptibility to diversion to road has also to be taken into account.

(ii) *Cost of Service*

- (a) *Loadability.*—Commodities of a bulky nature, having poor loadability per wagon must pay higher rates than similar

but heavier commodities giving full capacity loads per wagon. For this reason, cotton loose, for example, is charged at higher rates than pressed cotton.

- (b) *Transit Risk*.—Dangerous commodities or commodities of a fragile nature, have a very high incidence of transit risk and for this reason rates for dangerous goods and fragile goods have been fixed at a comparatively higher level.
- (iii) *Volume and regularity of movement*.—Just as large scale production of any particular commodity enables a manufacturer to turn out his product at a lower cost per unit, any large volume of traffic moving regularly enables a carrier to transport it at a lower rate. This is an additional reason for charging foodgrains, for example, at a lower scale of rates. Further, "full wagon load" consignments are cheaper to carry than the "less than wagon load" consignments. Consequently, lower rates have been provided for traffic in wagon loads than for traffic in small lots.
- (iv) *Competition*.—Although with common ownership inter-Railway competition does not obtain, rates are sometimes reduced to prevent diversion of rail traffic to other modes of transport; such reduced rates however do cover all the direct costs and leave something as a contribution to indirect costs.

3. *General classification of goods*.—About 3000 odd different commodities are carried by Indian Railways and each one of these commodities is classified in one or the other of 54 classes taking into account the factors mentioned above. All the 54 classes have a telescopic basis of charges i.e. the unit rate per tonne kilometre generally declines with increase in distance although the taper is slightly flatter in the case of some of the special class rates recently introduced.

Following the practice in vogue in some countries like the U.S.A. and Canada, all the 54 class rates are calculated not on the basis of one Kilometre unit of distance but on the basis of blocks of 5 Kilometres from 1 to 500 Kilometres, in blocks of 10 Kilometres from 501 to 2000 Kilometres and in blocks of 50 Kilometres for distances beyond 2000 Kilometres.

Each commodity in the General Classification of goods (with a few exceptions like motor cars, tractors etc.) has been assigned a separate class for movement in "Small lots" and "Wagon load", the rate applicable to "Wagon load" movements being lower than the corresponding rate for "Smalls". In view of the relatively higher cost per unit weight of the carriage of very small consignments, an additional surcharge of 20 per cent is also levied on very small consignments weighing less than 50 quintals in the case of some commodities and less than 10 quintals in the case of others.

With the exception of a few commodities of perishable nature and of those moving in bulk such as fresh fruits, vegetables, fish, charcoal, firewood, sand etc., the rates for all other commodities both for "Wagon loads" and for "Smalls" are at Railway risk.

4. *Station to Station rates.*—Railways have been given powers to quote suitable concessional rates for development of traffic or for meeting competition from other modes of transport on normal commercial considerations. This gives flexibility to the rate structure and enables adjustments being quickly made in the rates to meet changes in economic and transport conditions. However, to ensure a uniform freight policy all over the country, certain limitations have been placed on the powers of Railways in this regard but rates below their rate reducing powers can be quoted with the prior approval of the Railway Board wherever the economic and transport conditions so demand."

Increases in rates

19. The Committee also desired to be furnished with a statement indicating the progressive increase in the freight rates charged by the Railways for goods and parcels between 1950 and 1966 and the information furnished by the Railways is reproduced in Appendix VI.

It would be observed therefrom that while rates have been going up and were considerably higher in 1966 than in 1950, the Railways have, during the years 1964 to 1966, made substantial reductions in the rates for certain high rated commodities. Some of the important commodities, the rates for which have been brought down are—

- (i) Piece-goods, cotton etc. in bales press-packed.
- (ii) Cotton raw, full pressed.

- (iii) **Motor vehicles.**
- (iv) **Leather goods, N.O.C.**
- (v) **Sugar.**
- (vi) **Hydrogenated oil.**
- (vii) **Biscuits & confectionery.**
- (viii) **Medicines.**
- (ix) **Tea.**
- (x) **Tobacco country manufactured.**

In the Budget for 1967-68, the Railways have made an upward revision of the freight rates and the proposed changes were described by the Minister for Railways in his Budget speech on the 22nd May, 1967, as follows:—

'It is proposed to increase the supplementary charge on goods freight rates from the present 3 per cent to six per cent with effect from the 15th of June.* This should bring in about Rs. 15 crores additional earnings in a full year. It is also proposed to make some adjustments in the freight rates on coal for distances exceeding 515 Kms., since the present freight on coal moving beyond this distance falls progressively short of even the cost of its movement. This revision should bring in additional earnings of Rs. 4½ crores in a full year. It is also proposed to rationalise the rates for goods traffic in 'smalls' i.e. less than full wagon loads, for which also the cost of movement itself substantially exceeds the earnings. This proposed rationalisation is expected to bring in Rs. 2 crores in a full year. The present special rates applicable to manganese and iron ores for export are also being suitably raised in view of the higher prices in terms of rupees realised for the ores after the devaluation of the rupee. This is expected to bring in additional earnings of about Rs. 1½ crores in a full year. It is thus expected that about Rs. 23 crores will be realised in a full year from all these proposals, but not more than Rs. 19 crores during the period of 9½ months that these changes will be effective in the current year.'

*This increase does not apply to foodgrains.

Comparative position in other countries

20. The following table furnishes a comparison of the average rate charged on Indian Railways with average rate charged on Railways in the neighbouring countries viz. Japanese Railways, Pakistan Railways, Ceylon Government Railways and Burma Railways:—

	Average rate charged in equivalent Indian currency (converted on the basis of I.M.F. par values).
	Per tonne K. Ms. (Paise.)
Japanese National Railways 1963-64	4.56
Pakistan Western Railways 1963-64	3.71
Pakistan Eastern Railways 1960-61.*	5.53
Ceylon Government Railways 1963-64	13.45
Burma Railways 1961-62*	7.50
Indian Government Railways 1963-64	4.36

*Later figures not available.

The Committee realise that the Railways as a Government undertaking have to meet their operating expenses as well as overhead charges from their total earnings and in addition they have to earn a surplus to meet their financial commitments as determined by Parliamentary Conventions. They also realise that in years to come the Railways have to be prepared to meet heavier financial commitments. The Committee are glad to note that while modifying the Freight structure on the lines of the recommendations of the Freight Structure Enquiry Committee, the Railways have generally kept in view the principles suggested by the Estimates Committee (1955-56) in their 26th Report (First Lok Sabha) on the Ministry of Railways 'Commercial matters', namely that the freight structure should be such as to ensure the financial stability of the Railways, and it should give some consideration to the cottage and the newly developing small scale industries, and also to the export and import traffic.

The Committee are in agreement with the views of the Committee on Transport Policy and Coordination that there should be a re-thinking on the railway rating policy so as to adopt cost-based rates for different kinds of traffic. As pointed out by that committee, the pattern of freight traffic on the railways has been changing considerably and the proportion of low rated commodities has been increasing.

In the opinion of the Estimates Committee, the diversion of high-rated traffic to the road transport is a problem which has to be tackled effectively. The Committee feel that if more and more of high-rated traffic is allowed to slip away to the road transport, leaving only low-rated traffic for the Railways, a situation may arise when the Railways will be compelled to make a further upward revision of freight rates in respect of all commodities to safeguard their finances.

As regards cost based studies, the Committee are glad to know that the Railways have adopted a forward looking approach on the subject and have undertaken steps to improve cost data. They hope that as and when better cost information is available the Railways will be able to make adjustments to bring about greater correspondence between rates and costs in future. The Committee also agree with the observations of the Committee on Transport Policy and Coordination that there are limits to the railways' ability to adjust rates on the basis of costs fully and in all cases because of the wide variations in costs on the railways 'resulting from different conditions of operation on the different parts of the railway system, and the railways' obligation, as a national undertaking, to have uniform rates all over the railway system.'

In this connection, the Committee would like to invite the attention of Government to the recommendations made by the Estimates Committee (1955-56) in para 32 of their 26th Report (First Lok Sabha) on the Ministry of Railways—Commercial Matters wherein they stressed the need of having an organisation consisting of representatives of the Railways and of Chambers of Industries and Commerce and other bodies for purposes of consultation in regard to tariff changes. The Committee understand that the Railway Freight Structure Enquiry Committee also appreciated the need for consultation and exchange of views by the Commercial Committee of the Railways with the representatives of the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of

Commerce and Industry before making the financial recommendations to Government. The Committee feel that the adoption and continuance of such a practice would ensure a wider appreciation of the problems of the Railways by the users and would also enable Railways to introduce tariff changes with considerable measure of public support.

Rates for block rakes

21. It has been represented to the Committee that the Railways should allow concession in freight when goods are despatched in block rakes and that telescopic system of rates should also be introduced in the case of tonnage despatched at a time.

The representative of the Ministry has stated during evidence that the present rates do take into account whatever economies there are that accrue to the Railways as a result of some of the goods moving in bulk in full train loads. Traffic moving to the steel plants, washeries and cement factories, etc. and the economies accruing therefrom have been taken into account in fixing the rate structure. It has been added that if rates for trainloads are to reflect the economy made by the Railways in moving trainloads, the rates for wagon loads would have to be put up, but the Railways would not like to take that action because this is not the time to do so.

The Committee feel that since the movement of materials in block rakes is a convenient and economic form of operation, steps should be taken by the Railways to encourage such movement by allowing suitable concessions in freight for such movements.

Freight to pay coal consignments

22. It has been represented to the Committee that in the case of "Freight to pay" coal consignments, the Railways generally charge full freight on the rake at destination even if only one wagon is delivered out of the many covered by the Railway Receipt and that it causes undue hardship to the consumers who have to claim refund later and go through an elaborate procedure for getting the claim settled.

The Ministry of Railways have stated that while it is true that when a part of the consignment arrives, the consignee has to take delivery of it on payment of full freight charges, it is most unlikely that when one invoice covers a whole rake of coal wagons, only

one wagon out of the whole lot would be delivered in the first instance. One invoice, even though it may cover a number of wagons, constitutes one single transaction and having to account for the invoice, the Station Master has to collect the entire amount of freight charges invoiced in order to avoid a lot of accounting difficulties.

The Committee feel that in the case of "Freight to pay" consignments there is no justification for the Railways to insist on full payment till all the wagons covered by a Railway Receipt have been delivered. The Committee would, therefore, suggest that the matter may be discussed between the representatives of the Ministry of Railways and the Coal Trade in order to evolve a workable solution to mitigate the hardship being caused to the Trade.

Freight undercharges on fertilizers

23. It has been represented to the Committee by an important Chamber of Commerce that fertilizers are despatched from factories on a freight paid basis and if it is found at the destination point that freight has been undercharged, delivery of the consignment is not given unless the under-charges are paid by the consignee. As the payment of freight charges is the responsibility of the consignor, it has been agreed by the Ministry of Food and Agriculture and the Railways that undercharges on fertilizers should not be collected from the consignees and that Railway receipts should be marked at the forwarding station "No undercharges to be collected vide Rule....."

It has been further represented to the Committee that inspite of this agreement, the Railways have not issued any such notification and the agreement is not thus being actually implemented.

The representative of the Ministry has admitted during evidence that there have been some lapses on the part of the Railway staff in the matter

The Committee regret to note that there has been a failure on the part of Railway officials to honour the terms of the agreement that have been mutually agreed upon by two departments of the Government. They would suggest that clear instructions should be issued to all concerned so that the agreement with the Ministry of Food and Agriculture regarding non-collection of undercharge on Fertiliser consignments from the consignee is fully implemented and inconveniences to the consignee in this respect are avoided.

Passenger Fares

Existing policy

24. The Ministry of Railways have stated in a written note that passenger fares for different classes are fixed taking into account the accommodation, the amenities and the comforts provided in each class as also the ability of passengers travelling in these classes to pay transport charges. The speed of different trains is also taken into account in fixing the basis for charge by ordinary and Mail Express trains except in the case of Air-conditioned and first classes. The basis of passenger fares is telescopic and they apply uniformly over all the Indian Government Railways.

Travel concessions.—To encourage educational, cultural and social activities, travel concessions are granted to students, dramatic clubs, theatrical troupes, circus parties, athletes and persons attending All India Conferences of social, educational and cultural importance.

Concessional Monthly tickets for suburban traffic.—To assist dispersal of population in the metropolitan and other large cities, monthly season tickets at concessional fares are issued for suburban traffic. Charges for monthly season tickets have very low basis taking into account the density of traffic, the nature of the services provided and comparatively lower ability of users of suburban train services to pay for transport. .

Major changes since independence

25. Prior to independence, as in the case of goods traffic, each Railway followed its own individual policy in the matter of fixation of passenger fares. Consequently, the basis of passenger fares over different Railways varied widely from Railway to Railway and although passenger fares had a telescopic basis, the tapering effect applied only up to the boundries of each Railway. From 1st January, 1948, different telescopic scales were replaced by standardized flat mileage fares which applied uniformly over all Railways. From 1st April, 1955, fares were again adjusted to telescopic basis. From 15h September, 1957, a tax on passenger fares was leived, which was merged in the basic fares from 1st April, 1961. Since then there have been some upward adjustments in passenger fares on three occasions once from 1st July, 1962 again from 1st April, 1965 and again from 15th June, 1967.

The actual changes made in the passenger fares between 1950 and 1967 are given in Appendix VII.

In regard to the policy about fares for Monthly Season Tickets over suburban and non-suburban sections, there has been no major change since independence. It has been stated that despite steep increases in the working cost of Railways, the basis of Monthly Season Tickets continues to be low.

Comparative position in other countries

26. The following table furnishes a comparison of average fare charged on Indian Railways as compared with average fare charged on Railways in the neighbouring countries viz. Japanese Railways, Pakistan Railways, Ceylon Government Railways and Burma Railways:—

	Average equivalent (converted Per pass. Kms.	rate charged in indian currency on the basis of I.M.F. per values) Paise
Japanese National Railways	1963-64	2.63
Pakistan Western Railway	1963-64	2.02
Pakistan Eastern Railway	1960-61*	2.24
Ceylon Government Railways	1963-64	2.04
Burma Railways	1961-62‡	3.13
Indian Government Railways	1963-64	2.09

*Later figures not available.

Air-conditioned and First Class Carriages

27. The Estimates Committee (1955-56) in their 26th Report on the Ministry of Railways had observed as follows:—

"The Committee feel that there is case for investigation as to what extent, if any, the air-conditioned class or the first class were being subsidised by other classes. The Committee, therefore, recommended that the capital cost of various classes of rolling stock should be worked out and then the earnings compared with the capital cost of stock, interest, maintenance and depreciation charges thereon and the cost of haulage per vehicle."

While furnishing information about the action taken on the recommendation, the Ministry of Railways stated as follows:—

“The Committee’s suggestion for investigation as to what extent, if any, the air-conditioned class or the first class was being subsidised by other classes had been given very careful consideration. The provision of different classes of accommodation on trains is decided upon on the basis of the public need and demand for such accommodation and the charges levied are based on the principle of ‘What the traffic will bear’ having due regard, at the same time, to the additional operating costs of providing such a service.

From the detailed calculations made on the basis of data readily available, it is seen that the air-conditioned class and the first class cannot be regarded as uneconomic in themselves and that they are remunerative when the occupation ratio is of the order of 45 per cent for the air-conditioned class B.G. and 25 per cent for the first class B.G., the corresponding figures for the M.G. being 52 per cent and 30 per cent.

The problem thus is really one of keeping a constant watch with a view to curtailing the specific services which give occupation ratios which are particularly low.”

28. The Committee have now again gone into the question of income or loss to the Railways from running air-conditioned coaches. The Ministry of Railways have informed the Committee that the total working expenses are divisible broadly between “coaching” and “goods” services, but the expenses of coaching services include not only the cost of passenger services but also the cost of carrying luggage, parcels, and other coaching traffic. It has been added that full information of the cost of providing certain special services/facilities for the airconditioned First Class and Third Class is not readily available in the existing accounts classification.

The Committee have, however, been furnished with statements showing:—

- (i) comparison of additional expenditure involved in running the air-conditioned (IACC/III A.C.) over and above the respective ordinary services (I Class/III Class) with the additional realisation per passenger kilometer over and above I/III Class; and

- (ii) The total estimated cost of providing I Class A.C., First Class (other than EMU and III Class A.C. and the total earnings from them during the last three years.

The said statements pertain to the period 1962-63 to 1964-65 and have been prepared by the Ministry on the presumption that the only additional expenditure incurred on the provision of air-conditioned I Class and III Class services is in respect of the interest, depreciation, and maintenance of the A.C. equipment and the extra coach attendants.

The Committee find from the information furnished by the Ministry that—

- (i) The additional cost of providing air-conditioned service per passenger kilometer over the ordinary I Class/III Class is fully covered by the additional earnings per passenger kilometer over I Class/III Class Mail and Express, except in the case of M.G. I Class A.C. where the additional cost per passenger KM. is 17.89 paise as against additional earning of 5.53 paise per passenger KM. In 1964-65.
- (ii) Earnings from III Class A.C. travel fully cover the total expenditure on the provision of this accommodation.
- (iii) The earnings from I Class travel do not fully meet the estimated cost of providing this service (the earnings being only Rs. 13.06 lakhs as against the estimated cost of Rs. 21.05 lakhs in 1964-65 both B.G. and M.G. taken together);
- (iv) The earnings from I Class A.C. do not fully meet the estimated cost of providing this service (the earnings being only Rs. 181 lakhs as against the estimated cost of Rs. 294 lakhs in 1964-65 for both B.G. and M.G.).

As stated elsewhere in this Report, the Railway have increased the fares for Air-conditioned and First Classes by 15 per cent with effect from 15th June, 1967.

Occupancy Ratio,

29. The Committee also desired to know the occupancy ratio of the accommodation available in I Class A.C. and III Class A.C. on

the Railways and the information furnished by the Ministry, calculated on a sampling basis, is reproduced below:—

	1ST Class AC.		II Class AC.
	BG.	MG.	BG.
1962-63	56.1	27.4	55.4
1963-64	46.5	26.4	79.6
1964-65	50.6	26.4	71.7

As against the above, the figures of occupancy ratio on ordinary (non air-conditioned) I Class and III Class during the same period were as follows:—

Year	1st Class		III Class (Mail/Express)		III Class (ordinary)	
	BG	MG	MG	MG	BG	MG
1962-63	53.3	30.4	100.0	92.6	63.3	83.0
1963-64	46.5	32.2	85.4	77.8	66.9	74.3
1964-65	47.7	32.5	90.2	89.7	69.0	86.2

The Committee note that the average rate of passenger fares charged on the Indian Railways compares favourably with the corresponding rates in certain neighbouring countries. The Committee also note that the earnings from the Air-Conditioned Class and the First Class did not fully meet the estimated cost of providing these services till 1966-67. The Committee feel that it would be rather pre-mature to guess at this stage if the increase in passenger fares for Air-Conditioned and First Classes from June, 1967, will result in an improvement in this regard. The Committee, however, hope that the Railways would continue to keep a watch on the occupancy ratio of, and earnings from, these classes and adopt suitable remedial measures as and when necessary to ensure that the revenues from the Air-Conditioned and First Classes are at least sufficient to cover the cost of their haulage.

Inflated charges over Mokameh Bridge

30. It has been represented to the Committee that although the cost of the Mokameh bridge might have already been realised by

the Railways from the passengers, the inflated mileage to be treated as the chargeable distance between Rajendra Pul Halt and Hattidah still continues.

The Committee have been informed by the Ministry of Railways that before the bridge was built, the Railways operated a ferry service between Mokameh Ghat and Semaria Ghat. While the actual distance between Dumra and Barauni was 12 miles, the distance for charge was 33 miles, the ferry being charged as for 21 miles. When the financial implications of constructing the bridge were worked out, it was found that it would yield a fair return only if the then existing inflation was maintained. Hence the chargeable distance between Rajendra Pul Halt and Hattidah junction is 40 Kms.

The question whether the inflation may be withdrawn is, however, being examined, by the Railway Board.

The Committee hope that an early decision would be taken in the matter so that the inflated mileage to be treated as chargeable distance is continued only to the extent it is absolutely necessary.

Railway Rates Tribunal

Constitution and functions

31. The Railway Rates Tribunal is an All India statutory body created in 1948 by the Amendment Act 65 of 1948 to the Indian Railways Act, 1890. The Tribunal began functioning from April, 1949.

Prior to the constitution of the Tribunal, there was a Committee named the Railway Rates Advisory Committee set up by the Government of India. This Committee which was purely an advisory body functioned from 1926 to 1948.

The constitution and functions of the Tribunal are laid down in Sections 34 to 46 of Chapter V of the Indian Railways Act. The Tribunal consists of a Chairman and two Members appointed by the Central Government. The Chairman of the Tribunal is nominated from either sitting or retired Judges of the Supreme Court or a High Court. The other two Members are chosen by the Central Government from among persons who have special knowledge of Commercial, Industrial or Economic conditions of the country or of the commercial working of the railways. The Chairman and Members of the Tribunal hold office for a specified period not exceeding five years and are ineligible for re-appointment to the same office.

The Tribunal as a whole deals with cases and the previous system of a single Member dealing with complaints has been done away with. The system of having assessors also has been abolished.

The functions of the Tribunal under the Railways Act are three-fold:—

I. The tribunal deals with complaints that a railway administration—

(a) is contravening the provisions of section 28 (i.e. giving undue preference or advantage to a particular person or description of traffic or subjecting a particular person or description of traffic to undue prejudice or disadvantage); or

(b) is charging for any commodity between two stations a rate which is unreasonable; or

(c) is levying any other charge which is unreasonable.

II. A Railway administration may, after the expiry of one year from the date of an order of the Tribunal, make an application to the Tribunal for revision of the order mentioning the changes in the circumstances that have taken place since the passing of the order.

III. The Tribunal does not have jurisdiction in respect of—

(a) classification or re-classification of any commodity;

(b) fixation of wharfage and demurrage charges (including conditions attached to such charges);

(c) scales of charges levied by a railway administration for the carriage of passengers and their luggage, parcels, military traffic and traffic in railway materials and stores.

In respect of these matters, however, the Central Government may make an advisory reference to the Tribunal and the Tribunal makes an enquiry and submits its report to the Central Government.

The decision of the Tribunal is by a majority of the Members sitting and is final:—

IV. The Tribunal also deals with revision petitions from Class III staff. Under the provisions of Indian Railway Establishment Code, a Class III railway servant including a skilled artisan who has been dismissed, removed or compulsorily retired from service, may after his appeal to the

appropriate authority has been disposed of and within two months thereafter, request the General Manager to refer his case to the Railway Rates Tribunal for advice before the General Manager disposes the same. On receipt of such a request from the employee, the General Manager refers the case to the Railway Rates Tribunal for advice.

Practice and procedure

32. The Railway Rates Tribunal with the approval of the Central Government have made rules regarding its practice and procedure and for the discharge of its functions, called "Railway Rates Tribunal Rules, 1959".

The Tribunal submits annually a report to the Central Government of its proceedings showing the complaints received, disposed, etc.

The Tribunal also deals with a number of interlocutory petitions on various matters like amendment of complaints, injunctions, stay of proceedings, permission to intervene, etc. For example, during 1965-66 the Tribunal received 49 such interlocutory petitions and dealt with 43 during the year.

Date of Declaratory relief

33. There is no specific provision in the Act as to the date from which the Tribunal can give declaratory relief. The Ministry of Railways have stated that it is a well-recognised principle that the orders of judgment in a case may relate back to the date of filing of the complaint.

However, in this connection, the attention of the Committee has been drawn to the following observation of the Supreme Court in Civil Appeal No. 9 of 1962 (1963 R.R.T.):—

"In the absence of anything to indicate to the contrary, it is reasonable to think that this fixation can only be prospective that is, the Tribunal in making this order fixing the reasonable rate or charge will mention a future date for this to come into operation. Even if it was assumed for the sake of argument that the Tribunal can fix these rates from the date of the complaint that would not give the Tribunal any power to order refund."

The Committee feel that there is some lacuna regarding the authority of the Tribunal in this regard, and that it would be helpful if the position is made clear by making a suitable provision in the Indian Railways Act.

Volume of work

34. The number of complaints (including petitions) and Revision Petitions from the staff disposed of by the Tribunal during the last 3 years are as follows:—

Complaints (including Applications*)

Year	Opening Balance	Received During the year	Total	Disposed during the year	Revised Closing Balance
1963-64	8	4	12	7	5
1964-65	5	7	12	2	10
1965-66	10	5	15	1	14

Revision Petitions from Staff

Year	Opening Balance	Received during the year	Total	Disposed during the year	Closing Balance
1963-64	14	31	45	13	31
1964-65	32	19	51	35	16
1965-66	16	14	30	30	NIL

The Study Group of the Estimates Committee which visited the office of the Railway Rates Tribunal, Madras on the 30th June, 1966 and held discussions with the Members of the Tribunal felt that there was not enough work for the Tribunal. During the course of evidence the representative of the Ministry of Railways has stated that "under the Act this particular Tribunal had to be set up so that

*So far only two applications under Section 41A of the Indian Railways Act have been made to the tribunal by the Railway Administration during the last three years.

there is a machinery to which the traders and industrialists, and the rail users can go in appeal against anything that they may consider unreasonable. Therefore, irrespective of what the quantum of work might be, such a machinery has to be set up."

The Committee desired to know the action taken by the Government on the recommendation of the Estimates Committee (1955-56) contained in their 26th Report (Para 36) that the Ministry of Railways should examine whether some other useful work could be entrusted to the Tribunal so that the spare time of the Tribunal could be usefully utilised.

The information furnished by the Ministry of Railways is reproduced below:—

"Since the Tribunal was reconstituted in 1958, in all, 27 complaints have been filed. The number of complaints under different clauses of Section 41(1) is shown below:—

Under clause (a)	10
Under Clause (b)	12
Under clause (c)	20

Some complaints invoked more than one clause.

(2) It may be mentioned that the issues raised in complaints under Section 41 are quite complicated and Members of the Tribunal have to do a good deal of study and thinking both before and after the hearing. The Tribunal also deal with a number of interlocutory petitions, like petitions for amendment of pleadings and issues, postponement of hearing, change of venue for the hearing, etc. During the last two years, the Tribunal dealt with 43 such petitions. It may be added that the framing of issues is done at a preliminary hearing.

(3) The Tribunal are also dealing with revision petitions from class III Railway staff dismissed or removed from service. During the last two years, they disposed of 65 such petitions.

(4) Between complaints under Section 41, applications under Section 41A and revision petitions from railway staff, the Tribunal are kept fairly occupied. The question whether some more work may be allotted to them is being further examined.

(5) The suggestion of the Estimates Committee (in their 26th Report) was referred to the Railway Freight Structure Enquiry Committee, the terms of reference of which included an examination of the changes, if any, needed in the constitution, jurisdiction and rules of procedure of the Railway Rates Tribunal so as to make it a more

effective and expeditious instrument for adjudication of railway freight matters. As it happened, the Committee made no recommendation on this point. During the processing of the recommendations of the Committee, this point was unfortunately lost sight of and no further action was taken. The oversight is regretted.

The proposal is now being examined and the Estimates Committee will be advised of the decision taken."

In a subsequent note furnished to the Committee in April, 1967, the Ministry of Railways have stated that the question of allotting additional items of work to the Railway Rates Tribunal has now been considered by them and their views are as follows:—

"The Railway Rates Tribunal is a quasi-judicial body set up under the Indian Railways Act, for adjudicating upon complaints of the Railways giving undue preference|causing undue prejudice, levying unreasonable rates and charges etc. It also deals with applications from railway administrations for revocation of orders passed by it in earlier proceedings.

In addition the Tribunal agreed, at the request of the Ministry of Railways, to examine revision petitions filed by Clause III Railway employees dismissed or removed from service and tender advice to the General Manager.

2. As for the suggestion that the Tribunal should be asked to tender legal advice to the Railways whether in regard to claims for compensation or in other matters, it would be appreciated that apart from the fact that it would be better to seek such advice from practising lawyers or such others who have intimate knowledge in the line, it would not perhaps be quite appropriate to entrust this independent body with such other extraneous work as the Ministry of Railways would not like to do anything which may, even seemingly, affect the independent status of the Tribunal in the minds of the Trade and the Public."

While the Committee appreciate the need for maintaining the independent status of the Railway Rates Tribunal, they nevertheless feel that the twenty-seven complaints received since 1958 and 43 interlocutory petitions and 65 revision petitions from staff during last two years give a poor index of the workload in relation to the total strength of this Organisation. The Committee feel concerned about the inadequate work-load of the Tribunal and would, therefore, suggest that the possibility of entrusting additional items of work commensurate with the judicial nature and independent status of the Tribunal should be explored. They would also suggest that efforts should be made for an expeditious disposal of the work by the Tribunal.

Disposal of work

35. It would be seen from the statement in para 34 above that during 1964-65 and 1965-66, the Tribunal disposed of only 2 and 1 complaints respectively.

In this connection, the Committee understand that the post of the Chairman of the Tribunal fell vacant in 1965. The person who was selected for appointment as Chairman unfortunately died before he could actually take over, and all the formalities for appointment of another Chairman had to be gone through again. As a result, the Tribunal remained inadequately constituted for more than 6½ months and could not, therefore, function.

The Committee find that under clause (7) of Section 34 of the Indian Railways Act, "no act or proceedings of the Tribunal shall be deemed to be invalid by reason merely of any vacancy in, or any defect in the constitution of the Tribunal."

The representative of the Ministry has stated in evidence that since the Chairman has to be a person with judicial experience, the practice appears to have been that while the Tribunal continued to do preliminary work in his absence, it did not come to findings in the absence of the Chairman.

The Committee would suggest that the Railway Board may examine the desirability of making a provision in the Act or Rules framed thereunder to the effect that in the event of the Chairman's office falling vacant, some other member should automatically be considered to be the Chairman of the Tribunal so that the functioning of the Tribunal is not hampered in any way.

Delay in submission of documents

36. Another reason for slow disposal of work by the Tribunal is understood to be the delay in submission of documents and pleadings by the parties as a result of which the average time for disposal of a case went up from 6 months to 16 months.

37. The Committee desired to know the extent of delay on the part of the Railway administrations in the submission of documents

and pleadings before the Tribunal during the last 3 years and the information furnished by the Ministry of Railways is reproduced below:—

Complaint/ Application No.	Railway	Delay in Submis- sion of pleadings	Delay in filling of Documents.
3 of 1966 .	South Eastern	2 months	
2 of 1966	Central	1 month	
1 of 1966 .	Northern Western Central Eastern South Eastern Southern	2 months	25 days
8 of 1965 .	North Eastern	2 months	20 days
7 of 1965 .	Western	4 months	2 months
6 of 1965	Western	2 months	2 months
5 of 1965	Western	4 months	2 months
4 of 1965 .	North Eastern	4 months	
3 of 1965 .	North Eastern	3 months	
2 of 1965 .	North Eastern	3 months	2½ months
1 of 1965 .	North Eastern	4½ months	
5 of 1964 .	North Eastern	4 months	
4 of 1964 . .	North Eastern	4 months	
3 of 1964 . .	Southern	6 months	
2 of 1964 . .	North Eastern	4 months	
1 of 1964 . .	South Eastern	2 months	
Application No. 1 of 1965- North Eastern, Eastern Northern		5½ months	

The Ministry of Railways have added that these delays may not have been entirely unavoidable but that the Railway administrations and the Railway Board accord top priority to this matter. The Ministry also feels that briefs and pleadings have to be carefully prepared with adequate legal assistance and these do take some time.

The Committee do not feel happy about the delays on the part of Railway Administrations in submitting documents and pleadings

before the Railway Rates Tribunal, which in some cases extended upto about six months. They would suggest that the desirability of submission of documents and pleadings to the Tribunal within the time limits prescribed for the purpose should be stressed on all Railway Administrations and a constant watch should be kept at a high level in this regard.

CHAPTER III

WHARFAGE AND DEMURRAGE

38. Wharfage and demurrage charges are not a source of revenue. They are levied by the Railways with a view to make them act as a deterrent against congestion in goods sheds and undue detention to wagons by the Trade and to avoid the use of goods sheds and wagons as warehouses.

The free time allowed before levying wharfage and demurrage and the rates of these charges are given in the succeeding paragraphs.

Wharfage charges

Free Time

39. The free time allowed at the forwarding station on goods awaiting to be consigned is till the closing time of the day on which goods are brought to a station for booking after which wharfage charges start accruing.

In the case of goods available for delivery at destination, the free time under the normal rules is from the time of arrival of the goods till closing time of the day following that on which consignments are made available for delivery.

Sundays, Republic Day and Independence Day are treated as 'dies non' in calculating wharfage charges.

Rate of Wharfage

40. The *maximum* rate of wharfage charge leviable when goods are detained in railway premises after expiry of free time has been notified under Government of India's Notification No. TCIII/3036/59 of 5th February, 1966 and is, at present, 35 paise per 50 kgs. or part thereof per day or part of a day. However, within this maximum, Railways have fixed substantially lower rates of wharfage at different stations depending upon the local conditions prevailing at each station. The

rates prescribed by Railways have an anti-telescopic basis i.e. the rate of wharfage increases with increase in the period during which consignments are kept in railway premises as illustrated below:—

For the first 24 hours or part thereof in excess of free time	8 paise per 50 kgs or part thereof.
For the subsequent 24 hours, or part thereof	16 paise per 50 kgs or part thereof.
For each subsequent 24 hours, or part thereof	25 paise per 50 kgs or part thereof.

Concessions for delayed consignments

41. On consignments reaching destination very late due to delays in transit by rail, the free time allowed and the rate of wharfage are as under:—

Free time: When a consignment reaches destination after more than two months from the date of booking, the free time allowed is three days from the date of arrival (day of arrival being counted) instead of closing time of the day following that on which consignments are made available for delivery.

Rate of Wharfage: For the first ten days after expiry of the free time a concessional rate @ 50 per cent of what is otherwise leviable is charged. Thereafter, the normal rate of wharfage is leviable.

Demurrage charges

Free time

42. A uniform free time of 5 hours for loading and unloading of wagons has been prescribed except that a more liberal free time is allowed in the case of certain types of wagons (*viz.* Box, BFR and BOBS), Crane consignments waiting to be unloaded at stations when there are no crane facilities, and ordinary and special types of wagons at Steel Plants.

In the case of collieries, it has been stated that although the standard free time of 5 hours is applicable to wagons dealt with at collieries, in actual practice the free time enjoyed at collieries is

much more than 5 working hours since free time is calculated on pilot to pilot basis. Out of 106 coal pilots working in Bengal and Bihar coalfields only 37 are on 5 hours basis while 66 are on 20 hour basis and the remaining 3 are on 10 hour basis. The position is even better in other outlying coalfields like Korea, Rewa, Rench valley and Chanda.

Sundays, Republic Day and Independence Day are *not* treated as 'dies non' for calculating demurrage charges.

Rate of demurrage

43. A maximum demurrage charge of 30 paise per tonne or part of a tonne on the carrying capacity of the wagon used per hour or part of an hour has been prescribed. However, within this maximum, Railways have fixed substantially lower rates of demurrage which sometimes vary according to local conditions at particular stations (e.g. at Wade Bunder, Carnac Bridge, Ahmedabad etc.) where higher rates of demurrage but within the maximum have been prescribed and which generally speaking have anti-telescopic basis i.e. the rate of demurrage increases with increase in the period of detention to wagons as illustrated below:—

6 paise per tonne on the carrying capacity of the wagon used.	per hour or part of an hour during the first 24 hrs.
12 paise per tonne on the carrying capacity of the wagon used.	per hour or part of an hour for the next 24 hours.
30 paise per tonne on carrying capacity of the wagon used.	per hour or part of an hour during the period beyond.

In the case of traffic dealt with at steel plants and collieries, a lower rate of demurrage viz. a lump sum flat rate of Rs. 15/- per 4-wheeled wagon per day or part of a day is in force. The rate of demurrage charge is proportionately higher for bogies, etc.

Free loading time

44. Suggestions have been made to the Committee that the free time of five hours allowed by the Railways for loading and unloading of wagons, being inadequate, should be increased to six hours of daylight. Some industries, like Cement, have even suggested that the free time should be increased to 12 hours.

The representative of the Ministry has stated during evidence that the rules regarding free time provide that the prescribed free time would be between certain hours of the day (e.g. it may be 6 to 18 hours—extended to 20 hours at some places) and that if a consignee gets only a part of the free time between these hours, he is allowed to retain the wagons for the night and gets the balance of the free time on the next day. As regards inadequacy of the free time of five hours, the representative of the Ministry has stated that this question was referred to the World Bank Study Team on Coal Transport who had, after making personal observations of loading and unloading operations, pronounced that it was not necessary to increase the free time already being allowed by the Railways.

The Committee suggest that the Railways may review the position from time to time in the light of their wagon position, and allow suitable relaxations in the free time for loading and unloading in deserving cases.

Wharfage rates at Junctions

45. It has been brought to the notice of the Committee that at various junctions (e.g. Agra), where two different Railways meet, the rates of wharfage and demurrage charged by the two Railways are different.

The representative of the Ministry has stated during evidence that the wharfage rates could be different for different stations on the same zone as there could be a tendency at particular sheds to delay the removal.

While there may be justification for charging different rates of wharfage at different stations of the same zone, the Committee feel that there is imperative need to remove the anomaly of different wharfage rates being charged at the same Station by two different Railways meeting at that Station, wherever such different rates prevail.

Intimation of arrival of consignments to consignees

46. It has been represented to the Committee that the Railways should give due compensation to the parties whose agents visit the goods sheds for days together only to return empty-handed every time, for the loss caused by late arrival of consignments.

The Ministry of Railways have informed the Committee that at certain stations, a system by which arrival of consignments is intimated to the consignee by post card or telephone has been introduced.

The Committee would suggest that this system may be suitably extended to all important stations so that the consignees or their agents may visit the goods sheds to take delivery of their consignments only after the same have actually arrived.

Misuse of Goods Sheds

47. It has been brought to the notice of the Committee that "sometimes, as in the case of Shalimar, unnecessarily long time is allowed to the merchants for clearing goods from the sheds with the result that the profiteers are in a position to dictate the prices of the market, especially during the festival days".

The Ministry of Railways have informed the Committee that under the orders at present in force, a railway administration may, during an emergency if the state of traffic otherwise warrants it, put up the rates of demurrage and wharfage and also curtail the free time. Also, it may even treat Sundays, the Republic Day and the Independence Day as working days for the purpose of levy of wharfage.

It has been added that although the position at goods sheds is kept constantly under watch and appropriate action taken when they get congested, the action that Railways can take to compel removal of goods from goods sheds is necessarily limited in scope and effect. The Ministry of Railways feel that for prevention of the sort of profiteering that has been brought to the notice of the Committee, the State Governments have, perhaps, to adopt some other and more effective measures.

The Committee feel that some drastic measures are called for to curb the tendency on the part of some traders to delay the clearance of goods from goods sheds with a motive of raising their prices in the market. They would suggest that the Railways may, in consultation with the State Governments, draw up a list of places where, and the particular periods of the year during which, such anti-social practices generally come to notice. Thereafter, the Railways, on their part, should reduce the free time at appropriate occasions, suitably increase the wharfage charges, and resort to auction of goods not cleared within a specified period and thus help in the eradication of this social evil. The Committee also suggest

that the cooperation of the local committees and the Zonal Railway Users' Consultative Committees and the various Chambers of Commerce may also be sought so that anti-social elements may not be able to dictate the prices of the market especially during festival days by non-clearance of goods from sheds for an unduly long time.

Corrupt practices at Goods Sheds

48. It has been brought to the notice of the Committee that different types of corrupt practices are quite a common feature at Railway Goods Sheds.

In June, 1966, surprise checks were made by the Special Police Establishment of the New Delhi and Tughlakabad Goods Sheds and certain cases of irregularities detected during the checks are being investigated further.

Such surprise checks are conducted in all zonal Railways and the total number of such checks conducted during the period 1.1.66 to 30.9.66 was 6514.. In these checks some of the important goods sheds covered were, Salt Cotaurs (Madras), Hubli, Howrah, Pondicherry, Asansol, Gomoh, Gonda, Cuttack, Shalimar (Calcutta), Guntur, Dharwar, Nellore, Adoni and Kottur. Irregularities of a common nature detected as a result of these checks were:—

- (i) Wagons placed wrongly so as to minimise or to eliminate demurrage and wharfage charges;
- (ii) Wagons placed in the goods shed but shown falsely as out of position which would mean that they are not in a position to be dealt with, which forms a legitimate excuse for remission of demurrage;
- (iii) Consignments allowed to be removed without surrender of the RR or execution of the indemnity note, thus saving the time on the wharfage and demurrage;
- (iv) Consignments allowed to be stacked without the Forwarding Note, and the date of stacking not properly shown so as to suit the party.
- (v) Records, required to be maintained of the placements of wagons or loading and unloading of consignments, not properly maintained so as to give the maximum advantage to the parties.

The Ministry of Railways have stated that intensification of surprise checks and supervision are the main measures adopted for the

detection and prevention of malpractices in the levy of demurrage and wharfage charges.

Surprise checks are conducted by the Commercial, Accounts and Vigilance Departments. These checks are in addition to routine checks required to be conducted by them. On the basis of their reports, necessary disciplinary action is taken against the delinquent staff.

The Committee note with regret that different types of corrupt practices are prevalent at Railway Goods Sheds despite the corrective methods adopted by the Railways. They, therefore, feel that newer and more stringent methods should be devised to combat this evil. They desire that in the meantime the surprise checks being made should not only be continued but also intensified and disciplinary action of a deterrent nature taken against all those who may be found guilty of such practices.

The Committee also suggest that the postings and transfers of staff to and from the Goods Sheds notorious for such practices, and also other important goods sheds, should be dealt with at a sufficiently high level.

Wagon entry sheets

49. It has been represented to the Committee that complaints are on the increase as to the non-receipt of wagon entry sheets in wagons due to which consignments are not delivered even on production of Indemnity Bond in the event of delay in receipt of Rail Receipt by the consignees at the destination station. This causes undue hardship to the consignees as well as accrual of wharfage and demurrage.

The representative of the Ministry has stated during evidence that in the case of wagons which have got to be weighed, before the invoice can be made out, it is not possible to put the invoice into the wagons, because the wagon is sent away to the Yard for weighing and in such cases, the junction invoice cannot go with the consignment. It has been added that most of the consignments are booked to 'self' and the Railways could not give delivery even on production of an Indemnity Bond unless the bond is executed by the consignor and endorsed to the consignee.

The Committee would suggest that the Railways should make a sustained effort for putting of package entries inside the wagons so that the inconvenience and loss caused to the Trade could be

avoided. In any case this is a matter which should be discussed with representatives of the Trade and their general difficulties mitigated to the extent possible.

Marking of tare-weights of wagons

50. It has been represented to the Committee that in many cases the marked tare-weights of wagons do not tally with the actual tare-weights as a result of which there is unnecessary adjustment of loads and loss of freight.

In a written note furnished to the Committee, the Ministry of Railways have stated *inter alia* that in recent years a large number of newly built wagons have been placed on line. Many of these wagons were built by private firms who did not have weighment facilities. Tare-weights were, therefore, being marked on an initial calculated|estimated basis. There were also cases of modifications to some wagons on the same order, alternative sections of raw materials having to be used due to non-availability of the specified sections etc., which affected the tare-weights of wagons, and weight changes were not properly determined before marking the wagons. When this major factor causing variations of tare weight was brought to light, special instructions were issued to wagon building firms and railway workshops for a uniform procedure to be followed in the matter of marking tare weights on newly built wagons, to the effect that where weighment facilities do not exist, 10 wagons of identical design should be sent to the nearest weighbridge and the actual tare weight determined for marking on wagons of identical design on each order. It has also been specified that where modifications were effected, such as a change in the type of roller bearings, wheels, etc. fresh tare weights should be determined. The Inspecting Officer has been instructed to enforce this condition, which has since been incorporated in the relevant specification for the manufacture of new wagons.

The Railways have also reiterated their instructions regarding correction of tare weights in workshops at the time of POH repairs, at weigh bridges, at the time of changing major components of wagons when practicable and in specific cases when brought to light by consignors/consignees.

The Committee appreciate that with the constant pressure of traffic and the need to avoid delays to wagons, it is not feasible to enforce any periodical check-up of tare-weights of all wagons in service as a regular measure. The Committee would, however,

suggest that to remove the complaints of the Trade, Railways should, on specific requests being made, agree to joint examination of tareweighing of wagons before loading and accept such weights for purposes of bookings till such time that the marked tare-weights are corrected.

Collections and outstanding of Wharfage and Demurrage

51. A statement showing wharfage and demurrage charges accrued, collected, waived and refunded and balance outstanding on all Indian Government Railways during the first four years of the Third Five Year Plan period, namely from 1961-62 to 1964-65 is given below:—

(Rupees in thousand)

Year	Total amount accrued upto the end of the financial year (including the amount outstanding at the end of the previous financial year)	Amount collected	Amount waived and refunded	Total of Columns 3 & 4	Balance outstanding at the end of the financial year
1	2	3	4	5	6
1961-62	10,57,00	6,25,81	1,54,12	7,79,93	2,77,07
1962-63	11,20,79	6,33,11	2,01,90	8,35,01	2,85,78
1963-64	12,87,06	8,79,61	2,25,43	11,05,04	1,82,02
1964-65	14,03,46	8,72,85	2,57,46	11,30,31	2,73,15

52. The Committee also desired to be furnished with zone-wise figures relating to wharfage and demurrage. From the information furnished by the Ministry the Committee find that the following

amounts were outstanding from the parties by way of wharfage and demurrage at the end of 1964-65 and 1965-66:—

Railway	1964-65		1965-66	
	Amount outstanding at the end of the year (in Rupees)	Percentage to total amount accrued upto the end of the financial year (including the amount outstanding at the end of the previous financial year)	Amount outstanding at the end of the year (in rupees)	Percentage to total amount accrued
Central	24,19,563	11%	48,02,000	18%
Eastern	98,35,967	33%	1,14,10,628	30%
Northern	22,48,440	10%	20,42,628	9%
North-Eastern	4,32,732	6%	4,82,967	6%
Northeast Frontier	17,70,316	32%	16,24,294	22%
Southern	25,09,132	15%	29,64,577	13%
South Eastern	67,55,469	25%	76,95,840	26%
Western	13,43,506	10%	16,52,826	12%

The Committee feel concerned over such huge amounts of wharfage and demurrage dues remaining in arrears. The percentage of outstandings is high particularly on the Eastern, Northeast Frontier and South Eastern Railways. As compared to the arrears of 1964-65, the position has deteriorated in 1965-66 on the Central, South Eastern and Western Railways. The Committee need hardly stress the desirability of taking effective measures to realise the Railway dues and wipe off the arrears at an early date.

The Committee also suggest that responsibility should be fixed for any lapses in the matter of fixation and realisation of demurrage and wharfage charges and disciplinary action taken against the officers concerned.

Waiver/refund of demurrage charges

53. The Railways have full powers to remit, waive or refund wharfage and demurrage charges. It has, however, been represented to the Committee that whereas in the case of delivery before payment of demurrage, the Commercial Officers of the Railways have got the powers to waive, cancel or reduce the demurrage, in cases where payment of demurrage has been made before delivery they do not have such powers and refund can be allowed only after concurrence of the Accounts and Finance Department. This causes considerable hardship to the business community.

The Ministry of Railways have confirmed that the position stated above is correct, except that even for waiver of demurrage, financial

concurrence has to be obtained if the amount involved is in excess of a certain limit. The Ministry of Railways have also confirmed that reports from the Southern and South Eastern Railways show that during the days of company management of railways, no financial concurrence was required for grant of refund

The Committee would suggest that the Railways may examine the feasibility of refunds being allowed by Commercial Officers without financial concurrence at least to the extent of the original powers enjoyed by those officers in regard to waiver of demurrage.

Inclusion of Siding charges in Railway receipts

54. It has been represented to the Committee that while some of the Railways are including the siding charges of cement factories in the Railway Receipts, others collect the charges separately from the manufacturing unit. In the former case, the producer is enabled to have the amount included in the Railway freight for which provision is made in the all India equalised F.O.R. destination price, whereas in the latter event, the producer is called upon to bear the siding charge as part of his own working expenses.

The representative of the Ministry has stated during evidence that siding charges are governed by agreements with individual siding owners. In some cases the charge is levied per wagon while in others it is levied per shunt. Where the charge is per wagon, it is quite easy for the Railways to show the same in the invoice. It is only in cases where the siding charge is determined on the basis of shunts, covering a number of wagons consigned to different people, that it is difficult for the Railways to allocate the siding charges between different consignees.

The Committee would suggest that even in cases when siding charges are levied on the basis of shunts, the Railways may issue, on demand, separate receipts for the siding charges as may be allocated by the consignors to cover the consignments despatched to different destinations.

CHAPTER IV

COMPENSATION CLAIMS

Preferment of Claims

Claims Position

55. The number of claims received and the amounts paid as compensation provide a fairly good index of the efficiency with which their day to day business is being conducted by the Railways.

The number of new claims (including those reopened) and the net amount paid as compensation during the years 1961-62 to 1964-65 is given in the Table below:

Years	Opening balance of claims cases	New claims (including those re-opened)	Total	Claims disposed of	Closing Balances	Amount paid as compensation	Percent- age of amount paid to gross earnings.
1961-62	57,789	4,96,241	5,54,030	5,02,830	46,369*	3,34,77,217	1·8
1962-63	46,369	5,24,741	5,71,110	5,36,301	34,809	3,55,79,239	1·00
1963-64	34,809	5,23,351	5,58,160	5,30,062	28,089	4,20,49,639	0·99
1964-65	28,098	5,60,713	5,88,811	5,56,163	32,647	4,41,30,896	1·01

The Zonewise statistics in respect of new claims (including those reopened) and the net amount paid as compensation during the period 1961-62 to 1964-65 are shown in the Table below:—

Name of Railway	Year	Number of new claims including those re-opened.	Net amount paid as compensa- tion	Percent- age of net amount to gross earnings.
1	2	3	4	5
			Rs.	
Central	1961-62 . . .	88,709	45,05,298	0·82
	1962-63 . . .	99,720	49,06,537	0·80
	1963-64 . . .	98,998	63,84,092	0·83
	1964-65 . . .	107,345	64,37,792	0·82

*Includes 1,169 cases added as a result of actual census of claims cases.

1	2	3	4	5
Eastern	1961-62 . .	69,911	51,25,348	1.05
	1962-63 . .	72,922	48,55,067	0.84
	1963-64 . .	73,618	63,03,928	1.02
	1964-65 . .	74,414	68,35,671	1.06
Northern	1961-62 . .	86,094	49,95,997	1.1
	1962-63 . .	96,890	49,96,012	1.2
	1963-64 . .	85,715	65,95,031	1.20
	1964-65 . .	94,168	76,24,183	1.38
North-Eastern	1961-62 . .	28,517	14,60,433	1.41
	1962-63 . .	28,508	13,87,326	0.96
	1963-64 . .	26,084	23,90,635	1.56
	1964-65 . .	33,658	25,01,253	1.50
Northeast Frontier	1961-62 . .	35,664	33,48,291	3.34
	1962-63 . .	35,336	32,56,596	2.68
	1963-64 . .	30,672	15,79,147	1.1
	1964-65 . .	29,348	8,80,096	5.00
Southern	1961-62 . .	66,862	30,26,455	0.74
	1962-63 . .	69,096	30,38,660	0.89
	1963-64 . .	72,538	45,90,445	0.92
	1964-65 . .	75,911	54,11,368	1.06
South-Eastern	1961-62 . .	88,248	74,31,136	1.23
	1962-63 . .	79,813	75,10,728	1.04
	1963-64 . .	73,673	60,86,735	0.75
	1964-65 . .	72,951	59,97,217	0.70
Western	1961-62 . .	90,025	35,84,259	1.03
	1962-63 . .	88,825	47,28,313	1.05
	1963-64 . .	96,862	81,19,626	1.27
	1964-65 . .	101,016	84,43,316	1.33

It will be seen from the above Tables that the number of new claims (including those reopened) and the net amount paid as compensation has been gradually increasing. Except in two Zonal Railways, viz. Northeast Frontier and South Eastern, the position has deteriorated in all other Zonal Railways, the situation being particularly bad in North-Eastern, Western, Central and Northern Railways.

The Committee are concerned about the continuous increase in the number of new claims preferred from year to year and cannot too strongly stress the need for concerted measures to arrest this rising trend.

The Committee also note that the percentage of amount paid as compensation to gross earnings, which had gradually fallen down to 0.99 per cent in 1963-64 again rose to 1.01 per cent in 1964-65.

The position in this regard is particularly unsatisfactory in Northeast Frontier Railways where despite the fall in the number of claims during 1964-65, the percentage of amount paid as compensation to gross earnings has increased to 5 per cent from 1.01 per cent during 1963-64.

The Committee would urge that the causes of the rise in percentage in all Zonal Railways generally and particularly in Northeast Frontier Railway may be investigated by the Railways.

In this connection, the Committee understand that this percentage was as low as 0.03 to 0.04 per cent on some of the Railways in the early Thirties.

Reasons for increase in claims

56. It has been stated that the increase in the number of claims preferred is attributable partly to the increase in traffic and partly to the increase in the prices of goods, so that claims are made even for petty losses of small quantities.

Preventive Measures taken

57. The following important measures are being taken by the Railways for prevention of claims:—

- (i) Pin-pointing of bad areas or recurrent causes of claims and organising preventive steps;
- (ii) Emphasis on correct packing and marking of packages and labelling of wagons, to prevent their going astray or getting delayed in transit;
- (iii) Education of staff and labour in the careful handling of goods;
- (iv) Special arrangements for carrying out repairs to wagons;
- (v) Emphasis on special precautions to be taken when damageable goods are transported in open wagons due to paucity of covered stock or otherwise, such as covering them with tarpaulins and escorting them;
- (vi) Increase in the covered accommodation for goods and parcels on a programmed basis to prevent damage by rains during storage;
- (vii) Armed escorts on goods trains carrying valuable goods through unsafe areas;

- (viii) Improvement of lighting and security arrangements in goods and parcel sheds and in yards;
- (ix) Special watch on transit time for the elimination of avoidable detentions *en route*; and
- (x) Closer R.P.F. watch in yards etc. to prevent thefts.

The Ministry of Railways have also furnished (Appendix VIII) a statement of the amount of compensation paid in relation to the volume of traffic carried and the changes in the price level during the six years 1959-60 to 1964-65. It will be seen therefrom that the net amount paid, viewed in relation to the volume of traffic and changes in the price level shows distinct improvement. The index which stood at 73.8 in 1959-60 (taking the figure for 1950-51 as 100) came down to 52.4 in 1964-65.

The Committee appreciate the efforts made by the Claims Prevention Organisation of the Railways for the prevention of claims. They would suggest that the efforts may be further intensified so that the incidence of claims may be appreciably brought down in all the Zones.

Delays in Transit

58. It has been represented to the Committee that there is delay in the transit of goods and parcels from various junction points on the Railways.

A Transport Users' Association has furnished a list of about 250 recent cases of long delays in transit or bad detention to wagons and small consignments booked to Patna junction.

The statement was passed on to the Ministry of Railways who have made necessary enquiries and have furnished the following reasons for the delays:—

“The analysis reveals that in the case of full wagon load consignments (51 cases) listed in the statement, the increase in transit time was generally due to the following reasons:

- (i) Checking in respect of wagons that arrived with defective seals;
- (ii) Parties not turning up for release of wagons booked under ‘L’ condition;
- (iii) Wagons being damaged;
- (iv) Wagons received unconnected;
- (v) Materialisation of stock in yards for a train load; and

(vi) Traversing through intermediate yards for wagons received *via* Garhara, Farakka, Bhagalpur and Gomoh.

In regard to smalls (goods) consignments booked to Patna Jn. from stations on the Eastern Railway, the analysis shows that the detention by and large, was due to the following factors:—

- (1) Heavy delay from acceptance to loading in respect of 37 consignments;
- (2) Delays in repacking at Asansol, Kiul and Danapur;
- (3) Movement of consignments from repacking point to repacking point and also their carriage by SQT trains in view of meagre traffic for Patna not justifying preparation of direct sealed vans;
- (4) Preparation of vans at Goods sheds located at some distance necessitating clearance by pilot trains to the nearest repacking points where consignments had to be repacked and then despatched onwards.

Cases of avoidable detentions have already been taken up and a drive is afoot for expediting movement of 'smalls' by eliminating detentions at repacking points and terminal yards.

Since the traffic in smalls from Sealdah for Patna Jn. is extremely poor, being between 8 to 10 consignments per month and further such traffic requires movement through a minimum of 3 repacking points causing inordinate delay in transit, the Eastern Railway is examining the question of diverting booking of smalls for Patna Jn. from Sealdah to Howrah Goods from where direct services to Patna are available.

In regard to smalls consignments booked to Patna Jn. from foreign Railways, the analysis shows that

- (1) in the case of consignments received from Central and Northern Railways *via* Mughalsarai the detention was due to repacking of consignments at Mughalsarai and meagre offering of traffic for Patna requiring clearance in CR vans by SQT trains which run on alternate days only;
- (2) further detention was caused at Danapur due to repacking and preparation of Patna Jn. sealed vans;

- (3) consignments received from S.E. Railway via Asansol had to be repacked at Asansol. Due to meagre traffic, most of the consignments had to move in CR vans by SQT trains. Movement from one SQT to another SQT and through intermediate yards caused further detention.

Cases of bad detentions to consignments at Mughalsarai, Danapur, Asansol and Kiul have been taken up with the staff concerned."

The Committee has also been informed that since the location of repacking points too close to each other tends to increase the transit time, instructions have been issued to Railways to review the question and formulate proposals for abolition of some of the repacking points.

The Committee find that except for one reason (namely parties not turning up for release of wagons booked under 'L' condition), all other reasons are such as would appear to be the responsibility of the Railways alone.

In the opinion of the Committee, the position reflects a very unsatisfactory state of affairs as the cases brought to the notice of the Committee pertain to the consignments booked only to one Junction.

The Committee, therefore, feel that there is need for an intensive drive on the part of the Railways to effectively bring down the cases of delay in transit particularly in view of severe competition from road transport almost all over the country.

Coal Consignments booked at owner's risk

59. It has been represented to the Committee by an eminent Consumers' Association that:

"At present if consignments are booked at 'Owner's risk', Railways do not take any responsibility for shortage due to pilferage etc. in transit. The Railway authorities even refuse to weigh the wagons at party's request if they are booked at 'Owner's risk'. The Railways as carriers, by denying their responsibility for loss due to pilferage etc. and by not giving adequate protection against theft in transit, indirectly encourage malpractices in their men. Thus for the unsocial elements in their railway service, in collusion with outsiders, it becomes easy to organise and plan systematic and regular thefts of coal and coke in transit, it being prearranged with the Railway employees concerned not to give the signal and thus,

stop coal trains at fixed places *enroute* to enable coal and coke to be pilfered."

60. The Ministry of Railways have stated in a written note that the Railways do whatever they can to prevent pilferage, but that they cannot accept responsibility for shortage unless any negligence or misconduct on the part of the railway administration or of any of its servants is proved.

As regards reweighment of wagons at the party's request, the Ministry of Railways have stated that the same would have to be done by appointment between the consignee and the yard staff. This will entail additional haulage and detention to wagons and the country cannot afford the wastage of transport capacity involved.

While the position stated by the Ministry may be technically correct, the fact remains that the pilferage of coal in transit has become a common practice.

As early as 1953—55 the Railway Corruption Enquiry Committee in their Report had referred to the existence of this practice in the following words:—

"The casual manner in which public coal in charge of the Railways is sometimes treated will be seen from the following interesting instance given to us by an ex-Member of a State Legislative Councils.

When a wagon of coal booked to him was received at destination, he found that instead of the invoiced weight of 22 tons, the wagon contained only 16 tons. Unlike other consignees, he created a lot of trouble about the shortage. Hence, to placate him and avoid further trouble, the station staff made good the shortage from the adjacent wagon booked to another consignee."

The Committee feel that the Railways should not only tighten up the security measures in the yards and in the running trains, but should also evolve, in consultation with the Coal Industry, a suitable procedure for assessing, to the extent possible, the amount of coal that is being pilfered while in custody of the Railways. Once the magnitude of the problem is known, it would itself indicate the extent of ineffectiveness of the measures taken to prevent such unfair practices on the Railways and also impress upon them the desirability of finding other suitable methods of improving their preventive techniques, including stricter measures against the staff conniving at or involved in such thefts.

Particular areas and parties

61. It has been pointed out to the Committee that there are particular areas where claims cases arise more frequently, and perhaps from the same parties, and such areas should be located for proper investigation and remedy of the causes leading to theft, pilferage and shortage.

The Ministry of Railways have informed the Committee that a watch is maintained on the incidence of claims in respect of different commodities and if it is found that certain stations/sections are frequently involved, remedial action is initiated. Among the measures taken to reduce claims are:—

- (i) Concentrated spot checks to detect irregularities and malpractices and suitable action to prevent such irregularities and malpractices as may be discovered; such checks may be conducted by Claims Prevention Inspectors by themselves or in conjunction with R.P.F. or Vigilance. A special scheme was recently put into operation. At selected pairs of stations loading and unloading is supervised jointly by R.P.F. staff and Commercial staff to locate and minimise pilferages/shortages particularly from seals intact wagons. Important transshipment points are also covered. These concentrated checks, may be exercised at different stations at different times.
- (ii) Important goods trains are escorted by R.P.F. staff on sections known for criminal interference with goods.
- (iii) In certain particularly bad areas track patrolling is also done.
- (iv) Generally speaking, security measures like provision of boundary walls and fences, deployment of R.P.F. personnel etc. are tightened.

As regards particular parties frequently preferring claims, the Railways do not conduct any surveys to locate such parties. It has been stated that every claim is carefully examined and all bogus claims are weeded out as a result of such examination.

The Committee feel that in the cases of frequent preferment of claims by the same parties the possibilities of collusion between the parties and the Railway staff operating in the area cannot completely be ruled out. The Committee would, therefore, suggest that the Railways should conduct a survey, not only of the type and categories of parties that prefer claims more often but also about the nature

of claims that are preferred with a view to analysing the factors responsible for the emergence of a large number of claims cases. If necessary, suitable administrative action like transfers of staff may be resorted to in order to avoid any possible collusion between the parties and the Railway staff operating in the area.

Procedure for submission of claims

62. It has been pointed out to the Committee that the public is not properly guided as to the procedure required to be followed for submission of claims, with the result that preferment of claims is either delayed or not done in the proper form.

The Committee consider that there is need for giving more publicity to the procedure for submission of claims in Railway Time Tables and through Notice Boards at important stations and in parcel and goods offices. The Committee also suggest the compilation of a Handbook giving full information about the procedure for filing claims for the guidance of the trading public.

Disposal of Claims

Cases disposed of

63. It has been stated by the Railways that in spite of considerable increase in the number of fresh claims received and claims reopened, the proportion of claims on hand at the end of each year has been coming down. The number on hand was 145 per cent of the average monthly intake at the end of 1960-61, 116 per cent at the end of 1961-62, 83 per cent at the end of 1962-63, 68 per cent at the end of 1963-64, and 73 per cent at end of 1964-65.

The number of cases over 18 months old has been brought down from 253 in 1962-63 to 106 in 1965-66.

The number of cases over 6 months old also fell down from 2094 on 31st March, 1963 to 1331 on 31st March, 1965.

The Committee have been informed that instructions have recently been issued requiring the Chief Commercial Superintendent to personally examine at least one case over 9 months old every day to see why the disposal got delayed and what could be done to speed it up.

Average time for disposal of a case

64. The average time of disposal per claim has come down from 52.7 days in 1961-62 to 31.3 days in 1964-65, as follows:—

Year	Average time taken for disposal (days)
1961-62	52.7
1962-63	46
1963-64	36
1964-65	31.3

The Committee note the improvement being made in the matter of speedy disposal of claims cases by the Railways. They, however, feel that the improvement should be kept up and efforts should continue to be made by the Railways towards an expeditious disposal of claims cases and to bring about a stage when there would be no pending case more than three months old.

The Committee are also glad to note that the question of "Disposal of Claims" is currently under examination by the Efficiency Bureau of the Railway Board. They hope that the procedures for the settlement of claims cases will be streamlined as a result of the examination made by the Efficiency Bureau.

Enquiries regarding claims

65. It has been suggested to the Committee that for a quick disposal of enquiries regarding claims, the Railways should have a system whereunder the persons concerned may fill the particulars of his case on a prescribed form and may be informed about the latest position of the case within 48 hours of the submission of the slip.

The Ministry of Railways have stated that instructions already exist for a speedy disposal of references from claimants and that for answering enquiries concerning the position of individual claims, Railways do generally use a standard printed letter form.

The Committee feel that the existing instructions are not sufficient to ensure that a person wishing to enquire about the latest position of his claim is actually sent a reply promptly.

They would, therefore, suggest that the Railways should introduce a form containing a counterfoil which the person wishing to make an enquiry could fill in and leave with the Enquiry Clerk after

obtaining a receipt on the counterfoil. The person concerned must get a reply after two or three days. In the opinion of the Committee, such a procedure would ensure that no avoidable harassment is caused to the claimants and also eliminate chances of any unfair practice being resorted to by any member of the Railway staff.

Court Cases

Filing and disposal

66. The position regarding filing and disposal of suits during the four years 1961-62 to 1964-65 is shown below:—

Year	Opening Balance	New Suits filed	Suits disposed of	Closing balance	No. of new claims received including those reopened	Percentage of Col. 3 to Col. 6
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1961-62	17,830	17,853	17,467	18,216	496,241	3.59
1962-63	18,216	20,643	18,166	20,693	524,741	3.93
1963-64	20,693	17,905	19,080	19,518	523,351	3.42
1964-65	19,518	11,952	15,123	16,347	560,713	2.13

The Committee are glad to note that the percentage of claims cases which result in suits is gradually falling down.

Machinery for handling legal work

67. As regards the machinery in the Railways for handling legal work, the Committee have been informed that the Law Organisation on the Railways consists of a Law Officer Class II, who gives legal opinion on general points of law. He also generally prepares cases and plaints. The Law Officer is assisted by Law Assistants and Inspectors who sometimes appear on behalf of the Railway in certain courts.

At each place, where there is a Civil Court, all railway cases are entrusted to advocate of proven ability and integrity. Where the volume of legal work is substantial, and practical difficulties are likely to arise on account of having only one railway advocate, a second railway advocate can also be appointed by the Railway Administration. The appointment of these advocates is made by the Chief Commercial Superintendents on the recommendations of the

Divisional Superintendents. The performance of these advocates is periodically reviewed with a view to see that the Railways are getting good service from them. The fees payable to such standing advocates are on the basis of mutual agreements arrived at between the advocates and the Railways.

For the conduct of the cases at the High Court in Calcutta, a full time solicitor has been appointed by the Government of India who also conducts railway cases. In so far as the lower Courts at Calcutta are concerned, a Senior and Junior Counsel have been retained on a retainer of Rs. 1,000 and Rs. 500 per month respectively. These Counsels look after the railway work besides the work of other Ministries of the Central Government. Similarly, for the High Court at Bombay, the cases are conducted through the Law Branch of the Ministry of Law at Bombay. At other High Courts, the normal practice is to engage the Advocate-General of the State. The cases which come up before the Supreme Court are conducted by the Government Agent, Central Agency Section of the Ministry of Law.

The engagement of counsel at Bombay or Calcutta is done on the advice of Government solicitor in Calcutta and the Law Branch of the Ministry of Law in Bombay. The payment of fees to those Government Pleaders at Calcutta is made as per schedule laid down by the Ministry of Law. At Bombay the fees are paid in accordance with the advice given by the Bombay Branch of the Ministry of Law. At other places, the lawyers can be engaged by the Railway at the rates of fees payable to them in accordance with the schedule laid down by the High Court of the State concerned. The engagement of a lawyer at a rate higher than that specified in the schedule, needs the prior approval of the Railway Board. The maximum fees payable at Bombay and Calcutta and the Supreme Court at Delhi, are Rs. 750 per day and at other places Rs. 400 per day. Payment of fees at a rate higher than this needs prior approval of the Minister for Railways. While as a rule, the fees are paid only in accordance with the schedule laid down, exceptions do occur when keeping in view the complexity, the merits and the volume of work involved in the case, a higher rate is given.

Efficient conduct of Court cases

68. For the efficient conduct of Court cases, the following standing instructions have been given to all the Railways:—

- (i) The written statement drawn up by Railway Pleader should be scrutinised before filing it in court and docu-

ments and witnesses to be produced in the Court should be carefully determined.

- (ii) The timely attendance of the Railways' witnesses with the relevant documents should be arranged.
- (iii) References from the Railway Pleader seeking information should receive immediate attention and prompt reply.
- (iv) A watch should be kept to see what transpired on each date of hearing so as to take further action promptly.
- (v) The performance of each Railway Pleader should be carefully watched and periodically reviewed and necessary action taken when the performance is found unsatisfactory in any way.

Figures have been furnished to the Committee to indicate that, as a result of these measures, there has been improvement in various directions, viz.,

- (i) the percentage of suits decreed against the Railway plus those settled out of court to the total suits disposed of has been declining from year to year (74.1 per cent in 1964-65 as against 76.2 per cent in 1961-62).
- (ii) the percentage of suits dismissed to the total suits disposed of has been going up from year to year (25.9 per cent in 1964-65 as against 23.8 per cent in 1961-62).
- (iii) the percentage of suits decreed against the Railways to total suits disposed of was declining during the years 1962-63 and 1963-64, but there was a slight set back in 1964-65 (the percentage had fallen down to 25.2 per cent in 1963-64 from 30.4 per cent in 1961-62, but rose to 32.6 per cent in 1964-65).

69. In their 91st Report on South Eastern Railway, the Estimates Committee (1965-66) pointed out that the Railways did not maintain record of cases in which decisions taken by the administration were reversed by courts. The Committee have been informed that instructions have since been issued to all Zonal Railways to keep such a record and to review cases to see whether the court's judgment went against the Railway due to any shortcomings in the conduct of the Railway case in the court and take remedial action where necessary.

The Committee hope that as a result of the steps taken to collect statistics on the above basis in all Zonal Railways, it would be possible for the Railways to keep a watch at the appropriate level on the

effectiveness of the measures taken to defend the court cases and also take remedial measures to remove any shortcomings in this direction.

In this connection, the Committee would also suggest that the selection of legal officers for defending their Court cases should be done very carefully by the Railways.

CHAPTER V

TICKETLESS TRAVELLING AND ALARM CHAIN PULLING

Ticketless Travelling

Effects of Ticketless Travelling

70. The social evil of ticketless travelling in trains continues to pose a major problem for the Railways. Apart from causing loss of revenue and expenditure on the extra checking staff, it leads to overcrowding, misuse of the alarm chain apparatus on trains, consequent dislocation of train services and resultant inconvenience to *bona fide* passengers.

Extent of Ticketless Travel

71. The magnitude of the problem and its persistent character may be gauged from the following figures of passengers detected without tickets compared with the total number of passengers booked:—

	(figures in millions)	
	1964-65	1965-66
1. Total number of booked passengers	1,992	2,097
2. Number of passengers detected without tickets	6.38	6.55

Since no accurate conclusions regarding the extent of ticketless travel can be drawn from these statistics, a special organisation with a large number of Travelling Ticket Examiners is appointed directly under the Railway Board once in every three or four years. All the trains are checked by them section-by-section with a view to know the extent of ticketless travelling in each and every section of the Indian Railways. These checks are continued for about six months and overall statistics of the extent of ticketless travel are drawn up. One such *ad hoc* Central Ticket Checking Organisation was set up during 1959-60 in order to obtain an independent assessment of the extent of ticketless travel on various sections of the Railways. The results of the checks indicated that the extent of

ticketless travel on the average ranged from 4 to 5 per cent of the total number of passengers travelling. The results of checks on Railways also indicate that the incidence of ticketless travel is comparatively higher in the States of Maharashtra, Gujarat, West Bengal, Uttar Pradesh and Bihar.

The Committee understand that a Central Ticket Checking Organisation has again been set up by the Railways this year who are conducting all-India checks on the above lines.

Measures taken to combat ticketless travelling.

72. It has been stated that Railways are making sustained efforts to combat ticketless travel. Apart from the normal arrangements of ticket checking at stations and on trains, the special measures adopted include:

- (i) Surprise checks, at important stations as well as at roadside stations and between stations by stopping trains out of course, carried out by flying squads under the supervision of an officer, the checking party moving by road to add an element of surprise;
- (ii) Checks by selected ticket checking staff with the assistance of Special Railway Magistrates and adequate police strength, for trying cases on the spot;
- (iii) Incognito checks by officers to see whether station staff and ticket checking staff indulge in corrupt practices like abetting passengers who travel without tickets;
- (iv) Posting of T.T.Es. in plain clothes on certain sections to detect habitual ticketless travellers, who evade ticket checking staff in uniform;
- (v) Availing of the services of social service organisations of repute for volunteers to assist TTEs during surprise checks;
- (vi) Authorisation of non-official members of National|Zonal|Regional or Divisional Consultative Council/Committees to call upon any Station Master or Travelling Ticket Examiner to check in their presence tickets of passengers in a carriage or compartment where they have reason to believe that passengers are travelling without tickets;
- (vii) Grant of cash awards and commendation certificates to ticket checking staff for outstanding performance;
- (viii) Surprise checks on suburban sections with the help of G.R.P. staff;
- (ix) Unobstrusive checks at stations and on trains by Vigilance staff.

The penal provisions of the Indian Railways Act were amended in May, 1959 in order to make them more severe. Persons travelling without tickets or with improper tickets with intent to defraud are now liable to pay not only the fare for the journey performed and the fine imposed by the Court, but also additional excess charges. This offence has also been made cognizable to facilitate the arrest of persons committing the offence. It has also been provided that if the Court so desires, habitual ticketless travellers may be asked to execute a bond for good behaviour.

A pilot scheme on an experimental basis has also been introduced on the zonal Railways for complete manning of all the Third Class carriages on trains on selected sections, where the incidence of ticketless travel is high, by providing one Travelling Ticket Examiner and two R. P. F. "Rakshaks" for each Third Class coach.

The Committee have been informed that the scheme is working satisfactorily and giving encouraging results, and that most of the Railways have formed one squad for working the pilot scheme and the squad is shifted from one section noted for ticketless travel to another so that it may have deterrent effect on ticketless travel.

Examination by Committee of National Railway Users' Consultative Council.

73. In May, 1966, a Committee of the National Railway Users' Consultative Council was appointed under the Chairmanship of the then Minister of State for Railways to go into the problem of ticketless travelling and alarm chain pulling on Indian Railways in all aspects. The Committee have since submitted their report and apart from suggestions to arouse public conscience and to enlist their support, have made the following recommendations in regard to ticketless travelling:—

- (1) It should be ensured that Booking windows are kept open as scheduled i.e. one hour before the scheduled arrival of the train and at stations where there is a separate Booking Clerk, the Booking Window should be kept open till the departure of the train and not closed 5 minutes before the arrival of the train.
- (2) Checks should be intensified to see that Booking Windows are opened in time as notified to the public.
- (3) The Railways should keep in touch with the Road Transport Organisation to ensure that feeder Bus Services reach the stations at least fifteen minutes before the scheduled arrival of the train.

- (4) An analysis should be made to see whether the present yard-sticks for opening of extra windows are realistic.
- (5) A review should be made regarding issue of Guard's Certificates and their utilisation.
- (6) Feasibility of issuing tickets/Season tickets in big commercial and industrial establishments and opening of more City Booking Offices, should be examined.
- (7) It should be ensured that ticket indents are submitted in time and there is no delay in supplies of tickets reaching the station.
- (8) More automatic and self-printing ticket machine should be introduced and to achieve this, more Railway S & T Workshops should be equipped to manufacture them.
- (9) It should be ensured that the Booking Clerks do not run short of small change.
- (10) Passenger fares should be in multiples of five paise.
- (11) Additional Squads to work the Pilot Scheme may be sanctioned on each Railway as necessary.
- (12) More Railway Magistrates should be posted.
- (13) Deterrent administrative action should be taken against T.T.Es. who are long standing on a section and tend to encourage ticketless travel.
- (14) T.T.Es. whose work is far above average should be encouraged, and deterrent punishment should be given to those who are slack in work. The existing instructions regarding rewarding for good work by T.T.Es. may be reviewed and liberalised.
- (15) Maximum assistance should be given to the Ticket Checking Staff involved in court cases as a result of performance of their duty.
- (16) The Railways should continue to take necessary action to reduce over-crowding in trains by introducing new trains, extending the runs of existing trains and augmenting train composition wherever possible.
- (17) The Railway staff, R.P.F. and G.R.F. should not be lenient to beggars, mendicants and hawkers and vendors.

- (18) Feasibility of issuing monthly Season Tickets to the students through the Heads of Educational Institutions should be examined.
- (19) The concessional facilities given to pupils of Schools and Colleges may be withdrawn if they continue to defy the existing rules and regulations.
- (20) Penal provision of the law should be enforced strictly to ensure that anti-social elements do not indulge in ticketless travel.
- (21) Railway staff and Police personnel caught travelling without tickets/warrants or taking other persons without tickets should be deterrently punished.
- (22) Vestibuling of trains already decided upon should be implemented expeditiously.
- (23) Issue of return journey tickets with a nominal concession may be examined so as to reduce the pressure on booking windows and to prevent ticketless travel.
- (24) Fencing of stations should be taken up and completed on a programmed basis.
- (25) The Indian Railways Act should be amended to provide for a minimum fine for ticketless travel.

The Committee are in agreement with the suggestions made by the Committee of the National Railway Users' Consultative Council, and feel that the recommendations, if properly and promptly implemented, would have an impact on the evil of ticketless travelling. The Committee feel convinced that the problem has assumed such a dimension that mere administrative measures will not help eradicate this evil. The co-operation of the travelling public and other voluntary organisations, more especially of the Passengers' and Transport Users' Association who are represented on the Zonal or Divisional Railway Users' Consultative Committee has to be sought fully and unreservedly. The authorities should also try to get the help and co-operation of the heads of educational institutions so that the students may be made to realise the wider moral effect of this anti-social practice. The Committee have reason to believe that there is sufficient truth in the complaint that has been made by a representative association of passengers that the "Railway staff have actually no scope of dealing with habitual ticketless gangs in the absence of adequate protection from the anti-social elements or willing co-operation from the Railway Police". The Committee would, therefore, like to stress the necessity of providing the necessary security to the checking staff.

Ticket Checking Organisation

Cost and performance

74. The following table gives the performance and the cost of ticket checking organisation on the Indian Railways during the last two years:—

	1964-65	1965-66
(i) Number of passengers detected travelling without ticket or with improper ticket	6.38 million	6.55 million
(ii) Amount of fare and excess charges realised	Rs. 178.53 lakhs.	Rs. 196.91 lakhs
(iii) Number of passengers who paid the fare and excess charges on demand	6.08 million	6.25 million
(iv) Number of passengers prosecuted	0.24 million	0.24 million
(v) Number of cases of unbooked and partially booked luggage . . .	1.48 million	1.48 million
(vi) Amount realised from unbooked and partially booked luggage . .	Rs. 40.59 lakhs	Rs. 40.78 lakhs.
(vii) Cost of Railway Magistrates, their staff and the police force attached with them (Railways' share of the cost).	Rs. 15.20 lakhs (Approx.)	Not Available.

Since Ticket Collectors at gates have at any rate to be provided even under ideal conditions when passengers may not travel at all without tickets, the Committee desired to have a comparison of the cost incurred by the Railways on Travelling Ticket Examiners with the amount of fare and excess charges realised by them during the years 1962-63 to 1964-65 and the figures furnished by the Ministry are given below:—

Year	Fare and Excess charge realised by Travelling Ticket Examiners	Cost of Travelling Ticket Examiners
	(Rs.)	(Rs.)
1962-63	159,12,073	186,88,505
1963-64	168,11,484	128,23,130
1964-65	193,51,534	233,06,187

It will be seen from the above that the amount of fare and excess charge realised by the Travelling Ticket Examiners is not sufficient even to meet their own cost. If a part of the cost of Railway Magistrates, their staff and the Police force attached to them is also added to the cost of Travelling Ticket Examiners it will further increase the gap between expenditure and amounts realised.

In the opinion of the Ministry of Railways, it would not be correct to correlate the expenditure on ticket checking staff to actual earnings from ticketless travel. According to them, the moral effect of an effective ticket checking organisation cannot be over-emphasised and the increase in the booking office sales is in no small measure due to the impact of the checking organisation.

While the Committee fully appreciate the moral effect of an effective ticket-checking organisation, they nevertheless feel that the fact that the amounts realised by the Travelling Ticket Examiners are not even sufficient to meet their own cost is likely to lend support to the common belief that ticket checking staff themselves indulge in corrupt practices like abetting passengers who travel without tickets... It has been brought to the notice of the Committee that one such corrupt practice adopted by the Travelling Ticket Examiners is to delay the issue of tickets after collection of the fare from the passengers concerned. Apart from the leakage of this revenue which is rightfully due to the Railways, the Committee take a serious view of the moral degeneration that is being encouraged through ticketless travelling. The Committee feel that there is need for surprise checks over the Travelling Ticket Examiners by superior officers of all grades of the Railways so as to ensure that the instructions regarding checking of tickets and realisation of railway dues are strictly enforced. The Committee also feel that mere disciplinary action against the Railway employees found guilty of abetting passengers travelling without tickets is not sufficient to meet the situation. They, therefore, suggest that the Railways may consider the desirability of making the offence of abetting passengers travelling without tickets a cognizable offence and of conferring necessary powers on Railway Magistrates to summarily try such railway employees.

Issue of certificates by Railway Guards

75. It has been pointed out to the Committee that one of the factors that lead to ticketless travelling is that when a party of passengers, being unable to purchase the tickets due to booking window having already been closed at small stations on account of arrival of

the trains, approaches the Railway guard for issue of the necessary certificate, the guard refuses to do so on the ground that he can issue certificates only on an individual basis even though the entire party may be proceeding to the same destination. In such cases, the party takes the risk of travelling without tickets rather than missing the train.

The representative of the Ministry has stated in evidence that if a group of people want to travel from the same station to the same destination, there should be no difficulty in issuing a collective certificate.

The Committee hope that the matter would be looked into and necessary instructions issued for the guidance of all concerned.

Alarm Chain Pulling

Extent of misuse of alarm chain

76. The number of cases in which the alarm chain was pulled on Indian Railways during the years 1963—1965 and the number of cases in which it was unjustified are stated below:—

Year (1)	Total (2)	Unjustified cases (3)	Percentage of (3) to (2) (4)
1963	80,877	73,298	90·6
1964	89,954	81,781	90·9
1965	1,00,193	90,553	90·4

There has been a steady increase in the number of cases and in over 90 per cent of the cases the chain was pulled without justification.

Measures taken to prevent unauthorised use

77. The maximum punishment for unauthorised use of alarm chain which was a fine of Rs. 50 till 1959 was raised by an amendment of Sections 108 and 131 of the Indian Railways Act to include arrest without warrant and a maximum of three months imprisonment and/or a fine upto Rs. 250. The increase in the penalty has

not, however, reduced the misuse of the alarm chain apparatus on trains. An analysis of prosecutions by the Railways in 1965 as a result of special checks, indicated that the maximum fine of Rs. 250 was imposed only in two cases out of a hundred.

Unauthorised use of the alarm chain has been the most important cause of unpunctual running of trains on certain sections. This affects not only a particular train but also other following and crossing trains and apart from the considerable inconvenience to passengers it also adversely affects the capacity of the section for running goods trains. The alarm chain is often pulled by ticketless passengers just short of a station to escape detection at the barrier.

As the prevention of unauthorised pulling of alarm chains has been most difficult to achieve on sections most affected by its misuse, railways had to resort to the device of blanking off the alarm chain apparatus after due notification in the press. Following a discussion in the Lok Sabha in 1961 on the subject of blanking off alarm chains on trains, it was decided that blanking off should be restricted to the minimum number of trains and the alarm chain apparatus was accordingly restored in nearly 150 trains on Indian Railways. There was, however, an immediate increase in the incidence of unauthorised pulling of alarm chain adversely affecting punctuality of trains, and after a further review undertaken in 1962, alarm chain apparatus had to be blanked off on a number of trains.

A decision was, however, taken in April, 1966, as a result of a fire which broke out in a coach of the Varanasi—Bombay Express near the Ugrasenpur Station of the Northern Railway, that blanking off of alarm chains should not be resorted to on trains other than suburban trains.

As the above realisation resulted in much dislocation and unpunctuality in running of trains the matter was reviewed in the end of 1966, and railways were authorised to blank off alarm chain in non-suburban trains also, as may be necessary.

The following steps are taken by the railways in certain cases to deal with this problem:—

- (i) Campaigns against this evil in Press and through posters;
- (ii) Posting of plain-clothed Railway Protection Force men in III Class compartments of trains noted for alarm chain-pulling;
- (iii) Prosecution of offenders when they are apprehended;
- (iv) Seeking the co-operation of authorities of educational institutions in instilling a sense of discipline and obedience to the law on the part of the students;

- (v) Taking students round the train control offices so as to enable them to understand the extent of dislocation and detention to trains that result from the misuse;
- (vi) Impressing upon the trying Magistrates the need to give adequate and deterrent punishment to offenders;
- (vii) Rewards to passengers and staff (on some Railways) who assist in detection of offenders.

Examination by Committee of National Railway Users' Consultative Council

78. The problem of false alarm chain pulling has also been recently considered by the Committee of the National Railway Users' Consultative Council, a reference to which has been made earlier in this report.

Apart from the suggestions to arouse public opinion and to enlist their support, the Committee have made the following recommendations for dealing with the problem of alarm chain-pulling.

- (i) On occasions of fairs and festivals, more trains should be run to avoid over-crowding;
- (ii) Wherever misuse of alarm chain is heavy, anti-alarm chain pulling squads should be formed;
- (iii) The Indian Railways Act should be amended to provide for a minimum fine for false alarm chain pulling;
- (iv) Position should be reviewed in due course if cases of unauthorised alarm chain pulling have increased sharply on certain sections after the restoration of the alarm chain apparatus.

The Committee hope that the recommendations of the Committee of the National Railway Users' Consultative Council to curb the tendency of misuse of alarm chain will be considered and implemented by the Railways at an early date.

Disruption of train services and damage to Railway Property

79. A problem of greater magnitude than ticketless travelling and alarm chain pulling is the present tendency of indulging in large-scale destruction of railway property, and attacks on railway passengers and railway employees by anti-social elements. The Committee of the National Railway Users' Consultative Council have also referred to this menace in paras 19 to 21 of their Report, as follows:—

“Large scale destruction of railway installations, disruption of train services and attacks on passengers and railway em-

ployees by unsocial elements during civil disturbances in the States have become recurring features and this is causing a lot of anxiety to the Ministry of Railways. Recent instances which occurred were in connection with the anti-Hindi agitation in Madras State in February, 1965, hartal organised by the Leftist Parties in Calcutta in July, 1965, strike and demonstrations in Bihar in August, 1965, the food agitation in Kerala State in February, 1966, the Bengal Bandh in March, 1966, agitations due to the boundary dispute between Maharashtra and Mysore and student agitation in Madhya Pradesh, Uttar Pradesh, etc. during September and October, 1966. Extensive damage was thereby caused to Railway property and the train services were dislocated which caused considerable inconvenience to the travelling public. The maintenance of law and order, prevention and detection of crime and prosecution of offenders in respect of crimes in passenger trains and within Railway premises, are the responsibility of the Government Railway Police who are under the administrative control of the State Governments. The Railway Protection Force is intended for safeguarding railway property. In such cases of breaches of law, the railways have to depend on the Railway Police or the Civil Police authorities."

The Committee cannot too strongly deprecate the wanton destruction of railway property and attacks on railway employees by anti-social elements. The Committee are glad to note that the Railways are alive to the problem and this matter was discussed at a Conference with the State Chief Ministers who have assured them that they would gear up the machinery and give all assistance to the Railway administration in tackling this problem. The Committee hope that the matter would be kept under review and no effort would be spared for bringing about better coordination between the Railway staff, the Railway Police and the Railway Protection Force.

CHAPTER VI

PUBLIC RELATIONS

Public Relations Organisation in the Railways

80. Business consideration in a competitive world requires that the Railways should keep a keen eye at all levels on the customers' needs and preferences. With increasing competition from other modes of transport, the need for maintaining cordial and effective public relations by the Railways becomes more and more imperative.

Railway Board level

81. The Committee have been informed that the Public Relations Directorate in the Railway Board, which gives a lead to all Zonal Railways and co-ordinates their public relations work, is headed by a Joint Director who is a senior Officer on deputation from the Central Information Service, being the Director Public Relations (Railways) in the Press Information Bureau of the Ministry of Information and Broadcasting. He is responsible for tendering advice to the Railway Board as also the Zonal Railways on matters relating to publicity and public relations. The Joint Director is assisted by a Deputy Director, an Assistant Director and an Information Officer, besides an Editor and Assistant Editor for the Board's magazine "Indian Railways" and an Assistant Editor for the 'Bharatiya Rail', a Hindi magazine published monthly.

Zonal Railways level

82. At the level of the Zonal Railways, the organisation for dealing with public relations work on each Railway generally consists of a Public Relations Officer in the Senior Scale, assisted by an Assistant Public Relations Officer. On the Central, Western, Northern, Eastern, South Eastern and Southern Railways there is also an additional Senior Scale post of Commercial Publicity Officer/Public Relations Officer for Commercial advertising and publicity.

It has been stated that the need for strengthening the Public Relations Organisations on the Zonal Railways with a view to making them more effective and useful has been under constant review by the Railways. With increasing service-consciousness

among the public, the growth and effectiveness of newspapers, and the growing emphasis on the social and public aspects of Railways, the question arose whether the day-to-day direction of public relations work on Zonal Railways should continue to be supervised by a Senior Scale Officer. The fact that the effectiveness of public relations would be enhanced by upgrading the status of the Public Relations Officer was also taken into account. At the same time the need for economy in administrative expenditure had to be kept in view. On balance it was felt by the Railways that three posts of Chief Public Relations Officer in the Junior Administrative Grade should be created and head-quartered at Delhi, Bombay and Calcutta. The post at Delhi is in lieu of the Senior Scale post, while the two posts at Bombay and Calcutta are additional posts. The C.P.R.Os at Calcutta and Bombay are in overall charge of all the public relations work of the two Railways headquartered in each of these cities. The decision to have a C.P.R.O. of higher status at Delhi, Bombay and Calcutta is in recognition of the fact that these three cities have a network of newspaper organisations which have quite an impact on public opinion, and the C.P.R.Os. have to maintain close and friendly relations with Editors of important newspapers and accredited news representatives in these three cities.

Functions

83. The Committee desired to know the steps being taken by the Railways in order to ensure that the public relations in Railways did not merely remain as Press Relations but successfully put across the Railways' image to the public in diverse ways. In a written note furnished to the Committee, the Ministry of Railways have stated as follows:—

"The press being the most powerful medium for public contact, Public Relations Officers maintain close and friendly relations with the newspaper community at various levels. As editorial comments and feature articles carry greater conviction with the public than formal press notes or official handouts, and the press is the most effective instrument to disseminate information on matters of policy, to explain aspects of railway working not generally appreciated by the public and thus help create a climate of better understanding and to counter effectively the uninformed and often unfair criticism to which a big organisation like the railways is subjected from time to time, Public Relation Officers keep Editors

and leader-writers properly briefed on the basic aspects of railway working. Public Relation Officers also project, whenever possible, an integrated picture of the Indian Railways as a whole. Not only are happenings publicised but purposive publicity is undertaken to bring out the role of the Indian Railways in the life of the community and evoke a better appreciation from rail-users of mutual problems.

Publicity is directed not only towards the general public but also towards the large army of Railwaymen, particularly those coming in contact with the public. Besides educating staff in proper dealings with the public, a sense of pride in the nature and importance of the service rendered by the railways is instilled in them. Audio-visual aids are used for this purpose, particularly films, staff bulletins, folders, posters, etc. through which staff are told about developments on the Railways.

The Railways' Public Relations organisation also serves as a link between the public and the administration in interpreting the intricacies of railway working to the public as also helping to ensure proper understanding between the railways and the general public and not merely the travelling and trading public. Apart from the press, this is done through letters, personal contacts with Chambers of Commerce, transport users' associations, the trade etc. and on individual basis on request.

Modern methods of publicity are employed to disseminate information on problems, the steps contemplated to overcome them and the advances and outstanding achievements of the system. The media harnessed for this purpose are attractive display advertisements, cinema slides, folders, brochures, newsletters, railway stalls in important exhibitions, documentary films, etc. Display advertisements while carrying the railway message, also earn the goodwill of the public. Cinema slides are a powerful medium of mass publicity; folders and brochures are useful to the institutions, Chambers of Commerce etc. as they marshal all the facts and figures; exhibitions present in a nutshell vivid impressions of railway working, and documentary films serve both the educated and the illiterate masses.

Occasional conferences of Public Relations and Commercial Publicity Officers provide ample facilities for discussing important matters of common interest and evolving the most effective procedure in relation to important aspects of Public Relations and Commercial Advertising work. This is further supplemented by the directives and instructions given by the Public Relations Directorate of the Railway Board in its role as the Central Coordinating agency for all the Zonal Railways."

The Committee note the functions of the Public Relations Organisation of the Railways and the efforts being made by them to bring about proper understanding between the Railways and the general public. The Committee would, however, stress that the efforts of the Organisation should be reflected in better understanding between the Railways and the general public and in the removal of difficulties of rail users that may be brought to the notice of the Public Relations Organisation. The Public Relations Organisation should, therefore, be responsible for effecting better co-ordination between the Railway Administration on the one hand and the general public on the other, as also for educating the travelling public as well as the Railway staff about the imperative need for eradication of corrupt practices like ticketless travelling, indulgence in malpractices by the Railway staff etc., so that the efficiency of the Railway may be improved.

The Committee suggest that the Efficiency Bureau of the Railways may conduct an impact measurement survey so as to see to what extent the functioning of the Public Relations Organisation of the Railways has led to better results in these directions. The Efficiency Bureau may also see if economies can be effected in the printing and publication of various journals, newsletters, brochures, etc. brought out by the Zonal Railways and also suggest the media of publicity with minimum cost. The Committee would like to be informed about the results of this survey in due course.

Consultative Committees

84. An important method by which the Railways closely associate the enlightened public opinion with matters relating to provision of service and improving the efficiency of such service, is the formation of Railway Users' Consultative Committees.

National Council

85. At the level of the Railway Board, there is a National Railway Users' Consultative Council, the membership of which embraces Secretaries to such Ministries of the Government of India as are

concerned with movement of goods and economic development of the country, Chairman and Members of the Railway Board, 18 Members of Parliament, representatives of different industries, Chambers of Commerce, etc. besides elected representatives of the Railway Users' Consultative Committees of all Zonal Railways and persons representing special interests. The Council is presided over by the Minister of Railways and considers such matters relating to the services and facilities provided by the Railways as may be referred to it by the Minister of Railways, or by the Zonal Railway Users' Consultative Committees or by individual members of the Council with the approval of the Chairman.

Committees at Zonal level

86. At the zonal level, each Railway has a zonal Railway Users' Consultative Committee representing the general Railway users of the territory or zone served by the Railway as a whole. These Committees consider such matters of importance from the point of view of the zone as a whole as may arise from the reports of the Railway Users' Committees at the Regional/Divisional level or may be referred to them by the Administration, the Ministry of Railways or the National Railway Users' Consultative Council.

In addition to the Zonal Railway Users' Consultative Committee, each Railway Administration has also got the following Committees at the Zonal level:—

- (i) Railway Users' Amenities Committee which considers the various suggestions for the provision of Railway Users' amenities on the Railway as a whole, excluding those on the Suburban Sections. The annual programmes for the provision of Railway Users' amenities are drawn up and priorities allotted by the Railway Administration in consultation with this Committee.
- (ii) Catering Supervisory Committee whose Members undertake tours of inspection of catering and vending establishments at railway stations and in trains and suggest improvements in catering arrangements and quality of service*.
- (iii) Bookstall Advisory Committee to inspect the bookstalls at railway stations and give suggestions for improvement in regard to the books to be placed for sale or weeding out of undesirable publications.
- (iv) Time Table Committee which considers the timings of trains running over the Zonal Railway concerned. The

*At certain stations, where departmental catering is in force, Local Catering Advisory Committees are also functioning.

Railway Administration finalises the periodical Time Tables in consultation with this Committee.

Besides the above-mentioned Committees, Suburban Railway Users' Consultative Committees also function on some of the Railways viz. Central, Western, Eastern, South Eastern and Southern Railways, the membership of which includes all important interests in the areas of the Suburban services. The deliberations of these Committees enable the Railways to assess the public opinion properly and the suggestions made by their members are considered by the Railway Administrations and implemented to the extent considered feasible.

Committees at Regional/Divisional level

87. At the Regional/Divisional level in each Zonal Railway there are the Regional/Divisional Railway Users' Consultative Committees representing the principal interests among railway users of the area covered by the Region/Division. These Committees consider matters relating to provision of amenities, opening of new stations, arrangements regarding time tables and improvement of services and facilities provided by the Railways in their respective areas.

Functioning of Consultative Committees

88. The Committee have been informed that the Railway Users' Consultative Committees which are consultative in character have been set up at various levels with a view to securing better representation of railway users and affording more frequent opportunities for consultation between Railway Administrations and Railway users on matters relating to the service provided by Railways and means of improving the efficiency of such service.

It has been added that the suggestions and proposals made by the members of the Consultative Committees for discussion at their meetings are carefully examined and those considered suitable for discussion are included in the agenda for the meeting and circulated to the members before the date of the meeting together with the remarks of the Railway Administration thereon. After the suggestions are discussed in the meeting, the decision on each is recorded in the minutes of the meeting, and action is taken by the Railways to implement them. Details of action taken are intimated to the members. If considered necessary, the members of the Consultative Committees can discuss matters relating to the action taken on the proceedings of the previous meetings, at the subsequent meetings.

Proposals and suggestions which are of minor importance or of purely local interest to a particular station, are usually not included in the agenda of the meetings of the Zonal Railway Users' Consultative Committees but they receive careful consideration and the members concerned are advised of the action taken or the position obtaining in respect of these suggestions. So far as the National Railway Users' Consultative Council is concerned any suggestions of general nature made by the members that are not included in the agenda, together with the Railway Board's brief remarks thereon, are included in a separate statement circulated to all the members of the Council before the meeting is held.

The Railway Board have also commended this procedure to the General Managers of all Railways for adoption so far as the Zonal Railway Users' Consultative Committees are concerned.

Proposals accepted

89. The Committee desired to know as to what percentage of suggestions made by the Railway Users' Consultative Committees were generally accepted by the Railways. It has been stated in reply that to strike an average of the percentage of suggestions accepted by various Committees may not appropriately reflect the position in respect of the proposals considered by the various Committees. The position is also likely to differ from meeting to meeting depending on the nature of the suggestions made by the members. An analysis of the suggestions received from the members of the various Committees and accepted by Western, North Eastern, Eastern and Central Railways has however been made by the Ministry of Railways and the position is indicated below:—

Statement indicating proposals received and accepted by the Railways during the last tenure (1-1-64 to 31-12-65 and 1-4-64 to 31-3-66)

Sl. No.	Name of Committee	Western			North Eastern			Eastern			Central		
		Sugg- estions Recei- ved	Percent- age Accept- ed	Percent- age	Sugg- estions Recei- ved	Percent- age Accept- ed	Percent- age	Sugg- estions Recei- ved	Percent- age Accept- ed	Percent- age	Sugg- estions Recei- ved	Percent- age Accept- ed	Percent- age
1	Regional/Divisional Railway Users Consultative Committees.	2074	1058	51.0	435	187	43.0	360	176	49.0	870	407	46.8
2	Z.R.U.C.C.	60	17	28.0	518	183	35.0	246	108	44.0	201	113	56.2
3	Catering Supervisory Committee.	14	9	64.2	21	14	66.6	12	11	92.0	32	32	100.0
4	Railway Users' Amenities Committee.	213	213	100	3	3	100.0	690	656	95.0	31	28	90.3
5	Book-Stall Advisory Committee.	26	26	100	11	10	91.0	10	9	90.0	5	4	80.0
6	Time Table Committee.	261	78	29.9	95	23	24.2	472	90	19.0	88	23	26.1

Asked about the reasons for a very low percentage of recommendations of Time Table Committees being accepted by the Railways, the representative of the Ministry has stated in evidence that there is an inherent difficulty in accepting every suggestion of the Time Table Committee, because some of the suggestions clash with each other as a result of which if one suggestion is accepted, the other cannot be accepted.

Acceptance of suggestions made by members of Consultative Committees

90. It has been represented to the Committee that the Railway Administration "will refuse to accept suggestions (from members of Users' Consultative Committees) on various grounds and just after a few months or so, they will implement these suggestions showing to the general public that they were acting upon those suggestions *suo-motu*."

The representative of the Ministry has stated in evidence that when a recommendation is made by the Zonal Railway Users' Consultative Committee, the concerned railway examines the same and if it is not possible to implement it, that question comes to the Railway Board. If the suggestion is ultimately accepted by the Railway Board, it could be due to change in conditions that came about in the meantime and not due to any intention on the part of the Railways to show, that they were acting *suo-motu*. The representative of the Ministry has admitted that in such cases no intimation is sent to the person or the association making the suggestion as the Railway Board is not aware as to who had made the suggestion.

The Committee would suggest that a procedure should be evolved whereunder when a particular suggestion made by a Consultative Committee or a member thereof is turned down by a Zonal Railway and is afterwards accepted by the Railway Board, the concerned Consultative Committee member should be informed about it so that it may be felt that their suggestion has been given due consideration. The Committee also suggest that the Zonal Railways should inform the Railway Board about the number of suggestions of the Consultative Committees accepted or rejected together with the reasons for rejection, if any.

Representation of Passengers' Associations on Consultative Committees

91. It has been represented to the Committee that there are a number of Passengers' Associations which are old, active and influential but cannot get representation on Railway Users' Consultative Committees due to limited number of seats being reserved for such Associations.

92. The Ministry of Railways have informed the Committee that each Railway Administration maintains an upto date statewide list of all the Passengers' Associations recognised by State Governments and having good standing. The General Manager nominates the Passengers' Associations from this list duly taking into consideration all factors such as their standing, how long they have been functioning and their importance, the representative character of the Associations, membership and affiliations, equitable distribution of representation, previous representatives on the Consultative Committee, interests covered by the Association, etc. It has been added that two (sometimes three) representatives of registered Passengers' Associations are nominated to Regional/Divisional Railway Users' Consultative Committees.

One or two representatives of Passengers' Associations are nominated to the Zonal Railway Users' Consultative Committee.

Representatives of Parliament, State Governments, State Legislatures, Chambers of Commerce and persons nominated under Special Interests, etc. are also on these Committees in their capacity as general rail users and the interests of the passengers are, therefore, adequately represented.

The Time Table Committee consists, among others, of elected representatives of the Zonal Railway Users' Consultative Committees adequately represented. National Railway Users' Consultative Council, the elected representatives of the Divisional/Regional Railway Users' Consultative Committee on the Z.R.U.C.C., Members of Parliament nominated on the Zonal Railway Users' Consultative Committee, three representatives of the Passengers' Associations and a nominee of the General Manager.

The Committee feel that the extent of representation provided to the Passengers' Associations on the Railway Users' Consultative Committees is not quite adequate. In view of the fact that the Passengers' Associations can play a very important role in educating the travelling public in regard to their rights and duties *vis-a-vis* the Railways, the Committee feel that the representation of these Associations on the Consultative Committees should be so arranged that each important Passengers' Association gets represented at least once in 3 or 4 years.

The Committee also suggest that the Railways may explore the feasibility of giving greater representation to the elected representatives of the Parliament and State Legislatures in the Zonal and Divisional Railway Users' Consultative Committees.

Commercial advertisements

83. Commercial advertisements on Railways provide an important source of revenue and the Estimates Committee (1955-56) in their 26th Report (First Lok Sabha), had suggested that the Railways should take suitable action to widen the scope of such advertisements on modern lines. The Committee had also suggested that a modest target of annual earning of Rs. 5 lakhs from Commercial advertisements should be aimed at by each Zonal Railway to begin with.

The Ministry of Railways have accordingly been taking various steps, including advertisements in railway carriages, on passenger tickets, goods invoices etc., standardisation of rates, to augment the revenues from this source, and the revenues derived by each zonal railway during the last five years are as follows:—

Sl. No.	Railways	1961-62	1962-63	1963-64	1964-65	1965-66
		Rs.	Rs.	Rs.	Rs.	Rs.
1	Northern .	6,58,261	8,86,293	10,36,376	12,00,751	10,26,815
2	Central	4,47,171	5,26,227	6,60,620	8,00,843	8,06,684
3	Western	4,90,879	6,17,629	6,70,396	7,01,592	7,44,561
4	Southern .	4,69,613	5,58,833	6,29,123	7,19,545	7,79,000
5	North Eastern .	1,13,412	1,10,947	1,43,204	1,53,742	1,73,605
6	Northeast Frontier	51,467	55,465	74,000	75,710	75,798
7	Eastern	3,57,715	2,75,251	4,67,116	5,00,282	4,85,478
8	South Eastern .	1,51,352	1,62,311	2,30,459	2,96,178	3,72,000
TOTAL		27,34,870	31,92,956	39,11,294	44,48,643	44,63,941

The shortfall in 1965-66 has been mainly ascribed to uncertain market conditions following the Pakistani Aggression and curtailment of expenditure on advertisements etc.

The Committee note that there has been a steady increase in Commercial advertising earnings during the period 1961-62 to 1964-65. They hope that the shortfall during 1965-66 will be wiped off by earnings in later years.

The Committee would stress that the Railways should continue their efforts to step up their earnings from commercial advertisements. In this connection, the Committee would suggest that the Railways may explore the possibility of displaying advertisements outside the bogies in strips of suitable size, like advertisements displayed on buses and on tram cars.

Publication and sale of Railway Time Tables

94. The particulars of expenditure on the printing and publication of Zonal and All India Railway time tables during 1965 (i.e. April/65 and October/65 issues), income derived from their sale (less commission paid to bookstall agents) as also the revenue derived from advertisements included therein are as under:—

Total expenditure incurred in printing binding, cost of paper, maps, etc.	Rs. 18,90,802
Total income derived from sale less commission paid to bookstall agents	Rs. 5,87,090
Total revenue derived from advertisements included in the time tables	Rs. 5,29,449

The Railways have taken the following steps since April, 1962 for effecting economy in the cost of printing and publication of Railway Time-Tables:—

- (i) Exclusion from time tables of a considerable portion containing rules and regulations which were not of immediate use to the passengers in the course of their journey;
- (ii) Use of smaller type for printing of time tables to economise on the use of paper;
- (iii) Replacement of the multi-coloured map by a single-colour map in the time table;
- (iv) Sale of more and more copies of timetables through the Enquiry/Reservation/Booking Offices at Stations and correspondingly less number through private book-stalls to save payment of commission on their sale to the bookstall agents;

- (v) Increasing the price of time-tables with map by 5 paise per copy;
- (vi) Augmentation of revenues from advertisements appearing in the time tables by increasing the tariff for advertisements, permitting full page, half page, and quarter page advertisements in the timings portion of time tables, encouraging strip advertisements to appear below time tables, etc.

It has been added that inspite of the steps mentioned above, it has not been possible to achieve any appreciable economy in this regard due to rise in the cost of paper and printing during the last few years.

The Committee understand that the increase of 5 paise per copy in the price of the Zonal Time Table was made from 1st October, 1964, and that from the 1st April, 1967, the price of the Zonal Time Tables has been increased from 30 paise to 50 paise per copy and of the All India Railway Time Table from Rs. 2.50 to Rs. 3.00 per copy.

The Committee suggest that the Railways should make an energetic drive to obtain more advertisements for the Time Tables so that the revenue derived from this source is increased and the losses suffered by the Railways in the printing and sale of Time Tables are made up to an appreciable extent.

CHAPTER VII

RAIL-ROAD COORDINATION

Diversion of traffic to road

Extent of diversion

95. The fact that the relative shares of road and rail transport in the development of transport that has taken place in the country in recent years have markedly changed in favour of road transport is clear from the following conclusion arrived at by the Committee on Transport Policy and Coordination:—

“The share of the Indian Railways in the total goods traffic carried by rail and road together has diminished from about 89 per cent in 1950-51 to about 77 per cent in 1964-65. In passenger transport, the share of the Indian Railways has declined during this period from about 74 per cent to about 55 per cent. There have been corresponding increases in the share of road transport both in goods and passenger traffic.”

The Ministry of Railways have informed the Committee that the areas in which road competition is most severe and the commodities in respect of which it is being increasingly felt are as follows:—

Punjab	Perishables, gram and pulses, light engineering goods and cotton.
U.P.	Cotton textiles, general goods and sugar.
South Bihar	General goods and sugar.
West Bengal	All goods—particularly tea, jute and perishables.
West Maharashtra	Cotton textiles and general goods.
Madras	General goods including salt.
Andhra Pradesh	Rice, Tobacco and general goods.
Gujarat	Cotton and cotton goods, general goods.

The Ministry of Railways have also confirmed that considerable quantities of cement move by road, the proportion of total output carried by the Railways being 81·36 per cent in 1961-62, 79·78 per cent in 1962-63, 77·5 per cent in 1963-64 and 79·02 per cent in 1964-65.

Reasons for diversion

96. The reasons for the diversion of traffic by road transport have been described in the following words in an article "Towards Rail-Road Coordination", by Shri K. N. Krishnan, Director, Rail Coordination, Railway Board, appearing in the Fourth Five Year Plan Number of the Railway's journal 'Indian Railways':—

"The road transport operator is motivated by personal profit and hardly thinks of economy as a whole or large regions of undeveloped areas. With no public service obligations to discharge, with private sector interests strongly supporting his rights, and with State Governments sympathetic to his business, he is able to get the cream of traffic. His contention is that the service he offers is efficient—as otherwise he cannot exist and the placing any restriction on his business would be undemocratic and even unconstitutional.

The User's problem again is without complications. He looks for transport when he wants it and not when he can get it. He is quite conscious of the fact that for road transport he has to pay a little more by way of freight charges. Apart from the fact that the truck operator is able to lift the goods from the User's godown and deliver it at the consignee's godown, thereby eliminating transport to and from the railway terminals, ready availability of transport and quicker transit time by road reduces his total costs considerably. He is also not bothered whether his choice is in the interest of the economy as a whole. Perhaps he would prefer rail transport if availability, transit time and security to his consignments were assured.

To the Railways, however, the problem is serious. For comparatively short distances, they are not in a position to compete with road transport in so far as transit time is concerned. They cannot refuse to accept low rate traffic nor can they resort to any *ad-hoc* method in respect of their high rated traffic."

Measures taken to regain traffic

97. As regards the measures being taken by the Railways to regain the traffic from road transport, the Ministry of Railways have stated

that the movement of principal commodities and the quantities handled are closely studied by zonal Railways. Whenever an appreciable decline is noticed in the movement of particular commodities investigations are made to find out the reasons therefor. When diversion from the Railway of such traffic is found to be the cause for such shortfall, various steps are taken to secure the traffic back for the railway. These steps include quotation of reduced station-to-station rates, wherever justified improvement in the quality of service, reduction of transit time and guarantee of transit within a prescribed period, relaxation of minimum weight condition, relaxation of packing conditions, avoidance of damage and pilferage in transit, etc".

The Ministry of Railways have also stated that the Research and Development wings of Railways are suitably reorganised, particularly the Inspectorate, so that more resources are available with the Divisions for conducting field investigations. This organisation exists on all major Railways (i.e., except N.E. & N.F. Railways) and is headed by an officer of the Junior Administration grade.

It has been added that the diversion of short distance traffic to road being the result of a deliberate policy of Government, the Railways have not taken steps to win it back.

In view of the growing competition from road transport and consequent loss of revenue to the Railways, the Committee feel that the Railways should take positive measures to set up a proper machinery to make continuous market studies, ascertain the nature and extent of transportation needs at different points, keep a keen eye on the competitors' techniques and take adequate steps to affectively combat such competitions. They would, therefore, suggest that the adequacy of the facilities available to the Research and Development wings of the Railways for making such studies and investigations may be reviewed by the Efficiency Bureau of the Railway Board, so that the Railways are not caught napping in the years to come when the road transport is bound to offer still heavier competition in the matter of carrying remunerative traffic.

On the operating side, the Committee feel that there is scope for the Railways to improve their service by ensuring timely supply of right type of wagons including refrigerated vans for movement of perishables, if economical, by providing a much quicker transit than obtaining at present and by minimising the incidence of pilferage and damage. The Railways may also improve the working of the street delivery service and take steps to extend the service to as many places as possible.

Committee on Transport Policy and Coordination

98. Much more important than the Commercial interest of the Railways, and of the road transport, is perhaps the interest of overall economy of the country. The necessity of securing proper coordination between the different modes of transport and the development of these modes in an integrated manner to meet the needs of the growing economy of the country was fully realised by the Government and a Committee known as the Committee on Transport Policy and Coordination was constituted in 1959. In their final report submitted in January, 1966, the Committee has made an extensive study of the subject and brought out a large number of useful conclusions and valuable recommendations. Some of these observations and recommendations could be summarised as under:—

1. The Central purpose of transport policy should be to create such conditions as would develop transportation by different modes in a manner that would meet the total needs of the economy at minimum cost to the commodity.
2. Regulation of road transport has to be exercised largely through control over licensing. Regulation of intra-State transport should be the responsibility of the State while that of inter-State transport the responsibility of the Central Government.
3. Road transport should work on the basis of responsibility to the community as a whole functioning, wherever necessary, in a complementary relationship to the Railways and taking a leading role in opening up the countryside and stimulating the growth of the less developed regions.
4. In the planning of transport in future, the need for ensuring the financial solvency of the Railways has to be kept in view.
5. The present practice under which licensing authorities invite and hear objections from road operators and the Railways before permits are granted, serves a useful purpose and, therefore, should be continued.
6. The place of reciprocal agreements between States should be taken by a system of inter-State permits issued under the authority of the inter-State Transport Commission. The Commission should work in close collaboration with the State Transport Authorities and the Railways.
7. The Inter-State Transport Commission should be considerably strengthened and armed with powers contemplated

in the Motor Vehicles Act for the regulation of inter-State road transport.

8. Legislation should provide for the State Transport Authorities being enabled to fix a both maximum and minimum as well as specified fares and freights as might be necessary.
9. Suitable machinery within the Central Government and in the States should be devised to carry out the policies outlined. For this purpose the Committee has recommended the building up of an organisation such as the Joint Technical Group for Transport Planning capable of undertaking independent studies and economic appraisals. A Transport Planning and Coordination Committee should be formed with senior representatives from the Ministries concerned to guide the continuing work of the Joint Technical Group. Finally, at the cabinet level a Committee of Ministers to consider important questions of policy has also been envisaged.

The Committee understand that the report and the recommendations contained therein were considered in a joint meeting of the Economic Committee of the Cabinet and the Cabinet Committee on Transport on 2nd December, 1966, and accepted by them.

The Committee hope that the recommendations of the Committee on Transport Policy and Coordination that have been accepted by the Government will be implemented by all concerned at a very early date.

Regulation of Road Transport

99. The representative of the Ministry of Railways has stated in evidence that "it is in the interest of the Railways to capture as much of the high-rated goods traffic as possible and increase the earnings as much as possible. So far as the question of small parcels, etc. is concerned, there is very little that really moves by rail and the charges for these small parcels are quite high and even when they do not cover the rail costs". The Railways have put a surcharge of 20 per cent this year in order to reduce small consignments to the extent possible. He has further stated that "we would certainly have no objection if more of small consignments go to road, but so far as high-rated traffic is concerned, we shall certainly like to have it, because we cannot remain viable if we confine ourselves only to low-rated commodities and to bulk commodities. The main consideration is the viability of the financial position of the Railways and that viability will be seriously affected if high-rated

traffic is to be denied to us. In any case, as public carriers, we are bound to carry whatever is offered to us."

The Committee understand that there is no effective machinery as such to fix the number of trucks that should be granted permits to operate on the various inter-State routes. The adjoining States enter into agreements and allow fixed number of trucks belonging to each of them to operate in the areas belonging to those States, and that the Ministry of Transport have no control over this inter-State movement.

100. The representative of the Ministry of Law has stated that under the Motor Vehicles Act, 1939 (which is a Central Act), the scheme has been to operate the permit system entirely through the State Governments and the Central Government has not taken any powers in the matter. Section 63A of the said Act provides for the constitution by the Central Government of an Inter-State Transport Commission to perform throughout an inter-State region all or such of the following functions as it may be authorised to do by the Central Government by notification in the official gazette, namely:—

- (a) to prepare schemes for the development, coordination or regulation of the operation of transport vehicles and in particular of goods vehicles in an inter-State region;
- (b) to settle all disputes and decide all matters on which differences of opinion arise in connection with the development, coordination or regulation of the operation of transport vehicle in an inter-State region;
- (c) to issue directions to the State Transport Authorities or Regional Transport Authorities interested regarding the grant, revocation and suspension of permits and of counter-signatures of permits for the operation of transport vehicles in respect of any route or area common to two or more States;
- (d) to grant, revoke or suspend any permit or countersign any permit for the operation of any transport vehicle in respect of such route or area common to two or more States as may be specified in this behalf by the Central Government;
- (e) to perform such other functions as may be prescribed by the Central Government under section 63C.

The Committee have been informed that while the Inter-State Transport Commission referred to above has been duly constituted and has been given all the powers referred to at (a), (b), (c) and (e) above, it has not yet been vested with the executive authority contained in (d) above.

101. The representative of the Ministry of Railways has stated before the Committee that "if there is to be proper coordination at least to some extent, between road transport and rail transport in the inter-State sphere, it is necessary that there should be an authority in which both the Railway and the other forms of transport are represented. Now the Inter-State Transport Commission has no control over inter-State transport. The State Governments can do anything they like by mutual agreement."

The representative of the Ministry of Transport has confirmed during evidence that any regulation of inter-State traffic by the Centre will necessarily require the willing cooperation of the States. It has been added that the movement of public carriers on Inter-State routes is at present being regulated by the State Governments through the reciprocal agreements concluded between them. Reciprocal agreements have been concluded between the contiguous States, the number of which is 33, and between far-flung States, the number of which is 11. The number of regular and temporary permits agreed to be issued is prescribed in these agreements.

The Committee also desired to know the number of temporary permits issued by the State Governments under Section 62 of the Motor Vehicles Act, 1939, and have informed that the total number of such permits issued by all the States in 1962 was 99,645, in 1963 74,462, in 1964 69,733 and in 1965, 44,317.

The Committee cannot but endorse the suggestion of the Committee on Transport Policy and Coordination that the regulation of inter-State Transport should be a responsibility of the Central Government and are rather surprised to see that the Inter-State Transport Commission set up under section 63A of the Motor Vehicles Act, 1939, has not yet been vested with the power "to grant, revoke or suspend any permit or countersign any permit for the operation of any transport vehicle in respect of such route or area common to two or more States as may be specified in this behalf by the Central Government" which is perhaps the only real power stipulated in sub-section (2) of the said section.

In this connection, the Committee understand that the Road Transport Taxation Enquiry Committee has also expressed the view that the present system of issue of permits by the States is inhibiting the growth of inter-State road transport and that inter-State road transport should be taken over by the Centre. The Committee would, therefore, suggest that steps should be taken at an early date to suitably strengthen the Inter-State Transport Commission and arm them with all the requisite powers required to exercise a real and effective control on inter-State road transport. While appreciating the need for development of rail and road transport in a manner supplementary to each other, the Committee feel that it is not the Railways alone who should be called upon to discharge all the public service obligations but the road transport should also be willing to take at least a minimum share of such social and economic obligations.

At the State level, the Committee would suggest the formation of Rail-Road Coordination Advisory Committees, not only with the representatives of Railways and State Governments but also with representatives of leading Passenger Associations and Chambers of Commerce, who could help in evolving a coordinated policy of rail-cum-road transport keeping in view the overall interests of economy and the impact of transport charges on the prices of various commodities that the consumer is called upon to pay.

CHAPTER VIII

CATERING

Catering facilities available on Indian Railways

102. Out of about 7,000 Railway Stations, catering facilities are available at nearly 2,500 stations. With the exception of 97 stations where catering establishments are run departmentally by the Railways, catering arrangements at all other stations are provided through private contractors.

So far as catering arrangements on trains are concerned, catering facilities are available on only 49 pairs of trains out of a total of about 2,400 pairs. Of these 49 pairs of trains, 26 have departmental catering.

The Railways are also running three Hotels, one under the Central Railway at Aurangabad and two under the South Eastern Railway at Puri and Ranchi.

Departmental Catering

Origin and objectives

103. Departmental catering was originally started 50 years ago on the ex-B. N. Railway (now South Eastern Ry.) and ex-M&SM and S. I. Railways (now Southern Railway). On the recommendations of a high power Committee on catering appointed in 1953 (known as the Alagesan Committee), departmental catering has been progressively introduced on a selective basis at stations and on trains to set a standard for quality of service and serve as a model for catering contractors to emulate. It is the aim of the Railways to run the departmental catering on a "no profit, no loss" basis.

Progress during Third Plan

104. During the Third Plan period i.e. from 1-4-1961, departmental catering was introduced only at four stations and on seven pairs of trains, the general objective being consolidation and improvement of the existing services under departmental control rather than extension of its scope.

Steps to improve quality of food and service

105. The more important steps being taken by the Railways for improvements in the quality of Food and service provided by the departmental catering establishments include:—

- (i) Review of the procedure for procurement of stores to ensure the quality of the raw materials;
- (ii) Review of the recipes to improve quality;
- (iii) Intensified supervision of the catering establishments by:—
 - (a) Officers and Inspectors,
 - (b) Catering Supervisory Committee, and
 - (c) Local Advisory Committees, specially appointed for the purpose;
- (iv) Deputing supervisory staff on the platform at train time to ensure prompt attendance by waiters/bearers on passengers;
- (v) Direct recruitment of cooks and Assistant Managers to the extent of 33.1/3% of vacancies to ensure professional competence;
- (vi) Practical training of the staff of departmental catering establishments at the:
 - (a) Institute of Catering Technology and Applied Nutrition, Andheri, Bombay;
 - (b) Hotels run departmentally at Aurangabad, Ranchi and Puri;
- (vii) Provision of adequate number of uniforms to workers—(the scale of supply to bearers has been increased from 4 to 6 sets per year in static units and from 6 to 12 sets initially followed by annual replacements of 9 sets in mobile units). Proposals are also in hand to switch over to bluish grey uniforms for bearers of mobile units;
- (viii) Appointment of vendors/bearers on commission basis in increasing numbers with a view to provide quick and efficient service to the public;
- (ix) Use of hot boxes/thermal urns to keep meals/beverages hot;
- (x) Liberal use of stainless steel utensils for service of meals to ensure cleanliness;

- (xi) Introduction of gas/electric cooking arrangements where available; and
- (xii) Training stall-keepers, bearers etc. from other stations at a selected unit on each Railway.

Improved design of Dining Cars

106. Due to limited accommodation in the Dining Cars the service of meals has to be arranged in batches. While improvements have been effected in the design of standard Dining Cars, a new type of twin-coach Dining Car (B.G.) has been manufactured with more space for kitchens, pantry, stores etc. and increased seating capacity of 54 as against 28 to 36 in the existing type of single-coach Dining Car. This new type has been introduced recently on the Southern Express on the Madras-Delhi route, on the Kalka-Delhi-Howrah Mail on the Delhi-Howrah route and on the Deluxe Air Conditioned Express on the Howrah-Delhi and Amritsar-Bombay routes. More such Dining Cars are under construction and are proposed to be provided mainly on the trunk routes, catering to the main arterial streams of traffic, where the number of meals served at a time is heavy.

Prompt attention to complaints

107. It has been stated that the Railways are fully alive to the importance of ensuring satisfactory service to their customers. Lapses in individual cases either in the quality of the food or in the service, brought to notice through complaints from members of the public and through those recorded in complaint books maintained at all catering units are promptly attended to and remedial action taken as required.

Financial Results of Working

108. The financial results of working of departmental catering on Railways during the Third Plan period were as follows:—

Year	Profit(+) Loss(—) Percentage		
	Sales	(Figures in thousands)	
1961-62	3,21,04	(—)6,45	2.00
1962-63	3,41,86	(—)1,90	0.60
1963-64	3,92,45	+7,56	1.90
1964-65	4,44,99	(—)3,14	0.70
1965-66 (provisional actuals)	4,96,21	(—)5,94	1.20

A statement showing zone-wise figures of financial results of working of departmental catering during 1961-62 to 1964-65 is given in Appendix IX.

From the statement it would be seen that in 1965-66, it was only the Eastern Railway which had secured a profit to the tune of Rs. 5 lakhs. All other Zonal Railways had registered a loss, the percentage of loss being the highest on the Northeast Frontier Railway (12.1 per cent).

It has been stated that with continuous efforts to work to "no profit, no loss" on departmental catering with an eye on economy, there has been a gradual improvement. As compared to the loss of Rs. 22 lakhs in 1957-58, there was a marginal profit of Rs. 7.56 lakhs during 1963-64, but in spite of a steady increase in the total sales turnover, they could not be kept up during 1964-65 and 1965-66 due to the rapid rise in the prices of raw materials and cost of staff. The rise in prices of essential raw materials may be gauged from the figures below:—

Commodity	Wholesale prices during		
	Nov. 1963	Feb. 1965	Feb. 1966
	Rs. P.	Rs. P.	Rs. P.
Rice	21.92 per md.	25.50 per md.	30.50 per md.
Wheat	18.20 per md.	25.55 per md.	29.25 per md.
Sugar	113.93 per Qtl.	151.00 per Qtl.	153.00 per Qtl.
Coffee	221.00 per 50 kg.	317.50 per 50 kg.	332.50 per 50 kg.
Groundnut oil	208.00 per Qtl.	235.00 Per Qtl.	355.00 Per Qtl.
Vanaspati	12.96 per tin of 4 Kg.	14.64 per tin of 4 Kg.	18.14 per tin of 4 Kg.

(Based on the Index of wholesale prices in India).

The index number of wholesale prices increased from 135.3 in 1963-64 to 165.1 in 1965-66, an increase of about 22 per cent and the expenditure on raw materials increased correspondingly.

During this period, dearness allowance for staff was increased four times—on 1st October, 1964, on 1st March, 1965, on 1st December, 1965, and on 1st February, 1966.

It has been claimed that although the cost of raw materials and of staff has gone up during the last few years, the tariffs for the standard Indian style meals served in "thalis" (vegetarian and non-vegetarian), Western style breakfast, dunch and dinner, as well as coffee and tea served in cups/pots, which are controlled by the Railway Board, have remained at the level of July, 1963, except that the price of tea/coffee in cups only slightly increased from 1-2-66 to cover the levy of State Government's sales tax. Prices for items provided *a la carte* are fixed/revised by each Railway Administration, taking into account the prices prevailing in comparable private catering establishments outside the Railway premises.

Economy measures

109. It has been stated that economy measures in departmental catering units include:—

- (i) Centralised procurement of controlled and proprietary articles at authorised, controlled/prescribed rates;
- (ii) Review of the schedules of ingredients for various items of food;
- (iii) Intensification of sales, and appointment of waiters, stall keepers and vendors on commission basis for sale and service of meals;
- (iv) Economy and efficiency in the use of fuel for cooking; and
- (v) Adjustment of the number of staff employed to actual requirements.

Contract Catering

Ceiling on holdings

110. There are about 5,000 contractors holding various types of catering and vending contracts on the Railways. Catering on 28 pairs of trains is also looked after by contractors.

In a written note furnished to the Committee the Ministry of Railways have stated that to achieve an improvement in the catering service provided by contractors, in the light of the recommendations made by the Alagesan Committee in 1954 and the Estimates Committee in their 25th Report (1956), the holdings of the larger contractors have been reduced to a maximum of four units per contractor and increase in the holdings of contractors who already have two units has been prohibited. On a representation from the Ministry of Food, Agriculture, Community Development and Cooperation (Department of Cooperation), an exception to the two unit limit has

been made in the case of Co-operative Societies composed of actual workers, namely, cooks, bearers, vendors etc., for allotment of additional units at the same station which is also the "home station" for the Society.

The policy of the Railways is to award catering/vending contracts to suitable local men with requisite experience, capable of ensuring satisfactory service to passengers.

Supervision by Railways

111. Periodical inspection is made by officers and staff of the standard of food and service rendered by the contractors and prompt and vigorous action is taken to pull up any slackness discovered.

The number of cases where action was taken against the catering contractors as a result of periodical inspections during the last three years are as follows:—

Railway	Number of cases where action was taken against catering/vending contractors during the last 3 years.
Eastern	215
Northern	576
North Eastern	53
Northeast Frontier	58
Southern	336
South Central	284
South Eastern	129
Western	381
Central	30*

The action taken against the catering/vending contractors, whose performance is not found upto the required standard during the inspections by the Railway officials, members of the non-official Advisory Committees for catering, Members of the Parliament etc. and also on receipt of public complaints of a serious nature, includes warnings, imposition of fines and termination of the contracts when the performance is found continuously unsatisfactory.

*Cases of termination of contracts only.

While the Committee note the efforts made by the Railways to locate the shortcomings in Departmental Catering and to introduce necessary remedial measures for improving the quality of service, they are constrained to observe that Departmental catering has not been able to 'set a standard for quality of service and serve as a model for catering contractors', which was expected of it. The service was expected to run on a 'no-loss, no-profit basis', but the Committee regret to observe that it has continued to incur losses from year to year despite the experience of over a decade in this venture. The Committee cannot too strongly emphasise the need for eliminating wastages, reducing expenditure and stepping up sales. They feel that an upward revision of tariffs without a corresponding improvement in service is likely to make Departmental catering thoroughly unacceptable to the travelling public.

As regards contract, the Committee feel that there is need for tightening up the arrangements for inspection of catering establishments run by contractors. Instructions should be issued to all Railways for enforcement of more effective supervision and more frequent surprise inspections by officers at all levels of the catering establishments and for awarding deterrent punishment in all cases of unsatisfactory service, and of non-observance of proper cleanliness and hygienic conditions by catering and vending contractors. Alongside the enforcement of quality and a high standard of performance, the Railways should consider the reintroduction/extension and popularisation of Janta Meal, which should be cheap and nutritious, on the Indian Railways.

In this connection, the Committee are glad to note that the Ministry of Railways have constituted a Committee of Members of Parliament, known as the Railway Catering and Passengers' Amenities Committee, 1967 to examine *inter alia* the working of catering services, both contract and departmental, and to make recommendations on the relative merits of contract and departmental catering and the area of operation which should be set apart for each, the deficiencies in the present services with measures to effect necessary improvements and the control of expenditure on departmental catering with a view to providing the best possible service without incurring any loss.

Halts at Stations

112. It has been brought to the notice of the Committee that some long distance trains, which carry dining cars, especially those run by diesel locomotives, have only a brief halt at stations. This gives insufficient time to the bearers to comply with the customers' orders

and while trying to catch up with the time the bearers sustain physical injuries or break their utensils.

The Ministry of Railways have confirmed that one such case has also come to their notice. As a solution to the problem, vestibuling of coaches is being done; for example, on the Southern Express 57 out of 75 coaches in the rake link have been vestibuled.

Railways have also increased the duration of halts of the Southern Express at various stations from 2 to 5 minutes and provided a few more halts.

The Committee suggest that the Railways may review the time tables of all important trains carrying dinning cars and suitably increase their duration of halts at stations where the trains may reach at breakfast, lunch, tea and dinner hours, so as to enable the passengers to go to and return from the dining cars and also the bearers to properly attend to the service in compartments.

CHAPTER IX

RESERVATIONS

Reservation facilities provided by Railways

Reservation of seats and berths

113. While providing transport for their passengers, it is the duty of the Railways to look to their convenience right from the stage the passengers arrive at Railway Booking Offices to purchase their tickets. The first impression of the convenience that a passenger may expect during his journey is provided by the reception that he gets at the reservation/booking office.

The Railways arrange for advance reservation of accommodation by trains on purchase of journey tickets and payment of reservation fees on 'first come, first served' basis, upto the limit of accommodation expected, initially, to be available.

Advance reservation of seats/berths in different classes is done as under:—

Air-conditioned Class	{ (i) 20 days in advance for journeys of 640 kms. and less
	{ (ii) 30 days in advance for journeys over 640 kms.
First Class ..	20 days in advance

Note:—In case of overseas tourists advance reservation both in air-conditioned and First Classes is permitted 180 days in advance of the commencement of the journey.

Second and Third Classes (seats/sleeper berths) and Air-conditioned chair car seats	10 days in advance
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Reservation from starting stations

114. Firm reservation of accommodation from the train starting stations is arranged from the opening day, i.e., the first day from which advance reservations are accepted, to the extent of the accommodation expected to be available, on receipt of a prescribed application and on purchase of the ticket for the journey. The names of

the persons as furnished in the requisition form are entered in the register maintained in the Reservation Office and Reservation Tickets issued on collection of the prescribed reservation fee. Half tickets issued to children are treated as full tickets for the purpose of reserving berths or seats.

After firm reservations have been made as described above, the names of persons who apply thereafter and for whom firm reservation cannot at once be made available are "wait-listed" in the order of receipt of the requisitions. A 'regret' slip is issued to such persons kept on the waiting list, indicating their serial number on the waiting list. Accommodation becoming available owing to cancellations etc. is allotted to passengers shown in the waiting list in the order of priority. In other words, unless a wait-listed passenger has cancelled his booking and obtained refund on his ticket, his name remains in the waiting list and his claim for allotment of accommodation is considered on priority either in the Reservation Office or on the Platform, as the case may be.

When onward reservation from a connecting junction is required, the passenger has to give detailed particulars of the date and train by which the reservation from the connecting junction is required. Although such reservation is not guaranteed, the starting station sends a telegram to the connecting junction. The connecting junction arranges reservation if accommodation is available and advises the starting station, who in turn issues a reservation slip to the passenger confirming the onward reservation. In the absence of this slip the passenger cannot assume that onward reservation has been arranged.

Reservation from intermediate stations

115. To meet the demands of passengers at intermediate stations, specific quotas have been allotted to certain large intermediate stations which provide firm reservations upto the quotas allotted, in the same manner as train originating stations. Demands in excess of the quotas from such stations and demands from other stations which have not been allotted quotas are met by the train originating station in the order of priority. In such cases, telegraphic messages along with detailed particulars are issued by the intermediate stations to the train starting station who, if accommodation is available, intimates the intermediate station of the reservations arranged, and in the event of accommodation being fully booked up, includes the names of such applicants in the waiting list. A telegraphic reply is sent in either case. As and when berths are available these are allotted to passengers in the waiting list, in the order of priority.

Reservation for return journey and from out stations

116. The facility of arranging reservation of berths in Air-conditioned and First Classes for return journeys and from out stations is also available on Railways.

For the purpose of reservation for return journeys, return journey blank paper tickets are issued charging double the fare plus an additional sum of Rs. 2 towards expenses of telegrams etc.

The passengers are required to submit requisitions indicating the dates for their return journey reservations which are arranged by exchanging the express telegraphic messages strictly in accordance with the rules in force at the reserving stations.

As regards reservations from out stations, i.e., in cases when passengers want to avail of reservation facilities after travelling by air, road, etc., such passengers are requested to remit by ordinary Money Order or telegraphic Money Order to the Station Master of the Station from which reservation is required a sum of Rs. 42 in the case of air-conditioned tickets and a sum of Rs. 32 in the case of First Class tickets, giving in the Money Order Coupon his name, date and train by which and station to which reservation is required and address to which an advice can be sent.

The Station Master of the station concerned, on receipt of the amount mentioned above, issued money receipt and arranges for reservation as if a full paid ticket had been purchased. He is required to reply by an urgent telegram confirming or declining the reservation as the case may be.

The passenger is required to present himself at the reserving station at least at two hours before the scheduled departure of the train along with the Postal receipt of the money sent and a proper ticket is issued for the journey after collecting the fare minus Rs. 40 in case of Air-conditioned and Rs. 30 in case of First Class.

Improvements made in reservation arrangements

117. Some of the important changes made by the Railways in the last five years to improve the reservation arrangements are described below:—

- (i) The time limit for advance reservation in Air-conditioned and First Classes has been increased from 10 to 30/20 days. Similarly, the time limit for advance reservation of seats in Second and Third Classes which was previously 7 days

has been increased to 10 days; to coincide with the time limit for reservation of sleeping accommodation in Third/Second Class.

- (ii) With a view to mitigating the difficulties experienced by the intending passengers regarding non-reservation of accommodation due to either non-receipt/late receipt of the telegraphic messages from originating stations or failure to deal with the messages promptly in the Reservation Offices, the Railway Administrations have been instructed to—

- (a) give high priority to Reservation messages in transmission. (The Reservation messages are marked as "XR/RESV" so as to distinguish the Reservation Messages from other "XR" messages);

(Note: To cope with the increase in traffic direct teleprinter channels from the Headquarters reservation centre to the various reservation points covering main streams of traffic are also being provided in Microwave multi-channel radio communication system under installation on different Railways.)

- (b) to attend promptly to Reservation messages received from all sources and reply to them within 12 hours of their receipt in the Reservation/Booking Office;
- (c) if a station seeking reservation does not get a reply within 48 hours, it must repeat the message again fully and such a process should continue till a reply is received from the reserving station.
- (iii) Railways have installed their own teleprinter circuits between important stations i.e., between Delhi and Bombay, Bombay and Madras, Madras and Calcutta and Calcutta and Delhi in order to quickly pass on information and to obtain data on which reservation can be made and the intending passengers advised.
- (iv) *Reservation and issue of tickets from the same counter:* The Railways have been instructed to ensure that at all stations where the number of reservations per day exceeds 50, the system of issue of tickets and of arranging reservations and issue of tickets therefor from the same counter should be introduced.
- (v) *Booking and Reservation for Passengers entraining en-route:* Passengers having reservation from the starting

station of a train have been given the facility of entraining from an intermediate station subject to the following:

- (a) A specific request must be made in writing to the station from which the ticket was purchased and reservations made, at least 24 hours before the booked departure of the train from that station;
 - (b) The Railways reserve the right to use this accommodation from the initial station upto the station at which the passenger is due to entrain; and
 - (c) No refund is admissible for the portion of journey not travelled.
- (vi) *Issue of tickets for journeys commencing from other stations and arranging reservation thereon:* At a few selected stations and as an experimental measure, permission has been accorded for the issue of tickets and reservation of berths/seats for journeys commencing from other stations on the same Railway. For example, if a passenger, residing in Delhi, wishes to make reservation from Allahabad on a particular date, he is allowed to do so by purchasing a ticket at Delhi.
- (vii) With a view to mitigate the difficulties of the passengers seeking reservations from intermediate/Out-stations, passengers have been permitted, if they choose to do so, to indicate alternative trains, by which accommodation may be reserved, so that the reserving stations may consider allotment of accommodation by any of the trains requested, according to availability.
- (viii) For the convenience of the passengers entraining from intermediate stations, advance information of carriage number and compartment number and the position of the coach from the engine for reservations made in I Class is relayed to the Station Master of the Station concerned through control/phone. These instructions are applicable only to important trains.
- (ix) The facility of reservation of berths and seats by post in all classes of accommodation has been introduced at Delhi, Howrah, Sealdah, Madras, Bombay and Hyderabad Stations.

The introduction of Automatic Seat Reservation system which is in force in Japan, is also under examination of the Railways with special reference to conditions obtaining in India.

Elimination of blackmarketing

118. With a view to eliminating black-marketing in tickets, the following important steps have been taken by the Railways:—

- (a) The Indian Railways Act has been amended in 1964 to deal effectively with cases of transfer of tickets on which reservations have been made, declaring such transfer as illegal. Instructions have been issued to the Railways to implement the provisions of the Act vigorously.
- (b) Instructions have been issued to the effect that individual names of the passengers seeking reservations should be given instead of "Mr. A and party/family". Also paper tickets are issued for parties of more than 4 passengers, so as to reduce the scope of resale of individual tickets by unscrupulous elements at a premium.
- (c) Restrictions have been imposed by which one person can reserve not more than 4 berths/seats at a time for a party and 6 for a family.
- (d) Supervision is strengthened at booking offices particularly during rush periods to eliminate the possibility of staff conniving at any malpractices.
- (e) Public co-operation is sought through the Press, notice boards and through frequent announcements to the effect that passengers should purchase tickets only from the booking counters and not from unauthorised sources.

It has come to the notice of the Committee that in a metropolitan city like Calcutta where where most of the reservation quotas are allotted to the main Reservation Offices, there is a tremendous amount of rush and all the berths/seats are sold out within an hour or two of the commencement of reservations. The position is particularly bad at the time of festivals like "Puja" when hundreds of people come and stay at the reservation office for the whole night before the date fixed for commencement of reservations. Complaints have also been made that tickets are sometimes purchased by touts, with the help of corrupt railway staff, and sold to the travelling public at a premium. Such sort of things, the Committee understand have been going on from year to year.

The representative of the Ministry has stated in evidence that certain quotas of seats/berths for reservation are also allotted to

other booking offices opened by the Railway in different parts of metropolitan cities.

While the Committee appreciate that the reservation difficulties would persist so long as the demand for accommodation exceeds availability thereof, they feel that inconvenience to passengers can be minimised if the reservation quotas for all classes and for all trains are distributed by the Railways to different city booking offices in metropolitan towns on a more rational basis than at present. In the opinion of the Committee, such a dispersal of tickets can particularly be helpful at the time of festivals and other special occasions and would go a long way in reducing the rush and inconvenience to passengers and in preventing the anti-social elements to exploit the unwary passengers.

Time allowed for advance reservations

119. It has been represented to the Committee that while on some Railways reservations are made 20 days in advance, on other Railways the time allowed for making advance reservations is only ten days. As a result, the originating passengers from the latter Railways are not able to get any reservations on the former where all the accommodation is already reserved.

The representative of the Ministry has stated in evidence that the period for advance reservation was extended from 10 to 20 days on the Central Railway as an experimental measure and that the same has resulted in greater convenience to passengers and less of corrupt practices. The experiment is being continued and the extended period would be introduced in other Railways if found to be useful.

The Committee hope that a very early decision will be taken regarding extension of reservation period on all Railways so as to ensure uniformity and to avoid inconvenience to passengers originating from one Railway and requiring reservation over another Railway having a different time limit for making advance reservations.

Cases of Railway Employees conniving at malpractices

120. The Committee desired to know the number of cases of Railway staff detected of conniving at malpractices in reservation of berths/seats, and the disciplinary action generally taken in such cases. The Ministry of Railways have stated that only 15 cases of Railway employees indulging in malpractices in reservation of III class sleeper berths were detected on Railways during the year 1965,

and that the punishment varies from case to case depending upon the gravity of the offence committed by an individual and ranges from censure to dismissal from service.

In view of the fact that there is a growing feeling in the minds of the public that the railway staff connive at malpractices in reservation of berths/seats, the Committee feel that to allay such apprehensions, it is necessary to have a thorough probe into the working of the reservation/booking offices at important stations periodically. The Committee would urge that there should be more frequent visits by senior officers to railway booking offices so as to ensure that no unfair practices are resorted to by the railway staff. Care should also be taken to ensure that all complaints relating to malpractices at booking/reservation offices are promptly attended to and deterrent punishment is awarded to the erring staff.

Introduction of Second Class Sleeper Coaches

121. The Committee have been informed that Second Class sleeper coaches have been introduced on two pairs of trains on the Broad Gauge, one between Delhi and Lucknow and the other between Madras Central and Howrah.

Based on the experience gained from the running of these experimental coaches, a new design of a second class sleeper has been evolved and the Railways propose to build, in the first instance, 50 Broad Gauge second class sleeper coaches in the Integral Coach Factory which will be introduced progressively on important trunk routes over the next two years.

Since the Second Class sleeper coaches are bound to meet at least a part of the demand for sleeping accommodation in the First and Third Classes, which the Railways are not able to meet in full at present, the Committee hope that the Railways would draw a phased programme for manufacture and introduction of second class sleeper coaches on more and more trains in the next few years.

CHAPTER X

RAILWAY PROTECTION FORCE AND GOVERNMENT RAILWAY POLICE

Security arrangements on Railways

122. Under the Indian Contract Act and the Indian Railways Act, the Railways are responsible for the security of goods entrusted to their care. With the common carrier's liability having now been assumed by the Railways, it has become all the more necessary for the Railways to properly safeguard the goods entrusted to them for transport. The magnitude of the problem can be gauged from the fact that during 1965-66, the Railways had to pay a sum of Rs. 5.11 crores by way of compensation for goods and parcels lost or damaged, out of which claims amounting to Rs. 3.84 crores were paid on account of loss, theft and pilferage. Besides this, approximately an average of Rs. 20 lakhs worth of railway property is lost every year on account of thefts and pilferage.

The responsibility of protecting the Railway property (including the goods entrusted to the Railways for carriage) and of detection, investigation and prosecution of all crimes on Railways is at present discharged by two agencies, namely the Government Railway Police and the Railway Protection Force.

Government Railway Police

123. According to items 1 and 2 of the State List of the Seventh Schedule of the Constitution of India, 'Public Order' and 'Police' including the Railways and Village Police are the responsibilities of the State Governments. Accordingly, all matters of 'Law and Order' on the railways are the responsibility of the Government Railway Police.

The Government Railway Police is divided into two wings, namely the 'Crime Wing' and the 'Order Wing'. The Crime Wing looks after the detection and investigation of offences cognisable by the Railway Police and the arrest, detention and prosecution of all such cases. The 'Order Wing' is employed on control of passenger, vehicular and other traffic inside the station premises and on maintenance

of law and order in standing passenger trains. This wing is also responsible for arrest of those found committing nuisance or suffering from infectious diseases, clearance of idlers and beggars from station premises and for removal of bodies of persons dying in trains or at stations and conveyance of sick passengers to hospitals.

The Government Railway Police enjoys all the power vested in the State Police under the Criminal Procedure Code. The Railways pay the entire cost of the 'Order Wing' and also meet 1/4th cost of the supervisory staff of the Government Railway Police.

The Committee understand that this sharing of costs of the Government Railway Police was done on the recommendations of the Railway Police Expenditure Committee, 1937.

Railway Protection Force

124. The Railway Protection Force was constituted (from the erstwhile Watch and Ward Department of the Railways) into a statutory Force of the Central Government in the Ministry of Railways as a result of the Railway Protection Force Act, 1957 enforced in 1959 and the R.P.F. Rules, 1959. The force is under the charge of an officer of the rank of Inspector General of State Police as Inspector General, R.P.F. at the Centre. A Chief Security Officer of the rank of Deputy Inspector General is the head of the organisation on each Zonal Railway.

The Force has been organised on the Police pattern for better protection and security of railways property including the goods entrusted to the Railways as common carriers. It has been divided into four distinct branches, namely (i) Armed Wing for escorting and patrolling, (ii) Uniformed Branch for administration of the Force and guarding railway premises, (iii) Intelligence Branch for collection of necessary intelligence regarding crimes and criminals, and (iv) Fire Service Branch for prevention of fire in workshops and important Railway installations.

To enable the Railway Protection Force to discharge their responsibilities towards prevention of thefts of railway property, the said Force were hitherto invested with limited powers of search and arrest. They had, however, no powers of investigation and had to hand over the person or the property concerned to the Government Railway Police for conducting such investigation and prosecution. The difficulty with the Government Railway Police was that investigation of offences relating to railway property required specialised knowledge of the working of the Railways, viz. rules and regulations for booking of goods, procedure for payment of compensation claims,

procedure for indent and supply of railway stores, etc., which the Government Railway Police were not expected to possess. Further, the set-up of the Government Railway Police differed from State to State. The jurisdiction of the Police in one State being restricted to the boundary of that State only, it became difficult at times for the Police to make a thorough and fruitful investigation into offences relating to Railway property which had to cross boundaries of different States for being carried from one part to the other. Keeping these difficulties in view, the Railway Protection Force have, through the enactment of the Railway Property (Unlawful Possession) Act, 1966, been invested with necessary powers of investigation, search and prosecution of offences relating to Railway property in the same manner as the Excise and Customs.

The Committee note the powers of investigation and prosecution that have now been given to the Railway Protection Force and hope that the same will prove more effective not only in the matter of protection and prevention but also in investigation and prosecution of offences falling under the Railway Property (Unlawful Possession) Act, 1966.

The Committee also suggest that in view of the fact that the investigation and prosecution of offences relating to railway Property will now be the responsibility of the Railway Protection Force, the desirability of reducing the Railways' share in the cost of the Supervisory staff of the Government Railway Police that is being borne by the Railways may be examined.

Maintenance of law and order in Railway premises

125. The problems of increasing lawlessness at stations, holding up of trains, destruction of Railway property and disruption of Railway services have assumed huge dimensions in the last few years. The Committee have been informed that the maintenance of 'Law' and 'Order' as also the safety and security of railway property is entirely a responsibility of the Government Railway Police of the State Governments and of the State Police. They are the authorities competent to deal with mobs of hooligans attacking railway premises and destroying Railway Property. The Railway Property (Unlawful Possession) Act, 1966, to which a mention has been made in para 127 above deals only with offences relating to possession of railway property and will have no effect on the position regarding maintenance of 'Law' and 'Order' in Railway premises.

The Committee, however, understand that a High Powered Committee has been appointed by the Railways with the following terms of reference:

- (a) to review the organisational set-up, its structure and pattern, the conditions of service including recruitment and training and the legal powers, duties, functions, working methods and responsibilities of the Railway Protection Force, with a view to effecting further improvement in its working and efficiency;
- (b) to report what amendments, if any, should be made to the Indian Railways Act, 1890, Railway Protection Force Act, 1957, Railway Protection Force Rules, 1959, for granting requisite powers to the members of the Railway protection Force or to bring a fresh legislation for the same purpose, to enable the Force to discharge its responsibilities effectively;
- (c) to recommend measures conducive to better security and policing on Railways; and
- (d) any other matter not herein before referred to, relating to the Railway Protection Force.

The Committee feel that the present arrangement whereunder the maintenance of 'Law' and 'Order' in railway premises is exclusively a responsibility of the Government Railway Police and the State Police, over which the Central Government has no control, is not very satisfactory. They are, however, glad to note that a high powered Committee with comprehensive terms of reference has been set up to go into the question of security and policing on Railways. The Estimates Committee hope that this Committee would make a detailed examination and evolve a more satisfactory arrangement for the maintenance of 'Law' and 'Order' in railway premises and for affording necessary protection to the passengers and to railway property.

NEW DELHI;

July 25, 1967.
Sravana 3, 1889 (Saka)

P. VENKATASUBBAIAH,
 Chairman,
 Estimates Committee.

APPENDIX I

(Vide para 5)

Syllabus of training for Probationers in the Transportation (Traffic) and Commercial Department

<i>Item</i>	<i>Period</i>
1. National Academy of Administration, Mussoorie	4 months.
2. Area School to learn Gaurd's duties.	1 month
3. Working as Guard.	3/4th month
4. Training in Baroda Staff College (1st Phase)	3 months.
5. Booking Office, Parcel Office, Goods Shed and Transhipment Shed	1 month
6. Traffic Accounts including a period with the Travelling Inspector of Accounts and Personal preparation of a balance sheets at stations. . .	1 1/4th months
7. Area School to qualify as Asstt. Station Master	1 month
8. Working as Yard Master, Asstt. Station Master, Station Master, Yard Foreman and Train Examiner	3 months.
9. Working as Assistant Loco Foreman	1/2 month
10. Working as Assistant Controller	2 months.
11. Training at Baroda Staff College (IIInd Phase).'	1 1/2 months.
12. (a) Training in District or Divisional Office . .	1 month
(b) Training as Assistant Power Controller. . .	1/2 month
13. Training in Headquarters Office (Operating) . .	1 1/2 months.
14. Training in Headquarters Office (Commercial)	1 1/2 months.
	23 1/2 months.
Period set apart for journey time for taking up various items for training and inescapable leave	1/2 month.
	24 months.

APPENDIX II

(Vide para 6)

Subjects dealt with in the Commercial Department of the Railways

1. Acceptance and booking of traffic.
2. Alarm chains—Prosecutions for improper use.
3. Approximate Traffic Returns.
4. Assessment of requirements for additional services, such as extra trains, air-conditioned services, etc.
5. Assisted and private sidings.
6. Bedding Sets and Ice-containers—Supply of
7. Budget—Earnings.
8. Cases of prosecution of members of the public in connection with transportation and commercial working.
9. Catering and Vending arrangements.
10. Census of passengers.
11. Civil bans, etc. on the movement of traffic.
12. Claims for compensation—Settlement of.
13. Claims—Prevention of.
14. Clarification and interpretation of Rules in Tariffs.
15. Collection and Delivery Services.
16. Commercial Committee Meetings.
17. Conference Rules.
18. Concession Orders.
19. Customs Examination—Rules and Regulations for.
20. Delivery of Traffic.
21. Disposal of unclaimed articles.
22. Distance limits in booking of passengers by passenger trains.
23. Diversion of Coaching and Goods traffic.
24. Drinking water arrangements.
25. Escorts for bullion and other insured articles.
26. Excepted articles—Booking of.
27. Forged Railway Receipts, etc.
29. Frauds, thefts, loss and misappropriation of Station cash.

29. Handling contracts for Goods and Coaching Traffic.
30. Haulage and hire charges for rolling stock.
31. Hours of business at stations and goods sheds.
32. Imprest cash at stations.
33. Lease of plots at stations (Commercial purposes).
34. Licensed Porters.
35. Loading, unloading, labelling, sealing and rivetting of wagons.
36. Loss of documents—Notification in Gazette to prevent fraudulent use.
37. Lost Property Offices.
38. Mela traffic—Arrangements for.
39. Military Warrants.
40. Minima weights for registration of wagons.
41. Misdeclaration of goods.
42. Nominated loading.
43. Offensive goods, contraband articles, explosives and dangerous goods.
44. Open delivery of goods and parcels and assessment of damages.
45. Opening or closing of stations for public traffic.
46. Opening of Halts and Flag Stations.
47. Outstandings at stations.
48. Overcharges—Goods and Coaching.
49. Parcel Trains—Justification for running of.
50. Passenger amenities.
51. Pilgrim, terminal, octroi and other taxes—Rules for levy of.
52. Platform passes and tickets.
53. Provision of fixed cranes and weighbridges at stations—Justification for.
54. Railway Honorary and Stipendary Magistrates.
55. Railway Rates Tribunal—Preparation of cases for.
56. Rates and Fares.
57. Rebooking of goods and parcels.
58. Refunds of fares and freights.
59. Remittance of cash.
60. Research, Development and Convassing of traffic.
61. Reservation of seats, berths and compartments.
62. Retiring Rooms at stations—allotment and maintenance of.

63. Reweighment of consignments.
64. Road-rail Co-ordination and Road Competition.
65. "Said to contain" receipts—Issue of and framing of rules for.
66. Season tickets.
67. Smalls—Delay in Transit of.
68. Standard weights and measures.
69. Stands at stations for carts, cycles, motor cars, etc.
70. Station Accounts.
71. Stations—Change in name of.
72. Stock of tickets—Indenting and maintenance of.
73. Tariffs.
74. Telephones, public, at stations—Installation of.
75. Ticket checking organisation—Control of.
76. Tourist Traffic and Tourist Agencies—Development of.
77. Tracing of consignments.
78. Traffic Surveys for opening of new lines.
79. Tranship sheds—In respect of—
 - (i) Documentation and blending of consignments.
 - (ii) Preparation of appropriate through and collecting road vans, ensuring the best possible loads for farthest points.
 - (iii) Provision and control of adequate clerical staff through the Chief Tranship Clerk in his functions and responsibility towards the Divisional Commercial Superintendent.
 - (iv) Full utilization of the transshipment capacity made available by Traffic Transportation.
80. Unclaimed, unconnected and undelivered goods and parcels.
81. Undercharges—Goods and Coaching.
82. Wagon registration fees—Refund of.
83. Wagon sheets, ropes and breast bars—Control and distribution of.
84. Waiting rooms—Maintenance of.
85. Wharfage and Demurrage.

APPENDIX III

(Vide para 6)

Tonnes originating of low-rated commodities (i.e. those charged up to 40 per cent of Scale A of the Railway tariff schedule) for, which comparable statistics are separately available

		(in hundred tonnes) 1965-66	
Commodity		1951-52	(Provl.)
1. Coal for the public		20,704.4	46,430.2
2. Limestone & dolomite			8,339.9
3. Gypsum			1,357.2
4. Other stones			5,243.5
5. Manganese ore		1,013.3	1,496.2
6. Iron ore			17,673.6
7. Other ores			949.5
8. Cement		2,838.2	8,647.2
9. Manure organic.			510.0
10. Manure chemicals			2,479.6
11. Salt		1,613.3	2,569.6
12. Rice in husk.		417.6	460.4
13. Rice not in husk.		1,761.4	3,206.5
14. Gram and pulses			2,607.6
15. Gram flour			20.1
16. Wheat		2,872.2	6,203.7
17. Wheat flour		179.2	141.2
18. Jowar and Bajra		976.9	545.2
19. Fruits and vegetables fresh			727.7
20. Sugarcane			2,726.4
21. Charcoal			434.9
22. Other fuel			982.7
23. Wood unwrought—Bamboo			954.4
24. Wood unwrought—others			2,735.7
Total low-rated commodities		49,265.7	117,44.30

Other revenue-earning commodities .	26,806,1	44,599,8
Total revenue-earning traffic. .	76,071,8	162,042,8

Percentage increase in 1965-66 over 1951-52 of

(I) Low-rated commodities (i.e. those charged upto 40 per cent of Scale A.) . . .	138.4
(II) Other commodities.	4

NOTE :—The group 'other revenue-earning commodities referred to in the accompanying statement might also include some commodities charged upto 40 per cent of Scale A for which comparative statistics are not separately available for the years under reference. For instance, "sand" and "bones" which are low rated and are separately recorded now were included under other revenue earning commodities" in 1951-52. Similarly, "Cement manufactured products" which is now shown separately and falls under "high rated" was grouped with "cement" in 1951-52.

In assessing the percentage increase in traffic under the two groups "low-rated commodities" and "others", these factor should be kept in view.

APPENDIX IV

(Vide Para 13)

Unremunerative Branch Lines on Indian Railways

(Rupees in thousands)

Name of Line	Gauge	Length in K.Ms.	Date of opening	Capital cost	Amount of profit/loss (for the year 1965-66)	Percentage of gain/ loss	Interest at 5.5% of capital cost	Total loss including loss of interest (Col. 6&8)	Percentage loss (Col. 9 over 5)
1	2	3	4	5	6	7	8	9	10
CENTRAL RAILWAY									
1. Gwalior-Shivpuri	N.G.	119.8	2-12-1899	37.23	(+)1.85	(+)4.98	2.05	(-)20	(-)0.54
2. Neral-Matheran	N.G.	20	22-3-1907	13.99	(-)1.30	(-)32.6	22	(-)15.52	(-)38.10
EASTERN RAILWAY									
1. Baraset-Hasanabad	B.G.	52.80	9-2-1962	2,57.89	(-)13.72	(-)5.32	13.99	(-)27.71	(-)10.74
2. Rajgir-Bhukhtiyarpur	B.G.	53.00	2-2-1962	2,73.85	(-)2.51	(-)0.92	15.06	(-)17.57	(-)6.42
3. Bhagalpur-Manddai-Pill	B.G.	50.00	1-4-1954	39.38	(+)1.31	(+)3.3	2.20	(-)89	(-)2.23
4. Shantipur-Nabadwipghat	N.G.	28.00	1899	8.60	(-)2.56	(-)30.00	47	(-)33.03	(-)35.25
NORTHERN RAILWAY									
1. Rohtak-Gohana	B.G.	31.88	29-12-1958	32.43	(-)1.12	(-)3.46	1.78	(-)2.90	(-)8.94
2. Barhan-Etah	B.G.	58.78	18-10-1959	127.85	(-)12.93	(-)10.11	7.03	(-)19.96	(-)15.61

1	2	3	4	5	6	7	8	9	10
3. Akberpur—Tanda	B.G.	16.89	30-5-1961	33.88	(-)1.07	(-)3.16	1.86	(-)2.93	(-)8.66
4. Bhildi—Raciwara	M.G.	70.17	10-5-1958	159.72	(-)4.66	(-)2.91	8.78	(-)13.44	(-)8.41
5. Nawanaahat—Doaba—Rahon	B.G.	6.98	27-5-1915	2.49	(-)1.33	(-)53.40	14	(-)1.47	(-)59.84
6. Pethankot—Joginder Nagar									
Pethankot—Nagrota, Nagrota—Joginder-N.G. Nagar.	N.G.	163.99	1-12-1928 1-4-1929	2,29.05	(+)7.83	(+)3.42	12.60	(-)4.77	(-)2.08
7. Batala—Qadian	B.G.	19.44	20-2-1928	8.00	(-)33	(-)4.14	44	(-)77	(-)9.62
8. Kalka—Simla	N.G.	96	9-11-1903	2,70.74	(-)24.32	(-)8.98	14.89	(-)39.21	(-)14.48
NORTH EASTERN RAILWAY									
1. Mathura—Vrindaban	M.G.	13.00	26-8-1889	7.26	(-)1.02 1962-63	(-)14.01	40	(-)1.42	(-)19.51
2. Madhosing—Mirzapur									
Ghat Section	M.G.		1-3-1909	8.43	(-)1.42	(-)16.8	46	(-)1.88	(-)22.3
Ghat Chilwan section	M.G.	11.67	25-10-1912	(1961-62)					
NORTHEAST FRONTIER RAILWAY									
1. Mariani—Jorhat—Neamati	M.G.	32.2	12-9-1942	25.94	(-)4.91	(-)18.1	1.43	(-)6.34	(-)24.40
2. Lataguri—Ramsarai	M.G.	9.00	11-6-1893	2.84	(-)85	(-)29.7	16	(-)1.01	(-)35.56
3. Darjeeling—Himalayan	N.G.	87.48	20-1-1913	1,11.19	(-)40.71	(-)36.6	6.11	(-)46.82	(-)41.90
4. Tezpur—Rangapara North	M.G.	27		10.62	(-)6.54	(-)61.6	58	(-)7.12	(-)67.00
SOUTHERN RAILWAY									
1. Sagara—Talaguppa	M.G.	15.33	10-11-1940	6.32	(-)1.43	(-)22.61	35	(-)1.78	(-)28.16

2. Nanjangud—Chamrajanagar	M.G.	35.50	27-8-1926	12.66	(-), 446	(-), 35.27	70	(-), 5.16	(-), 40.76
3. Mettupalayam—Ootacamund	M.G.	45.88	15-10-1908	95.02	(-), 26.17	(-), 27.51	522	(-), 31.39	(-), 33.03
4. Shoranur—Nilambur	B.G.	66.79	15-4-1954	1,12.05	(+), 14.1	(+), 1.26	6,16	(-), 4.75	(-), 4.24
5. Bangalore City—Bangarpet	N.G.	156.76	..	50.48	(-), 13.59	(-), 26.92	2,78	(-), 16.37	(-), 32.42
6. Madurai—Bodinayakanur	M.G.	90.12	25-7-1954	89.90	(+), 67 (1963-64)	(+), 0.81	4,56	(-), 3.89	(-), 4.69

SOUTH-EASTERN RAILWAY (N. G. Section)

1. Naupada—Gunupur	N.G.	89.60	1900 1929-31	7.50	(-), 2.16	(-), 28.82	41	(-), 2.57	(-), 34.32
2. Rupsa—Talband	N.G.	113.6	1905	24.81	(-), 3.89	(-), 15.69	136	(-), 5.25	(-), 21.16
3. Satpura Railway	N.G.	1007.32	1903-1916 1923-1932	5,16.23	(-), 2,21.46	(-), 42.90	28,39	(-), 2,49.85	(-), 48.40

4. Purulia—Kotaula	N.G.	104.83	1907	90.99	(-), 5.33	(-), 5.86	5,00	(-), 10.33	(-), 11.36
5. Ranchi—Lohardaga	N.G.	88.92	6-10-1913	20.90	(+), 60	(+), 2.88	1,15	(-), 55	(-), 2.63
6. Dhamtari Branch	N.G.	88.92	17-12-1900	41.23	(-), 80 (1959-60)	(-), 1.93	2,27	(-), 3.07	(-), 7.44

WESTERN RAILWAY

1. Chhuchhpura—Tankhara	N.G.	38.00	15-3-1923	24.49	(-), 2.60 (1959-60)	(-), 10.61	1,35	(-), 3.95	(-), 76.16
2. Kosamba—Umarpada	N.G.	61.96	1-5-1912 1-7-1929	10.00	(-), 77 (1959-60)	(-), 7.77	55	(-), 1.32	(-), 13.20
3. Jhagadia—Netrapa	N.G.	30.56	1-3-1932	8.34	(-), 23 (1959-60)	(-), 2.79	46	(-), 69	(-), 8.29
4. Choranda—Motikoral	N.G.	18.51	10-11-1921						

WESTERN RAILWAY.—(Contd.)

1	2	3	4	5	6	7	8	9	10
5. Samni-Dabej	. N.G.	39.29	1-3-1930	8,51	(-)1,89 (1959-60)	(-)22.18	47	(-)2,36	(-)27.68
6. Godhra-Lunavada	. N.G.	40.69	4-12-1913	14,21	(-)1,41 (1959-60)	(-)9.94	78	(-)2,19	(-)15.44
7. Piplad-Deugadbaria	. N.G.	16.00	1-1-1929	9,91	(-)78 (1959-60)	(-)7.71	54	(-)1,32	(-)13.21
8. Joravarnagar-Sayla	. N.G.	26.30		6,24	(-)1,19 (1959-60)	(-)19.00	34	(-)1,53	(-)24.50
9. Champaner-Shivrajpur	. N.G.	49.14	24-1-1911	21,11	(-)71 (1959-60)	(-)3.36	1,16	(-)1,87	(-)8.86
10. Dobhol-Timba Road	. N.G.	100.39	{ 15-11-1913 1-2-1919	66,96	(-)3,84 (1959-60)	(-)5.73	3,68	(-)7,52	(-)11.23
11. Broach-Jambusar-Kavi	. N.G.	73.39	{ 23-11-1914 1-8-1929	15.89	(-)46 (1959-60)	(-)2.86	87	(-)1,33	(-)8.36
12. Chota-Udampur-Jambusar	. N.G.	149.66	1-12-1917	87,12	(-)11,21 (1959-60)	(-)12.84	4,79	(-)16,00	(-)18.34
13. Ankleshwar-Rajpipla	. N.G.	62.81	{ 1-7-1897 10-11-1917	20,15	(-)2,37 (1959-60)	(-)11.75	1,11	(-)3,48	(-)17.25
14. Chaudod-Malsar	. N.G.	87.20		58,09	(-)6,16 (1959-60)	(-)4.26	3,19	(-)9,35	(-)9.76
15. Nadiad-Plhij-Bhadran	. N.G.	58.41	{ 10-12-1914 15-8-1953	24,86	(-)4,88 (1959-60)	(-)19.63	1,37	(-)6,25	(-)25.13
16. Nadiad-Kapadvanj	. N.G.	44.66	5-3-1913	16,25	(-)1,32 (1959-60)	(-)8.12	89	(-)2,21	(-)13.62

17. Billimora—Waghai	. N.G.	62.77	{ 23-7-1914 1-11-1929	24.56	(-)1.42 (1959-60)	1.35	(-)2.77	(-)11.29
18. Morvi—Ghantila	. N.G.	44.87	{ 1904-05 1933-34	7.20	(-)2.37 (1959-60)	39	(-)2.76	(-)38.10
19. Bhavnagar—Talaja—Mahouwa	. N.G.	108.21	{ 5-1-1926 20-3-1938	34.67	(-)8.04 (1959-60)	1.91	(-)9.95	(-)28.99
20. Ujjain—Agra	. N.G.	66.92	15-3-1932	11.08	(-)1.18 (1959-60)	61	(-)1.79	(-)16.12
21. Morvi—Tankara	. N.N.	20.23	1894.95	3.21	(-)1.82 (1961-62)	17	(-)1.99	(-)62.14
22. Kunkava—Derdj	. M.G.	11.36	19-3-1940	8.17	(-)1.26 (1961-62)	45	(-)1.71	(-)20.93
23. Prachi—Road—Kodinar	. M.G.	25.57	6-4-1938	18.53	(-)1.56 (1961-62)	1.02	(-)2.58	(-)13.94
24. Talala—Delvada	. M.G.	70.84	2-4-1918	40.01	(-)7.35 (1961-62)	2.20	(-)9.55	(-)23.88
25. Hadmatia—Jodiya	. M.G.	37.88	3-10-1940	17.06	(-)57 (1961-62)	94	(-)1.51	(-)8.82
26. Ningala—Gannada—Swami Narayan	. M.G.	14.81	1-1-1929	10.62	(-)1.27 (1961-62)	58	1.65	(-)17.49
27. Tanan—Chotila	. M.G.	20.07	16-6-1926	14.35	(-)45 (1961-62)	79	(-)34	(-)2.34
28. Botad—Jasdan	. M.G.	53.67	15-9-1913	28.70	(-)3.24 (1961-62)	1.58	(-)4.82	(-)18.77
29. Fatehpur—Shekhawati—Churu	. M.G.	43.28	1-3-1957	53.74	(+)1.87 (1961-62)	2.96	(-)1.09	(-)2.02
30. Sangner town—Toda Raisingh	. M.G.	105.57	{ 1-1-1950 30-3-1954	1.32.60	(-)8.02 (1961-62)	7.29	(-)15.31	(-)11.55
31. Gandhidham—New Kandla	. M.G.	11.89	17-9-1956	74.75	(-)4.32 (1961-62)	4.11	(-)8.43	(-)11.28

APPENDIX V

(Vide para 16)

Standard telescopic class rates introduced from 1st October, 1948

Class	Basis of telescopic class rates			Minimum pie per maund per mile	Maximum pies per maund per mile	Maximum rate per maund exclusive of terminals, tranship- ment and other extra charges
	Pies per maund per mile					
	For the 1st 300 miles	For the next 300 miles	For dis- tance be- yond			
						Rs. A. P
1st	·49	·45	·40	·16	·49	3 4 0
2nd	·54	·49	·45		·54	3 10 0
3rd	·58	·54	·49		·58	4 0 0
4th	·63	·58	·54		·63	4 6 0
5th	·68	·63	·58		·68	4 12 0
6th	·73	·68	·63		·73	5 2 0
7th	·78	·73	·68		·78	5 9 0
8th	·84	·78	·73	·20	·84	6 0 0
9th	·90	·84	·78		·90	6 7 0
10th	·97	·90	·84		·97	6 14 0
11th	1·04	·97	·90		1·04	7 6 0
12th	1·11	1·04	·97		1·11	7 14 0
13th	1·18	1·11	1·04		1·18	8 8 0
14th	1·41	1·18	1·11		1·41	9 4 0
15th	2·11	1·41	1·18		2·11	11 0 0

Along with the above, the following standard telescopic wagon-load scale were also introduced in replacement of the different schedule rates quoted on different Railways:—

Wagon-load Scale	Pie per maund per mile		
WL/A .	·25/100 miles	·20/300·15	beyond
WL/AR.	·30/100 miles	·25/300·20	beyond
WL/B .	·48/100 miles	·32/300·23	beyond
WL/C	·34/150 miles	·31/150·17	beyond
WL/CR	·41/150 miles	·38/150·24	beyond
WL/-	·38/300 miles	·28/300·18	beyond
WL/DG	·38/150 miles	·28/150·15	beyond
WL/E	·43/150 miles	·32/150·17	beyond
WL/F .	·43/300 miles	·32/300·21	beyond
WL/G .	·48/300 miles	·34/150·19	beyond
WL/H	·48/300 miles	·35/300·23	beyond
WL/HO	·48/150 miles	·34/150·19	beyond
WL/I .	·43/300 miles	·23/200·15	beyond

APPENDIX VI

(61 *maud per mile*)

Note showing progressive increase in the freight rates charged by the Railways for parcels and goods between 1950 and 1966

Rates for Parcels Traffic

There have been and continue to be a number of scales of rates for parcels, namely, full parcels rates, half parcels rates and quarter parcels rates and certain special scales for certain commodities.

Full parcels rates

With the rationalization of parcels rates from 1st October, 1948, the following bases for full parcels rates were adopted:

- 4 pies per maund per mile for the first 100 miles,
- +3 pies per maund per mile for the next 100 miles,
- +2 pies per maund per mile for the next 500 miles,
- +1½ pies per maund per mile for distances beyond.

In addition, a total terminal charge of 16 pies per maund was levied.

2. From 1st April, 1956, a supplementary charge of 6½ per cent was levied. This was increased to 12½ per cent from 1st July, 1957.

3. With the introduction of the new goods freight rate structure from 1st October, 1958, full parcels rates were also revised. These were linked to Class 100-B in the goods freight rate structure. The bases adopted were 300 per cent of Class 100-B up to 300 miles and 280 per cent beyond 400 miles, the rates between 300 and 400 miles being tapered off. No supplementary charge was leviable in addition.

4. The bases of Class 100-B were as under:—

Distance (in miles)	Pies per maund per mile
1—25	2·60
+26—75	1·25
+76—150	1·17
+151—300	1·10
+301—500	1·00
+501—800	0·80
+801—1200	0·73
+1201—1500	0·55
+1501 and over	0·15

5. With the introduction of the metric system of weights and measures from 1st April, 1960, the bases were converted into metric units, i.e., paise per km. The converted bases are shown below:—

Distance (in Kilometres)	Paise per kilometre
1—40	2·259
+41—120	1·088
+121—240	1·019
+241—480	·958
+481—800	·871
+801—1290	·697
+1291—1930	·636
+1931—2410	·480
+2411 and above	·133

6. From 1st April, 1963, a supplementary charge of 10 per cent. was again levied.

7. It may be mentioned that luggage is charged full parcels rates.

8. A statement showing the charge per quintal at full parcels rates in 1950, 1955, 1960 and 1965 is attached as Annexure 'A'. The

charges are inclusive of the terminal charge and the supplementary charge where leviable.

Half and quarter parcels rates

9. From 1st October, 1948, half and one-fourth of the full parcels rates were taken as half and quarter parcels rates. A terminal charges of 16 pies was leviable in addition. Total charges at half parcels rates and quarter parcels rates came to approximately 56.9 percent and 35.3 per cent of charge at full parcels rates.

10. The supplementary charge of $6\frac{1}{4}$ per cent from 1st April, 1956, and $12\frac{1}{2}$ per cent from 1st July, 1967, was also leviable.

11. From 1st October, 1958, while the bases for full parcels rates were revised, the then existing half parcels rates and quarter parcels rates were retained, inclusive of terminal and supplementary charges.

12. With the adoption of the metric system of weights and measures from 1st April, 1960, the following bases were adopted for arriving at half parcels rates and quarter parcels rates:—

3.469 P per quintal per kilometre for the first 160 kms.

+2.602 P per quintal per kilometre for the next 160 kms.

+1.735 P per quintal per kilometre for the next 810 kms.

+1.301 P per quintal per kilometre for distances beyond.

Half parcels rates and quarter parcels rates are calculated by taking one-half and one-fourth of the above rates and adding 22 paise per quintal for terminal services and adding to the total charge another $12\frac{1}{2}\%$ in lieu of the supplementary charge.

13. From 1st April, 1963, a supplementary charge of 10%, leviable on the charges worked out as indicated in para 11 above, was imposed.

14. Some of the commodities charged half parcels rates are aerated water, bread, curd, eggs, fish, meat, onions, potatoes, sugar-cane and all handloom products (other than Khaddar) and some of those charged quarter parcels rate are sheeds intended for agricultural purposes only, food crop and vegetable seedlings (plants) and grafts and plants of fruit trees and fish spawn intended for rearing purposes. The rates charged for books, khaddar and milk are slightly lower than the half parcels rate because they were

exempt from the levy of the 12½% supplementary charge, which was merged into the basic rates from 1st April, 1960.

Special scales for certain descriptions of parcels traffic

Betel or pan leaves, butter, cream and Khoa (dried milk)

15. With effect from 1st October, 1948, the following bases for charge were adopted for betel leaves, butter, cream and khoa:—

- 3 pies per maund per mile for the first 100 miles,
- +2 pies per maund per mile for the next 100 miles,
- +1½ pies per maund per mile for the next 600 miles,
- +1 pie per maund per mile for distance beyond.

From 1st April, 1956, a supplementary charge of 6¼% was levied. This was increased to 12½% from 1st July, 1957.

From 1st October, 1958, the rates were linked to Class 100-B, the bases adopted being 220% of 100-B up to 300 miles and 205% of 100-B beyond 400 miles, the rates between 300 and 400 miles being tapered off.

These bases were converted into metric units from 1st April, 1960.

From 1st April, 1963, a supplementary charge of 10% was levied.

Registered newspapers

16. Newspapers, other than registered newspapers, have all along been and continue to be charged at half parcels rate. From 1st April, 1950, a special scale, approximately three-eighths of the full parcels rate, was introduced for registered newspapers.

From 1st October, 1958, this special scale was linked to Class 100-B, the bases adopted being 100-B up to 300 miles and 95% of 100-B beyond 400 miles, the rates between 300 and 400 miles being tapered off.

From 1st April, 1960, these bases were converted into metric units.

Registered newspapers are also exempt from the levy of the supplementary charges.

Vegetables and fresh fruits

17. Even though there is no special scale of rates for vegetables and fruits, this traffic merits special mention. Prior to 1949, both fresh fruits and vegetables were charged the same rate, namely, half parcels rate. To facilitate bulk movements of fresh fruits in wagon loads, the Railways were quoting reduced station to station rates, which were even lower than the then quarter parcels rates. As the bulk of long distance traffic in fresh fruits was covered by these special station to station rates, the quarter parcels rate was made applicable to fresh fruits from 1st August, 1949. Vegetables continued to be charged the half parcels rate.

From 1st April, 1965, the rate for fresh fruits was put up to the half parcels rate, but, like vegetables, they were to be exempt from the supplementary charge. The Railways were, however, told that for traffic in wagon loads, station to station rates based on quarter parcels rates as at the time in force should be re-notified, after merging the 10% supplementary charge, and that similar station to station rates should be quoted between other stations "wherever necessary". It having later come to the notice of the Board that station to station rates asked for were sometimes not quoted, the Railways were told that when the trade made such a request, station to station rates "should be quoted".

Bulk of the traffic in fresh fruits, which moves in wagon loads, continues to be charged at these reduced rates.

Freight Rates

While there were various increases in freight rates since 1950, some downward adjustments in the classification of certain commodities was also made during 1964-65 and 1965-66.

The changes effected in the freight rates since 1950 are indicated below:—

Year 1950

There was no change in the class rates as also in the wagon load scales introduced in the revised freight structure from 1-10-1948. The details of the freight rates introduced from 1-10-1948 and in force during 1950 have been given in Appendix V.

Year 1955

An upward adjustment in the basis of class rates in the first leg of 300 miles and downward adjustment in the third leg of 601 miles and beyond, involving a reduction in the rate for distances beyond 600 miles by 15 per cent and an increase in the rate for the first 300 miles by 10 per cent was introduced.

The changes in the standard telescopic wagon-load scales were as under:—

- (a) the legs in the wagon-load scales WL/E, WL/G and WL/I were brought in line with the legs of the class rates;
- (b) the wagon-load scale WL/D for grains and pulses was slightly reduced in the second and third legs;
- (c) a new scale WL/BR was introduced for Chemical manures, Division 'B', somewhat lower in the second and third legs than WL/B previously applicable to this commodity.

The latter two steps were taken to afford some relief to agriculturists.

A surcharge of 6½ per cent on freight charges was levied on all consignments weighing less than 20 maunds with a view to discouraging uneconomical movement of commodities in "smalls".

Year 1960 (From 1-4-1956 to 31-3-1961)

The changes in rates introduced from 1-4-1956 to 31-3-1960, are briefly stated below:—

1-4-1956

With effect from the 1st April, 1956, a supplementary charge of one anna in the rupee on total freight on all traffic with the exception of grain and pulses, fodder, manures (including chemical manures), khadi, newspapers, newsprint and books was introduced.

With effect from 15th October, 1956, the terminal charges on coal were revised upward to conform to the general level of standardised terminal charges and the short distance charge, from which coal was hitherto exempt, was made applicable to it.

1-7-1957

The supplementary charge of one anna in the rupee was enhanced to two annas in the rupee.

1-10-1958

As a result of the recommendations of the Railway Freight Structure Enquiry Committee, the new freight structure was introduced from 1st October, 1958. Some particulars of it are given in para 17 of the Report.

1-4-1960

There was no change in the basic rates. A supplementary charge of 5 per cent was levied on goods traffic, except iron and manganese ores for export.

The metric system of weights and measures was adopted by the Commercial Department of the Railways from 1-4-1960.

Year 1965 (From 1-4-1961 to 31-3-1966)

During the period 1-4-1961 to 31-3-1965, several changes in rates were introduced. These are summarised below:—

1-7-1961

Coal rates were revised so that the revised rates were higher than the previous rates for all distances beyond 335 kms. by an amount increasing with the distances, subject to a maximum increase of Rs. 3.81 per tonne or Rs. 4 per tonne inclusive of supplementary charge.

1-7-1962

An increase of Re. 1 per tonne for distances 81 kms. and above and increases ranging between 50 and 90 P for distances less than 81 kms were made in the case of all goods, excluding grains and pulses.

In the case of grains and pulses, an increase of Re. 1 per tonne was made for distances 161 kms. and above and increases ranging between 50 and 90 P for distances less than 161 kms.

The minimum charge per "smalls" consignment was increased from Re. 1 to Rs. 1.50.

1-4-1963

The supplementary charge of 5% was increased to 10%, with the following exceptions:—

- (a) For Iron ore for export, a supplementary charge of 5% only was leviable.

- (b) Manganese ore for export was completely exempted from the levy of supplementary charge.

1-4-1964

The supplementary charge of 10% was increased to 12%.

Coal rates for distances beyond 500 kms. were increased, the increase varying with the increase in distance, subject to a maximum increase of Rs. 3 per tonne.

A downward adjustment in the classification of certain high-rated commodities was made.

1-4-1965

The supplementary charge of 12% introduced from 1-4-1964 was merged in the basic rates.

Certain enhancements and reductions in the case of a few selected commodities were also made.

The surcharge of 20% leviable on smalls weighing upto 4 quintals in the case of commodities falling under 'A' classification was extended to smalls weighing up to 10 quintals.

The minimum charge of Rs. 1.50 per consignment was increased to Rs. 3.

For facility of comparison a statement showing the freight rates for certain commodities over certain distances, as in force in 1950, 1964, 1965 and 1966, is attached as Annexure 'B'.

(ANNEXURE A TO APPENDIX VI)

Statement showing the charges per quintal at full parcels rates in 1950, 1955, 1960 and 1965.

Kilometres	Total charge per quintal at full parcels rate as on 1-4-1950			Total charge per quintal at full parcels rate as on 1-4-1955			Total charge per quintal at full parcels rate as on 1-4-1960			Total charge per quintal at full parcels rate as on 1-4-1965			Percentage increase compared to 1950	Percentage increase compared to 1950
	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.	Rs. P.		
100 .				3.67	3.67	4.59	25.1	5.05	37.6					
300 .				9.46	9.46	10.65	12.6	11.70	23.7					
500 .				13.11	13.11	16.35	24.7	18.00	37.3					
1000 .				21.70	21.70	26.46	21.9	29.10	34.1					
1500 .				28.80	28.80	35.87	24.5	39.45	37.0					

Note — These charges are inclusive of terminal charge and supplementary charge, where leviable.

ANNEXURE B TO APPENDIX VI

Statement showing freight rates for certain commodities in wagon loads for a few distances, as in force in 1950, 1964, 1965 and 1966.

Commodity	Distances		Rates per tonne in Rs. P.			
	In Miles	In KMs.	1-4-50	1-4-64	1-4-65	1-4-66
	Classification		WL/D	30-A (Spl.)	30-A(Spl.)	30-A(Spl.)
Grain and Pulses	100	160	6.97	9.70	9.70	9.39
	300	480	17.68	19.50	19.50	20.09
	500	800	25.45	27.30	27.30	23.12
	800	1280	34.29	37.20	37.20	38.32
	1000	1600	38.38	42.90	42.90	44.19
	1200	1920	44.43	43.50	43.50	42.96
	Classification		SRR	92.5-B	75-B(Spl.)	75-B(Spl.)
Cotton raw full pressed.	100	160	13.93	23.50	11.30	19.88
	300	480	37.51	55.80	45.50	46.87
	500	800	59.21	84.40	68.70	70.76
	800	1280	90.29	119.30	103.90	107.02
	1000	1600	110.92	140.30	127.50	131.33
	1200	1920	131.28	161.50	151.00	155.53
	Classification		120R	110-B	110-B	110-B
Motor spirit	100	160	17.68	27.80	27.80	27.80
	300	480	48.76	66.20	66.20	66.20
	500	800	77.70	100.10	100.10	100.10
	800	1280	119.23	141.60	141.60	141.60
	1000	1600	136.29	166.70	166.70	155.70
	1200	1920	173.35	191.90	191.90	191.90

Commodity	Distances		Rate per tonne in Rs P.			
	In Miles	in KMs.	1-4-50 3RR:L	1-4-64 65-B	1-4-64 65-B	1-4-64 55-B (Spl.)
Sugar	100	160	9.65	16.80	16.80	14.83
	300	480	25.99	39.50	39.50	34.61
	500	800	40.99	59.70	59.70	52.12
	800	1280	62.16	84.10	84.10	78.80
	1000	1600	75.82	99.00	99.00	96.61
	1200	1920	89.49	113.80	113.80	114.43
	Classification		90R	100-B	75-B(Spl.)	75-B(Spl.)
Piece goods Press- packed	100	160	14.74	25.30	19.30	19.88
	300	480	39.92	60.30	45.50	46.87
	500	800	63.23	91.2	68.70	70.76
	800	1280	96.72	128.80	103.90	107.02
	1000	1600	118.69	151.60	127.50	131.33
	1200	1920	140.30	174.50	151.00	155.53
	Classification		WL/E	37-5-A	40-A	40-A
Cement	100	160	7.77	12.00	12.80	13.18
	300	480	17.41	24.00	25.50	26.27
	500	800	22.24	38.90	36.10	37.18
	800	1280	29.20	46.20	49.30	50.78
	1000	1600	34.03	53.30	56.80	58.50
	1200	1920	38.85	60.40	64.30	66.23
	Classification		WL/C	32.5A	35-A	35-A
Lime & Lime-Stone	100	160	6.43	10.50	11.30	11.64
	300	480	15.27	20.90	22.50	23.18
	500	800	20.09	29.60	31.70	32.65
	800	1280	27.33	40.20	43.20	44.50
	1000	1600	31.88	46.40	49.80	51.29
	1200	1920	36.71	52.40	56.40	58.09

Commodity	Distance in		Rate per tonne in Rs. P.			
	Miles	KMs.	1'4'50	1'4'64	1'4'65	1'4'66
	Classification		3RR:L	65-B	67'5-B	67'5-B
Iron or Steel Steel Division 'B'	100	160	9'65	16'80	17'50	18'03
	300	480	25'99	39'50	41'00	42'23
	500	800	40'99	59'70	61'90	63'76
	800	1280	62'16	84'10	87'40	90'02
	1000	1600	75'82	89'00	102'70	105'78
	1200	1920	89'49	113'80	118'20	121'75
Coal, Coke & Patent Fuel	100	160	4'49	8'70	8'70	8'96
	300	480	8'98	16'97	16'97	17'48
	500	800	10'77	22'62	22'62	23'30
	800	1280	13'29	29'77	29'77	32'45
	1000	1600	14'95	33'80	33'80	37'72
	1200	1920	15'85	37'40	37'40	42'35

APPENDIX VII

(Vide Para 25)

Charges made in Passenger Fares between 1950 and 1967

1950:

The fares charged per mile in pies as in 1950 for different classes were as follows:—

Class	Pies per mile
Air-conditioned	30
First .	24
Second .	14
Inter, Mail/Express	9
Inter, Ordinary	7½
Third, Mail/Express	5
Third, Ordinary	4

2. From 1st April, 1951, the bases were revised as under:—

Class	Pies per Mile
Air-conditioned	30
First .	27
Second	16
Inter, Mail/Express	10½
Inter, Ordinary .	9
Third, Mail/Express	6
Third, Ordinary	5

3. From 1st April, 1955, First Class was abolished and the old Second and Inter Classes were re-designated First and Second respectively: At the same time, the bases of fares were made telescopic by slightly raising the basis up to 150 miles and lowering it

beyond 300 miles. The basis for charge for journey in Third Class, Ordinary, upto 50 miles, was left untouched. The newly designated classes and their bases for charge were as under:—

Class	Pies per mile per passenger		
	1-150 miles	+ 151-300 miles	+ 301 miles and over
Air-conditioned	34	34	32
First	18	16	15
Second, Mail/Express	11	10½	9½
Second, Ordinary	9½	9	8½
Third, Mail/Express.	6½	6	5
Third, Ordinary	5½	5	4½
Third, Ordinary, for journeys up to 50 miles.	5		..

This revision was not intended to yield any additional revenue, but to only bring down fares for long journeys and make good the difference on short journeys.

4. Consequent on the introduction of the metric system, the bases were converted into metric units, i.e., paise per kilometre, from 1st April, 1960, as shown below:—

Class	Paise per kilometre per passenger		
	1-250 kms.	+ 251-500 kms.	+ 501 kms. and above
Air-conditioned	11.05	11.05	10.36
First	5.86	5.18	4.86
Second, Mail/Express	3.58	3.40	3.08
Second, Ordinary	3.10	2.92	2.76
Third, Mail/Express	2.04	1.95	1.62
Third, Ordinary	1.71	1.62	1.46
Third, Ordinary, up to 80 kms.	1.64		..

The bases remained the same as from 1st April, 1955, except for slight adjustments to ensure that the level of railway revenues was not affected.

5. From 1st April, 1961, the passenger fare tax, levied from 15th September, 1957, was merged into the fare and a lump sum of 12.5 crores per annum in lieu thereof was to be paid to the general revenues for distribution among the State Governments.

From 1st July, 1962, the bases of passenger fares were revised, effecting an increase of approximately 15% in First Class and 10% in Second and Third Classes.

6. From 1st April, 1965, the fares were put up again. The increase in Third Class, Ordinary, up to 50 kms. was very slight, ranging from one to five paise in the total fare. In other cases, there was an increase of 10% over the leads shown below:—

Air-conditioned	up to 1200 kms.
First	up to 1000 kms.
Third, Ordinary, over 50 kms, and Second, Mail/Express, Second, Ordinary, Third, Mail/ Express, and Ordinary and Surcharge for Third Class Air-conditioned Chair Cars	up to 800 Kms.

For distances beyond the limit mentioned above, the then existing fare was increased by the following amounts:—

	Rs. P.
Air-conditioned	14.75
First	6.75
Second, Mail/Express	3.40
Second, Ordinary	2.95
Third, Mail/Express	1.90
Third, Ordinary	1.60
Surcharge for Third Class Air-conditioned Chair Car.	1 20

For calculating fares for distances over 5,000 Kms., for every block of 10 Kms., the following should be added to the revised fares for 5,000 Kms.:—

Air conditioned Class	Rs. 1.15
First Class	59 paise

Second Class mail/express	35 paise
Second Class ordinary	32 paise
Third Class mail/express	18·5 paise
Third Class ordinary	17 paise
Surcharge for Third class air conditioned	14 paise

The fare thus arrived at should be rounded off to the next higher 5 paise in the case of second and third classes and next higher 25 paise in the case of Air-conditioned and First Classes.

7. Details of the increases in passenger fares effective from 15th June, 1967 are indicated below:—

I. PASSENGER FARES:

Class 1	Distance 2	Quantum of increases over the existing rates 3
(a) Air conditioned	At all distances	15%
(b) First Class	1 to 1500 Kms. 1501 Kms and beyond	15% A flat increase of Rs. 15·50 in the existing fare for each distance block.
(c) Second Class Mail/Express	1 to 1500 Kms 1500 Kms.and beyond	15% A flat increase of Rs. 9·25 in the existing fare for each distance block.
(d) Second Class (Ordinary)	1 to 500 Kms. 501 to 1500 Kms. 1501 Kms and beyond	12½% 10% with marginal adjustment between 501 and 545 Kms to obtain gradual drop in the rate of increase. A flat increase of Rs. 5·45 in the existing fare for each distance block.

1	2	3
<i>Third Class both for journeys from 1 to 50 Kms. and 51 Kms. and beyond.</i>		
(e) Third Class (Mail/Express)	1 to 1500 Kms	12½%
	1501 Kms and beyond	A flat increase of Rs. 4.20 in the existing fare for each distance block.
(f) Third Class (Ordinary)	1 to 500 Kms.	5%
	501 Kms. and beyond	A flat increase of Re. 0.60 in the existing fare for each distance block.
(g) Surcharge for Third Class Air- conditioned	At all distances	15%

8. With the addition of the percentage increases referred to above, the resultant fares are to be rounded off to the nearest 5 paise, 10 paise or 25 paise, as is being done at present. To eliminate complaints about shortage of small change, the revised Third Class (Ordinary) fares for journeys up to 24 kms., which are at present not rounded off to the nearest 5 paise, will also now be so rounded off.

9. For calculating fares for distances over 5,000 Kms., for every block of 10 Kms., the following should be added to the revised fares for 5,000 Kms.:—

	Rs. P.
Air Conditioned	1.32
First Class	0.59
Second Class (Mail/Express)	0.35
Second Class (Ordinary)	0.32
Third Class (Mail/Express)	0.18.5
Third Class (Ordinary)	0.17
Surcharge for Third Class A.C.	0.16

The fares thus arrived at should be rounded off to the next higher 5 paise in the case of Second and Third Classes and next higher 25 paise in the case of Airconditioned and First Classes.

10. It would be observed that it was only in 1951, 1962, 1965 and 1967 that any appreciable increase was made in passenger fares. The statement attached as Annexure 'A' brings out the rate of passenger fare per kilometre charged over the Indian Railways from time to time. For facility of comparison, passenger fares over certain distances as in force in 1950, 1955-56, from 1st April, 1965 and at present are also shown in statement at Annexure 'B'.

ANNEXURE 'A' TO APPENDIX VII

Statement showing the changes in the bases of Passenger Lanes

S.No.	Date	Air-Conditioned										Second* Mail/Express	
		£	First	£	First	£	First	£	First	£	First	£	First
		1-250 Kms.	251- 500 Kms.	501- 800 Kms.	801- 1200 Kms.	1201 and above	1-250 Kms.	251- 500 Kms.	501- 800 Kms.	801- 1000 Kms.	1001 and above	1-250 Kms.	251- 500 Kms.
1	2	3	4	5	6	7	8	9	10	11	12	13	14
1	From 1-12-1949 to 31-3-1951	9.71	9.71	9.71	9.71	9.71	9.71	4.53	4.53	4.53	4.53	2.91	2.91
	From 1-4-1951 to 31-3-1955	9.71	9.71	9.71	9.71	9.71	5.18	5.18	5.18	5.18	5.18	3.40	3.40
3	From@ 1-4-1955 to 31-3-1960	11.00	11.00	10.36	10.36	10.36	5.83	5.18	4.85	4.85	4.85	3.56	3.40
	From 1-4-1960	11.05	11.05	10.36	10.36	10.36	5.86	5.18	4.86	4.86	4.86	3.58	3.40

5	From 1-7-1962 to 31-3-1965	13.0	13.0	12.0	11.5	11.5	7.7	7.0	6.3	5.9	5.9	4.4	4.3	4.0
		14.3	14.3	13.2	12.65	x	8.47	7.7	6.93	6.49	x	4.84	4.73	4.4
6	From 1-4-1965													

5	From 1-7-1962 to 31-3-1965	3.5	3.85	3.70	3.50	3.20	2.60 2.50	2.45 (up to 50 Kms. only)	2.10	1.85	2.15 1.90	2.05 (up to 50 Kms. only)	1.80	1.70
6	From 1-4-1965	x	4.24	4.07	3.85	x	3.86 2.75	2.70 (up to 50 Kms. only)	2.31	x	2.37	2.26	1.98	x
														(Increase in fares upto 50 Kms. varying from 1 to 5 paise).

@ The legs in 1955 were slightly different being in miles, the converted distance in Kms. comes to 1 to 245 Kms., 243 to 484 Kms. and 485 and above.

£ Pre-April, 1955 Second class.

* Pre-April, 1955 Inter class.

x The then existing fare was increased by a lump sum amount, as shown in para 6 of the Note.

Note:—The details of the increases in passenger fares effective from 15-6-67 are indicated in paras 7, 8 and 9 of Appendix VII.

ANNEXURE 'B'

Statement showing Passenger Fares over certain distances as

Distance Kms.	Air-Conditioned			*First			*Second		
	From			From					
	1950	1955-56	1-4-1965	1950	1955-56	1-4-1965	1950	1955-56	
	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	
50	5.00	5.75	7.25	2.50	3.00	4.25	1.50	1.87	
300	29.25	33.25	43.00	13.75	17.25	25.00	8.81	10.62	
800	78.00	86.25	111.00	36.50	42.25	61.30	23.37	26.62	
1200	115.00	126.00	161.75	53.75	60.75	86.00	34.50	38.37	

*Pre-April, 1955 Second class.

Pre-April, 1955 Inter Class.

Note.—The details of increases in passenger fares effective from 15-6-67 are indicated

TO APPENDIX VII

in force in 1950, 1955-56 and as at present.

Mail @ Second Ordinary Third Mail Express Third Ordinary
Ex-
Press

From			From			From			From	
1-4-1965	1950	1955-56	1-4-1965	1950	1955-56	1-4-1965	1950	1955-56	1-4-1965	
Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P	Rs. P
2.40	1.25	1.62	2.15	0.87	1.06	1.40	0.69	0.87	1.00	
14.45	7.31	9.19	12.65	4.87	6.06	8.55	3.94	5.12	7.05	
37.05	19.50	23.25	32.30	13.00	14.75	20.80	10.37	12.69	17.50	
51.10	28.75	33.81	45.10	19.19	20.94	28.20	15.37	18.25	24.30	

in paras 7, 8 and 9 of Appendix VII.

APPENDIX VIII

(Vide para 57)

Statement showing expenditure on compensation claims for goods lost or damaged in relation to the volume of traffic and the changes in price levels during 1950-51, 1959-60, 1960-61, 1961-62, 1962-63, 1963-64 and 1964-65

Year	Net amount paid as compensation claims for goods lost or damaged.	Tonnage originating or lifted excluding coal and ores + (000)	Average of wholesale price index for each financial year with 1952-53 100.	Index for @ compensation claims payment.	Relative Index based on 1950-51—100
1	2	3	4	5	6
	Rs.	Index	Tonnes	Index	
1950-51	3,11,73,233	100	46,701	100	111.8
1959-60	3,74,55,792	120	72,932	156	117.1
1960-61	3,60,94,430	116	76,485	164	124.9
1961-62	3,34,77,217	107	77,894	167	125.1
1962-63	3,55,79,239	114.1	83,632	179	127.9
1963-64	4,20,49,639	134.9	88,638	189.8	135.3
1964-65	4,41,30,896	141.5	90,663	194.1	152.7

$$\text{@ Inde} = \frac{\text{Net amount paid towards claims} \times 100}{\text{Tonnage lifted} \times \text{price index}}$$

+ The tonnage of coal and ores has been excluded, as the incidence of compensation claims in respect of them is comparatively insignificant.

APPENDIX IX

APPEN-

(Vide

Statement showing Zonalwise figures showing financial results of

Name of Railways	1961-62			1962-63		
	Sales including Sundry Receipts	(+) Profit (-) Loss	% age	Sales including Sundry Receipts	(+) Profit (-) Loss	% age
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Central	77,52	(+)1,87	2.4%	82,29	(+)92	1.1%
Eastern	56,07	(-)1,71	3.0%	56,41	(-)44	0.8%
Northern .	44,59	(-)2,70	6.1%	46,08	(-)65	1.4%
North-Eastern .	15,99	(-)51	3.2%	15,78	(-)1,19	7.5%
Northeast Frontier	1,98	(-)33	16.7%	2,50	(-)30	12.0%
Southern .	62,53	(-)78	1.3%	68,83	(-)44	0.7%
South Eastern . . .	29,07	(-)1,26	4.4%	35,51	(+)14	0.4%
Western	33,29	(-)1,03	3.1%	34,46	(+)6	0.2%
TOTAL . . .	3,21,04	(-)6,45	2.0%	3,41,86	(-)1,90	0.6%

DIX IX

Para 108)

working of departmental catering during each year of the
Third Plan Period

(Figures in thousands)

1963-64			1964-65			1965-66		
Sales including Sundry Receipts	(+)Profit (-)Loss	%age	Sales including Sundry Receipts	(+)Profit (-)Loss	%age	Sales including Sundry Receipts	(+)Profit (-)Loss	%age
(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
94,42	(+)3,41	3.6%	1,03,57	(-)45	0.4%	1,13,20	(-)2,97	2.6%
61,95	(+) 3	0.4%	75,97	(+)2,65	3.5%	90,06	(+)5,00	5.6%
53,82	(+) 36	0.7%	60,12	(-)1,35	2.2%	69,03	(-)1,36	1.9%
18,68	(+) 94	5.0%	21,06	(-)41	1.8%	23,43	(-) 44	1.8%
3,42	(+) 2	0.6%	5,90	7,50	(-)91	12.1%
78,27	(+)1,74	2.2%	87,18	(-)10	0.1%	94,05	(-)80	0.9%
42,25	(-)422	0.5%	45,41	(-)3,55	7.8%	47,75	(-)3,30	6.9%
39,64	(+)1,28	3.2%	45,78	(+)7	1.5%	51,19	(-)1,16	2.3%
3,92,45	(+)7,56	1.9%	4,44,99	(-)3,14	0.7%	4,96,21	(-)5,94	1.2%

APPENDIX X

Statement showing the summary of Conclusions/Recommendations of the Estimates Committee contained in the Report

Serial No.	Reference to Para No. in the Report	Summary of Conclusions/Recommendations
1	2	3
1	5	<p>While appreciating the scheme of training provided by the Railways for Probationers of the Commercial Department, the Committee feel that there is need for a review of the contents and programme of training in the light of the experience gained during the three Plan periods, in order to ensure that it inculcates in the trainees a customer-oriented approach, a sense of dedication to duty and a fuller realisation of the fact that the performance of the Railways would be judged according to the standards of regularity and dependability acceptable to the public.</p> <p>With this object in view, the training programme should be made more broad-based and also include visits to, and placement with factories steel plants etc. so that the trainees could appreciate from the very beginning the difficulties of their customers and develop a co-operative attitude towards their solution.</p> <p>The Committee feel that although such changes might seem expensive at the initial stages, they are bound to repay rich dividends in the long run.</p>
2	7	<p>The Committee would urge that the Efficiency Bureau of the Railways should conduct in examination of the working of the Commercial Departments of the Railways and suggest measures with a view to improve efficiency without any increase in staff.</p>

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In view of the keen competition with the road transport, the Committee feel that the Commercial staff of the Railways should be properly equipped and trained to serve as efficient salesmen. The Committee hope that in assigning the duties and responsibilities of the Commercial Officers due care will be taken to ensure that they are able to devote full attention to their jobs as salesmen and to earn an increasing amount of revenue for the Railways.

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While there is no doubt that there has been an increase in the cost of basic raw materials and labour, the Committee feel deeply concerned about the significant drop in the percentage of net return on the Capital-at-Charge of the Railways. In this context, they would like to remind the Railways about the increased burden that they would have to share by way of increase in the rate of dividend payable to the general revenues and increased appropriations to the Depreciation Reserve Fund, as recommended by the Railway Convention Committee, 1965.

The Committee would emphasise that a concerted drive should be made to plug the losses arising out of idling of wagons, ticketless travel, compensation claims etc. and all modern "tools" available to rail management should be pressed into service and the available man-power more efficiently utilised so that the railways are able not only to earn an increased net return on their Capital-at-Charge but also to considerably bring down their operating ratio by reducing the cost of operations and of maintenance which a more intensive usage of their expanded assets would imply.

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The Committee feel deeply concerned to note that roughly 63 per cent of the working expenses of the Railways is on staff cost and 37 per cent on materials and equipments. The Committee cannot too strongly stress the need for reduction of the high expenditure on administration.

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The Committee appreciate the efforts made by the Ministry of Railways to increase productivity by instituting Work Study Cells at Headquarters and in some Zonal Railways. The Committee

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feel that the Work Study is a useful tool that can produce effective and speedy results. They would, however, caution that the staff conducting work studies should be carefully selected and thoroughly trained so that reliable statistics become available.

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The Committee recommend that Work Study Cells may be set up in all the Zonal Railways and continuous studies made not only to improve the operational techniques but also to eliminate wastages in men and materials.

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The Committee recommend that the Work Study Cells of Railways should lay down targets for the completion of the various studies undertaken by them and it should be ensured that these targets are adhered to. It is important to stress that the utility of the Work Study Cells should be judged by their performance.

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The Committee would suggest that the recommendations of the Committee on Transport Policy and Co-ordination regarding closure of unremunerative branch lines of the Railways should be implemented by the Government. For this purpose, the Central Government should impress upon the State Governments that while giving licences or permits for road transport they should keep in view the broad national interests. They should also extend full co-operation to the Railways in closing such of the unremunerative branch lines on which the losses incurred by the Railways are not commensurate with the public utility served, and where such closure could be effected by developing alternative transport facilities, at almost the same cost to the economy, to serve the needs of the areas concerned.

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The Committee realise that the Railways as a Government undertaking have to meet their operating expenses as well as overhead charges from their total earnings and in addition they have to earn a surplus to meet their financial commitments as determined by Parliamentary Conventions. They also realise that in years to come the Railways have to be prepared to meet heavier financial commitments. The Committee are glad to note that while modifying the Freight

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Structure on the lines of the recommendations of the Freight Structure Enquiry Committee, the Railways have generally kept in view the principles suggested by the Estimates Committee (1955-56) in their 26th Report (First Lok Sabha) on the Ministry of Railways 'Commercial Matters', namely that the freight structure should be such as to ensure the financial stability of the Railways, and it should give some consideration to the cottage and the newly developing small scale industries, and also to the export and import traffic.

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The Committee are in agreement with the views of the Committee on Transport Policy and Coordination that there should be a re-thinking on the railways rating policy so as to adopt cost-based rates for different kinds of traffic.

In this connection, the Committee are glad to know that the Railways have adopted a forward looking approach on the subject of cost based studies and have undertaken steps to improve cost data. They hope that as and when better cost information is available the Railways will be able to make adjustments to bring about greater correspondence between rates and costs in future. The Committee agree with the observations of the Committee on Transport Policy and Coordination that there are limits to the Railways' ability to adjust rates on the basis of costs fully and in all cases because of the wide variations in costs on the Railways "resulting from different conditions of operation on the different parts of the railway system, and the railways' obligation, as a national undertaking, to have uniform rates all over the railway system."

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As pointed out by the Committee on Transport Policy and Coordination, the pattern of freight traffic on the Railways has been changing considerably and the proportion of low rated commodities has been increasing.

In the opinion of the Estimates Committee, the diversion of high rated traffic to the road transport is a problem which has to be tackled effectively. The Committee feel that if more and

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more of high rated traffic is allowed to slip away to the road transport, leaving only low rated traffic for the Railways, a situation may arise when the Railways will be compelled to make a further upward revision of freight rates in respect of all commodities to safeguard their finances.

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The Committee would like to invite the attention of Government to the recommendations made by the Estimates Committee (1955-56) in para 32 of their 26th Report (First Lok Sabha) on the Ministry of Railways—Commercial Matters wherein they stressed the need of having an organisation consisting of representatives of the Railways and of Chambers of Industries and Commerce and other bodies for purposes of consultation in regard to tariff changes. The Committee understand that the Railway Freight Structure Enquiry Committee also appreciated the need for consultation and exchange of views by the Commercial Committee of the Railways with the representatives of the Federation of Indian Chambers of Commerce and Industry and the Associated Chambers of Commerce and Industry before making the financial recommendations to Government. The Committee feel that the adoption and continuance of such a practice would ensure a wider appreciation of the problems of the Railways by the users and would also enable Railways to ensure tariff changes with considerable measure of public support.

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The Committee feel that since the movement of materials in block rakes is a convenient and economic form of operation, steps should be taken by the Railways to encourage such movement by allowing suitable concessions in freight for such movements.

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The Committee feel that in the case of "Freight to pay" consignments there is no justification for the Railways to insist on full payment of freight till all the wagons covered by a Railway Receipt have been delivered. The Committee would, therefore, suggest that the matter may be discussed between the representatives of the Ministry of Railways and the Coal Trade in order to evolve a workable solution to mitigate the hardship being caused to the Trade.

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16	23	The Committee regret to note that there has been a failure on the part of Railway officials to honour the terms of the agreement that has been mutually agreed upon by the Railways and the Ministry of Food and Agriculture regarding non-collection by the Railways of undercharges on Fertiliser consignments from the consignees. They would suggest that clear instructions should be issued to all concerned so that the agreement with the Ministry of Food and Agriculture is fully implemented and inconveniences to the consignees in this respect are avoided.
17	29	The Committee note that the average rate of passenger fares charged on the Indian Railways compares favourably with the corresponding rates in certain neighbouring countries. The Committee also note that the earnings from the Air-conditioned Class and the First Class did not fully meet the estimated cost of providing these services till 1966-67. The Committee feel that it would be rather pre-mature to guess at this stage if the increase in passenger fares for Air-conditioned and First Classes from June, 1967, will result in an improvement in this regard. The Committee, however, hope that the Railways would continue to keep a watch on the occupancy ratio of, and earnings from, these classes and adopt suitable remedial measures as and when necessary to ensure that the revenues from the Air-conditioned and First Classes are at least sufficient to cover the cost of their haulage.
18	30	The Committee hope that an early decision on the question of withdrawal of inflated mileage treated as chargeable distance between Rajendra Pool and Hattidah Junction would be taken so that the inflated mileage is continued only to the extent it is absolutely necessary.
19	32	The Committee feel that there is some lacuna regarding the date from which the Railway Rates Tribunal could give declaratory relief and it would be helpful if the position is made clear by making a suitable provision in the Indian Railway Act.

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20	34	While the Committee appreciate the need for maintaining the independent status of the Railway Rates Tribunal, they nevertheless feel that the twenty-seven complaints received since 1958 and 43 interlocutory petitions and 65 revision petitions from staff during the last two years give a poor index of the workload in relation to the total strength of this Organisation. The Committee feel concerned about the inadequate work-load of the Tribunal and would, therefore, suggest that the possibility of entrusting additional items of work commensurate with the judicial nature and independent status of the Tribunal should be explored.
21	34	The Committee would suggest that efforts should be made for an expeditious disposal of their work by the Railway Rates Tribunal.
22	35	The Committee would suggest that the Railway Board may examine the desirability of making a provision in the Indian Railways Act or the Rules framed thereunder to the effect that in the event of the Chairman's office falling vacant, some other member of the Railway Rates Tribunal should automatically be considered to be the Chairman of the Tribunal, so that the functioning of the Tribunal is not hampered in any way.
23	37	The Committee do not feel happy about the delays on the part of Railway Administrations in submitting documents and pleadings before the Railway Rates Tribunal, which in some cases extended upto about six months. They would suggest that the desirability of submission of documents and pleadings to the Tribunal within the time limits prescribed for the purpose should be stressed on all Railway Administrations and a constant watch should be kept at a high level in this regard.
24	44	The Committee suggest that the Railways may review the position regarding free time allowed for loading and unloading of wagons from time to time in the light of their wagon position, and allow suitable relaxations in the free time in deserving cases.

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25	45	While there may be justification for charging different rates of wharfage at different stations of the same zone, the Committee feel that there is imperative need to remove the anomaly of different wharfage rates being charged at the same Station by two different Railways meeting at that Station wherever such different rates prevail.
26	46	The Committee would suggest that the system of intimating the consignees by postcard or telephone regarding arrival of their consignments may be suitably extended to all important stations so that the consignees or their agents may visit the goods sheds to take delivery of their consignments only after the same have actually arrived.
27	47	The Committee feel that some drastic measures are called for to curb the tendency on the part of some traders to delay the clearance of goods from goods sheds with a motive of raising their prices in the market. They would suggest that the Railways may, in consultation with the State Governments, draw up a list of places where, and the particular periods of the year during which, such anti-social practices generally come to notice. Thereafter, the Railways, on their part, should reduce the free time at appropriate occasions, suitably increase the wharfage charges, and resort to auction of goods not cleared within a specified period and thus help in the eradication of this social evil.
28	47	The Committee suggest that the cooperation of the Local Committees and Zonal Railway Users' Consultative Committees and the various Chambers of Commerce may be sought by the Railways so that anti-social elements may not be able to dictate the prices of the market especially during festival days by non-clearance of goods from Railway goods sheds for an unduly long time.
29	48	The Committee note with regret that different types of corrupt practices are prevalent at Railway Goods Sheds despite the corrective methods adopted by the Railways. They, therefore, feel that newer and more stringent methods should

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		be devised to combat this evil. They desire that in the meantime the surprise checks being made should not only be continued but also intensified and disciplinary action of a deterrent nature taken against all these who may be found guilty of such practices.
30	48	The Committee suggest that the postings and transfers of staff to and from the Railway goods sheds notorious for corrupt practices, and also other important goods sheds, should be dealt with at a sufficiently high level.
31	49	The Committee would suggest that the Railways should make a sustained effort for putting of package entries inside the wagons so that the inconvenience and loss caused to the Trade could be avoided. In any case this is a matter which should be discussed with representatives of the Trade and their general difficulties mitigated to the extent possible.
32	50	The Committee appreciate that with the constant pressure of traffic and the need to avoid delays to wagons, it is not feasible to enforce any periodical check-up of tare-weights of all wagons in service as a regular measure. The Committee would, however, suggest that to remove the complaints of the Trade, Railways should, on specific requests being made, agree to joint examination of tare-weighing of wagons before loading and accept such weights for purposes of bookings till such time that the marked tare-weights are corrected.
33	52	The Committee feel concerned over huge amounts of wharfage and demurrage dues remaining in arrears. The percentage of cut-standings is high particularly on the Eastern, Northeast Frontier and South Eastern Railways. As compared to the arrears of 1964-65, the position has deteriorated in 1965-66 on the Central, South Eastern and Western Railways. The Committee need hardly stress the desirability of taking effective measures to realise the Railway dues and wipe off the arrears at an early date.

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34	52	The Committee also suggest that responsibility should be fixed for any lapses in the matter of fixation and realisation of demurrage and wharfage charges and disciplinary action taken against the officers concerned.
35	53	The Committee would suggest that the Railways may examine the feasibility of refunds being allowed by Commercial Officers without financial concurrence at least to the extent of the original powers enjoyed by those officers in regard to waiver of demurrage.
36	54	The Committee would suggest that in cases where siding charges are levied on the basis of shunts, the Railways may issue, on demand, separate receipts for the siding charges as may be allocated by the consignors to cover the consignments despatched to different destinations.
37	55	The Committee are concerned about the continuous increase in the number of new claims preferred from year to year and cannot too strongly stress the need for concerted measures by the Railways to arrest this rising trend.
38	55	<p>The Committee note that the percentage of amount paid as compensation to gross earnings of the Railways, which had gradually fallen down to 0.99 per cent in 1963-64 again rose to 1.01 per cent in 1964-65.</p> <p>The position in this regard is particularly unsatisfactory in Northeast Frontier Railway where despite the fall in the number of claims during 1964-65, the percentage of amount paid as compensation to gross earnings has increased to 5 per cent from 1.01 per cent during 1963-64.</p> <p>The Committee would urge that the causes of the rise in percentage in all Zonal Railways generally and particularly in Northeast Frontier Railway may be investigated by the Railways.</p> <p>In this connection, the Committee understand that this percentage was as low as 0.03 to 0.04 per cent on some of the Railways in the early Thirties.</p>

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57 The Committee appreciate the efforts made by the Claims Prevention Organisation of the Railways for the prevention of claims. They would suggest that the efforts may be further intensified so that the incidence of claims may be appreciably brought down in all the Zones.

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In regard to about 250 recent cases of long delays in transit or bad detention to wagons and small consignments booked to Patna junction, that were brought to the notice of the Ministry by the Committee, the Committee find that except for one reason (namely parties not turning up for release of wagons booked under 'L' condition), all other reasons furnished by the Ministry for delay/detention are such as would appear to be the responsibility of the Railways alone.

In the opinion of the Committee, the position reflects a very unsatisfactory state of affairs as the cases in question pertain to the consignments booked only to one Junction.

The Committee, therefore, feel that there is need for an intensive drive on the part of the Railways to effectively bring down the cases of delay in transit particularly in view of severe competition from road transport almost all over the country.

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The Committee feel that the Railways should not only tighten up the security measures in the yards and in the running trains, but should also evolve, in consultation with the Coal Industry, a suitable procedure for assessing, to the extent possible, the amount of coal that is being pilfered while in custody of the Railways. Once the magnitude of the problem is known, it would itself indicate the extent of ineffectiveness of the measures taken to prevent unfair practices on the Railways and also impress upon them the desirability of finding other suitable methods of improving their preventive techniques, including stricter measures against the staff conniving at or involved in such thefts.

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The Committee feel that in cases of frequent preferment of claims by the same parties the

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possibilities of collusion between the parties and the Railway staff operating in the area cannot completely be ruled out. The Committee would, therefore, suggest that the Railways should conduct a survey, not only of the type and categories of parties that prefer claims more often but also about the nature of claims that are preferred with a view to analysing the factors responsible for the emergence of a large number of claims cases. If necessary, suitable administrative action like transfers of staff may be restored to in order to avoid any possible collusion between the parties and the Railway staff operating in the area.

43 62 The Committee consider that there is need for giving more publicity to the procedure for submission of claims in Railway Time Tables and through Notice Boards at important stations and in parcel and goods offices.

44 The Committee suggest the compilation by the Railways of a Handbook giving full information about the procedure for filing claims for the guidance of the trading public.

45 64 The Committee note the improvement being made in the matter of speedy disposal of claims cases by the Railways. They, however, feel that the improvement should be kept up and efforts should continue to be made by the Railways towards an expeditious disposal of claims cases and to bring about a stage when there would be no pending case more than three months old.

46 64 The Committee are glad to note that the question of "Disposal of Claims" is currently under examination by the Efficiency Bureau of the Railway Board. They hope that the procedures for the settlement of claims cases will be streamlined as a result of the examination made by the Efficiency Bureau.

47 65 The Committee feel that the existing instructions are not sufficient to ensure that a person wishing to enquire about the latest position of his claim is actually sent a reply promptly.

They would, therefore, suggest that the railways should introduce a form containing a counterfoil which the person wishing to make an enquiry could fill in and leave with the Enquiry Clerk after obtaining a receipt on the counterfoil. The person concerned must get a reply after two or three days. In the opinion of the Committee, such a procedure would ensure that no avoidable harassment is caused to the claimants and also eliminate chances of any unfair practice being resorted to by any member of the Railway staff.

- 69 The Committee hope that as a result of the steps taken to collect statistics in all Zonal Railways of claims cases in which decisions taken by the Railway administrations were reversed by the law courts, it would be possible for the Railways to keep a watch at the appropriate level on the effectiveness of the measures taken to defend the court cases and also take remedial measures to remove any shortcomings in this direction.

In this connection, the Committee would also suggest that the selection of legal officers for defending their Court cases should be done very carefully by the Railways.

- 49 73 The Committee are in agreement with the suggestions made by the Committee of the National Railway Users' Consultative Council, and feel that the recommendations, if properly and promptly implemented, would have an impact on the evil of ticketless travelling. The Committee feel convinced that the problem has assumed such a dimension that mere administrative measures will not help eradicate this evil. The cooperation of the travelling public and other voluntary organisations, more especially of the passengers' and Transport Users' Associations who are represented on the Zonal or Divisional Railway Users' Consultative Committee has to be sought fully and unreservedly. The authorities should also try to get the help and cooperation of the heads of educational institutions so that the students may be made to realise the wider moral effect of this anti-social practice.

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50	73	<p>The Committee have reason to believe that there is sufficient truth in the complaint that has been made by a representative association of passengers that the "Railway staff have actually no scope of dealing with habitual ticketless gangs in the absence of adequate protection from the anti-social elements or willing cooperation from the Railway Police". The Committee would, therefore, like to stress the necessity of providing the necessary security to the checking staff.</p>
51	74	<p>While the Committee fully appreciate the moral effect of an effective ticket-checking organisation, they nevertheless feel that the fact that the amounts realised by the Travelling Ticket Examiners are not even sufficient to meet their own cost is likely to lend support to the common belief that ticket checking staff themselves indulge in corrupt practices like abetting passengers who travel without tickets.</p> <p>It has been brought to the notice of the Committee that one such corrupt practice adopted by the Travelling Ticket Examiners is to delay the issue of tickets after collection of the fare from the passengers concerned. Apart from the leakage of this revenue which is rightfully due to the Railways, the Committee take a serious view of the moral degeneration that is being encouraged through ticketless travelling.</p> <p>The Committee feel that there is need for surprise checks over the Travelling Ticket Examiners by superior officers of all grades of the Railways so as to ensure that the instructions regarding checking of tickets and realisation of Railway dues are strictly enforced.</p>
52	74	<p>The Committee feel that mere disciplinary action against the Railway employees found guilty of abetting passengers travelling without tickets is not sufficient to meet the situation. They, therefore, suggest that the Railways may consider the desirability of making the offence of abetting passengers travelling without tickets a cognizable offence and of conferring necessary powers on Railway Magistrates to summarily try such railway employees.</p>

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53	75	<p>The Committee hope that the question of issue of a consolidated certificate by Railway Guards where a party of passengers desiring to travel to the same destination is unable to purchase tickets on account of closure of the booking window would be looked into and necessary instructions issued for the guidance of all concerned.</p>
54	78	<p>The Committee hope that the recommendations of the Committee of the National Railway Users' Consultative Council to curb the tendency of misuse of alarm chain will be considered and implemented by the Railways at an early date.</p>
55	79	<p>The Committee cannot too strongly deprecate the wanton destruction of railway property and attacks on railway employees by anti-social elements. The Committee are glad to note that the Railways are alive to the problem and this matter was discussed at a Conference with the State Chief Ministers who have assured them that they would gear up the machinery and give all assistance to the Railway administration in tackling this problem. The Committee hope that the matter would be kept under review and no effort would be spared for bringing about better coordination between the Railway staff, the Railway Police and the Railway Protection Force.</p>
56	83	<p>The Committee note the functions of the Public Relations Organisation of the Railways and the efforts being made by them to bring about proper understanding between the Railways and the general public. The Committee would, however, stress that the efforts of the Organisation should be reflected in better understanding between the Railways and the general public and in the removal of difficulties of rail users that may be brought to the notice of the Public Relations Organisation. The Public Relations Organisation should, therefore, be responsible for effecting better coordination between the Railway Administration on the one hand and the general public on the other, as also for educating the travelling public as well as the Railway staff about the imperative need for eradication of corrupt practices like ticketless travelling, indulgence in malpractices by the</p>

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		Railway staff, etc., so that the efficiency of the Railways may be improved.
		The Committee suggest that the Efficiency Bureau of the Railways may conduct an impact measurement survey so as to see to what extent the functioning of the Public Relations Organisation of the Railways has led to better results in these directions. The Efficiency Bureau may also see if economies can be effected in the printing and publication of various journals, news-letters, brochures, etc. brought out by the Zonal Railways and also suggest the media of publicity with minimum cost. The Committee would like to be informed about the results of this survey in due course.
57	90	The Committee would suggest that a procedure should be evolved whereunder when a particular suggestion made by a Consultative Committee or a member thereof is turned down by a Zonal Railway and is afterwards accepted by the Railway Board, the concerned Consultative Committee member should be informed about it, so that it may be felt that their suggestion has been given due consideration.
58	90	The Committee suggest that the Zonal Railways should inform the Railway Board about the number of suggestions of the Consultative Committees accepted or rejected together with the reasons for rejection, if any.
59	92	The Committee feel that the extent of representation provided to the Passengers' Associations on the Railway Users Consultative Committees is not quite adequate. In view of the fact that the Passengers' Associations can play a very important role in educating the travelling public in regard to their rights and duties vis-a-vis the Railways, the Committee feel that the representation of these Associations on the Consultative Committees should be so arranged that each important Passengers' Association gets represented at least once in 3 or 4 years.
60	92	The Committee suggest that the Railways may explore the feasibility of giving greater representation to the elected representatives of Parliament and State Legislatures in the Zonal and Divisional Railway Users' Consultative Committees.

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61	93	<p>The Committee note that there has been a steady increase in commercial advertising earnings during the period 1961-62 to 1964-65. They hope that the shortfall during 1965-66 will be wiped off by earnings in later years.</p> <p>The Committee would stress that the Railways should continue their efforts to step up their earnings from commercial advertisements.</p> <p>In this connection, the Committee would suggest that the Railways may explore the possibility of displaying advertisements outside the bogies in strips of suitable size, like advertisements displayed on buses and on tram-cars.</p>
662	94	<p>The Committee suggest that the Railways should make an energetic drive to obtain more advertisements for the Time Tables so that the revenue derived from this source is increased and the losses suffered by the Railways in the printing and sale of Time Tables are made up to an appreciable extent.</p>
3	97	<p>In view of the growing competition from road transport and consequent loss of revenue to the Railways, the Committee feel that the Railways should take positive measures to set up a proper machinery to make continuous market studies, ascertain the nature and extent of transportation needs at different points, keep a keen eye on the competitors' techniques and take adequate steps to effectively combat such competition. They would, therefore, suggest that the adequacy of the facilities available to the Research and Development wings of the Railways for making such studies and investigations may be reviewed by the Efficiency Bureau of the Railway Board, so that the Railways are not caught napping in the years to come when the road transport is bound to offer still heavier competition in the matter of carrying remunerative traffic.</p>
64	97	<p>On the operating side, the Committee feel that there is scope for the Railways to improve their service by ensuring timely supply of right type of wagons including refrigerated vans for movement of perishables, if economical, by providing a much quicker transit than obtaining at present and by minimising the incidence of pilferage and damage.</p>

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65	97	The Committee suggest that the Railways may improve the working of the street delivery service and take steps to extend the service to as many places as possible.
66	98	The Committee hope that the recommendations of the Committee on Transport Policy and Co-Ordination regarding co-ordination of different modes of transport, that have been accepted by the Government, will be implemented by all concerned at a very early date.
67	101	<p>The Committee cannot but endorse the suggestion of the Committee on Transport Policy and co-ordination that the co-ordination of Inter-State Transport should be a responsibility of the Central Government and are rather surprised to see that the Inter-State Transport Commission set up under section 63A of the Motor Vehicles Act, 1939, has not yet been vested with the power "to grant, revoke or suspend any permit or countersign any permit for the operation of any transport vehicle in respect of such route or area common to two or more States as may be specified in this behalf by the Central Government", which is perhaps the only real power stipulated in sub-section (2) of the said section.</p> <p>In this connection, the Committee understand that the Road Transport Taxation Enquiry Committee has also expressed the view that the present system of issue of permits by the States is inhibiting the growth of inter-State road transport and that inter-State road transport should be taken over by the Centre. The Committee would, therefore, suggest that steps should be taken at an early date to suitably strengthen the Inter-State Transport Commission and arm them with all the requisite powers required to exercise a real and effective control on inter-State road transport. While appreciating the need for development of rail and road transport in a manner supplementary to each other, the Committee feel that it is not the Railways alone who should be called upon to discharge all the public service obligations but the road transport should also be willing to take at least a minimum share of such social and economic obligations.</p> <p>At the State level, the Committee would suggest the formation of Rail-Road Co-ordina-</p>

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tion Advisory Committees, not only with the representatives of Railways and State Governments but also with representatives of leading Passenger Associations and Chambers of Commerce, who could help in evolving a co-ordinated policy of rail-cum-road transport keeping in view the overall interests of economy and the impact of transport charges on the prices of various commodities that the consumer is called upon to pay.

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III

While the Committee note the efforts made by the Railways to locate the shortcomings in Departmental Catering and to introduce necessary remedial measures for improving the quality of service, they are constrained to observe that Departmental catering has not been able to 'set a standard for quality of service and serve as a model for catering contractors', which was expected of it. The service was expected to run on a "no-loss no-profit basis", but the Committee regret to observe that it has continued to incur losses from year to year despite the experience of over a decade in this venture. The Committee cannot too strongly emphasise the need for eliminating wastages, reducing expenditure and stepping up sales. They feel that an upward revision of tariffs without a corresponding improvement in service is likely to make Departmental Catering thoroughly unacceptable to the travelling public.

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III

The Committee feel that there is need for tightening up the arrangements for inspection of catering establishments run by contractors. Instructions should be issued to all Railways for enforcement of more effective supervision and more frequent surprise inspections by officers at all levels of the catering establishments and for awarding deterrent punishment in all cases of unsatisfactory service, and of non-observance of proper cleanliness and hygienic conditions by catering and vending contractors.

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III

Alongside the enforcement of quality and a high standard of performance, the Railways should consider the re-introduction extension and popularisation of Janta Meal, which should be cheap and nutritious, on the Indian Railways.

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- 71 111 The Committee are glad to note that the Ministry of Railways have constituted a Committee of Members of Parliament, known as the Railway Catering and Passengers' Amenities Committee, 1967 to examine *inter alia* the working of catering services, both contract and departmental, and to make recommendations on the relative merits of contract and departmental catering and the area of operation which should be set apart for each, the deficiencies in the present services with measures to effect necessary improvements and the control of expenditure on departmental catering with a view to providing the best possible service without incurring any loss.
- 72 112 The Committee suggest that the Railways may review the time tables of all important trains carrying dining cars and suitably increase their duration of halts at stations where the trains may reach at breakfast, lunch, tea and dinner hours, so as to enable the passengers to go to and return from the dining cars and also the bearers to properly attend to the service in compartments.
- 73 118 While the Committee appreciate that the reservation difficulties would persist so long as the demand for accomodation exceeds availability thereof, they feel that the inconvenience to passengers can be minimised if the reservation quotas for all classes and for all trains are distributed by the Railways to different city booking offices in metropolitan towns on a more rational basis than at present. In the opinion of the Committee, such a dispersal of tickets can particularly be helpful at the time of festivals and other special occasions and would go a long way in reducing the rush and inconvenience to passengers and in preventing the anti-social elements to exploit the unwary passengers.
- 74 119 The Committee hope that a very early decision will be taken regarding extension of reservation period on all Railways so as to ensure uniformity and to avoid inconvenience to passengers originating from one Railway and re-
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quiring reservation over another Railway having a different time limit for making advance reservations.

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In view of the fact that there is a growing feeling in the minds of the public that the railway staff connive at malpractices in reservation of berths|seats, the Committee feel that to allay such apprehensions, it is necessary to have a thorough probe into the working of the reservation|booking offices at important stations periodically. The Committee would urge that there should be more frequent visits by senior officers to railway booking offices so as to ensure that no unfair practices are resorted to by the railway staff. Care should also be taken to ensure that all complaints relating to malpractices at booking|reservation offices are promptly attended to and deterrent punishment is awarded to the erring staff.

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Since the Second Class sleeper coaches are bound to meet at least a part of the demand for sleeping accommodation in the First and Third Classes, which the Railways are not able to meet in full at present, the Committee hope that the Railways would draw a phased programme for manufacture and introduction of second class sleeper coaches on more and more trains in the next few years.

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The Committee note the powers of investigation and prosecution that have now been given to the Railway Protection Force and hope that the same will prove more effective not only in the matter of protection and prevention but also in investigation and prosecution of offences falling under the Railway Property (Unlawful Possession) Act, 1966.

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The Committee suggest that in view of the fact that the investigation and prosecution of offences relating to railway property will now be the responsibility of the Railway Protection Force, the desirability of reducing the Railways' share in the cost of the Supervisory staff of the Government Railway Police that is being borne by the Railways may be examined.

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79	125	<p>The Committee feel that the present arrangement whereunder the maintenance of 'Law' and 'Order' in railway premises is exclusively a responsibility of the Government Railway Police and the State Police, over which the Central Government has no control, is not very satisfactory. They are, however, glad to note that a high powered committee with comprehensive terms of reference has been set up to go into the question of security and policing on Railways. The Estimates Committee hope that this Committee would make a detailed examination and evolve a more satisfactory arrangement for the maintenance of 'Law' and 'Order' in railway premises and for affording necessary protection to the passengers and to railway property.</p>

APPENDIX XI

Analysis of recommendations in the Report

I. Classification and Recommendations:

A. RECOMMENDATIONS FOR IMPROVING THE ORGANISATION AND WORKING:

S. Nos. 1, 2, 3, 15, 16, 19, 20, 21, 22, 23, 25, 26, 29, 30, 31, 32, 33, 34, 35, 40, 41, 42, 45, 46, 47, 48, 50, 51, 52, 53, 54, 55, 57, 58, 63, 64, 65, 66, 68, 69, 70, 71, 72, 73, 74, 75, 77, 79.

B. RECOMMENDATIONS FOR EFFECTING ECONOMY:

S. Nos. 4, 5, 9, 17, 37, 38, 39, 49, 56, 61, 62, 78.

C. MISCELLANEOUS RECOMMENDATIONS:

S. Nos. 6, 7, 8, 10, 11, 12, 13, 14, 18, 24, 27, 28, 36, 43, 44, 59, 60, 67, 76.

II. Analysis of more important recommendations directed towards economy:

S. No. as per Summary of Recommendations (APPENDIX X)	Particulars
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4	A concerted drive should be made by the Railways to plug the losses arising out of idling of wagons, ticketless travel compensation claims, etc., and all modern "tools" available to rail management should be pressed into service and the available man-power more efficiently utilised so that the railways are able not only to earn an increased net return on their Capital-at-Charge but also to considerably bring down their operating ratio by reducing the cost of operations and of maintenance which a more intensive usage of their expanded assets would imply.
5	The Committee feel deeply concerned to note that roughly 63 per cent of the working expenses of the Railways is on staff cost, and cannot too strongly stress the need for reduction of the high expenditure on administration.

- 9 The Committee suggest that the recommendations of the Committee on Transport Policy and Coordination regarding closure of unremunerative branch lines of the Railways should be implemented by Government. For this purpose, the Central Government should impress upon the State Governments to keep in view the broad national interests while giving licences or permits for road transport and to extend full co-operation to the Railways in closing such of the unremunerative branch lines on which the losses incurred by the Railways are not commensurate with the public utility served, and where such closure could be effected by developing alternative transport facilities, at almost the same cost to the economy, to serve the needs of the areas concerned.
- 37 Concerted measures should be taken by the Railways to arrest the rising trend in the numbers of new compensation claims preferred from year to year.
- 38 The causes for the rise in percentage of amount paid as compensation claims to gross earnings in all Zonal Railways generally and particularly in North-east Frontier Railway may be investigated by the Railways.
- 49 The Committee feel that mere administrative measures will not help in eradicating the evil of ticketless travelling. The Railways should seek the cooperation of the travelling public and other voluntary organisations, more especially of the Passengers' and Transport Users' Associations who are represented on the Zonal or Divisional Railway Users' Consultative Committees, fully and unreservedly. The authorities should also try to get the help and cooperation of the heads of educational institutions so that the students may be made to realise the wider moral effect of this anti-social practice.
- 78 In view of the fact that the investigation and prosecution of offences relating to railway property will now be the responsibility of the Railway Protection Force, the desirability of reducing the Railways' share in the cost of supervisory staff of the Government Railway Police that is being borne by the Railways may be examined.