

**PUBLIC ACCOUNTS COMMITTEE
(1977-78)**

(SIXTH LOK SABHA)

ELEVENTH REPORT

RAILWAY OPERATIONS & EARNINGS

**MINISTRY OF RAILWAYS
(RAILWAY BOARD)**

[Paragraphs relating to Railway Operations and Earnings included in the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)]



*Presented in Lok Sabha on .
Laid in Rajya Sabha on*

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(SIXTH LOK SABHA)

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20-8-1976 (AN)

21-8-1976 (FN)

14-9-1977 (FN)

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(1977-78)

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*Ceased to be a member of the Committee on his appointment as Minister of State w.e.f. 14-8-77.

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Eleventh Report of the Public Accounts Committee (Sixth Lok Sabha) on paragraphs relating to Railway Operations and Earnings included in the Report of the Comptroller & Auditor General of India for the year 1974-75, Union Government (Railways).

2. The Report of the Comptroller & Auditor General of India for the year 1974-75, Union Government (Railways) was laid on the Table of the House on 6 May, 1976. The Public Accounts Committee (1976-77) examined the paragraphs relating to Railway Operations and Earnings at their sittings held on the 20 and 21 August, 1976, but could not finalise the Report on account of the dissolution of the Lok Sabha on 18 January, 1977. The Public Accounts Committee (1977-78) considered and finalised this Report at their sitting held on the 14 September, 1977 based on the evidence taken and the further written information furnished by the Ministry of Railways (Railway Board). The Minutes of the sittings form Part II* of the Report.

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

4. The Committee place on record their appreciation of the commendable work done by the Chairman and the Members of the Public Accounts Committee (1976-77) in taking evidence and obtaining information for this Report.

5. The Committee also place on record their appreciation of the assistance rendered to them in the examination of these paragraphs by the Comptroller & Auditor General of India.

6. The Committee would also like to express their thanks to the Chairman and Members of the Railway Board for the cooperation extended by them in giving information to the Committee.

NEW DELHI;
September 26, 1977.
Asvina 4, 1899 (S).

C. M. STEPHEN,
Chairman,
Public Accounts Committee.

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CHAPTER I

RAILWAY OPERATIONS

Eastern Railway—Marshalling yards—Chitpur, Naihati and Andal

INTRODUCTION

Audit Paragraph

1.1. In a railway marshalling yard, goods trains and other loads originating from the adjoining sections and Railway stations including that serving the yard, are received, sorted out and new trains formed and despatched onwards.

1.2. A yard is under the charge of a Chief/Head Yard Master or Yard Master or Yard Supervisor depending on the quantum of work. In very big yards Gazetted Officers (Divisional or Assistant Operating Superintendents) are also posted for supervising the day to day working. Under the Chief/Head yard Master or Yard Master there are (i) executive or field staff and (ii) clerical staff.

1.3. A marshalling yard has a number of functions, the more important of which are:—

- (a) dealing with through goods trains (i.e. trains not requiring marshalling in that yard), receipt of through trains and their despatch after change of engine and crew (if necessary), examination of wagons by Train Examiner, adjustment of loads, detachment of sick wagons, and attachment of urgent wagons in exceptional cases;
- (b) sorting out loads carried by goods trains terminating at the marshalling yard in accordance with the direction of movement and the destinations;
- (c) formation and despatch of new (originating) goods trains;
- (d) placement and withdrawal of wagons from various points in the local area for repairs, re-adjustment of loads, re-packing (loading and unloading) of wagons; and
- (e) formation of shunting and work trains or road vans for delivery/collection of smalls and of wagon-load consignments to and from adjoining sections.

[Sub-paras 7.1 to 7.3 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)]

1.4. Audit have stated that the performance of three marshalling yards of Eastern Railway, namely Chitpur (Sealdah area), Naihati and Andal was reviewed by them. The records for selected months (November 1974 for Chitpur and January 1975 for Naihati and Andal) were checked in detail. The Chairman, Railway Board, during the course of evidence made a reference to the problems which these three marshalling yards were facing. He said.

"Largely speaking, Naihati and Chitpur are two yards supplementary to each other and are serving the industrial areas of Calcutta. Andal is, of course, a yard which serves the colliery pilots and the traffic towards Farakka and towards South-Eastern Railway. The performance of the Chitpur and Naihati Yards depended to a great deal on the fluctuations in the conditions that were in that area and also the growth of suburban traffic that has taken place in Sealdah division. In the Sealdah division, there has been a very steady growth of suburban traffic; we have had to increase more and more suburban trains every year. And with more and more introduction of the suburban trains, the time that is available for pushing through industrial pilots or even through goods-train gets more and more restricted. This is one of the problems that we are facing in Naihati and Chitpur. We feel that one of the reasons for increased detention in these two yards is the introduction of more and more suburban trains and less and less time for the industrial pilots to operate."

1.5. The Committee desired to know how the increased number of suburban trains was complicating the problems of the marshalling yards and how similar and comparable problems in the Bombay region, where the number of suburban trains was possibly more in number than in Calcutta region, were being tackled. The Member Traffic has stated in evidence:—

"The conditions in Bombay would not be exactly comparable with those in Calcutta. Chitpur and Naihati are located in the midst of the industrial complex where at the same time we carry very heavy suburban traffic. Just to give you an idea of the number of suburban trains which increased in the Sealdah division from 1963 to 1976, I would

give these figures. In 1963, they were 277, in 1966, 286, in 1970, 403, in 1973, 422, and in 1976 they are 426. The overall increase from 1963 to 1976 is from 277 to 426. And in Howrah division through which the traffic passes from the northern areas to down country Naihati and Chitpur, the number of suburban trains has increased from 162 to 277. Apart from the suburban trains, there has been an increase in the last few years in non-suburban trains also viz. non-suburban trains to North Bengal and Assam sector and to Mughal Sarai and beyond. As the density of these trains has increased, the paths available for running of through goods trains have got contracted and now we have got to select certain paths. For instance, take Howrah, from about 15 in the morning, the station is receiving non-suburban trains coming from Mughal Sarai and Patna side. From about 8.30 to 10.30 a.m., it is the suburban peak and from 10.30 to 1300 again non-suburban trains are despatched towards Mughal Sarai. We have got breathing space from 1.00 to 4.30 p.m. Then again from 4.30 to 7.30 p.m. there is suburban rush and from 7.00 p.m. onwards, the non-suburban trains leave for upcountry.

Therefore, we have got breathing space to move these goods trains within the periods, the passenger trains are not there. We have, therefore, to utilise non-passenger block hours for this.

In regard to the industrial pilots, the position is slightly different. The industrial pilots have to be run necessarily in the night or in the early hours of the morning so that the industries which the pilots serve can be served in the opening hours of the day to enable them to complete their work during day-time. The inward wagons supply the raw materials and these and other wagons supplied are then loaded with outward traffic. If the industries receive the material in the early hours, they will be able to complete their work during the day. For that purpose industrial pilots have to be run on certain nominated paths because, if they deviate from these pattern they might get mixed up with passenger trains and during suburban blocks industrial pilots will not be able to reach the industries in time and that would defeat the purpose for which we are running these special night and early-morning short-distance goods trains known as pilots which serve the industries in the industrial belt."

Chitpur Yard

Audit Paragraph

1.6. This yard is under the direct charge of a District Traffic Superintendent. It feeds the following commercial points in Sealdah and Harbour area in Calcutta—

- (i) Ultadanga goods;
- (ii) Chitpur goods (including Chitpur ghat);
- (iii) Cossipore road goods; and
- (iv) Calcutta Port Commissioner's railway.

1.7. In accordance with the programme of formation of trains, one train is required to be formed daily for each of the following directions:—

- (i) Mughal Sarai; (ii) Asansol/Burdwan; (iii) South Eastern Railway side; (iv) Budge Budge; (v) Kalighat; (vi) Kidderpore docks; (vii) Naihati; (viii) Barrackpore; (ix) Ichhapur; (x) Sodpur; (xi) Belgharia; (xii) Bata-nagar; (xiii) Dum Dum Cantonment; (xiv) Ballygunge Junction; and (xv) Bangaon Junction.

Depending upon the availability of loads, empty specials to Steel Plants and Pakur Station are also sent from this yard. This yard is also an interchange point with the Port Commissioners' Railway and receive two trains and makes over two trains daily.

1.8. The trains for the first three directions are hauled by electric locomotives and those for other directions are hauled by steam/diesel locomotives.

Capacity of the yard and number of wagons dealt with therein*

1.9. Prior to November 1963, the daily holding capacity of the sorting yard was 497 wagons. As this capacity was less than the capacity of the reception yard (600 wagons), the yard was remodelled in 1963 at a cost of Rs. 19.76 lakhs (booked upto March 1975). The completion report of the work is still (December 1975) to be drawn up. The present daily holding capacity of the sorting yard is 829 wagons. In the course of remodelling the lay out of the yard was changed to facilitate quick movement of the wagons to and from the yard. The total daily holding capacity (reception, sorting, marshalling and despatch lines) of the yard is 3,159 wagons.

*The capacity of marshalling yards is assessed in terms of four-wheeler wagons.

1.10: The number of through and terminal loaded wagons and empties dealt with in this yard is indicated below: —

	Average number of wagons dealt with (received, sorted out, marshalled and despatched) per month	Number of wagons dealt with (daily average)
1962-63	55,280	1,843
1963-64	43,885	1,463
1964-65	47,377	1,579
1970-71	35,412	1,181
1971-72	35,487	1,183
1972-73	37,343	1,245
1973-74	35,275	1,176
1974-75	34,720	1,157

[Sub-paras 7.5 to 7.9 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75—Union Government (Railways)].

1.11. According to the Audit Paragraph, the Chitpur yard was remodelled in 1968 at a cost of Rs. 19.76 lakhs but the completion report of the work was still to be drawn up. Referring to the need and gains of remodelling of Chitpur Yard, the Member Traffic has informed the Committee during evidence:

“I would like to mention that in the 1960s the entire area was put under electric traction. Now, with electric traction we can move trains more speedily and run longer trains; whereas in the steam days we were running only 50 to 55 wagons per train, with electric traction we are able to run up to 75 wagons per train. To enable us to run longer trains, the old yards which were not equipped with lines long enough to receive trains of longer length were remodelled in the sense that the receiving lines were lengthened to accommodate these trains and despatch lines were also lengthened. This is what happened in Chitpur;

the length of the yard lines was increased to receive longer trains; and incidentally it is not possible extend yard areas laterally or longitudinally. We are now able to run long-distance trains which are heavier and of longer length direct to and from Chitpur over longer runs, eliminating detentions in the intermediate yards. So, the benefits of electrification have been speedier transit and a larger number of wagons per train than it used to be in the steam days, though detentions at certain individual points may be more. At the originating yards the detentions may be more due to longer trains being formed but in the intermediate yards the detentions are less and we also get the benefit of quicker transit."

1.12. In a note furnished to the Committee, it has been further stated:

"Remodelling of Chitpur Yard was based on the need for increasing the loads of freight trains due to introduction of electric traction. The total cost of remodelling was Rs. 19.90 lakhs. A major portion of the expenditure was for extension of receiving and despatch lines for running 70 wagon trains. Remodelling did not eliminate the basic limitation of cross movements required for transfer of stock from the sorting yard to the despatch yard. This limitation could not be removed due to Chitpur Yard being space-bound."

1.13. The Committee asked why the completion report of the remodelling of Chitpur Yard done in 1963 had not yet been prepared. To this, the Chairman, Railway Board has replied:

"The remodelling of the yard was done in various stages. The works were completed by March, 1972 only because they extended it line by line as they had to do it under traffic, and that took some time. This work was finished in March, 1972."

1.14. On being pointed out that it took nine years to complete a simple work like lengthening of the receiving and despatch lines the Chairman, Railway Board has stated:

"It is very unfortunate, I agree. The line was lengthened very quickly, but the electrification portion and the signalling portion got unduly delayed because, in these

portions certain leads were completed only in March 1972 and the despatch yard was completed only in 1976."

The witness has added.

"After completing the civil engineering portion, they extended the leads and I agree that not putting through the signalling and electrical portion along with the civil engineering work was avoidable delay... The plans were changed from time to time to some extent."

1.15. Asked whether there were adequate reasons for the plans having to be changed from time to time or the delay occurred because of some indifference at some stages, the Chairman, Railway Board has replied:

"I cannot find any valid reason for the delay... what happened was that in the beginning they thought of wiring only the top of the loops but later on they wanted to extend them.

That decision was taken after some time and this, I understand was the reason for the delay... There was no substantial change in the project because the number of lines which were extended remained the same... Some of the items like flash-light projectors were visualised only later on and indented for much later, after the work had started. The flash-light projector was indented for in August 1971 and was received in 1972. That was one of the reasons."

1.16. In a note furnished to the Committee, the Ministry of Railways have further explained as follows:

"Regarding the delay in completion of the work of Chitpur Yard remodelling, it is clarified that the estimate for the work was sanctioned in 1958 with department-wise break-up as under:—

	Rs.
Civil Engineering	15.80 lakhs
Signal & Telecom.	4.00 lakhs
Electrical	0.24 lakhs
	20.04 lakhs

The work had to be carried out under traffic conditions and therefore in different stages. The Civil Engineering work which formed the major part of the remodelling was completed within four years, by March 1962. The Signal & Telecommunication work was thereafter completed by March 1965 and the revised working rules for the remodelled yard introduced in May 1965. The electrical portion of the remodelling involved only very minor works and most of them were completed in 1962 except installation of 5 flood light projectors. Till then alternative electrical arrangements were made for lighting the yard.

It will be seen from the above that the remodelling was physically completed and brought into use in about 6 years. The estimate was, however, kept open till completion of minor residual works and for adjustment of debits and credits."

1.17. In response to a query, the Chairman, Railway Board have informed the Committee that "the completion report has been prepared and sanctioned very recently".

1.18. The Audit Paragraph points out that in the course of remodelling of Chitpur Yard, the lay out of the Yard was changed to facilitate quick movement of the wagons to and from the yard. It is however seen from the figures mentioned in the Audit Paragraph that the average number of wagons dealt with in Chitpur yard had considerably gone down from year to year. The average number of wagons dealt with per month in 1962-63 was 55,280. In 1974-75, this figure had come down to 34,720. During evidence the Committee enquired how the number of wagons dealt with in 1974-75 in Chitpur Yard had decreased when the efficiency of the Yard was supposed to have increased following its remodelling. The Member Traffic has explained:

"When the Chitpur work was sanctioned, that was not an enough work by itself, but a part of group work consisting of Andal Yard, Chitpur Yard and two other yards were included. After remodelling of Andal under group works, trains have been sent to certain points like Kali-ghat, Sealdah Goods-shed, Budge Budge, etc. The trains were not going directly to these points before. After

this remodelling, the congestion in the Calcutta area has been reduced. These direct trains were run to certain other points thereby reducing the pressure on Chitpur. That is the principal reason why we see the number of wagons handled in Chitpur being less from 1964-65 onwards, that is, after the remodelling of these yards was completed."

1.19. The Committee pointed out that there had been a continuous drop in the number of wagons handled at Chitpur after remodelling. This indicated that the objectives of the remodelling had not been achieved. In this context the Member Traffic has stated during evidence:

"The objective was not merely to lengthen the lines in Chitpur yard but to enable us, by remodelling a group of yards, to handle more traffic on the Eastern Railway. If we can see the total quantity of traffic taken in by the Eastern Railway and handled by the Eastern Railway, this would amply prove it."

He has added:

"I would like to mention that the group work included remodelling of four yards viz. Chitpur, Andal, Asansol and Sitarampur. The traffic anticipation was not made for an individual yard but for a group of yards. The total additional traffic which was expected to be handled was, according to its nature, divided into two groups. Group one traffic was in respect of up direction; group two traffic was in respect of down direction to Calcutta area which included Chitpur. Both the groups were expected to handle an additional originating loading of 983 wagons. That is the justification on the basis of which the work was sanctioned. A productivity test was conducted and revealed that the additional daily average loading was 1848 wagons.

The originating loading on the Eastern Railway in 1958-59 was 4635 wagons per day and in 1960-61 was 5678 wagons equivalent to 41.9 million tonnes; in 1961-62, it was 5817 wagons equivalent to 44 million tonnes; in 1962-63, it was 6314 wagons per day equivalent to 48.5 million tonnes; in 1963-64, it was 6519 wagons equivalent to 52.2 million tonnes. So, we are going up in 1964-65, it was 52.4 million tonnes; in 1965-66, it was 53.2 million tonnes and in 1966-67, it was 53.1 million tonnes. Apart

from the originating traffic, the traffic which the Eastern Railway carried was also increased. In 1961-62, it was 52.6 million tonnes; in 1962-63, it was 52.3 million tonnes; in 1963-64, it was 63.7 million tonnes; in 1964-65, it was 63.7 million tonnes and in 1965-66, it was 68.2 million tonnes. We have to look at it for a group of yards and not an individual yard, the performance of which may be contingent upon the change in pattern of working and the nature of the remodelling and the change of traction which we adopted. Electric traction enabled us to run long distance trains. Electric traction with remodelling also enabled us to form trains for a farther destination than what we used to do previously. So to that extent the intermediate detentions were cut off, but the total output increased and the overall traffic handled in the Eastern Railway was more. This was submitted to productivity test."

1.20. The figures regarding average number of wagons dealt with per month and the number of wagons dealt with daily in Chitpur Yard between 1965-66 and 1969-70 are given below:—

(in terms of 4-wheeler wagons)

Year	Average No. of wagons dealt with per month	Average No. of wagons dealt with per day
1965-66	46516	1529
1966-67	44166	1452
1967-68	42492	1393
1968-69	42626	1401
1969-70	43092	1417

Considering these figures in juxtaposition with similar figures for the periods 1962-63 to 1964-65 and 1970-71 to 1974-75, as given in the Audit paragraph, it is seen that the decline in the average number of wagons dealt with in Chitpur Yard was a recurring feature. During evidence before the Committee, the Member Traffic has explained the continuous drop in the following words:

"I will divide the period from 1962—75 into three groups. As I explained, up to 1965, we can talk of the preremodelling and the pre-electrification period. From 1965-1969, there was comparatively a smaller drop which was ex-

plained by lesser number of wagons going to Chitpur, because greater number of wagons were going to other destinations, in down country area direct. The difference is not much; it is about 100 wagons. The substantial drop is after 1969-70, that is, from 1970—74. During 1970—74, we had a drop from 1400 level to 1200/1100 level and to that extent there was a drop in the intake of wagons in the Calcutta area also. The number of wagons received on the Eastern Railway in the industrial belt was less because of disturbed conditions. The industries were not working to normal capacity. The productivity was low. The number of wagons was less. It has since again risen. In the first three months of 1975 it was 1400. As far as the period from 1970—74 is concerned, I would again say that the total intake of wagons on the Eastern Railway in the down country area was itself low. We did not get sufficient traffic as the industries were running very badly. So, the productivity was low.....Apart from the drop in the volume of traffic, our own communication was disturbed. There was theft of wires, removal of spare parts from wagons, etc.”

1.21. In the same context, the Chairman, Railway Board has added:

“Our experience was that in 1969 the operations were very good, the goods loading was very good, the passenger traffic was good. The difficulties started in about the middle of 1970—August and the maximum difficulty was in respect of the cutting of the overhead wire. We have electrified the track and if the overhead wires are cut in two or three places, the entire operation comes to a stop. It was a nightmare for us. Again, these thieves were not just ordinary thieves, one individual cannot do it; it was an organised thing. Even the railway staff were hampered by the people who tried to protect them. A number of people were arrested before the situation improved. We had to organise very heavy patrolling against thieving. . .After about the middle of 1972 thieving and losses of brake-beams and OHES have considerably reduced. Even today in the Sealdah division, there are cases of removal of fans and other fittings. If the rakes have to be stationed say at Diamond Harbour for

some time, we cannot keep a watch to the required extent. We are having a constant dialogue with the State Government and the position has improved.”

1.22. The Ministry of Railways informed the Committee through a written note that in the year 1975-76, the number of wagons dealt with per day in Chitpur averaged 1316.

Detention of wagons in Chitpur Yard Audit Paragraph

1.23. In August 1967, the targets for detention of 'through loaded' and 'all wagons' (that is, including 'through loaded' and 'terminal loads') were revised from 16 and 17 hours respectively to 19 and 16 hours respectively after taking into consideration the working conditions of the yard. These were further revised to 23 hours and 18 hours respectively in December 1974. However, the actual detention per wagon, on an average, remained far above liberalised targets as indicated below:—

Year	Through loaded wagons (target-19 hours/23 hrs.)			All wagons (target-16 hours/ 18 hours)		
	Average	Maximum	Minimum	Average	Maximum	Minimum
1969-70	23.0	—	—	17.3	—	—
1970-71	34.8	62.6	21.6	23.5	37.6	16.0
1971-72	43.2	58.8	35.0	26.2	32.3	23.2
1972-73	34.0	47.0	27.8	21.0	26.4	18.4
1973-74	35.2	43.3	29.5	20.0	25.5	18.5
1974-75	38.2	41.6	32.6	25.0	26.5	23.8

[Sub-para 7.10 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)].

1.24. The Committee have been informed that in the year 1975-76, the number of wagons dealt with per day in Chitpur averaged 1316 and average detention to through loaded wagons and all wagons were 36.0 hours and 24.05 hours respectively.

1.25. The targets for detention of 'through loaded' and 'all wagons' in Chitpur Yard were revised in August, 1967 and further revised in December, 1974. In regard to the provisional re-fixation of targets

by Eastern Railway Headquarters in December 1974, the Member Traffic has stated during evidence:

"The figures were revised from 16 and 17 respectively to 19 and 16 and later on to 23 and 18 hours. The revision was carried out in view of the changes in the pattern of traffic and also in view of the revised pattern of marshalling which was laid down after the re-modelling works were completed and when the benefits of electrification were being derived. The best performance was in 1969-70 and generally, our system is that the Railway fixes the targets for the performance of these yards and other establishments on the basis of the last best performance. So, taking into consideration the revised system of marshalling—and also the last best performance which was in 1969-70, the target was finally fixed at 23 hrs. and 18 hrs. respectively for 'through loaded' and "all-wagons." However, certain other commitments were given to the yard which occasioned more detention of wagons such as type-wise marshalling of empties to coal fields. After examining this matter we found that a 23 hours and 18 hours target is not entirely realistic and that what is now being achieved—i.e. in 1975 and in the first three months of 1976—would be more realistic.

The additional commitments that have been given are partly due to the changes that came about when we introduced high capacity box wagons which can carry 55 tons of coal and other bulk traffic as against 22 or 23 tons which the four-wheeler wagons can carry. These high-capacity wagons are fitted with a special type of coupler; known as central Buffer couplers and not with chain couplers which are there in the old type of wagons. We have to run these box wagons in separate trains as these couplers are not comparable with the old type of wagons and, for this purpose, wagons have to be sorted and formed into two categories, one being the four-wheelers and the other being the ones fitted with central buffer couplers. All this occasioned additional detention at Chitpur, due to which a revision was decided upon by the Eastern Railway."

1.26. Asked to state the reasons which necessitated a change in the targets for detention of wagons in Chitpur in December, 1974, the Member Traffic has stated in evidence:

"There were two main reasons. One was that the marshalling done by up-country yards like Mughalsarai, Andal etc.

enabled through loads by longer trains to be brought to Calcutta area. This reduced the quantum of traffic coming into Chitpur yard. There was also reduction in the total intake in Calcutta area of loaded traffic. When the wagons are less, for the area to which they are to go and for which loads are to be formed it will take a longer time. Why you have plenty of wagons available, then the marshalling is quicker. When the number of points which are to be served gets lessened, then the picking up, sorting and formation of trains take longer time. The total traffic came down for two reasons. One is the unrest in that particular area and the other is the through loads going to other points in the Calcutta area by passing Chitpur yard. Therefore, the reduction in the number of wagons resulted in increase in the detentions. Therefore, it was thought by the Eastern Railway Administration that the targets should be revised upwards. The Eastern Railway went entirely by the last best performance, not taking into consideration the additional work."

1.27. When the Committee pointed out that since there had been considerable changes in the pattern of traffic between 1969-70 and December, 1974, the fixation of targets with reference to the year 1969-70 was not appropriate, the Member Traffic has stated:

"The last best performance was in 1969-70 and from 1971 onwards they were all bad years. In the intervening period the pattern of traffic changed because additional marshalling commitments were also given to the yards. The Eastern Railway Administration had decided that they would not give any allowance for the time being for these additional commitments and they fixed the targets on the basis of the last best performance and, unfortunately, we were not able to test that target, as I said, until 1974-75. Our performance was not good till then and it was only in 1975-76 that the position improved, as compared to the previous year since 1969-70. But we have still not come anywhere near the 23 hours target. I have examined this matter since the Audit Report was framed and I find that a target of 23 hours and 18 hours is no longer a realistic one. The Eastern Railway Administration has been asked to look into the matter again and make an analysis of the pattern of working and fix the target afresh."

1.28. The Railway Convention Committee 1971 had observed in para 6.104 of its Fifth Report presented to Parliament on 27th April

1973 that "there are heavy detentions of wagons in almost all the important marshalling yards and the targets prescribed had practically no relevance to the reality of the situation. The Committee understand that the question of fixing the targets afresh both in respect of marshalling yards and transshipment points is under consideration so as to reflect the position correctly in terms of wagons units." On 15th March 1974 the Ministry of Railways informed the Railway Convention Committee (1973) that "the Committee's recommendations had been noted and communicated to the zonal railways. The Committee enquired in the context of the above, how was it that the Railway Administration did not take into account the changes in pattern of traffic, marshalling etc. when they refixed the targets in December, 1974.

The Member Traffic has stated:

"They were aware of the additional commitments and the additional detentions but it was done deliberately to keep the targets a little tight so as to realise a better achievement on the part of the staff and optimum use of resources. But the target was kept at too strict a level by the Eastern Railway. Now that it is not kept up, this matter has been brought to the notice of the Eastern Railway for revision of the target."

1.29. Subsequently, in a note furnished to the Committee on 29 January, 1977; The Ministry of Railways have intimated:

"The performance of the yards at Chitpur Naihati & Andal were analysed in the context of existing traffic patterns, marshalling commitments and other constraints peculiar to each yard. The detentions for a representative month were analysed for each stream of traffic and norms formulated for these streams taking into consideration the optimum time required for movement of stock from the reception yard to the classification and departure yards. The optimum time required for completion of these internal yard activities was added on to the minimum time required for materialisation of adequate wagons for formation of full loads for each stream of traffic.

After taking all relevant factors into consideration including the best results achieved in the years 1975 and 1976 and

allowing for a margin for improvement, detention targets have been revised as under with effect from January, 1977:

Year	Target detention (in hours)	
	Through loaded stock	All wagon
Chitpur	28.0	21.0
Naihati	25.0	24.0
Andal	28.0	19.0"

1.30. On the question of fixation of targets for various marshalling yards by the Railway Board and the Zonal Railway Administrations, the Member Traffic has deposed during evidence:—

“There are certain marshalling yards for which the statistics are published. They are comparatively a few in number and for these marshalling yards, the Railway Administrations fix the target and advise the Railway Board. Regarding the other yards in the country, it is entirely for the Railway Administration to fix the targets and we get them for these specific marshalling yards for the purpose of periodical review of performance which is carried out by the Directors of the various branches.’

1.31. The Committee enquired whether the Railway Board had analysed the reasons for detention of wagons in Chitpur Yard for periods far above the liberalised targets and particularly when the number of wagons dealt with in the yard had substantially come down. In a note, the Ministry of Railways have stated:

“The actual detentions during the years 1970-71 onwards were affected on account of factors such as deterioration in law and order, political agitations, strike by staff etc. The heavy incidence of power failures and thefts of EMU and overhead equipment in the suburban section seriously affected the yard operations at Chitpur. The working of Calcutta Post Commissioners’ Railway where a large number of wagons were held up also had its repercussions on the working of Chitpur yard. The average wagon balance in the Calcutta Port went up as high as 3,353 in the year 1974 as against target of 2,250. Similarly, the strike in the Jute Industry and by FCI labour in 1974-75 resulted in immobilisation of about 600 wagons carrying jute

and 1000 wagons carrying foodgrains for prolonged periods. Some of these detentions occurred in Chitpur yard also."

1.32. During evidence before the Committee, the Member Traffic has stated:

"In the current year, in April, May and June, 1976 the "through-loaded" wagons detention figures were 36.6, 38.6 and 31.1 hours and "all-wagons detention figures were 23.8 24.9 and 23.3 hours separately. Now, one of the reasons, according to what we can gauge from here, is that the Chitpur Yard which was getting inward traffic was unloading the wagons and sending them all mixed up to the collieries earlier, but now they have to detain these wagons to form separate trains for boxes with central couplers and separate trains for four-wheelers. This additional sorting occasions additional detention. Again, Chitpur is also now forming longer trains after the lengthening of the lines. Moreover, the section from Chitpur to Mughalsarai has been electrified and, with this conversion of the trunk route to Mughalsarai, Chitpur also forms through trains unlike previously when it was sending the traffic all mixed up to Asansol. Cossipore now forms through trains which means lesser detention at the intermediate yards. So, Chitpur has necessarily to detain the wagons a little longer. The coal wagons for Calcutta Electric Supply Power House, Cossipore which were formerly coming in smaller loads are not coming in heavier rakes into Chitpur and multiple placements are refused to be done. Therefore, the formation and marshalling pattern as adopted results in additional yard detentions. But here we must take into consideration the total through-put and not individual detentions, at one or two yards occasioned by introduction of electric traction or changed patterns."

1.33. The Committee asked whether the detention of wagons in marshalling yards for periods far above the targets fixed would not indicate that the effective wagons fleet had been reduced in number and consequently the movement of goods was hampered. To this the Member Traffic has replied:—

"Certainly, to that extent, the wagons available for traffic would be less. But if you are referring to any individual point, then I would submit that this will not give a correct appreciation and we should take into consideration the

pattern of movement, particularly as our leads are of continental nature, Madras to Delhi and so on. We cannot gauge the ability of the railway to provide for traffic requirement by detention at an individual point to an individual wagon. The wagons may be detained in a particular area, but that detention has been offset by longer trains and so on. Detention has to be viewed in its totality. The total traffic handled by the Eastern Railway has gone up from 49.6 million tonnes to 67.8 millions tonnes. So, if you say for this reason that the movement of goods is hampered it would not be correct."

.134. In the same context, the Chairman, Railway Board has stated:

"The wagon availability for loading whether in a particular railway or on all-India basis depends on the wagon turn-round; the time when it is loaded and when it is again available for loading. This is the real criterion for wagon availability. Now the detention in a particular yard is not what is going to determine the total wagon availability. It may happen that in Chitpur, detentions may be more, but it may be because Chitpur is forming trains for Bongaigaon. As I said, the criterion to be seen is the turnround of wagons. That has improved in 1975-76. During 1970-71 and 1974 and 1975, the wagon turnround had gone to 10 days. The position on all railway basis has also improved. For example, in the past Mughal-sarai used to send trains which had to be remarshalled at Allahabad. Now it forms the trains and sends to Feroz-pore, a long distance. Even though the time taken at a particular yard may be more it has skipped so many intermediate yards enroute and thereby detentions are saved. Detention in a particular yard along cannot determine the availability of wagon."

1.35. The Committee pointed out that the average detention to through-loaded wagons in Chitpur yard in 1969-70 was 23 hours. This figure had gone up to 38.2 in 1974-75 and even in 1975-76 which is considered to be operationally a better year, the average was 36 hours. Asked how the increased detention was justifiable, especially when the number of wagons handled by the yard had considerably gone down, the Member Traffic has stated:

"... We have, in the opening months of this year, and in the latter half of 1975-76, come back to the average number of wagons dealt with per day in Chitpur—to the level

of 1966-67. During 1967-68, 1968-69 and 1969-70, the traffic had gone down. The period prior to 1966-67 was the period when Chitpur was receiving more wagons because it was doing all the work for Calcutta area. With the remodeling of Andal Yard trains are formed for some destinations by-passing Chitpur Yard. But Chitpur is doing much more work in the matter of shunting, sorting and marshalling and forming of long distance trains. Wagons for destinations Mughalsarai and beyond Nimpura and Kharagpur on S.E. Railway and Malda and Jalpaiguri on North Frontier Railway are now despatched which was not done before. Earlier traffic going to the North East Frontier Railway had to be carried upto Farakka in mixed conditions and then it was transhipped in river ferries.

Wagons for destinations beyond Mughalsarai are now despatched in train loads direct to Mughalsarai from Chitpur so as to avoid detention to these wagons at intermediate yards. Empty wagons are being marshalled type-wise for despatch in train loads to the coal fields to facilitate the loading and movement of coal in block rakes."

He added:

"The other factors which would contribute to the additional detention in Chitpur is the pattern of traffic coming. In 1962 oil seed traffic was coming in large quantities. That pattern changed from 1970 onwards and extracted oil started coming more rather than the oilseeds from distant areas. Previously Jute was coming in larger quantities and now bulk of this traffic goes directly to Mills. Stone and cement traffic is presently coming in larger quantities as compared to bagged traffic.

The traffic from Chitpur and Naihati yards gets detained also because of the increase in the number of suburban and non-suburban trains. We can move out goods train after being free from suburban and non-suburban periods. So, the wagons must necessarily remain at either end at Andal or Chitpur."

1.36. In reply to a question whether the upward revision of the detention hours from time to time was not a bad practice, the Member Traffic has stated:—

"If I detain deliberately, by planned movement, wagons at a particular yard with the consciousness that for the re-

maintaining portion of the journey, they will move fast, that detention is justified. That is what we are trying to say that the concept of detention at a particular point should not determine the efficiency or inefficiency of the movement across the country. If I can marshall a long distance train by detaining the wagons and for forming longer trains which I can take through to a much longer distance, say 1,000 miles, that detentions is justified."

He has further added:

"Detention of an individual wagon is different from an average detention of wagons. You have to see that output; whether the output has satisfied the standards which were set for the sanctioning of certain works and the expenditure incurred in those works. If the output is achieved notwithstanding any individual detention in a particular yard, I would submit that the purpose is served. The individual detention, which may be justified, on account of the changed pattern of working, should not be taken into consideration in determining the efficiency or inefficiency, but it is the productivity that has to be seen."

1.37. Since it was stated that the real criterion for judging the wagon availability was the turnround of wagons, the Committee desired to know how the index of wagon turnround for All Railways had behaved over the years. In this connection the Committee drew attention to the following observations contained in paragraph 1.24 of their Report (Fifth Lok Sabha):

"The Committee are concerned to note that the index of wagons turnround for all railways shows gradual deterioration during the last 7 years inspite of all the fanfare. The wagon turnround is defined as the time interval which elapses between two successive utilisation (Loadings) of a wagon. The turn-round of 11.8 days in 1965-66 deteriorated to 13.5 days in 1971-72 on broad gauge while the turn-round of 8.41 days obtained in 1965-66 on metre gauge worsened to 10.6 days in 1971-72. The performance of certain railways such as Eastern and North East Frontier on broad gauge and Northern and North Eastern on metre gauge has been particularly bad during this period."

1.38. It is also seen from paragraph 7.5 of the 'Indian Railways' Year Book—1975-76' that the "Turn-round time to wagons (time elapsed between successive loadings of a single wagon) has been

increasing over the years due mainly to increase in the lead and low traffic volume." "The figures of wagon turn-round as given in the Indian Railways Year Book-1974-75 are reproduced below:

Year	Wagon turn-round (days)	
	BG	MG
1950-51	11.0	N.A.
1955-56	10.5	N.A.
1960-61	11.2	7.2
1965-66	11.8	8.4
1969-70	12.6	9.4
1970-71	13.3	10.1
1971-72	13.5	10.6
1972-73	13.5	10.8
1973-74	15.0	12.5
1974-75	14.6	12.0
1975-76	13.5	11.6

1.39. Referring to the index of wagons turnround, the Member Traffic has stated during evidence:

"In March 1976 it was 12.1 on Broad Gauge. Now we have surplus wagons available at our disposal, as traffic has not been forthcoming recently in adequate quantities as we had expected. The deteriorating years were 1970-71 onwards in the Eastern sector, which had a crippling effect on the indices. The operating efficiency went from bad to worse in the Eastern sector so that whatever improvements were made in other areas were off-set by the deteriorating trend in the Eastern sector. In 1975-76 we again came round and improved and had an average turn-round of 13.2 for the whole year with 12.1 in March, 1976. The lead has increased vastly. In 1965-66 we were working to a lead of about 576 kilometres which went up to 665 in 1975-76. We are now working to nearly 700 kilometres for revenue earning traffic. Thus with the increase in average lead of traffic, the turn-round also increased. In 1975-76 it had come down to 13.2 for the whole year and 12.1 in March, 1976 with increased lead of 89 kilometres. So, I feel con-

strained to say that our performance has improved and the Committee may kindly look at it in that light."

1.40. Asked whether the improvement noticed in 1975-76 indicated that the contribution of the Eastern and North-Eastern sectors had been proportionately higher, the witness has stated.

"It has been very much higher. The Eastern and North Eastern sectors have now come into their own since 1975 and they have wiped out the very bad performance of the four years from 1970-71 onwards. The Eastern Railway has done the highest coal loading and its mobility has been very good. It has made a major contribution to the come back of the all-Railways performance. So also is the case with North Eastern and North East Frontier Railways which were in shambles up to 1974-75. They have staged a good come-back and their mobility and operating performance have been very good."

He has added:

"In the contribution to the all-India picture of performance, the Eastern sector must play the greatest role because the heaviest tonnage is moved by the South Eastern and the Eastern Railway. Electric traction and diesel traction account for 75 per cent of the total tonnage moved and if the Eastern and South Eastern Railway are not in good health, the total tonnage moved will drop and the mobility will drop, resulting in "all-Railways" bad performance. But I am happy to report that the Eastern and South Eastern Railways have done a record level of performance in 1975-76. That means that their health is returning to normal."

1.41. In reply to a question whether there has been a commensurate improvement in the wagon turn-round in 1975-76, the Member Traffic has stated:

"We have come back to normal and, apart from that, we have much more capacity now to move more traffic both on the Eastern and South Eastern Railways. But, unfortunately, in the last few months, traffic has not been forthcoming to the extent we had expected. For instance, coal is not coming to the extent we had programmed because the power houses say that they have already got 40 days' stock; the hydel generation has improved with good rains and they are consuming less coal losing about 500 wagon-loads of coal loading per day for all consumers. The cement

plants have also thrown up their hands and say that about 30 days stock is there with them. So coal loading has come down in the Eastern Railways and we have surplus wagons available with us. So is the case with other industries also. There seems to be an abundance of raw material in certain industries, which has lowered the level of loading in the Eastern sector."

Deterioration in use of engine power

Audit paragraph

1.42. The position of number of wagons dealt with per shunting engine hour also deteriorated from the year 1970-71 as given below indicating use of more engine power:

Year	Average number of wagons dealt with per shunting engine hour	Maximum	Minimum
1968-69	18.80	24.9	16.8
1969-70	18.10	19.0	16.7
1970-71	14.90	17.1	12.4
1971-72	15.00	16.8	11.2
1972-73	15.80	17.4	17.9
1973-74	15.00	16.5	13.6
1974-75	15.00	19.7	14.6

[Sub-para 7.11 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)].

1.43. According to the Audit Paragraph, the performance of shunting engines in the Chitpur yard as also in Naihati and Andal yards deteriorated from the year 1970-71, involving wastage of locomotive power and delayed clearance of wagons. The Committee enquired about the reasons for this deterioration and the steps taken by the Administration and the Officers-in-charge of these yards to improve the position. In a note, the Ministry of Railways have stated:

"The output of the three yards was seriously affected from the year 1970 onwards on account of the deterioration in law and order conditions and frequent agitations by different categories of staff. The power crisis, on account of which industries had to work much below their capacity contributed to decline in traffic to and from Calcutta area. The originating traffic in Eastern Railway also went down and the yards were not fully utilised. This decrease in traffic in the area resulted in reduction in the total number of wagons handled in the yards. The shunting engine hours, however, could not be correspondingly reduce in view of the fact that operations in the various spheres of the yard had to be performed round the clock, even though with reduced intensity. No shunting engine could be withdrawn as each had a distinct function.

The reduction in number of wagons dealt with at Naihati was on account of suspension of traffic to, from and *via* East Pakistan from September 1965 til partial restoration in 1973. The interchange level with Pakistan Railway was about 145 wagons daily and since this traffic gets accounted for in both up and Down directions, the overall reduction in the number of wagons handled is about 200 or say 300.

There has been substantial improvement during 1975-76 as indicated below:

	No. of wagons dealt with per shunting engine hour
Chitpur	16.6
Naihati	6.6
Andal	16.8

In case of Chitpur, the performance was better than 1969-70 level in November/December 1975 and February/March 1976. Similarly, in case of Andal, the performance during October 1975 to March 1976 surpassed the 1974-75 level, the figure being 18.7."

1.44. Referring to the figures for the year 1975-76 regarding the number of wagons dealt with per shunting engine hour, the Committee asked how the Railway Board claimed that their had been

substantial improvement during 1975-76. The Member Traffic has stated in evidence:

"We have given the number of wagons dealt with for shunting engine hours as:

Chitput	16.6
Naihati	6.6
Ardal	16.8

Since these figures were submitted, the audited figure received for Chitpur indicates a slight correction that instead of 16.6 it should be 17.1, the other figures remaining the same. I would bring to your kind notice that when the reply was given we did not have the audited figure with us.

In 1969-70, the number of wagons dealt with per shunting engine hour was 18.1. As I submitted, the number of wagons in Chitpur yard had gone down. When the number of wagons comes down and the number of shunting engines remain the same, then the number of wagons dealt with per shunting engine hour will correspondingly reduce. It all depends therefore on whether the number of shunting engines working at that particular time were necessary as the number of wagons had come down compared to the earlier years.

Now, regarding yard shunting engines, there are two spheres. One is purely local sphere dealing with the local terminal traffic e.g. Chitpur goods shed, line delivery points, Cossipore goods sheds, the power house viz. Calcutta Electrical Supply Siding, the Port Trust Exchange Yards etc. Each of the local spheres requires its own shunting engine for placement shunting in the area and withdrawal of the wagons which have been dealt with. The yard is divided into reception ward, sorting yard, marshalling yard and departure yard. In the reception yard two engines are required. The train is received in the reception yard and two engines push the train over the hump. The wagons come down by gravity in the sorting yard in which different lines are nominated for different directions. After they have been shunted to the various sorting lines, then they are drawn either to the terminals just mentioned in the

case of local traffic or further grouped in the marshalling yard destination wise for despatch by industrial pilots and shunting trains or directly drawn to the Despatch yard as in the case of empty wagons being sent to the coal fields. From the departure yard they are picked up by train engines and despatched by shunting trains or industrial pilots, such as Ballygunge, Jadavpur, Batanagar, Belgharia, Sodepur etc. So two engines in the reception yard, one in the sorting yard, one in the marshalling yard and one in the despatch yard are required. The total comes to 5 engines. The number remains the same although there is some drop in the total number of wagons received at Chitpur. A minimum number of engines has to be kept for each sphere of operation in the reception yard, sorting yard, marshalling yard and despatch yard. It could not be reduced.

On the other hand in the terminal areas there were only 5 shunting engines but in 1971-72, due to low productivity we added another engine. Since our position improved in 1975-76, the number of engines was reduced and in the terminal areas there are now only 5 engines as before. The overall traffic has increased now and the number of engines has come down to 10 in place of 11."

1.45. In reply to a question whether the reduction in the number of wagons dealt with per shunting engine hour from 1970-71 could be related to the recession in the country or the trouble in the Eastern region, the witness has stated:

"The reasons for less wagons coming to Chitpur are two: one was the re-modelling of group of yards which helped in forming block loads for some destinations by passing Chitpur. The second reason related to the period from 1969-70 to 1973-74 upto the time of the major strike when the number of wagons going to Calcutta area was less, because of trade activity being less, and because of general indiscipline and labour unrest. This is a pattern which you will observe in all marshalling yards, viz. that if the number of shunting engines remains the same, but the number of wagons dealt with is less, the derivative will come down. Operation-wise, we have to see whether the number of shunting engines is still required, as before. In this particular case, I have explained that for the various spheres in the Chitpur yard, the number could not be reduced to below 5."

Reasons for Detention of Wagons

(a) Fluctuating availability of wagons

Audit paragraph

1.46. At times more wagons accumulated in the yard for particular section(s) than could be moved out, while at others the loads for a particular destination were less than a train-load and, therefore, the wagons had necessarily to be detained till the overaccumulation (congestion) eased or the loads materialised.

1.47. In the case of steam traction, a train will normally have 35 to 50 wagons; in the case of electric or diesel traction, the train formation consists of 70 wagons.

1.48. During the selected month of November 1974, however, it was noticed that 14 local trains had been despatched underloaded, although more wagons were available in the yard for the respective destinations for forming optimum loads. Thus, 7 trains moved with only 1 to 5 wagons each and the remaining seven with 6 to 21 wagons each, resulting in wastage of haulage capacity of the locomotives and detention of wagons.

1.49. Further, more than one train were run on a day for loads destined for the same direction when one train would have served the purpose. On the dates indicated below, 34 trains were despatched to different directions, (a) 6 each to Ballygunge and Bata-nagar, (b) 5 each to Dum Dum Cantonment and Bangaon, and (c) 4 each to Belgharia, Sodpur and Barrackpore/Ichhapur. It could have been possible to attach the loads for Ballygunge to the trains for Bata-nagar; that for Dum Dum Cantonment to the trains for Bangaon Junction and for Belgharia and Sodpur to the trains for Barrackpore/Ichhapur and thereby running of 19 locomotives between the yard and the intermediate stations could have been avoided:

Name of Stations	Train number	Dates on which the trains were despatched in November 1974
Ballygunge	714 Dn	3, 6, 8, 9, 12 and 14
Bata-nagar	716 Dn	
Dum Dum Cantonment	719 Up	3, 6, 9, 12 and 14
Bangaon Junction	721 Up	
Belgharia, Sodpur	743 Up	6, 8, 9 and 14
Barrackpore/Ichhapur	723 Up	

1.50. The Railway Administration generally explained (February 1976) that the availability of wagons was affected by operational limitations arising from examination of wagons by Train Examiners and sorting of wagons for eventual formation of trains. It further stated that the availability of wagons was also affected because of the need to attach wagons less than the hauling capacity so as to pick up wayside loads, to run goods trains with available loads in order to avoid clash with suburban trains, and to clear sidings and stations so that fresh wagon placement could be made.

[Sub-para 7.12(a) of paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways).]

1.51. One of the reasons given by the Railway Administration for detention of wagons in the yards was that at times more wagons accumulated in the yard for particular section(s) than could be moved out while at others the loads for a particular destination were less than a train-load and therefore the wagons had necessarily to be detained till the over accumulation eased or the loads materialised. The Audit however, pointed out that under-loaded trains were being despatched both by Chitpur and Naihati yards. The Committee enquired whether the reasons for despatching under loaded trains, in spite of the fact that more wagons were available in the yard, had been investigated and whether any study of the problem had been undertaken with a view to formation of optimum loads, prevention of wastage of haulage capacity of the locomotives and elimination of detention of wagons on this account. In a note, the Ministry of Railways have stated:

“The underloaded local trains refer to industrial pilots and work trains which have to leave the base yards at Naihati and Chitpur at fixed timings in order to avoid detentions in the busy suburban sections. Such a train for a particular section cannot obviously take all the wagons available in the yard at the time of departure for the following reasons:—

- (i) The available loads may be dispersed in different parts of the yard such as reception yard, sorting yard etc.
- (ii) These trains not only clear stock materialising in these yards but also these originating at the serving, roadside stations/sidings. It is necessary to run underloaded trains to provide for room for clearance of wagons from these roadside points.

Such a phenomenon of running underloaded work trains and pilots are operationally necessary and is not peculiar to November 1974 or January 1975. On an average 15 pilots/shuttles are run out daily ex Naihati and Chitpur yards. A test check done for March, 1976, shows that out of 465 pilots/shuttles run in that month, 403 pilots have run under load, of which 124 have run with less than 15 wagons on an average.

It may also be added that during the selected months of November 1974 and January 1975, the wagons available in the yard for the pilots (included jute and foodgrain loads), which could not be taken to unloading points on account of the strike in the jute industry (6-1-75 to 25-2-75) and labour trouble in FCI Depots (23-1-75 to 10-3-75)."

1.52. Dealing with the question of running of industrial pilots from the Chitpur and Naithi yards, the Member Traffic has stated during evidence:—

"The industrial pilots are those which are run out from a yard after they have been formed into a train for a particular industry or group of industries. When the number of industries is less and the traffic is generally light, we run out one shunting train on a long section, say, 80 to 100 KMS. This train drops some wagons at some stations and picks up wagons at some other stations. As the industries develop—they go in for industrial sindings—then the ability of one train to do the work over the entire section diminishes with the result that we have to run more than one train. In the Sealdah Division, we have to run industrial shunting goods trains known as industrial pilots. These pilots go out for a nominated distance, over 4-5 industries and come back. If they go any further, they would not come back in time. The whole section has been divided into a number of industrial pilots. They run on the following sections: Ballygunge-Jadavpur-Batanagar Santoshpur; Belgharia-Dum Dum Cantonment etc. A work train also runs to Bangaon. In the Audit Report, it has been suggested that some of them could be combined. I would submit that it is not possible.

The workload and the nature of shunting is such that if we try to combine them, the engine and the staff would not be able to come back to headquarters in time; the industries to be served further away would not get wagons in time.

It has been suggested that the industrial pilot which serves between Ballygunge and Budge Budge should be combined with Batanagar pilot. That would be difficult—there is a siding of about two miles at Batanagar—they would not be able to come back in time. Now we determine the working hours for each siding that is, an engine goes out, works in the siding and then goes to the next industry. On the basis of experience, we can say how much work-load can be entrusted to a pilot.

It is true that on some days when the wagons may be less, the train underload. We cannot expect receiving the same number of wagons everyday for the same industry. The pattern that has been set up in the running of the pilot is not disturbed for any temporary fluctuation. If there is a temporary fluctuation, we do not upset the permanent discipline which we have introduced, because these pilots must run to time. If they do not run to fixed timings then the entire schedule will be upset. If the industry does not receive these wagons in time, there will be serious complaints that they have not received them in time."

1.53. The Audit Paragraph points out that though the loads available in Chitpur yard could have been moved by only 15 trains, 19 additional trains were run, resulting in avoidable running of 19 locomotives. The Committee desired to know whether the marshalling order was observed in all these cases and how was the running of underloaded trains justified. In a note, the Ministry of Railways have stated:

"The loads referred to in the Audit Paragraph consists of wagons for stations served by industrial pilots based at Chitpur. The Marshalling Order for industrial pilots mainly aims at grouping of wagons in such a way that shunting at the stations *en-route* can be done expeditiously. These orders have been followed in the formation of the industrial pilots/work trains.

The Audit observation that the loads available in Chitpur Yard could have been moved by only 15 trains and that 19 additional trains were run resulting in avoidable running of 19 locos, was based on the presumption that the loads for different pilots sections can be combined and the pilots run with full load. The combinations of different pilots proposed by Audit are impracticable for the following reasons:—

The distribution of stations/sections for servicing by individual pilot is planned in such a way that the time taken for placing and withdrawal of wagons at intermediate stations is completed within the scheduled working hours of each pilot. In doing so, various factors have been taken into account such as proximity of stations to depot yards, line capacity available for movement of the pilot, quantum of traffic materialising at individual stations/sidings and the necessity for placement of wagons at least in the forenoon or by noon at the unloading points to enable consignees to obtain 5 clear working hours of daylight for unloading. It is also necessary that these trains are run regularly and punctually, to avoid detention in busy suburban sections.

The Audit has suggested the following combinations:

- (a) *714 Dn. to Ballygunge to be combined with 716 Dn. to Batanagar.*—These two pilot serve two different sections of Sealdah Division. 714 Dn. Works at three stations the section between Ballygunge (exclusive) and Budge Budge (exclusive) while 716 Dn. works at Ballygunge and Jadavpur. It will not be possible for one pilot to service the sidings at Ballygunge and Jadavpur in addition to the sidings at Santoshpur, Nangi and Batanagar as the working time will exceed the scheduled turn-round of the pilot and upset is regular running.
- (b) *719 Up to Dum Dum, and 721 Up to Bongaon.*—719 Up is an industrial pilot serving 4 sidings in Dum Dum Cantt. area while 721 Up is a work train serving stations between Barasat and Bongaon. Combination of these pilots would result in working hours exceeding the schedule considering the limited line capacity for movement of goods trains on the single line section between Dum Dum Junction and Bongaon. The stock materialising in these two sections would exceed the clearing capacity of a pilot, thereby creating a problem for clearance of stock from the section to Chitpur.
- (c) *743 Up to Belgharia/Sodepur with 723 Up to Barrackpore.*—743 Up is a pilot serving the sidings at Barrackpore and Ishapore which are located on the main line section of the Sealdah Division. 723 Up is a pilot which serves the siding located at Belgharia on the Dn. side of

the Quadruple line. These pilots do not work at Sodepur which is served by a separate pilot called the Codepur pilot. Here again, combination of the two pilots will result in the schedule turnaround of the pilot not being kept up. The sidings at Belgharia are located on the Dn. side of the quadruple line section, while the sidings in the remaining 3 stations are located on the Up side. As quadruple lines are intensively utilised for suburban trains, it will not be possible for a single pilot to work the sidings on both sides. There is thus no scope for reduction in the number of pilots serving these sidings.

In view of the above, the presumption that running of 19 additional trains was avoidable is not correct."

1.54. The Member Traffic has also explained during evidence:

"The Audit Report mentions that a given time there were certain wagons available in Chitpur yard which could have been carried to any of those places. It is a spread out yard. There is a receiving yard; there is a sorting yard and there is a marshalling yard. Each of these sections has got a number of wagons. When a train is formed, it is not possible to collect all those wagons from the different sectors of the yard before starting the train to the nominated path and timings."

1.55. When the Member Traffic stated that it was not possible to combine industrial pilots, the Committee were of the view that if it had been done with some pre-planning, it would have done a more economical job, as far as transportation was concerned. To this the witness has replied:—

"If you so desire, we can ask the Eastern Railway to have another examination of the pilot schedules and see whether any re-adjustment can be done. They do it periodically, in any case. If any saving can be there, we want to have it. It is not our intention that we should waste our pilots, but we are keen that the industry should get goods in time. If we wait in the Chitpur yard to collect all the wagons at any given time in all sectors of the yard and as a result the pilot gets delayed and it is further held up because of interference by suburban or passenger trains, it will be a self-defeating exercise and counter productive."

He has added:

“Chitpur has been subject to examination from time to time.

I understand that the Eastern Railway reviewed the pilot running in December 1975, with a view to see whether further refinement or rationalization was possible and that it was found that it was not. As already stated they run to certain fixed timings in the night or early morning. The Barrackpore pilot starts at 3.30 a.m. the Sodhpur one at 2.30 a.m. and the Belgharia pilot at 5.30 a.m. The Dum Dum pilot also starts at night and the Bongaon work trains at about midnight. The Ballygunge-Jadavpur pilot leaves at 9. p.m.”.

1.56. The Committee pointed out that there might be some technical difficulties in re-arranging the schedules for industrial pilots but the fact that out of 465 trains as many as 403 trains were underloaded, would suggest that there was need for rethinking. The Member Traffic has stated:

“If, after examination, we see that at a particular time when a pilot runs—or at a time when it should run—there were no more wagons for that particular industrial sphere or that there were certain wagons in the Chitpur yard which could not be collected and got ready in time, I would accept the position that the pilot should have run with 15 or 20 wagons. But, if after examination we see that there were certain wagons in the yard which could have been picked up and collected and that due to carelessness, they were not, I would say that something wrong has taken place. So, as a general observation I would say that the running of industrial pilots at a fixed time must take priority over detaining the pilot train merely to collect load and then running it late as a result, or getting held up on the run. If individual cases of avoidable detention have occurred, we can examine. But the Eastern Railway's observations are that the pilots ran to time and collected whatever was possible. I would ask them again to review it in the context of any possibility of the time-table being changed, increase in traffic or other factors.”

Commenting on, the specific instances of underloaded wagons given in the Audit Paragraph, the Ministry of Railways have, in a note, stated:

“It has been clarified that running of under-loaded work trains and industrial pilots is incidental to operation and

servicing in an industrial complex keeping in view the need for punctual and regular running of industrial pilots so that the industries receive their inward goods and despatch their outward products regularly.

It may also be reiterated that during the months selected by Audit, the wagons available in the yard for the pilots included jute and foodgrains loads which could not be taken to the unloading points on account of the strike in the jute industry and labour trouble in FCI depots."

(b) *Non-materialisation of power*

Audit Paragraph

1.58. The electric traction of Chitpur yard proper was completed in June 1975. Since then through goods trains originating from the yard are worked by electric locomotives based at Asansol. Under this system the loads though ready for despatch had to wait till the locomotives were available. The arrangements envisage that ordinarily the locomotives of incoming trains would be deployed for hauling the outward loads on their return journey. A study of the records for the year 1974-75 disclosed that the average time lag between loads awaiting despatch and materialisation of power was about 5 hours. The minimum time lag was one hour and maximum 23 hours during the selected month of November 1974.

1.59. The Railway Administration stated that in suburban sections goods trains hauled by electric locomotives had to give preference to suburban, mail and express trains and this resulted in late arrival of power. It has also been stated that there is no automatic matching of loads and locomotives and the detention of loads is inherent in the present day operation under electric traction.

[Sub-para 7.12, (b) of paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)]

1.60. The Committee enquired whether the Railway Board subscribed to the view expressed by the Railway Administration that there was no automatic matching of loads and locomotives and the detention of loads was inherent in the present day operation under electric traction. The Committee also enquired whether there was any scope for reduction in the time lag by proper planning of movement of power. The Member Traffic has replied:

"There is a basic difference between steam and electric traction. The steam engine runs for short runs, generally not exceeding 80 to 100 miles. The locomotive comes out of the loco shed, which is the source, does its run and at the end of 80 to 100 miles goes back to the loco shed at destination. In the yard the detention of the engine was minimal, because the engine was ordered only to suit the formation of the train. But in diesel and electric traction, the 100-mile concept is not there. In fact, we are running trains cross-country almost. Eastern Railway Diesel and Electric engine runs are up to Mughul Sarai and beyond and not just for hundred miles. The engines of the passenger trains run even for longer distances e.g. engine of the Tamil Nadu Express comes up to Delhi. So, the concept of an engine covering a particular distance and going back to the loco shed thereafter, does not arise in these cases.

Now what happens is that the load is kept ready and as soon as the engine comes, we attach it and turn it round.

So far as time taken at Chitpur was concerned we concede five hours is a little more than what it should have been. It should have been about three hours or so. This is what we are doing in the last few months.

The average time taken in February, is 2 hours whereas in March it is 2 hours and 30 minutes. We think that roundabout three hours would be all right in present working conditions."

1.61. In a note subsequently furnished to the Committee, the Ministry of Railways have stated:

"Electric locos are costly assets and, as such, the existing planning of operations is based on intensive utilisation of the locos which should not be detained in yards for **formation of trains**. The objective is to keep trains ready in the departure yard to be picked up by electric locos without undue detention to locos. These detentions are compensated by the larger number of wagons despatched at faster speeds and elimination of wagon detentions in intermediate yards and shunting and engine changing. The pattern of clearance of loads from Chitpur Yard under electric traction, therefore, involves an inherent **detention to loads**.

The time lag of 5 hours on an average is considered slightly on the higher side and this can be kept at 2-3 hours.

by proper planning and constant watch over the movements of electric locos. An analysis of the performance during January—March, 1976 has shown that the time lag has been reduced to this level.

Individual loads, however, get detained occasionally for non-allotment of power despite availability, due to **the inability of destination yards to receive the loads** or due to any unusual occurrence such as accidents etc. The **time lag of 23 hours referred to in the Audit Report in the month of November, 1974** pertains to such a train for which power was not allotted because the load was destined for Budge Budge, where there was over-lapping of wagons already held up awaiting release by consignees and consequently Budge Budge was not in a position to receive the train earlier."

(c) *Adjustment of load and delay in placement of damaged stock in sick lines*

Audit Paragraph

1.62. Wagons are placed in the repacking shed of the yard for adjustment of loads which may shift their position while the wagons are in motion, uneven loads, overloads etc.

1.63. Again, wagons have to be checked for fitness by the train examining staff before placement for loading, after formation of trains and before despatch from the marshalling yards. Unfit or damaged wagons have to be sent to sick lines for repairs. On a review of the cases of such detentions during October to December 1973 and October and November 1974, it was observed that 255 wagons were detained in the yard varying from 48 hours to 1,292 hours as per details given below:—

Month	Number of wagons detained from			Total number of wagons detained	Minimum detention hrs.	Maximum detention mts.	Maximum detention hrs. mts.	
	48 hrs. to 250 hrs.	251 hrs. to 500 hrs.	501 hrs. and above				hrs.	mts.
October 1973	33	11	16	60	84	35	1292	35
November 1973	27	15	1	43	55	00	555	00
December 1973	40	12	3	61	57	27	681	15
October 1974	11	15	9	35	153	00	1210	00
November 1974	32	13	11	56	72	00	932	00

1.64. Out of 91 cases of detentions that took place in October and November 1974, the major delay was on account of adjustment of loads (37 wagons), placement of damaged wagons in sick lines (22 wagons) and transshipment (9 wagons). In all these cases most of the detention was in the yard itself. Out of 46 wagons requiring adjustment of loads and transshipment, in the case of 40 wagons the delay in the placement of wagons to the siding and adjustment of load/transshipment was abnormal as indicated below:

Number of wagons requiring adjustment of load and transshipment	Detention of wagons in transshipment shed		Detention of wagons in yard		Total time (hours)	Average per wagon (hours)
	Total time (hours)	Average per wagon (hours)	Total time (hours)	Average per wagon (hours)		
40	3,508	87.7	12,383	309.6	15,891	397.3

1.65. The detention in the transshipment shed was mainly on account of non-supply of crane by the Loco Foreman. Although demand for crane had been placed by the transshipment shed almost daily, crane was not supplied on 27 days during the months of October 1974 and November 1974.

1.66. As many as 1,000 wagons had been repaired monthly in the sick lines and not less than 150 wagons suffered detention for over 100 hours per wagon mainly on account of delays in placement of these wagons to the sick lines and withdrawal therefrom after repairs, the repair time being barely 8 hours per wagon, on an average.

1.67. The reasons for such abnormal delays by the yard staff in placing the wagons in different sidings and withdrawing therefrom do not seem to have been investigated for taking suitable remedial measures.

1.68. The Railway Administration stated that delay in adjustment of load is because a crane of ten tonne capacity has to be obtained from Sealdah; the delay in placement of wagons on sick lines is due to limited capacity (55 wagons) and the need to give preference to the loaded stock marked damaged.

[Sub-para 7.12 (d) of paragraph 7 of the Report of the Comptroller, and Auditor General of India for the year 1974-75, Union Government (Railways)].

1.69. It is seen from the Audit Paragraph that during October to December 1973 and October to November, 1974 255 wagons were detained in Chitpur Yard for periods varying from 48 hours to 1,292 hours for adjustment of loads and repairs on sick lines. The Committee asked why should there be such abnormal detention of wagons in re-packing sheds and sick lines. The Committee also desired to know what should be the reasonable time for (i) placement of wagons in sick lines and (ii) adjustment of loads considering the lay out and capacity of the sick lines and the repacking lines. In a note, the Ministry of Railways have stated:

“The total number of wagons dealt with in Chitpur Yard during the 5 months was 180,109. The detentions exceeding 48 hours reported in the above observation was in respect of 255 wagons (0.14%) requiring adjustments and repairs on sick lines. Even here, only a total of 40 wagons were for adjustment requiring the use of a crane. Some of the wagons were also requiring special repairs and had to be detained for obtaining materials from workshop etc.

Most of the wagons to be adjusted due to shifting of load require utilisation of crane. A 20-tonne crane is based at Chitpur. In the case of breakdown or when a crane of higher capacity is required, the 40-tonne crane is brought from Sealdah, which is also not always available, due to its being utilised for other purposes such as breakdown work etc. The space available for working with the crane is also limited and hence placement of only a limited number of wagons can be made at a time. The nature of consignment and the type of adjustment will differ from wagon to wagon and no set norms can be laid out in this respect. After adjustment by crane, some consignments may require wedging, lashing, packing etc. When once the wagons previously placed await adjustment by crane, the subsequent wagons which are detached in the yard are retained. The 20-tonne crane based at Chitpur was out of commission from 15 to 25 days in each of the months selected for study by Audit. Considering the total volume of traffic handled (i.e. almost 2 lakhs wagon in 5 months) in the yard, it is felt that the number of wagons detained and the extent of detentions are negligible.

With regard to placement in sick lines, this is a matter which is personally watched by the DTS, Chitpur. The sickline has a capacity of 55 wagons and whenever wagons in excess

of the placement capacity are marked sick, they will be detained for placement. The full utilisation of capacity of sickline also depends on the extent of wagons requiring "heavy repairs" as compared to "light repairs". Even within the overall placement capacity, heavy repair wagons can be dealt with to a limited extent. The placements are done after grouping the heavy repair wagons so that if repairs on these wagons can be dealt with to a limited extent. The placements are done after grouping the heavy repair wagons so that if repairs on these wagons are not completed the same day, it will not affect drawing out of other repaired wagons. In case when the incidences of heavy repair wagons are more, they are also detained in yard for placement. For example, in November, 1974, the daily average number of wagons repaired was 53 and left over after placement averaged 39. This naturally resulted in an overlap, leading to detention to wagons. Due to the disturbed operating conditions in the area, the workshops also did not maintain the output targets, which caused a chain reaction in maintenance of rolling stock and consequent increased damages on run.

If the yards and sicklines function normally, if the extent of damaged wagons are within the repair capacity in sick lines, the reasonable time for placement in sick lines will be the same as for similar wagons to be placed in goods sheds i.e. 11 hours. As for adjustment of loads, as already explained above, no specific norm can be fixed since it differs from consignment to consignment."

1.70. The Audit Paragraph states that during the months of October and November 1974 out of 46 wagons requiring adjustment of loads and transshipment, 40 wagons suffered detention in transshipment shed to the extent of 87.7 hours per wagon on an average. The average detention per wagon in the yard was of the order of 309.6 hours. It has been further stated that the detention in the transshipment shed was mainly on account of non-supply of crane by the Loco Foreman. During evidence the Member Traffic has informed the Committee:

"These wagons which needed adjustments were such as required the assistance of a crane for re-adjusting load, putting it in position, etc. Unfortunately, during this period the crane stationed at Naihati had gone to the workshop for periodical overhauling. When Naihati is without a crane,

Chitpur assists with one of its cranes. When Naihati's crane was in the workshop, the crane at Chitpur itself did not function very satisfactorily and there were a number of failures."

1.71. In regard to the working of cranes in Chitpur and Naihati yards, the Member Traffic has stated:

"Between Chitpur and Naihati, there were three cranes. Naihati had one permanent crane. Chitpur had two permanent cranes one of 20 tonnes and the other of 10 tonnes capacity. During the period which had been examined by the Audit, Naihati crane was away for 4½ months to the workshops for periodical overhaul. What happened was that when Naihati crane was away, the crane of Chitpur would be sent to assist as and when required. Unfortunately, what happened during this period was that when Naihati crane was away, the performance of the Chitpur crane was not satisfactory; it was sick for some time and it was also used for handling other jobs in the loco shed. If the maintenance had been better there would not have been much detention. The crane is now working satisfactorily and there is no problem. There is no undue left over of wagons either at Naihati or at Chitpur. That was the time when all our assets were badly maintained."

1.72. The Committee enquired what measures had been taken to arrange for cranes in time for the movement of wagons, after the Audit had reported about the non-availability of cranes in Chitpur and Naihati Yards. The Member Traffic has stated in evidence:

"I am happy to report that wagons are now not held up. At Chitpur the performance and output of crane has improved."

1.73. The Committee desired to know whether the District Traffic Superintendent at Chitpur reported in time about the non-availability of cranes and the detentions arising therefrom. The Member Traffic has stated:

"The officer i.e. DTS at Chitpur was not able to do anything except to assist with his own crane because Naihati crane had gone to the workshop. The Chitpur crane was also under repair. Our rolling stock maintenance was heavily in arrears, the maintenance of engines was also

in arrears and there were arrears in maintenance of cranes also."

1.74. Asked about the justification for having a fixed crane at Sealdah and whether it was technologically desirable, the Member Traffic has stated:

"The requirements do not justify crane of a higher capacity. As and when we are getting new cranes we are dispensing with the old cranes."

1.75. The Committee enquired whether the arrangements for deployment of cranes in the yards of Chitpur, Naihati and Sealdah were reviewed following the Audit review. To this the Member Traffic has replied:

"We will review them. But the performance of the last four to five months shows that the traffic is being handled and no deficiency of crane is being noticed. If they work normally it is all right, but when they go for Periodical Over Haul, we will review and see whether there is any additional replacement required. Ordinarily when a crane goes to the workshop for Periodical Over Haul we give a replacement, but due to general slackening of the maintenance, that was not possible because the Chitpur cranes themselves were not functioning satisfactorily."

(d) *Detention on commercial account*

Audit Paragraph

1.76. There are two sets of lines for receiving the loaded wagons in Chitpur Goods shed (i) direct delivery lines of full wagon loads and (ii) shed delivery lines for delivery of smalls. In almost all cases the detention of wagons was in the former lines and that was mainly due to non-release of wagons by the consignees within the free time, as indicated below:—

Year	Total number of wagons received	Number of wagons on which demurrage accrued	Amount of demurrage (lakhs of rupees)			Percentage of demurrage waived to that accrued
			accrued	realised	waived	
1973	20,902	5,373	7.75	2.37	4.38	60
1974	19,648	4,525	8.51	5.11	3.10	40

1.77. The Railway Administration explained that a number of wagons had necessarily to be detained due to unloading space remaining blocked. The demurrage on such detained wagons placed on the siding for unloading had been waived on merits.

[Sub-paragraph 7.12(d) of Paragraph 7 of the Report of the Comptroller and Audit General of India for the year 1974-75, Union Government (Railways).]

1.78. During the year 1973, out of 20,902 wagons received in Chitpur goods yard, on 5,373 wagons demurrage accrued. In 1974 out of 19,643 wagons, demurrage accrued on 4,525 wagons and according to Railway Board in 1975 the number of wagons on which demurrage accrued was 4,578. The total amount of demurrage accrued in 1973, 1974 and 1975 was Rs. 7.75 lakhs, Rs. 8.51 lakhs and Rs. 7.94 lakhs respectively. Out of the total accruals, the percentage of demurrage waived each year worked out to 60, 40 and 47.7 respectively. The main reasons for waiver of demurrage, as indicated by the Ministry of Railways are:

- (a) Want of unloading space in shed and direct delivery lines, which were blocked by consignments previously unloaded and awaiting removal.
- (b) Unloading difficulties experienced by consignees on account of factors beyond their control such as labour strike, inclement weather etc.

1.79. During evidence, the Committee enquired whether the limitation of unloading space was a permanent feature and if so, what steps were proposed to be taken to provide more space with a view to eliminating avoidable detention to wagons. The Member Traffic has stated:

“Chitpur is space bound. It has two types of terminal traffic viz. bagged/baled consignments and bulk traffic in loose. Jute goods, oil seeds etc. are unloaded and the goods are stored in covered goods sheds where space is available for unloading so that further arrivals of wagons are not affected. This type of traffic has decreased due to the pattern having changed. There is no difficulty for space for this traffic. The other traffic which gives us difficulties is the traffic of bulk nature, which is unloaded in direct delivery lines, like stone, cement, iron and steel, coal etc. After the wagons are unloaded by the consignees, they are allowed 24 hours free time from the midnight of the day of unloading to remove it. If the wagon is unloaded during the day, they would have 24 hours from that midnight onwards. If they remove the goods

within 24 hours, there would be no difficulty. Unfortunately, the removals are tardy and when the goods are not removed from the wharfs, where wagons have already been unloaded, the fresh wagons do not find any room to unload the goods. In such cases, the wagons are detained. And when demurrage is levied, requests are made for waiver for a variety of reasons."

1.80. Asked whether the levy of demurrage charges had any impact on the consignees, the Member Traffic has stated in evidence:

"So far as the general goods are concerned, our experience in the last three or four years has been that the increase in the rates of demurrage has not had the desired effect because the trader is passing on the extra demurrage charge by way of increasing the sale cost of the commodity at the consumer end. We therefore went into the matter in great depth and took two or three measures. After the recommendations of the last Freight Structure Enquiry Committee were made, it was notified that up to 30 days after the arrival of goods, that is after termination of transit, Railways will accept bailee's liability, which means that if the goods are not removed within that period and if the damage occurs during the period we will be responsible. Now, we have reduced this period from 30 days to 7 days in the hope that the trader would remove the goods expeditiously. This change has not had the desired effect in certain areas. Then we introduced a new condition that if the goods are not removed within a period of seven days after the termination of transit and free time for removal, we would auction the goods after offering them to the State Governments, Co-operative Societies etc. in so far as the consumer commodities are concerned. In auctioning them the trader will be entitled only to what we recover by way of auction after recovery of Railway freight and other dues. This has had a good effect and this legislation has been enforced on 14 areas in the country. Calcutta area was one of the areas to have this legislation enforced and it has been enforced by certain other centres like Bombay, Gauhati, Ahmedabad etc. This has had good effect. But so far as the power houses are concerned, we do not have that much control. If they are congested or if there is any other difficulty, the coal wagons will have to wait for 12 hours or even for one day or even more in our yards. Now, the other problem is storage. We have plenty of Foodgrains; we have indigenously produced them and also imported. Our wagons

loaded with foodgrains arrived in certain areas and wait for long periods before unloading until the storage is created. This vitiates the turn-round figures. The figures of detentions are also vitiated."

1.81. On the question of waiver of demurrage charges the Member Traffic has stated during evidence:

"We expect the consignee, notwithstanding whatever space is available, to take the goods away within the free time after unloading them, unless it is very clear that the volume of traffic has increased to such an extent that the Railway could not handle it. It was not so. The total volume at Chitpur has not increase. Goods have to be removed within 24 hours after the midnight of the unloading operations. Ordinarily, we expect that if 30 or 40 wagons of timber and miscellaneous goods are unloaded, in the direct delivery lines, the consignee should remove them. But there are constraints. In Calcutta, you can remove things by the road only during certain periods of time. In addition, the consignee may have his own problems, breakdowns, and labour troubles. We have to consider all these things and take a liberal attitude. We are afraid that if we are too strict, the traffic might get diverted to road—but not in the case of stone."

He has added:

"In Chitpur, the only way in which our operating efficiency can be improved is through the cooperation of the trade by removing the goods, quickly, because we cannot expand."

1.82. The Committee pointed out whether by the waiver of demurrage for assisting the trade, the Railways were not giving up their right to charge demurrage. To this the Member Traffic has replied:

"Not on these counts. Waiver is allowed only when within the period allowed for removing the goods, they are not able to do so because of circumstances beyond their control. If any demurrage has been waived by the competent authority for reasons which are not sufficiently extenuating, it is wrong. The powers are entirely delegated to the local authority up to the General Manager. The

percentage of demurrage waived has come down to 47 in 1975 as against 60 in 1973. It was 40 in 1974.

Regarding the number of wagons on which demurrage occurred, in 1973 it was 26 per cent, 23 per cent in 1974 and 16 per cent in 1975. It has come down though the percentage of waiver has increased in 1975."

1.83. The Committee have been further informed by the Member Traffic that the waiver of demurrage was a matter of discretion and powers had been delegated entirely to the Zonal Railways. Asked whether the waiver of demurrage, which had great financial implications was also examined by the Railway Board, the Member Traffic has replied:

"We do not examine in the Railway Board cases of waiver of wharfage and demurrage unless there is any representation or reason to believe that there have been any *mala fides*."

1.84. The Committee desired to know whether the Railway Board has examined the question of high percentage of waiver of demurrages on Chitpur yard. In a note on the subject, the Ministry of Railways have stated:

"General Managers are vested with full powers for waiver of demurrage charges. These powers are delegated in smaller measures to lower levels in the hierarchy such as Chief Commercial Supdt., Divisional Supdt. and Divisional Commercial Superintendent."

(e) *Delay in placement and despatch of wagons*

Audit Paragraph

1.85. The number of wagons containing terminal loads dealt with in the yard in November 1974 was 90.72. The average detention per wagon was 31.8 hours. An analysis of each phase of operation relating to 313 loaded wagons and 309 empties dealt with in that month disclosed that, while detention on commercial account (i.e. for unloading of the consignments) was 3,316 hours (average 10.9 hours per wagon) that on operating account was

nearly 10 times thereof, i.e. 31,304 hours. (average 50.4 hours per wagon) as indicated below:—

Terminal loads (313 wagons)	Total time taken (hours)	Average time (hours)
1. Arrival to placement for unloading	6029	19
2. Placement to release	3247	10.3
3. Release to placement for reloading (18 wagons)	302	17
4. Reloading time (18 wagons)	69	4
5. Release to despatch	11314	36
Empties (309 wagons)		
Arrival to despatch	13659	44
Total	34620	55.7

1.86. Out of 313 wagons only 219 wagons could be placed on the goods shed siding within 20 hours and the remaining 94 wagons were placed within 21 to 48 hours. According to prescribed procedure, the causes for detention of wagons in the yard should be recorded in the register of wagons but the only reasons indicated mostly was: "yard detention."

1.87. As for empties, only 100 wagons out of 309 could be despatched within 20 hours and the remaining ones were despatched within 21 hours to 645 hours.

It would be seen from the above analysis that during the selected month (November 1974) the average number of wagons detained per day due to above factors was as below:—

(i) accumulation of more wagons resulting in congestion	412
(ii) Non-materialisation of loads	97
(iii) Non-materialisation of power	81
(iv) Non-availability of path	91

1.88. In that month 20,430 wagons had been detained in the yard for 5,06,664 hours (cumulative figure). The position in other month of the year, September 1974 to February 1975 was almost similar.

1.89. There had been cases of detention of wagons due to taking more than the prescribed time by the train examining staff for issuing certificate of fitness to the wagons after formation of trains, detachment of damaged stock and creation of vacuum; but these have not been taken into account as detentions due to each such operation were up to three hours (on an average).

[Sub-paragraph 7.12(f), 7.13 to 7.15 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)].

1.90. According to the Audit paragraph the number of wagons containing terminal loads dealt with in Chitpur Yard in November, 1974 was 9,072. The average detention per wagon was for 31.8 hours. An analysis of each phase of operation relating to 313 loaded wagons and 309 empties dealt within that month disclosed that while detentions on commercial account averaged to 10.9 hours per wagon, detentions on operating account averaged to 50.4 hours per wagon. The Committee asked why the operations like "Arrival to placement" and "release to despatch" take such long time. In a note, the Ministry of Railways have stated:

"Chitpur Yard works to a target of 11 hours for placement of inward terminal wagons from time of arrival and 15 hours for despatch from the time of release. These targets exclude the time taken in commercial operations which cannot be less than 5 hours, for unloading or loading, according to the extant free time allowed to the public. In the case of BOX wagons, the free time for loading and unloading operations varies from 5 to 10 hours depending upon the number of wagons involved. It is evident from these targets that the total terminal detentions to wagons will vary from 31 hours for wagons involving loading or unloading only 36 hours for wagons involving both operations. Terminal detentions in the case of BOX rakes will be more depending on the number of wagons. The major detention will always be on operating account as it involves the time required for examination of wagons in the reception and despatch yards in addition to the time required for movement of wagons to unloading points and back.

The average detention to terminal load at Chitpur Yard for 31.8 hours on an average in November 1974 cannot therefore be treated as abnormal. The extra detention in the

case of few wagons as analysed by Audit have not very much vitiated overall average targets."

1.91. The Committee drew attention to the Railway Board's statement to the effect that the average detention to the terminal loads at Chitpur yard for 31.8 hours on an average in November, 1974 could not be treated as abnormal and enquired what the comparable normal figure was. In this connection, the Member Traffic stated:

"That would depend on the location and the type of yard and the nature of the traffic coming. If we take Dankuni, for example, there the train comes, is stationed at unloading lines, it is loaded and then off goes the empty train: there the question of allowing 30 hours for yard operations does not arise. But if we take Howrah or Chitpur, the wagons that come into Chitpur are meant for various areas like the Chitpur Goods Shed and the delivery lines etc. because they bring timber, stone, cement general goods etc."

He added:

"For Chitpur I would say that this is all right. Of course, one or two terminal points in the area may take less time while one or two may take longer."

1.92. In a note subsequent furnished to the Committee, the Ministry of Railways have stated:

"Break-up of detention to terminal loads at Chitpur during November, 1974 was as under:—

	Average per wagon (hours)
Arrival to placement	9.8
Placement to release including time taken for re-loading	9.3
Release/loading to despatch	15.3
Total	31.8

The other major terminal in the Eastern Railway is Howrah where average detention to terminal loaded wagons in November, 1974 was 48 hours."

Mismarshalling of wagons

Audit paragraph

1.93. The number of wagons meant for other yards but sent erroneously to Chitpur yard was 1,918 during 1973-74 and 9,886 during 1974-75 (upto February 1975). Accordingly, these wagons had again to be marshalled in this yard and then sent to the correct destinations, resulting in avoidable haulage of wagons to and from Chitpur yard.

[Sub-para 7.16 of paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75. Union Government (Railways)].

1.94. The Committee desired to know how the large number of mis-marshalling of wagons in Chitpur occurred and whether this indicated that the train documents were not properly compiled. The Member Traffic has explained:

“According to the marshalling orders last issued by the Eastern Railway, Mughalsarai and other such yards from block trains for various areas in the down country which by-pass Chitpur. The residual number of wagons from the yards plus the wagons arriving from other directions like Malda, Jalpaiguri, Garhara etc. come piecemeal by various trains and they are collected together and sorted and marshalled for destinations. In the down country in the Sealdah Division, Chitpur and Naihati have two different spheres of working and their areas of command are different. The wagons arriving at Chitpur generally serve the stations between Barrackpur downwards to Budge-Budge, Belgharia and Bongaon while the rest of the area is served by Naihati. The wagons which come into Chitpur and which are meant for the command area from Barrackpur to Budge-Budge are not mismarshalled; they have to come in that form. Similarly, those which come to Naihati are also not mismarshalled. But there can be occasions of a genuine mistake on the part of the staff in sending wrong wagons to wrong yards. This can happen and we do have to take notice of this and the wagons have to be transferred back to their own yard. But in regard to Chitpur and Naihati, when there is congestion in the entire area, they are treated as supplementary yards. A watch is kept over the position in the Division and on finding that Naihati is congested or that Chitpur is congested, the Divisional

Control diverts the wagons from one yard to another to avoid longer detention. This is also not mismarshalling."

1.95. On being asked whether mis-marshalling was not a particularly complicated problem, the witness has added:

"It is not a complicated problem but I do admit that wherever it does occur, it has to be taken notice of because it would spoil our entire effort at rationalised working in the area."

1.96. The Committee enquired whether mismarshalling could also be attributed to the *mala fide* intentions of unscrupulous staff who may deliberately do the mischief with a view to punish certain consignees for non-payment etc. The Member Traffic has stated:

"It could happen in one or two cases."

He has added:

"Cases do occur of fraudulent mis-despatch of wagons as in a particular case the coal wagons were loaded in Bengal/Bihar fields for destinations in Northern India but at Mughalsarai the original labels were removed and false labels were put, and the delivery was taken on bogus Railway Receipts at the diverted destination.

In some cases staff may be vindictive or wants to be corrupt. The wagon can be placed in a wrong position outside goods shed whereas it should have been inside the shed. Individual cases do come to notice. After all it is human conduct. We do take up such cases. It is not a general practice. There are not many cases."

1.97. As to the abnormal increase in the number of mismarshalled wagons from 1918 in 1973-74 to 9886 in 1974-75 in Chitpur, the Ministry of Railways have, in a note, explained as follows:

"Registers maintained in Chitpur and Naihati Yard Offices indicating the particulars of wrong wagons received by different trains had formed the basis for the Audit observation.

The particulars as recorded in the register have been analysed. The register is being maintained on the basis of marshalling instructions issued by the Eastern Railway in July, 1971. Subsequent modifications issued from time to time have not been connected by the Yard Offices at Chitpur and Naihati and consequently

the staff have incorrectly classified these as "wrong stock."

"Chitpur and Naihati Yards are treated as complementary to each other and whenever one of them is in difficulty due to accidents, OHE trouble etc., arrangements are made for diversion of trains from one yard to the other till normalcy is restored. Though the receipt of such loads is classified as mismarshalled wagons by the yard staff as far as they are concerned, such diversions do not constitute violation of marshalling orders since they have been done in a planned manner by the operating organisation to suit the operational requirements prevalent from day to day in this area.

During the years 1973-74 and 1974-75 selected by Audit for the study, conditions of working in the Eastern sector were disturbed. The Operating Officers maintained close watch on the working of the yards at Naihati and Chitpur and gave instructions for diversion of incoming trains to either of these yards depending on the situation. In case of any unusual occurrence like OHE theft, power failure, theft of EMU equipment, passenger demonstrations etc., the adjustment in the routing of trains for these terminal yards was planned by the Controllers under the guidance of Operating Officers.

The extent of such diversions during 1974-75 was on a much larger scale in view of the increased dislocations caused by traction power failure, EMU failures and theft of EMU equipment as will be evident from the following:

	HOWRAH DIVISION	
	N. of cases	
	1973-74	1974-75
Traction power failures	130	243
EMU failures	18	144
Theft of EMU equipment	163	575

In respect of Naihati Yard, the Audit study pertains to the month of January, 1975. Apart from the above factors

which led to the diversion of trains from one yard to the other, the abnormal working conditions caused by the jute mills strike and labour trouble experienced by the Food Corporation of India on account of which a large number of wagons had to be stabled at Chitpur, Naihati and other points on Sealdah and Howrah Divisions also contributed to receipt of wrong loads into Naihati Yard.

Thus taking these factors into account, when the details as recorded in the register are analysed, the actual number of mismarshalled stock received works out as under. The figures as furnished in the Audit Report have also been given in juxtaposition.

	As given in Audit Report	As it should be
<i>Chitpur :</i>		
1973-74	1,918	1,726
1974-75 (upto Feb., 1975)	9,886	2,106

The above number of wagons represent only 0.50 per cent of the total wagons received in Chitpur Yard during that period.

<i>Naihati :</i>		
January, 1975	1,932	537

NAIHATI YARD

Audit Paragraph

1.98. This yard is under the direct charge of a Head Yard Master. The main function of the yard is to cater to the industrial belt on the east coast of the Ganga from Kalyani to Agarpara. In addition to dealing with the traffic relating to Jute and rolling mills, this yard forms daily 4 to 5 empty rakes for the collieries for loading coal for thermal power stations etc. Short distance trains for Sealdah, Chitpur, Ranaghat Junction and Krishnapur Junction stations are also formed here. The traffic to Bangla Desh and *via* started from 1st June 1973 and since then this yard has been forming and despatching trains to and *via* that country.

Capacity of the yard and number of wagons dealt with therein.

1.99. The holding capacity of the sorting yard is 1,400 wagons and that of the entire yard is 3,300 wagons. The number of wagons dealt with in the yard is given below:

Year	Average Number of wagons dealt with per month	Number of wagons dealt with (daily average)	Average detention to 'through loaded' wagons (per wagon) (hours)	Average detention to 'all wagons' (per wagon) (hours)	Average number of wagons dealt with per shunting engine hour
1952-63	24006	1134	16.7	14.8	Not available
1963-64	35407	1180	15.3	13.4	14.90
1964-65	33341	1111	16.7	14.3	10.90
1970-71	18981	633	39.7	34.6	7.45
1971-72	23299	777	48.0	37.5	7.34
1972-73	27528	918	30.7	25.7	7.21
1973-74	24538	818	35.1	33.2	6.23
1974-75	22714	757	39.7	36.7	6.40

1.100. The targets for detention of through loaded and 'all wagons' were 16 hours and 18 hours respectively till December, 1974, when it was revised to 21 hours and 23 hours respectively. It would be seen from the above that the detentions to wagons in the yard were far in excess of even the revised targets.

1.101. The reasons for detentions were analysed with reference to performance of the yard during the selected month of January 1975.

The position is indicated below:—

Location	Number of wagons for which full particulars were available	Total hours of detention	Hours of detention per wagon (average)
Detention in yard (incoming)	1348	27949	20.7
Detention in goods shed (outside the yard)	1434	89396	62.3
Detention in yard (outgoing)	1271	46393	36.5

1.102. Against permissible detention of 21.23 hours per wagon, 1,442 wagons which terminated at this yard, suffered detention for 1,72,319 hours or 119.5 hours per wagon, on the average.

1.103. The following factors mainly contributed towards the detention:—

- (a) late formation of trains;
- (b) late start of trains after formation due to delay in issuing fitness certificate of wagons and vacuum examination by Train Examiners' staff, defect in the steam locomotives, detention of locomotives as per decision of the control idling of drivers, detaching of damaged wagons from the trains ready for despatch, late arrival of guards and want of patch and power failure;
- (c) late acceptance of trains by the cabin;
- (d) delays in supply of cranes; and
- (e) re-sealing of wagons.

[Sub-paras 7.17 to 7.22 of Paragraph 7 of the Report of the Comptroller and Auditor General of the India for the year 1974-75, Union Government (Railways).]

1.104. It is seen from the Audit paragraph that the number of wagons dealt with at Naihati yard from 1970-71 to 1974-75 had come down by about 33 percent as compared to the number of wagons dealt with from 1962-63 to 1963-65. However the detentions to 'through loaded' wagons and "all wagons" had more than doubled during the same period. Explaining the reasons for this, Ministry of Railways have in a note, stated:

"The reduction in number of wagons dealt with at Naihati was on account of suspension of traffic to, from and via East Pakistan from September 1963. The interchange level with Pak Railway was about 145 wagons daily and since this traffic gets accounted for in both Up and Down direction, the overall reduction in the number of wagons handled is about 290 or say 300. Apart from this the recession in trade in the Eastern region due to disturbed law and order situation and political climate from 1970 onwards further reduced the volume of traffic. Industries in the Eastern region were working below their optimum levels due to suspension of power supply. Consequently the number of wagons dealt with in Naihati yard during 1970-71 onwards was much lower than in earlier years.

In any yard, if the number of wagons received and despatched comes down, the detentions are likely to be higher, since wagons have to wait for longer periods or securing full train loads. Moreover, Naihati yard was directed in 1972 to marshall empties typewise to suit requirements of coalfields and to form full train loads of loaded wagons beyond Mughalsarai. These additional marshalling commitments involved increased detentions."

1.105. It is further seen that during the month of January, 1975 the performance for which was analysed by the Audit, against permissible detention of 21/23 hours per wagon, 1,442 wagons which terminated at this yard, suffered detention for 119.5 hours per wagon on the average. The Committee asked whether the average detention of wagons for 119.5 hours in January 1975 was not abnormally high and if so, what was the position in other months of 1975-76. In a note the Ministry of Railways have stated:—

"Average detention to 1,442 wagons to the extent of 119.5 hours in January, 1975 is accepted as abnormally high. This has to be viewed in the background of the special features that existed during that period. From 6-1-1975 to 25-2-75, there was a strike in jute mills in West Bengal immobilising 668 jute wagons to the extent of 87 hours each in the yard in January, 1975. There was also a strike by F.C.I. labour from 23-1-1975 on account of which 457 food grain loads were detained to the extent of 101 hours each at Naihati.

The target of 21/23 hours mentioned in the Audit observation refers to detention to 'through loaded' and 'all wagons'. In 1975-76, the corresponding figures were 31.49 hours and 30.00 hours respectively.

1.106. Referring to the Railway Board's statement to the effect that detentions in Naihati yard were likely to be higher since wagons had to wait for longer periods for securing full train loads, the Committee enquired how many full train loads were required to be formed daily according to the marshalling order and what had been the actual materialisation during 1975-76. The Member Traffic has stated in evidence:

"In Naihati there is a pronounced drop from 1964-65 onwards in regard to the number of wagons handled and that is due to the fact that there was cessation of traffic between India and the then East Pakistan after the hostilities. On an average, we were handling 300 wagons per day for East Pakistan. If we add 300 wagons, the number would be

much closer to those handled in 1964. The other reason is, more formation of block loads which according to the revised marshalling orders bypass Naihati. The detention has increased as a consequence of the revised marshalling instructions to form trains of empties typewise for coal fields etc:”

He has added:

“The main reason is the revised pattern of working Naihati forms long distance trains and trains of empty wagons typewise by detaining the wagons a little longer. It is worth it. South-eastern railway stock which was earlier sent in through to Chitpur is collected and despatched in train loads now directly from Naihati. Formation of block loads for paper mills, jute mills etc. takes a little more time.”

1.107. In reply to a question as to how many full train loads were required to be formed by Naihati yard, the Member Traffic has stated:

“The marshalling orders are issued to instruct the staff how to marshal the trains. The marshalling orders cannot lay down the number of trains to be formed.....Whatever trains are run, those should be marshalled as per pattern set. From Naihati about fifteen trains are coming and fifteen are going out. About six are through trains and about 6—8 are industrial pilots.”

1.108. On asking whether the Marshalling order specified the number of trains which were required to be formed at Naihati yard daily, the witness has stated:

“The number of trains cannot be prescribed and that will differ from day to day depending upon actual volume of traffic.

1.109. The Committee asked whether the factors for detention of trains in Naihati yard such as late formation of trains, arranging escorts, Railway Protection Force, driver's relief, arranging guards etc. were not avoidable or controllable. In this connection, the Member Traffic has stated:

“Detention of Engines due to late formation of trains is avoidable provided the working conditions are normal, but not if the circumstances leading to the late start are unavoidable and beyond the control of the staff. With regard to the arranging of escorts, all trains are not escorted. Only those trains are escorted which carry vulnerable goods like foodgrains, oil seeds, sugar etc. We cannot pro-

vide RPF to escort all the trains. Delay in the running of trains for arranging escorts is an avoidable feature ordinarily”.

ANDAL YARD

Audit Paragraph

1.110. About 116 collieries in Raniganj coal fields area are served by this yard. The yard is under the direct charge of one Assistant Operating Superintendent. An Assistant Mechanical Engineer has also been posted at this yard to supervise the work of repair of wagons by the staff of the Train Examiner. The empties received in the yard in block rakes as well as mixed formations are marshalled and placed in the sidings of the collieries for loading of coal. Loaded coal wagons are withdrawn from the colliery sidings.

- (a) in block rakes earmarked for bulk consumers like thermal power stations, Steel Plants and locomotive sheds of various Railways; and
- (b) in mixed formation for different destinations for different consignees.

Capacity of the yard and the number of dealt with therein

1.111. This yard consists mainly of three yards; (a) Down Yard, (b) UP yard and (c) Empty yard. While the former two have a number of receiving, marshalling and despatching lines, the last one has only receiving and despatching lines. The total holding capacity of the sorting yard is 6,000 wagons per day.

Year	Average number of wagons dealt with per month	Number of wagons dealt with (daily average)	Hours of detention (average)		Average number of wagons dealt with per shunting engine wagon hour
			Through loaded	All wagons	
1962-63	84059	2802	17.6	13.4	N.t available
1963-64	90184	3006	16.6	12.6	19.00
1964-65	83330	2778	15.1	11.9	17.60
1970-71	70625	2354	31.2	21.3	12.90
1971-72	80045	2668	39.9	24.6	13.60
1972-73	88106	2937	51.9	30.6	15.00
1973-74	80806	2694	56.5	34.6	13.80
1974-75	85104	2837	49.0	40.1	13.72

1.112. In addition to the detention of wagons for reasons mentioned in the case of Chitpur and Naihati yards, the following features were noticed during the review of the performance of this yard:—

(a) Weighment of coal wagons at the weighbridge

Two weigh-bridges had been installed in this yard. One more weigh-bridge was installed in July, 1975. During November 1973 to March 1975, 1,22,857 BOX wagons and 2,32,126 ordinary wagons loaded with coal passed through this yard. Out of these, 73,549 BOX wagons and 2,16,410, ordinary wagons had been weighed. While the monthly percentages of ordinary wagons weighed to total wagons ranged from 76 to 98, that for BOX wagons ranged between 47 and 74.

The reasons for non-weighment of a large number of BOX wagons were not available or on record. The weighment of coal wagons indicated that there were many cases of overloading and underloading of wagons. For example, during the months of February to December 1974, the number of wagons overloaded was 17,034 which worked out to nearly 10 per cent of the total number of wagons weighed during that period whereas the percentage of underloaded wagons (27,820) was about 16. The overloads in 457 wagons were adjusted and 35 wagons were despatched after off-loading the excess weight. Consequently, loss of revenue due to non-realisation of proper freight in respect of overloaded wagons despatched without weighment is likely to be significant. It was also noticed that off-loaded coal had been allowed to accumulate in the yard because of delay in its disposal; the closing balance at the end of each month during January 1974 to December 1974 varied between 2,288 tonnes to 2,703 tonnes.

(b) Short supply of empties to collieries

The supply of empties to the collieries was far below the number of empties requisitioned. The extent of short supply ranged from 587 wagons to 2,897 wagons per day during the selected month of January 1975. The main reasons for short supply of wagons are:—

- (i) generation of empties far below the number requisitioned daily;
- (ii) detention of wagons in colliery sidings; and
- (iii) some times, shortage of coal pilots.

The Railway Administration stated (February 1976) that factors like non-availability of power (diesel and electric locomotives)

which is inherent in the arrangements obtaining for its supply and increase in the quantum of long distance marshalling contributed to the detentions of wagons. It further stated that weighbridge had not been provided until July 1975 for the four additional lines provided to cope with increased volume of traffic in the yard and during the interim period the BOX rakes passing through these lines had to go without weighment; and efforts were being made to reduce accumulation of off-loaded coal in the yard.

[Sub-paras 7.25 to 7.29 paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75; Union Government (Railways)].

1.113. It is seen from the Audit Paragraph that at Andal Yard the detention periods of wagons had increased three times in the seventies as compared to the position during the sixties. Explaining this deterioration, the Ministry of Railways have, in a note, stated:

“As in the case of Naihati and Chitpur Yards, the yard work at Andal also deteriorated from the year 1970-71 onwards on account of spate of agitations bundhs, strikes and work to rule campaigns adopted by various sections of railway staff. Andal yard is in a pivotal position not only for collieries but also for traffic to and from Calcutta area and Calcutta Port. Dislocations in working of suburban section in Calcutta as also the port resulted in hold up of wagons in Andal. The difficulties encountered by the thermal station at Bandeland Durgapur steel plant in the 70's resulted in their inability to receive traffic freely and these wagons were detained at Andal. The heavy incidence of power failures both for traction as well as yard lighting affected the yard work. The number of wagons dealt with decreased whereas the detentions showed an increase on this account.

Apart from the above, the pattern of operation in the Andal area had undergone basic changes in the 70's as compared to the 60's, the most important of which was change-over from steam traction to diesel and electric traction.

During 60's clearance from Andal used to be arranged mainly by steam locos which were available at Andal loco shed. The engines were called out to suit the materialisation of stock and there was very little time lag between the formation of train and despatch. This was helpful in keeping detentions to wagons at a low level. However during the 70's clearance from Andal depot is

dependent on electric locos based at Asansol and Mughalsarai sheds and diesel locos based at Burdwan shed. These locos move on open timings from one yard to the other. In order to ensure better utilisation of costly diesel and electric locomotives, the wagons were kept ready in train loads to be picked up by locomotives as and when available. This has contributed towards increase in detention to wagons in Andal Yard. Electric and diesel locos are capable of hauling more number of wagons which naturally would mean more detention to wagons to form full trains.

Yet another factor contributing to detentions in the 70's particularly at Andal was the operation of BOX wagons along with 4-wheelers with the use of transition couplings. In order to match the wagons with transition couplings, elaborate shuntings had to be done and wagons also kept back for grouping them properly.

During the 70's the following additional marshalling had to be given by Andal Yard:

- (a) Calcutta Port stock separate from Chitpur stock.
- (b) Separate marshalling for Malda Town, New Jalpaiguri and New Bongaigaon.
- (c) Via Waltair stock separate from S.E. Railway stock.

These additional commitments also involved extra detentions. These additional detentions cannot however be treated as deterioration in yard work since this helps in increasing the overall throughput by running of heavier trains with more number of wagons marshalled to farthest point avoiding detentions in the intermediate yards en-route."

1.114. In another note on the working and performance of Andal Yard, the Ministry of Railways have *inter alia* has stated:

"Remodelling of Andal Yard was completed in three phases by March, 1969, increasing the capacity for dealing with the coal wagons from 720 per day to 1350 wagons. The increased capacity was fully utilised in 1969-70 when 1348 wagons of coal were loaded daily by collieries served by Andal Depot.

The coal traffic materialising from collieries served by Andal Depot after remodelling of the yard is given below:—

Year	Average daily coal loading in terms of 4-wheeler wagons
1969-70	1348
1970-71	1169
1971-72	1163
1972-73	1169
1973-74	996
1974-75	1197
1975-76	1397

The daily average coal loading in the collieries served by Andal Yard increased to 1397 in 1975-76 which was even higher than the level achieved in 1969-70. The average number of wagons dealt with per month during 1975-76 has also shown a spectacular increase as can be seen from the following:—

Year	Average Number of wagons dealt with per month
1969-70	86,024
1970-71	70,625
1971-72	80,045
1972-73	88,106
1973-74	80,806
1974-75	85,104
1975-76	104,310
April-September 1976	107,687

1.115. It has been stated that the Andal Yard serves as a base yard for the coal pilots, which serve 50 per cent of the coal mines in the Raniganj coalfields area. The Committee desired to know whether the number of weigh-bridges provided in the yard were considered adequate and whether the same were located at operationally convenient places so that the wagons to be passed into the

sorting/despatching yards could be weighed without difficulty. During evidence, the Member Traffic has explained:

"The number of weigh-bridges/nw provided at Andal is three. Two of those are on the hump over which the wagons move and by gravitation are sorted out into the marsdalling yard. One yeigh-bridge of 100 tonnes has been specially installed at the Box Wing. These are considered adequate. Other than those coal wagons which are moving in one block consisting of about 3000 tonnes of coal in heavy box wagons rakes, all other wagons which are coming to Andal are humped and sorted out by gravity. We have got the weigh-bridges installed at the hump itself. So, as the wagons go from the hump, they are disconnected to go into the different lines and weighments automatically take place. These box wagons which come loaded from the collieries direct in full train loads, are not taken over the hump, but are taken into a special yard known as the Box Wing. There a separate weigh-bridge is provided for weighing these wagons and all the wagons that are being loaded in boxes at present are being weighed. These weigh-bridges are conveniently located and their number is sufficient for the flow of traffic."

1.116. The Committee drew attention to the fact as mentioned in the Audit Paragraph that the monthly percentage of BOX wagons weighed to total wagons ranged between 47 and 74 and enquired about the reasons for the same. In this connection the Member Traffic has stated:

"The reason is that so far as the wagons which were coming over the hump and were sorted by priority were concerned, they were generally weighed. The Box Wing which I referred to earlier was commissioned only in April, 1973 and the weigh-bridge was installed in July, 1975. So for the period which has been examined by the Audit the weight-bridge did not exist in the Box Wing and we were not able to weigh all the wagons of coal which were coming into this yard viz. Box Wing."

1.117. Asked what was the impact of the failure to weigh all coal wagons, the witness has stated:

"When the wagon is not weighed it is invoiced and charged for on the carrying capacity of the wagon which is the basis of charge for coal. If it is over-loaded we show the

actual load detected at the weigh-bridge, if it is under-loaded, we charge on the basis of the actual carrying capacity and we do not surrender our right to charge freight for the full load corresponding to the carrying capacity because we have provided a wagon with so many tonnes capacity and it is the responsibility of the consignor to use the wagon fully."

He has added:

"In so far as Bengal and Bihar Coal fields of the Eastern Railway are concerned, the weigh-bridges are generally in the railways marshalling yards only, for instance, at Andal, Asansol and Sitarampur, and not at the source of loading. When the new collieries developed in the Central India fields and the Karnapura Coal Fields came in, that is, from 1960 onwards, our planning was to request the collieries to provide the weigh-bridges at the source of loading itself. We give them a small rebate for that. Now progressively the Coal India Ltd. is going in for more and more weigh-bridges at the source of loading."

1.118. In reply to a question whether the non-weighment of large number of wagons involved some financial loss, the Member Traffic has stated:—

"In the Box Wing there was no weigh-bridge until July, 1975. I can assure you that after July, 1975 the figures supplied to us by the Eastern Railway indicate that Box wagons are weighed 100 per cent."

1.119. According to the Audit Paragraph the weighment of coal wagons during the months of February to December, 1974 indicated that the number of wagons over-loaded worked out to nearly 10 per cent of the total number of wagons weighed. The Committee asked whether this did not underscore the need for weighment of all wagons passing from the Andal Yard to avoid loss of revenue and also to minimise incidence of damage to overloaded wagons. The Member Traffic has replied:—

"The need for 100 per cent weighment of wagons to avoid damages, etc., is accepted. The weigh-bridge was not there. It is a fact that if there is over-loading of wagons and if they are not weighed, to that extent that much of overloaded coal goes away uncharged for because in absence of weighment our system is to invoice it on the basis of carrying capacity only. We have found that the number of

over-loaded wagons and the number of underloaded wagons is almost the same and the two more or less balance out.

In the case of Bengal and Bihar we have been having constant dialogue with the Coal India Ltd. to ensure that their system of loading is rationalised so that the quantity of coal loaded approximates to the carrying capacity."

1.120. The Committee enquired whether the Railways were able to identify the consigners or consignees in these cases and whether they had made efforts to realise the freight and penalty in respect of overloaded wagons. The Member Traffic has stated:

"We prepare our invoices as explained just now on the basis of carrying capacity or actual weight. Quantity of coal loaded is a transaction between the Coal India and the consumer. So far as Loco Coal is concerned, when the wagon is weighed—the weight shown in the invoice is the actual weight, so if it is under loaded, when the wagon comes to destination—the loco shed takes into book account the actual weight recorded at the weigh-bridge and the transaction between the Railways and the Coal India Ltd. are on the basis of the weight recorded after weighment. If it is overloaded, in the case of our wheelers, generally the overloaded coal is taken off in the yard before despatch of wagons; in the case of box wagons it is not taken off and the actual weight is taken into book account. Where the wagon is not weighed at the weighbridge the weight taken into books by the locoshed is the actual carrying capacity of the wagon."

He has further stated:

"In respect of wagons which are weighed, there is no trouble. If on weighment it is found underload, we take into book account what is shown in the invoice after weighment. If it is found overloaded, we take to book the actual weight found at the time of weighment. Where it is not weighed, it is difficult to prove that it was short loaded. The actual weight is also measured by volumetric check and reports are made to the Coal India Ltd."

1.121. The Committee desired to know the measures taken by Railways to improve the supply of empties to the collieries. The Member Traffic has informed the Committee that:

"We have enough wagons. Coal is piled up in Bengal, Bihar fields and other areas. We have wagons and transport

capacity available but consumers have cut down their programme. There is no such problem now which we faced during the difficult years 1970—74.

The operation has not only come back to the previous level but we have improved upon the operational methods so as to suit the changing patterns.

We have lengthened the colliery siding, so that full rakes can be placed directly and loaded. We are improving the patterns of working. I do not expect any trouble which occurred previously.”

General

Audit Paragraph

1.122. The Railway Administration stated (August, 1975) that the performance of these yards during the period was particularly bad and unsatisfactory on account of law and order situation, industrial labour unrest, frequent power failures leading particularly to cancellation of LEMU trains and consequent blocking of paths and large scale and endemic thefts of vital equipment. It further stated (February, 1976) that during the current financial year (up to December, 1975) the performance in Chitpur and Naihati yards had definitely improved as there had been an increase in the number of wagons dealt with and decrease in the hours of detention to wagons; there was also an improvement in the number of wagons dealt with per shunting engine hour.

[Sub-para 7.28 of Paragraph 7 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railway)].

1.123. The Committee desired to know what control was exercised by the Railway administration and the Railway Board to ensure efficient performance of Chitpur and the other two marshalling yards namely Naihati and Andal. In a note, the Ministry of Railways have stated:

“The following control is exercised by the Railway Administration to ensure efficient performance of marshalling yards.

- (i) Operating officers in the Divisional Headquarters at Sealdah and Asansol in headquarters keep a daily watch on the performance of these yards which furnish details of all aspects of operation in their daily line stock position.

- (ii) The performance of these yards is reviewed on a 10-day basis by the Divisional Superintendent concerned who furnishes the figures of performance in their periodical ten-day and monthly report to the General Manager.
- (iii) Surprise checks are conducted from time to time by the Divisional and Headquarters officers with regard to the working of the yard and statistics maintained.
- (iv) Dislocations, if any, affecting the performance of these yards are reported to the headquarters in the daily 'incidents' report circulated to Head of Departments.

In the Railway Board, a monthly meeting is held at Directors' level where the operational statistics of each Zonal Railway on rotation are discussed. These statistics include detailed performance of all major yards. Moreover, operation on various Zonal Railways is being monitored on a day-to-day basis and any deterioration in working of major yards immediately come to light. Any assistance required by the Railway in relieving the congestion etc. is also given by regulation or restriction of traffic."

1.124. During evidence, the Chairman, Railway Board has deposed:

"We are aware that these are some of our vital yards and so far as these operations are concerned, close watch is being kept by divisional officers and also the Eastern Railway Headquarters."

1.125. The Committee asked whether the reporting system followed on all Railways was uniform.

To this the Chairman, Railway Board has replied:

"Every Railway sends a periodical report which is discussed here. Divisions send it to General Manager and General Manager sends it to Railway Board."

1.126. In reply to a question whether the reporting system was considered adequate for the assessment of the performance of Railways the Member Traffic has stated:

"Operation is a day-to-day work. Receipt of wagons, loading, unloading etc. are not such things as to wait for a periodical statistical appreciation. It is a matter where close

watch is kept by men on the spot in the Division. They can contact the yards telephone. Figures are taken of the number of trains received, despatched, wagons received, despatched etc. This is done every four or six hours by divisional control offices from the yards. That is put up to D.O.S. (Divisional Operating Superintendent). Therefore, it is a continuous watch."

1.127. The Committee further asked whether there was any independent appraisal of the functioning of the various marshalling yards. To this the Member Traffic has replied:—

"This Statistical appreciation applies to marshalling yards also. We have got the Directorate of Statistics which sends out its own inspectors, supervisors etc. periodically to different marshalling yards to check up whether statistics are correctly prepared. Any deficiencies noticed are brought to notice for rectification. Now the traffic is very heavy, and it has doubled and even trebled. Manual computation of statistics is not a very reliable thing; it is a cumbersome and in some cases it is not also correctly computed arithmetically: In the present changed context of transportation by electric and diesel engines, this is somewhat out-dated. We will go into the whole aspect of statistical appreciation to see to what extent what is out-dated can be cut out and much of the manual work reduced."

1.128. On being asked whether computerisation was being thought of, the witness has stated:

"I was not thinking entirely of computerisation. I was just giving you certain features of day-to-day collection of statistical data which have become cumbersome with the growing volume of traffic handled by the marshalling yards and the manner in which it can be improved."

1.129. The Committee desired to know whether the officers on the spot had informed the concerned Railway authorities about the factors, such as frequent power failures and idling of shunting engines due to non-availability or less availability of water, which disrupted the operations in the marshalling yards. The Member Traffic has informed the Committee during evidence:

"As far as Chitpur yard is concerned, it is considered one of the most important yards in the down country area of Calcutta. A senior District Traffic Superintendent is

handling both the operating and the commercial work. As far as Naihati is concerned, it is of a smaller dimension and is handled by station superintendents, both are under the Divisional Superintendent. So far as Andal is concerned, it is next door to Asansol which is a Divisional Superintendent. So far as Andal is concerned, it is next door to Asansol which is a Divisional Headquarter. An Assistant Operating Superintendent is kept there. So far as Chitpur is concerned the operating aspects are kept under day-to-day watch by the Division. I should say that the local supervisory staff report any unusual incident to the District Traffic Superintendent. But the years of 1973-74 and 1974-75 were such years that the general indiscipline and maintenance of the assets was poor and the performance of the yard was correspondingly poor with the result that these officers could not be blamed for the poor output at that given time; they cannot be blamed for negligence."

1.130. In the same context, the Member Traffic has added:

"Normally, all local problems are within their own jurisdiction. If there are problems which impinge upon the jurisdiction of others, they are communicated to the Divisional Headquarters and they are communicated further up also the Zonal Headquarters. There is no reason for delay."

1.131. In reply to another question whether the officers on the spot did try to get in touch with the higher rank officers in order to solve the problems of operation, the witness has stated:

"I have no reason to think that they either did not attend to their daily work with the expedition with which they should, or did not get in touch with the higher officers—except for those difficult years when the indiscipline in the ranks was of such an order as to inhibit proper supervision, proper inspection and line inspections which were normally expected to be done by the supervisors and officers. During those different periods, the performance deteriorated on that account, because indiscipline prevented the normal standard of inspections to be carried out; and without inspections, every thing goes bad that is unless you have a constant watch on the functioning of the yards."

1.132. The Committee asked whether the usual processes of

inspection were hindered for quite some time. To this the Member Traffic has replied:

"I would say so, i.e., that the conditions at the yards, particularly large yards, did definitely suffer deterioration, because of the inability of the officers and supervisors to do the normal standards of inspection."

1.133. The Committee pointed out that had the supervisory officers on the spot been assisted in time and if there had been proper coordination, perhaps the problems of the yards could have been solved more efficiently. In this connection the Member Traffic has stated:

"I would not like to go farther back but would talk only about 1973-74, when there was cessation of work and absenteeism, with people lying across the track and with people absenting in hundreds. The train examiner was not examining the trains and the train clerks were absent. It was impossible to function efficiently. No officer was able to function satisfactorily, because the cooperative effort was lacking. It is that period to which I am referring. Otherwise I have no reason to believe that officers were in any way not doing their work."

1.134. When the Committee asked whether the performance of yards like Chitpur, Naihati and Andal was comparable with big yards like Mughulsarai, Howrah etc., the Member Traffic has stated:

"I can say that they have come back to normal functioning. Their output and productivity during the latter half of 1975-76 and the opening months of this year have been good. These yards have been doing extremely well and the loading and mobility of wagons have achieved a record level. In fact we are really on the top of the problem, and are looking forward to more loading of coal and other commodities and to move out more traffic."

1.135. In a note furnished to the Committee, the Ministry of Railways has stated:

"The performance of important yards such as Chitpur, Naihati and Andal are closely watched on a day-to-day basis by the Divisional Operating Officers. The failures, if any, are reflected in the output of the yard and the

reasons for failures are enquired into immediately after the day is over so that assistance as necessary can be given and/or corrective action taken. This system of a running watch daily is considered adequate."

1.136. One of the controls stated to be exercised by Railway Administration to ensure efficient performance of marshalling yards is surprise checks by the Divisional and Headquarters Officers. The Committee asked how many times each of the three yards referred to in the Audit Paragraph had been visited by such officer during the year 1974-75 and whether any suggestions for improvement in the working of the yards were made and follow-up action taken. In a note on the subject, the Ministry of Railways have stated:

"The yards at Naihati, Chitpur and Andal were inspected by the officers of the various Departments during 1974-75 as under:—

Department	No. of inspections		
	Naihati	Chitpur	Andal
Civil Engineering	63	19	45
Mechanical	46	43	42
Operating	9	12	35
Commercial	2	4	3
Signal & Telecommunication	9	7	38
Electrical	3	4	10
General Administration (By Divisional Superintendent)	5	1	1
Total	137	90	174

Inspections conducted by officers posted at Andal, viz. Assistant Mechanical Engineer and Assistant Operating Superintendent have been excluded from the above figures for Andal Yard as such inspections form part of their normal daily activities.

Most of the inspections resulted in on-the-spot suggestions for improvement with regard to the working of the departments controlled by the concerned officers and necessary follow-up action was taken wherever required."

1.137. While pointing out that the Chitpur Yard was one of the important yards, the Committee asked what steps were proposed to be taken to improve the operational efficiency of the yard. The Ministry of Railways have, in a note, stated:

“Chitpur Yard is a pivotal point in regard to goods traffic to and from Calcutta Port and also the Down country areas. The proper functioning of this yard is very essential to maintain fluidity in operation in and around Calcutta area. A close watch on its performance will be maintained. Some of the steps proposed to be taken are also as under:—

- (a) Replacement of steam shunting engines by diesel shunters to increase the availability of locos for shunting.
- (b) Improvement in lighting arrangements for better working facilities at night.
- (c) Augmentation of ‘talk-back’ and telephone arrangements linking the various yards and sub-yards with the Assistant Yard Master on duty in the control tower.”

1.138. A comprehensive review of the performance of the three important marshalling yards of the Eastern Railway, namely, Chitpur, Naihati and Andal, was undertaken by the Audit whose report has brought out into sharp focus the deficiencies and the drawbacks to which these yards are subjected to. Chitpur yard is a pivotal point in regard to goods traffic from Calcutta Port and also the areas further down Calcutta. It has been admitted by the Ministry of Railways that “the proper functioning of this yard is very essential to maintain fluidity in operation in and around Calcutta area”. Being one of the most important yards in the down country areas of Calcutta, a Senior District Traffic Superintendent is handling both the operating and commercial work. The Andal Yard is important for traffic to and from Calcutta area and the Calcutta Port. It also served as a base yard for the colliery pit yards which serve 50 per cent of the coal mines in the Raniganj coal field areas. It has been stated by the Ministry of Railways that the pattern of operation in the Andal area had undergone basic changes in the 1970’s the most important of which was changeover from steam traction to diesel and electric traction. The Naihati yard caters to the industrial belt on the east coast of the Ganga from Kalyani to Agarpara. In addition to dealing with the traffic relating to jute and rolling mills this yard forms daily four to five empty rakes for the collieries for loading coal

for thermal power stations etc. Short distance trains for Sealdah, Chitpur, Ranaghat Junction and Krishnapur Junction stations are also formed here. The traffic to Bangladesh and via started from 1st June, 1973. It has been stated by the Ministry of Railways that the work of Naihati is handled by a Station Superintendent, being of smaller dimension as compared to Chitpur.

1.139. Coming to the actual performance of the Chitpur Yard as analysed by Audit, the Committee note that an estimate of Rs. 20.45 lakhs for the remodelling of the Yard was sanctioned in 1958. Though the major part of remodelling work was completed by March, 1962, some residual works including Signal and Telecommunication works were completed as late as 1976. The Committee feel that a long time of 17 years taken in the completion of a comparatively simple work of lengthening of receiving and despatch lines in Chitpur Yard can by no means be justified. It is surprising that while the civil engineering portion of that work was completed earlier, the signalling and electrical portion was held up because certain leads in this portion could only be completed in March 1972. The Committee deplore this lack of synchronisation. The Chairman, Railway Board has conceded during evidence that the delay in the execution of the work was 'unfortunate' and that 'he cannot find any valid reason for it'. The Committee takes a serious view of such delays and would like the Railway Board to investigate the matter fully so as to fix responsibility for the same as also to take remedial measures to obviate recurrence of the same.

1.140. It has been stated by the Railway Board that the remodelling of Chitpur Yard was based on the need for increasing the loads of freight trains due to introduction of electric traction. A major portion of the expenditure was for extension of receiving and despatch lines for running 70 wagons trains. The remodelling did not however eliminate the basic limitation of cross movements required for transfer of stock from the sorting yard to the despatch yard as the yard was stated to be space-bound. The Audit Paragraph however points out that in the course of remodelling of Chitpur Yard, the layout of the yard was changed to facilitate quick movement of wagons to and from the yards. That the remodelling of the yard at a cost of about Rs. 20 lakhs has had no impact on the movement of wagons to and from the yard is evident from the fact that although the number of wagons dealt with in Chitpur had considerably decreased as compared to the preremodelling period, the detentions suffered by wagons in the yard have appreciably increased. Even though the representatives of the Ministry of Railways have tried to explain before the Committee that the objectives of remodelling have been

realised and that the decline in the number of wagons dealt with in Chitpur yard was mostly attributable to the exceptionally bad socio-economic conditions that prevailed after 1970, the Committee are not convinced. They feel that the gains of remodelling of Chitpur Yard need to be quantified in more concrete terms with a view to see whether the expenditure was commensurate with the benefits derived.

1.141. On the question of continuous drop in the number of wagons handled at Chitpur after remodelling, the Railway Board have stated that the total intake of wagons on the Eastern Railway in the down country area was itself low and that maximum difficulty was in respect of the cutting of the overhead wire which resulted in a drop in the volume of traffic. According to the Ministry the disturbed conditions prevailing in the Eastern region during 1970—72 would have been a contributory factor for the fall in production resulting in a fall in traffic. According to the Report of the Ministry of Railways (Indian Railways: Central Facts and Major Problems) (February 1974) the number of cases of overhead wire thefts during the years 1970—73 were as follows:—

1970	645
1971	699
1972	121
1973	109

It is apparent that there was a distinct fall in the thefts of overhead wires during the years 1972 and 1973 and the position was not so alarming as has been pointed out by the Ministry. The Committee would, therefore, like to be informed in greater detail about the causes which were responsible for the fall in the number of wagons in the Chitpur Yard during the years 1970—74.

1.142. The Committee find that in August, 1967, the targets for detention of 'through loaded wagons' and "all wagons" in Chitpur Yard were revised from 16 and 17 hours respectively to 19 and 16 hours respectively after taking into consideration the working conditions of the Yard. These target were further revised to 23 hours and 18 hours respectively in December, 1974. During evidence before the Committee, the Member Traffic, Railway Board pleaded that the targets fixed in December, 1974 were not entirely realistic as certain additional commitments given to the yard had not been fully taken into account while fixing these targets. The Committee have been subsequently informed that after an analysis of the performance of the yards at Chitpur, Naihati and Andal in the context

of existing traffic patterns, marshalling commitments and other constraints peculiar to each yard, these targets have been re-fixed w.e.f. January 1977. The targets now fixed for detention of 'through loaded wagons' and 'all wagons' in Chitpur Yard are respectively 28 and 21 hours. The Committee are constrained to observe that the targets for detention have been revised and liberalised from time to time on the plea of making them realistic but the actual performance nowhere approximates the targets set. In this connection it needs to be pointed out that while in January 1977, the revised targets for detention of 'through loaded wagons' and 'all wagons' were 28 and 21 hours respectively, the actual performance in the year immediately preceding namely 1975-76, was of the order of 36.0 hours' detention on an average for 'through loaded wagons' and 24.05 hours detention on an average for 'all wagons'

1.143. As regards the fixation of targets and the unsatisfactory performance, the Railway Convention Committee, 1971 had made the following observations in para 6.104 of their Fifth Report (April 1973):

"From the data for the last three years furnished to them, the Committee observe that there are heavy detentions to wagons in almost all the important marshalling yards and that the targets prescribed have practically no relevance to the realities of the situation. The Committee understand that the question of fixing these targets afresh both in respect of marshalling yards and transshipment points **is under consideration** so as to reflect the position correctly in terms of wagons units."

While intimating the action taken on the above recommendation; the Railway Board had, on the 13 March 1974 informed the Railway Convention Committee, 1973 that the Committee's recommendations had been noted and communicated to the Zonal Railways. Obviously the Railway Convention Committee's recommendation had no effect on the Eastern Railway Administration as it is seen that the targets fixed in December, 1974 did not take into account the changes in pattern of traffic, marshalling etc. in Chitpur yard. The Committee would like to be apprised of the precise action taken by each Zonal Railway in pursuance of the recommendations of the Railway Convention Committee, 1971, referred to above.

1.144. The Committee note that the detentions of wagons in the Chitpur Yard during the years 1970-71 to 1974-75 for periods far above the liberalised targets have been attributed to factors such as deterioration in law and order situation, political agitations etc., It is, however; seen that even during the year 1975-76 which was

free from the above-mentioned disturbing factors the average detentions to "through loaded wagons" and "all wagons" were far above the liberalised targets laid down. The Committee are not satisfied with the manner of fixation of targets for detention of wagons from time to time. They would like to know whether the detention targets as revised from January 1977 have been adhered to by the three marshalling yards of Chitpur Naihati and Andal.

1.145. The Committee have been informed that detention to wagons at a particular point do not materially affect the wagon availability for loading in a particular railway or on all-India basis. The real criterion for judging the wagon availability is the wagon turn-round i.e. the time interval which elapses between two successive loadings of a wagon. It has been stated during evidence that the wagon turnround in 1975-76 has recorded improvement as compared to the previous years. The figures of wagon turnround given in the Railway Board's publication entitled "Indian Railways Year Book—1974-75" however tell a different story. The wagon turnround of 11.8 days in 1965-66 had deteriorated to 13.5 days in 1971-72 on B.G. This figure had further gone down to 15.0 days in 1973-74 and 14.0 days in 1974-75. Similarly, on the Metre Gauge, the picture was one of the continuous decline from 8.4 days in 1965-66 to 12.5 days in 1973-74 and 12 days in 1974-75. In the context of the above, the improvement recorded in 1975-76 in the index of wagon turnround on BG is welcome. The Committee trust that continuous efforts would be made to sustain the improvement recorded in wagon turn-round during the year 1975-76.

1.146. The Committee have been informed that the performances of the Yards at Chitpur, Naihati and Andal were analysed in the context of the existing traffic pattern, marshalling commitment and other constraints peculiar to each yard. The Committee have not been informed about the level at which such reviews were undertaken. The Committee would therefore urge that a comprehensive review should be undertaken by the Efficiency Bureau of the Railway Board so as to assess the performance of the Chitpur, Naihati and Andal in regard to quicker turn-round of wagons and detentions keeping in view the traffic pattern, marshalling commitments etc.

1.147. The Committee are concerned to note that the performance of shunting engines in the three yards of Chitpur, Naihati and Andal deteriorated from the year 1970-71. This involved wastage of locomotive power and delayed clearance of wagons. While explaining the reasons for the deterioration in performance of shunting engines, it has been stated that from the year 1970 onwards the fall in the originating traffic on the Eastern Railway, as a whole, had

its impact on these yards, which handled a lesser number of wagons than before. The shunting engine hours could not however be correspondingly reduced in view of the fact that operations in the various spheres of the yards had to be performed round the clock even though with reduced intensity. During this period no shunting engine could be withdrawn as each had a distinct function. The Committee however find that the number of wagons dealt with per shunting engine hour recorded a sizeable improvement in 1975-76 although the number of wagons handled by these yards during the year 1975-76 do not show any marked difference as compared to the previous year. The Committee would like to be informed how the substantial improvement stated to have been made during 1975-76 in regard to number of wagons dealt with per shunting engine hour was brought about and what measures are proposed to be taken to sustain it.

1.148. The Committee find that the analysis of the reasons for detention of wagons in the Chitpur Yard made by Audit is quite revealing. During the selected month of November 1974 the Audit had found that from Chitpur Yard 14 local trains had been despatched underloaded, although more wagons were available in the yard for the respective destinations for forming optimum loads. Out of these 14 trains, 7 trains moved with only 1 to 5 wagons each and the remaining seven with 6 to 21 wagons each. Similarly in Naihati Yard, 22 under loaded trains were despatched during the month of January, 1975 and out of these 13 trains were run with less than 10 wagons each. It is further seen that though the loads available in the Chitpur Yard could have been moved by only 15 trains, 19 additional trains were run resulting in avoidable running of 19 locomotives. This gross under-utilisation of the haulage capacity causes concern to the Committee.

1.149. That the position has not improved is evident from the fact that a test check carried out by the Railway Administration in March, 1976 further revealed that out of 465 pilots/shuttles run in that month as many as 403 pilots were run underloaded, of which 124 pilots were run with less than 15 wagons on an average. It has been argued that running of under loaded work trains and industrial pilots was incidental to operations and servicing in an industrial complex keeping in view the need for punctual and regular running of industrial pilots so that the industries receive their inward goods and despatch their outward products regularly. The Committee are conscious of the need for running of industrial pilots and work trains in accordance with a set schedule and it may be that the running of under loaded trains was an operational necessity. However, the wastage of haulage capa-

city of the locomotives and detention of wagons involved of the running of such under loaded trains is of such a magnitude, that the Committee are constrained to suggest that the pilot schedules may once again be subjected to a thorough scrutiny at the level of Zonal Headquarters, with a view to rationalise the operations of these pilots and work trains. The Committee are also of the view that in case the running of under loaded trains was found inescapable their operating cost may be analysed and the possibility of passing the additional expenditure on to the industry concerned may be examined forthwith. The Committee would like to be apprised of the precise action taken in this behalf.

1.150. According to the Chairman, Railway Board and the Member Traffic, Railway Board, the increased number of suburban trains are coming in the way of proper functioning of the marshalling yards. In a developing country like ours, the passenger trains—both suburban and non-suburban, have to grow and multiply in keeping with the country's requirements. The growth of passenger traffic cannot therefore be viewed as a hindrance to the goods traffic. On the contrary, there should be a juxtaposition of passenger and goods traffic in such a manner that the job can be done with optimum efficiency. The Committee are, in fact, given to understand that the industrial pilots carrying goods for industrial complexes were being run during the periods when there were no passenger trains on the line. This only indicates that by a proper planning the movement of both the goods and the passenger trains can well be coordinated.

1.151. Another reason given for detention of wagons in Chitpur Yard is the excessive time lag between loads awaiting despatch and the materialisation of power. The Committee has been given to understand that in the present day operations under electric traction such detentions are inherent as there is no automatic matching of loads and locomotives. In fact the study of records for 1974-75 by Audit has disclosed that the average time lag between loads awaiting despatch and materialisation of power was about 5 hours. According to the Member (Traffic) the time lag of 5 hours is excessive. He has conceded that in the present working conditions the time lag should be round about 3 hours. The Committee feel that the problem of detention of loads stated to be inherent in the operation under electric traction needs to be reconsidered in depth with a view to rationalising the use of costly electric locomotives. They have no doubt that further refinements can be made for reducing the time lag between the formation of trains and ordering of locomotives.

1.152. The Committee are concerned to note that wagons suffered detentions for long periods for reasons which prima facie appear to be avoidable. As pointed out in the Audit Paragraph, during the periods October to December, 1973 and October to November, 1974, 255 wagons were detained in the Chitpur Yard for periods varying from 48 hours to as many as 1,292 hours per wagon for adjustment of loads and placement of damaged stock in sick lines. Further out of 46 wagons requiring adjustment of loads and transshipment, in the case of 40 wagons the total average detention per wagon in transshipment shed and the yard works out to as many as 397.3 hours. The detention in the transshipment shed was mainly on account of non-supply of crane by the Loco Foreman. The explanation given for the non-supply of crane in time appears to be stretched and unconvincing. The fact that the crane remained out of order from 15 to 25 days in each of the months when the Audit surveyed the working of the yard, only goes to prove how badly the railway assets are maintained.

1.153. It is also disturbing to note that out of about 1,000 wagons repaired monthly in the sick lines, not less than 150 wagons suffered detention for over 100 hours per wagon mainly on account of delays in placement of these wagons to the sick lines and withdrawal therefrom after repairs, the repair time being barely 8 hours per wagon, on an average. The reasons for such abnormal delays by the yard staff in placing the wagons in different sidings and withdrawing therefrom need to be studied for taking suitable remedial measures.

1.154. Still another reason for detention of wagons in the yard was the blocking of the unloading space in the yard mainly due to non-release of wagons by the consignees within the free time allowed. There are two aspects of the problem. One is that since the yard is stated to be space-bound there is only limited capacity for the handling of loaded wagons and hence the wagons in excess of the handling capacity of the yard have inevitably to wait till the delivery lines are clear. The other aspect is that the consignees do not take delivery in time and prefer to undergo some penalty in the form of demurrage charges. So far as the space aspect is concerned the Railway Administration may well have to reassess the existing capacity of the yard with reference to the traffic being handled and take suitable remedial measures including extension of the yard space by remodelling, if necessary.

1.155. However, the figures regarding the number of wagons on which demurrage accrued each year, as given in the Audit paragraph suggest that the practice of deliberately delaying the delivery

of wagons by paying some demurrage charges is wide-spread. During the year 1973 out of 20,902 wagons received in the Chitpur Yard, as many as 5,373, wagons suffered demurrage. Similarly in 1974, out of 19,648 wagons on 4,525 wagons demurrage accrued. In 1975, the number of wagons on which demurrage accrued was 4,578. The Committee feel that since the levy of demurrage is compoundable at the discretion of the railway authorities, the unscrupulous consignees may be manipulating things for their own advantage. The Committee are surprised to learn that the percentage of demurrage waived to that accrued was as high as 60 in 1973. The Committee fail to understand why such high percentage of the demurrage charges are later on waived. This practice is obviously faulty and susceptible of being misused inasmuch as it provides a leverage both to the corrupt officials and the dishonest consignees.

1.156. It has been made out before the Committee that the Zonal Railways enjoy absolute discretion in the matter of levy and waiver of demurrage charges. The Committee would urge the Railway Board to consider forthwith, what mechanism could be evolved to ensure that these powers, which have great financial implications are not abused. The Committee would like to be apprised of the action taken in the matter.

1.157. The Committee would like to suggest that a procedure may be evolved which should inter alia ensure that periodical progress reports in respect of each yard are submitted to the General Manager, who will have them reviewed in consultation with the Financial Adviser and the Chief Commercial Superintendent of the Zonal Railway. At the Railway Board level there should be a monitoring cell which should keep a contemporaneous watch on the performance of each of the important yards. The detailed procedure to be followed in this behalf may be issued by the Railway Board in the form of guidelines to all the Zonal Railways.

1.158. Another important problem to which Committee's attention has been drawn is the largescale mis-marshalling of wagons that occurred in Chitpur yard during the year 1974-75. Upto February 1975, i.e. in about 11 months as many as 9,886 wagons received in Chitpur yard were found to be mis-marshalled. The Railway Board have tried to explain that the abnormal increase in the number of mis-marshalled wagons received in Chitpur during 1975 is partly attributable to the improper maintenance of the records at the Chitpur and Naihati yards. Without going into the merits of this explanation, the Committee would like to be informed of the action taken against the staff for improper maintenance of the yard records.

1.159. The problem of mis-marshalling has another serious implication, namely, that the train documents are not properly compiled by the staff. This can be either intentional or due to negligence of the concerned staff. The Member (Traffic) has gone on record to say that the intentional mis-marshalling by unscrupulous staff was not ruled out even though there may be only a few cases of this kind. In view of this, it is only appropriate that the Railways should look afresh at the problem of mis-marshalling with a view to tie up the loopholes and taking remedial steps.

1.160. The Committee find that the position regarding detention of wagons in the Naihati yard was even more alarming and was by no means better than the Andal yard. In the case of Naihati yard, against permissible detention of 21|23 hours per wagon, 1,442 wagons which terminated at this yard in January 1975, suffered detention for 119.5 hours per wagon, on the average. The average detention per wagon for want, of cranes was recorded as 264 hours and that for want of covered empty wagons as 101 hours. Further, in Naihati yard while the total time taken for repair was only 4 to 7 hours per wagon, that for placement of these wagons on sick lines and withdrawal after repair averaged to 22.36 hours and 36.33 hours per wagon. Thus detention on account of marshalling etc. was 12 times the time taken for repairs. The reasons for these abnormal delays need to be investigated and remedial measures taken.

1.161. The analysis made by Audit in regard to the functioning of the Chitpur yard for the selected month of November 1974 has revealed that in that month 20,430 wagons had been detained in the yard for different reasons for as many as 5,06,664 hours. Similarly the position in other months of the year such as September, 1974 and February, 1975 was also not different. In the case of Naihati yard, during the selected month of January, 1975 wagons suffered detentions at the rate of 119.5 hours per wagon, on the average, against the permissible detention of 21|23 hours per wagon. The total detentions suffered by wagons in one month in these yards thus add up to a staggering figure.

1.162. When viewed in their totality, the Committee are led to the conclusion that the total detentions suffered by wagons as has been brought out in the Audit paragraph, cannot but impair the general mobility of wagons on the Railways as a whole, even though the Chairman Railway Board and Member (Traffic), Railway Board were of the view that the detentions at a particular point do not determine the efficiency or inefficiency of the movement of wagons. It is not clear to the Committee how the detentions this magnitude, even though they are relatable to particular yards, will not have their impact on the overall wagon turn-round on all railways.

1.163. As pointed out earlier by the Committee, the analysis of the performance of the three yards of Chitpur, Naihati and Andal has brought to surface many ills of the marshalling yards. Except for certain peculiar problems faced by individual yards, the general nature of the operations of most of other yards would perhaps be similar. The Committee therefore need hardly emphasise that the Railway Board may instruct each Zonal Railway to have the working of the marshalling yards under them examined in the light of the experience gained by the review of the performance of three yards of the Eastern Railway. The Committee consider that such detailed analysis of the working of each yard will help the authorities to come to grips with the problems of the yards.

1.164. The elaborate analysis of the functioning of the three yards of the Eastern Railway has not only highlighted the problems of operation but has also put in perspective the role of the supervisory staff and the nature of control exercised by them for ensuring efficient performance of the yards. All the three yards under reference are headed by fairly senior and high rank officers. However the control exercised by them on the day-to-day operations in the yards appears to be lax. Some of the apparently simpler problems, such as non-supply of cranes, non-availability of locomotives, non-availability or less availability of water from storage tanks, non-availability of rest vans for the crew, frequent power failures and such other minor things which hamper the movement of wagons, have not been attended to in time. The Committee have no doubt that if the supervisory officers on the spot are vigilant and are assisted in time and if there is proper coordination, many of the problems of the yards could be solved satisfactorily and in time. It will perhaps be worthwhile to make a systematic appraisal of the functioning of the important marshalling yards at the level of the Efficiency Bureau of Railway Board with a view to streamlining their work.

CHAPTER II

EARNINGS

South Eastern Railway—Incorrect levy of Freight on consignments of slag mixed with iron or steel scrap.

Audit Paragraph

2.1. Open hearth slag mixed with iron/steel scrap lying at the area commonly known as "muck dump" of the Bhilai Steel Plant was being offered by two firms to the Railway for despatch from Durg station to foundries in and around Calcutta for reclaiming the metal. Till 14 February, 1972, the Railway Administration had been charging freight on these consignments at the class rate applicable to iron and steel scrap based on the declaration given by the consignors in the forwarding notes.

2.2. From 15th February, 1972 a lower classification was introduced for iron or steel slag describes as a waste refuse of steel plant containing practically very negligible percentage of iron (ferrous content less than 2 per cent) and used only for road making. With the introduction of this classification, these firms started declaring the commodity, i.e. the slag mixed with iron or steel scrap metal as iron and steel slag in the forwarding notes; the Railway Administration charged freight at the lower classification in spite of the fact that a chemical analysis of the commodity carried out at the National Test House Alipore, in August, 1971; disclosed that the commodity being booked by these firms contained metallic iron to the extent of 53.20 per cent and ferric oxide 15.44 per cent, thereby leading to the conclusion that the commodity could not be properly classified as iron or steel slag for the purpose of charging freight. The same commodity despatched from two other stations, namely, Rourkela and Tatanagar was; however; continued to be charged at the rates applicable to iron and steel scrap. However, as per direction of the Travelling Inspector of Accounts, Drug station also started charging freight for the commodity at the rates applicable to iron and steel scrap from 4th June, 1973. A scrutiny of the records for the period October, 1972 to March, 1973 disclosed undercharges of Rs. 85,000. The total undercharges for the period 15th February, 1972 to 3rd June, 1973 are still January, 1976) to be assessed and recovered from the parties concerned.

2.3. In May, 1974, the Railway Administration suggested to the Railway Board that the classification of iron or steel slag should be raised to the level of rate applicable to iron and steel scrap. In December, 1975, the Railway Board explained that the classification of iron or steel slag would depend upon its metal content and the sale value. The final decision of the Railway Board is awaited (January, 1976).

2.4. A scrutiny of the records of sale of this material in 1971 by the Bhilai Steel Plant disclosed that the material was auctioned under the following description:—

- (i) Open hearth slag mixed with steel/iron scrap.
- (ii) Used steel scrap.
- (iii) Blast furnace slag mixed with 0 to 3 per cent iron content.

It would appear that the commodity booked was largely iron and steel scrap and not slag and that the declaration of the commodity had not been given correctly by the firms, who thereby rendered themselves liable to penalty for mis-declaration of goods.

[Paragraph 29 of the Report of the Comptroller and Auditor General of India for the year 1974-75, (Union overnment Railway)].

2.5. The Committee learnt from Audit that according to the Special Condition 18 of Goods Tariff applicable to Iron or Steel Scrap, the term 'Scrap' applies only to such scraps or pieces of metal as have metal value only as distinct from shape value and are useful for remelting, reforging or rerolling only. The Audit has further informed that according to the proceedings of the Commercial Committee 'Slag' refers to waste refuse of steel plant containing practically very negligible percentage of iron and used only for road making. In view of these facts, the Committee desired to know whether the material booked as scrap by the two firms till 14 February, 1972 conformed to the specification applicable to iron and steel scrap. The Ministry of Railways have in a note stated.

"The consignments booked by the two firms were not conforming to the definition of scrap in that this material did not have 100 per cent metal value and could not be utilised as such for remelting, reforging or rerolling purposes. But since the firms were describing the material as iron or steel scrap, the stations charged them at the higher rates applicable to iron or steel scrap."

2.6. The Audit further informed the Committee that prior to

15th February, 1972 the entries in Goods Tariff for charging iron or steel scrap and slag were as under:—

	Smalls	Wagon loads
Iron or Steel Scrap	65	45
Slag N.O.C.	60	37.5
Granulated Slag	60	37.5*

(*Raised to 40 w.e.f. 24-3-1972)

From 15 February, 1972 the nomenclature of granulated slag was changed as "Iron or Steel slag (Granulated)" and a new item (as below) was introduced in the Goods Tariff:

	Smalls	Wagon loads
Iron or Steel Slag N.O.C.	60	637.5

2.7. The Committee learnt that the introduction of a new classification for 'iron or steel slag was mainly with a view to eliminating any scope for confusion between classification 'granulated slag, which is used for cement making and iron and steel slag used for road making. In the light of these facts the Committee desired to know that when the firms started declaring the commodity as iron and steel slag instead of as slag mixed with iron or steel scrap, whether it was not necessary to examine if the commodity booked actually conformed to the specification of iron and steel slag. The Ministry of Railways have in a note stated:

"Prior to 15 February, 1972 in the absence of a separate classification for iron or steel slag, the consignors were declaring the consignments as iron or steel scrap although they were not conforming to the definition of 'iron or steel scrap'. With the introduction of a new classification entry 'Iron or Steel Slag NOC' with effect from 15-2-1972, the consignors started describing the material as iron or steel slag.'

"The Ministry of Railways have further added that "Since the material booked did not conform to the definition of iron or steel scrap in that the material did not have 100 per cent metal value and could not be utilised as such for remelting, reformatting or rerolling purposes, it was cor-

rectly chargeable at the rates applicable to iron or steel slag NOC. Under these circumstances any further examination in the matter was not considered necessary by the Railway Administration."

2.8. The Audit Para states that the same commodity despatched from two other stations, viz., Rourkela and Tata Nagar was continued to be charged at the rates applicable to iron and steel scrap. Asked why the freight was charged at lower classification when there was no change in the nature of the material actually offered by the parties, the Ministry of Railways have replied:—

"The material was being declared and Booked as Iron & Steel Scrap prior to 15-2-1972 as there was no separate classification for Iron or Steel Slag NOC. In as much as this commodity did not conform to the definition as given in the Goods Tariff for Iron or Steel Scrap and in the absence of a separate classification at that time for Iron or Steel Slag, it was considered prudent to charge the material under Iron or Steel Scrap. With the introduction of a new classification entry "Iron or Steel Slag NOC" with effect from 15-2-1972, the consignments were declared by the consignors as iron or steel slag and they were also charged at the rates applicable to iron or steel slag NOC which was lower than the rates for iron or steel scrap."

2.9. The Committee desired to know if the Railway Administration had ascertained from M/s. Hindustan Steel Limited (Bhilai Steel Plant) about the nomenclature or description given by the Steel Plant while selling the commodity to the trade before allowing lower classification. In reply, the Ministry of Railways have in a note stated that the Railway Administration had made a reference to the Bhilai Steel Plant who had informed about the natures of the material sold by them to the parties. The following details were furnished by the Bhilai Steel Plant:—

- "(1) Sale Order No. BBF/Scrap/71-002 dt. 7-4-71. Party's Name M/s.....Materials supplied to the party: Iron scrap, recovered from Blast Furnace Slag Dump.
- (2) Sale Order No. BM/DEF/71-0002 dt. 8-4-71 Party's Name: M/s.....Materials supplied to the party:—
 - (a) Iron Scrap
 - (b) Steel (Skull) Scrap
 - (c) Used Steel Scrap

(d) Unused Steel Scrap

(e) Slag.

All the materials in Category (2) (a) to (e) were supplied from open Hearth Muck Dump."

2.10. When asked about the action taken by the Railway Administration on this information received from the Bhilai Steel Plant, the Ministry of Railways have replied:

"No specific action was taken on receipt of this communication from the Steel Plant."

2.11. The Ministry of Railways have further informed that from 4 June 1973, the commodity was charged at the rate applicable to iron or steel scrap by the Station staff as per the instructions of the Travelling Inspector of Accounts. However, when this matter was brought to the notice of the Administration and when a representation from M/s.—was received, investigation was made and it was found that the commodity booked was conforming more to iron or steel slag than to iron or steel scrap.

2.12. The Ministry of Railways have further stated that:

"On further examination based on chemical analysis and the end use to which the material was put to, it was considered by the Railway Administration that it could bear freight rates higher than the rates applicable to iron and steel slag NOC but lower than the rates for iron or steel scrap. The Administration took up this matter with the Railway Board in 1974 seeking for a new classification for this commodity."

2.13. According to Audit paragraph, a chemical analysis of the commodity carried out at the National Test House, Alipore in August 1971 disclosed that the commodity being booked by M/s—— and M/s——contained metallic iron to the extent of 53.20 per cent and ferric oxide to the extent of 15.44 per cent. In this context, the Committee desired to know at whose request the chemical test was carried out in 1971 and whether the firms were aware of such a test. The Ministry of Railways have in a note stated:

"The chemical test was carried out at the request of M/s—— Calcutta. The firms were aware of the results of chemical test."

2.14. The Committee pointed out that although the firms knew the results of chemical analysis even then they described the materials as 'slag' in the forwarding note. As such, the Committee questioned whether it was not tantamount to a deliberate misdeclaration with a view to obtaining a lower rate. The Ministry of Railways have replied thus:—

“So long as this commodity did not conform to the definition of iron or steel scrap as given in special condition 18 of Goods Tariff, namely it did not have 100 per cent metal value and could not be utilised as such for remelting, re-forging or rerolling purposes and since the nature of the commodity conformed more to that of Iron or Steel Slag than to Iron or Steel Scrap, there was no misdeclaration on the part of the firms with a view to obtaining a lower rate.”

2.15. The Audit Paragraph points out that a scrutiny of the records for the period October, 1972 to March, 1973 disclosed undercharges of Rs. 85,000 and the total undercharges for the period 15 February, 1972 to 3 June, 1973, were still, as on January, 1976 to be assessed and recovered. The Committee enquired whether the Railway Administration has since assessed the total undercharges and considered the penalty for misdeclaration and taken steps to recover the amount. The Ministry of Railways have replied:

“The booking and charging of the commodity had been correctly done in conformity with the extant provisions of the Goods Tariff and there was no misdeclaration on the part of the firms. The question of raising of undercharges does not, therefore, arise.”

2.16. The Audit Paragraph further points out that in May 1974, the Railway Administration had suggested to the Railway Board that the classification of iron or steel slag should be raised to the level of rate applicable to iron and steel scrap. The Committee desired to know whether in pursuance of this suggestion the Ministry of Railways had taken any decision about the classification of material booked by the firms from Drug Station. The Ministry of Railways have stated that they had referred the matter to the Indian Railways Conference Association for examination by the Commercial Committee. The Commercial Committee examined the proposal of the Railway Administration and had come to the conclusion that since the price as well as iron content of Iron or Steel Scrap are higher than those of Iron or Steel Slag, there is no justification to raise the classification of Iron or Steel Slag NOC to that applicable to Iron or Steel Scrap. The Ministry of Railways further added that the re-

commendation of the Commercial Committee had been accepted by them.

2.17. The Committee observe that the term 'scrap', as defined in special Condition 18 of Goods Tariff applicable to Iron or Steel Scrap, applies only to such scraps or pieces of metal as have metal value only as distinct from shape value and are useful for remelting, re-forging or re-rolling only. This definition obviously does not lay down that the commodity offered as scrap should have 100 per cent metal value for conforming to the description of iron or steel scrap as given in the Special Condition 18 of the Goods Tariff. Accordingly, therefore, the so-called slag mixed with iron/steel scrap, which was found to have a metallic content of more than 53 per cent and which was being sent to foundries for reclaiming the metal could only be considered as scrap and not slag, which is supposed to be a waste refuse of steel plant containing practically very negligible percentage of iron (ferrous content less than 2 per cent) and used only for road making. In the absence of any clear cut and specific provision in the Goods Tariff to the effect that scrap should have 100 per cent metallic content and in view of the fact that the same commodity despatched from two other stations viz. Rourkela and Tatanagar was being treated as scrap and charged as such, the Committee fail to understand how the Railway Administration maintain that the commodity booked from Durg Station approximated more to slag than to scrap.

2.18. The Committee feel that till 14 February, 1972, the Railway Administration was correctly charging the freight on the consignments containing slag mixed with iron/steel scrap at the class rate applicable to iron and steel scrap. However, from 15 February, 1972, following the introduction of a lower classification for iron or steel slag, the firms took advantage of the lower rates by just declaring the commodity, i.e. slag mixed with iron or steel scrap as iron and steel slag in the forwarding notes. Surprisingly, the Railway Administration started charging the freight at the lower classification knowing fully well that the commodity being booked by the firms was the same and contained metallic iron to the extent of 53.20 per cent and ferric oxide to the extent of 15.44 per cent and as such could not be properly classified as iron or steel slag for the purpose of charging freight. Even the firms were stated to be aware of the high metallic content of the slag and to that extent they were guilty of misdeclaration. The Committee note that it was only on 4 June, 1973 that at the instance of the Travelling Inspector of Accounts, Drug Station also started charging freight for the commodity at the rates applicable to iron and steel scrap. There has thus been a serious lapse on the part of the Durg Station authorities in agreeing to charge the freight

at a lower rate just on the basis of a declaration made by the firms. This needs to be investigated thoroughly to fix responsibility as also to find out if there was a collusion between the firms and the booking staff at Durg Station. The Committee would like to be apprised of the result of investigation within three months of presentation of this report to the House.

2.19. The Committee are somewhat perplexed at the stance now being taken by the Railway Administration by stating that the booking and charging of the commodity had been correctly done in conformity with the extant provisions of the Goods Tariff and that the question of raising of undercharges did not arise. This is in contradiction of the position taken by the Railway Administration earlier that the commodity booked at Durg Station could bear freight rates higher than the rates applicable to iron and steel slag NOC but lower than the rates for iron or steel scrap. The Committee find that following a reference from the Railway Administration, the Railway Board had referred the proposal for raising the classification of iron and steel slag to the level of the rate applicable to iron and steel scrap for examination by the Commercial Committee of Indian Railway Conference. The Commercial Committee had come to the conclusion that there was no justification to raise the classification of iron and steel slag and this recommendation had been accepted by the Railway Board. The Committee are of the view that even if the two commodities, i.e. iron and steel slag NOC and iron and steel scrap could not be equated for the purpose of charging of freight, there was no justification for charging a lower rate for a commodity which though described as iron or steel slag did not satisfy the specification thereof and could more appropriately be termed as iron and steel scrap. Allowing benefit of lower rate provides scope for leakage of revenue. In view of this the Committee need hardly emphasize that the total undercharges for the period 15 February, 1972 to 3 June, 1973 may be assessed and recovered from the parties concerned without loss of further time. The Committee also desire that the position may be reviewed afresh with a view to establish that the commodity known as iron or steel slag is being correctly classified for the purpose of charging of freight rates at all the stations. The Committee would like to be apprised of the action taken in this behalf.

NORTHERN RAILWAY—CHARGES FOR IMPROPER DESCRIPTION OF GOODS

Audit paragraph

2.20. According to Goods Tariff, if goods on arrival at destination are found to have been improperly described and a lower rate than that correctly applicable has thereby been obtained on them, charges at double the highest rate will be levied and collected from the consignees. However, according to the guidelines of the Freight For-

warder Scheme circulated by the Railway Board in June 1971 the freight forwarder is not required to give description of the individual packages or their contents in the forwarding note; but he has to attach thereto a list of packages constituting each wagon load consignment indicating, amongst other things; particulars of the commodities contained in the packages. These guidelines also envisage that packages containing any contraband, offensive or dangerous goods notified in Red Tariff cannot be booked under this scheme. If such consignments are found loaded in a wagon by a freight forwarder, freight charges at 'smalls' class rates applicable to such commodities will be recoverable in addition to the lump sum rates (the freight forwarder rate) payable by the freight forwarder. The recovery of these undercharges will be in addition to other action which may be taken and penalty imposed for offering for carriage by rail such goods, in violation of the rules prescribed in this respect from time to time. The normal demurrage and wharfage rules are also applicable to consignments booked under the scheme.

2.21. Dinitro-chloro Benzene has been described as a dangerous poisonous (toxic) substance in the Red Tariff. Drums of Dinitro-chloro Benzene numbering 770 were booked in March 1973 by a freight forwarder in 11 wagons from Carnac Bridge to Ghaziabad describing the contents as Benzene and declaring it as non-dangerous and non-explosive. The consignment, on unloading at Ghaziabad, was found to be a 'dangerous' article and a penalty of Rs. 59,312 was recovered by the Station Master, Ghaziabad at the 'smalls' class rate applicable to this commodity. In addition demurrage and wharfage charges of Rs. 2,302 were realised.

2.22. The party represented its case to the Railway Board in March 1973. The Railway Board, after consulting the Northern and Western Railways, decided in November 1973 to refund Rs. 27,989 to the party on the consideration that (i) the Freight Forwarder Scheme was facing very severe competition from road transport operators and in case it was decided to recover full penal charges the possibility of the freight forwarder ceasing to function as such and undercutting the Railways' freight forwarder rate as a retaliatory measure could not be ruled out and (ii) the particular freight forwarder seemed to be resourceful having loaded as many as 504 wagons during the quarter ending December 1972. It may be mentioned that under the Freight Forwarder Scheme the freight forwarder firm realises freight from consignors/consignees generally at 'smalls' rate but pays to the Railways at lump sum rates (freight forwarder rate) notified by the Railway.

[Paragraph 30 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)].

2.23. The Audit Paragraph states that according to the guidelines of the Freight Forwarder Scheme circulated by the Railway Board in June 1971, packages containing any contraband, offensive or dangerous goods notified in Red Tariff cannot be booked by a freight forwarder under this scheme. The paragraph further states that 770 drums of Dinitro-chloro Benzene were booked in March, 1973 by a freight forwarder in 11 wagons from Carnac Bridge to Ghaziabad describing the contents as Benzene and declaring it as non-dangerous and non-explosive.

2.24. The Committee learnt from Audit that Benzene is also included in the list of dangerous goods classified under the group heading—Petroleum and other inflammable liquids in Goods Tariff No. 34 and Red Tariff No. 18 and therefore, according to the guidelines mentioned above, the freight forwarder was not authorised to book such consignments. When asked about this, the Railway Board confirmed that the contents were described by the Freight Forwarder as "Benzene--Non-dangerous Non-explosive." Clarifyinug further the Ministry of Railways have stated:

"The correct nomenclature of the contents is Dinitro-chloro Benzene'. This is a poisonous (Toxic) substance, by non-explosive in character. Benzene is, however, a petroleum product and explosive in character. Both the products are, however, treated as dangerous for the purpose of rail transport."

2.25. Since Benzene is a dangerous commodity, the Committee desired to know the reasons for having accepted it for transportation by the freight forwarder contrary to the instructions. In reply, the Ministry of Railways have stated:

"The Freight Forwarder pleaded that he was not aware that this particular commodity was dangerous and hence in good faith he has described the commodity as 'non-dangerous' and offered the same for booking by rail under the Freight Forwarder Scheme."

2.26. Asked as to how the Railway Administration had accepted the wagon-load consignment booked by the freight forwarder for carriage, considering the description of the packages loaded, the Ministry of Railways have replied:

"The description of the characteristics of the commodity as given in the forwarding note was clear and categorical, but this probably misled the staff in accepting the consignment for booking. It is accepted that due care should have been exercised at that stage."

2.27. Enquired if the freight forwarder had committed any other irregularity, the Ministry of Railways have in a note stated:

"No other irregularity was noticed except that out of 11 wagons booked, 5 wagons were found to have been loaded in excess of market carrying capacity of the wagons and for which according to the rule under-charges amounting to Rs. 812/- were collected from the Freight Forwarder."

2.28. In view of the dangerous nature of the commodity and the grave risk to which it exposed the Railwaymen and Railway's property and that the freight forwarder had wilfully and knowingly given a wrong declaration, the Committee desired to know whether the action taken against the freight forwarder was adequate. The Ministry of Railways have in a note stated:

"As explained earlier, the Freight Forwarder pleaded that he was not aware of the dangerous characteristics of the commodity handed over to him for transport by the clearing agents. Considering that the Freight Forwarder was advised by the clearing Agent that the Goods were 'Non-dangerous and he in turn had despatched the goods by rail under the 'Freight Forwarder Scheme' in good faith, it may perhaps not be taken as wilful wrong declaration of the goods.

However, the freight forwarder was penalised for loading dangerous goods as freight charges were collected at the wagons load scales of rates and not at the concessional lump sum rate. In addition *ad hoc* penalty charges and under-charges for loading excess weight were also collected.

It may be mentioned that the freight forwarders are basically road hauliers and in this case the charges paid by them were much in excess of what they would have incurred if the goods had been booked by road at the prevailing road rates from Carnac Bridge to Ghaziabad i.e., they would have paid approximately Rs. 34,496 as against Rs. 54,758/- already paid as rail freight charges. The penalty imposed and collected from the Freight Forwarder was thus considered to be adequate."

2.29. The Ministry of Railways have further informed the Committee that while taking the decision, the following points were also taken into consideration:

"(i) It is generally difficult to get good firm for acting as freight forwarders inasmuch as they have to face severe road competition and other constraints;

- (ii) This particular firm was offering a fairly large number of wagons under the scheme i.e., during December 1972 and January 1973, they had loaded about 150 wagons and the firm being a potential customer, no stringent action against them was possible because the possibility of this party ceasing to work as freight forwarders and undercutting our freight forwarder rates as retaliatory measures could not be completely ruled out;
- (iii) The scheme is profitable to Railways e.g. under the freight forwarder scheme from CCB to GZB against a lump sum rate of Rs. 2300/- per wagon (exclusive of QTS/CCB Toll), or Rs. 2427/- per wagon (including QTS/CCB Toll), the haulage cost per wagon during the material period was Rs. 1049/- only or Rs. 11,539/- for 11 wagons;
- (iv) Freight Forwarder traffic is not prone to claims for compensation;
- (v) The traffic being entirely road-borne, it was a gain for the Railways to carry them from CCB to GZB—the prevailing road rate for 22.4 tonnes being Rs. 3106/- Rs. 140/- per tonne (including terminal handling per tonne) or Rs. 34,496/- for a load equivalent to 11 wagons as against total lump sum rate of Rs. 26,447/- for 11 wagons, the rail rate being quite competitive with road."

2.30. The Committee note that a freight forwarder of Bombay booked in March 1973, 770 drums of Dinitro-chloro Benzene from Carnac Bridge to Ghaziabad describing the contents as Benzene and declaring it as non-dangerous and non-explosive contrary to the provisions of the Freight Forwarder Scheme circulated by the Railway Board in June, 1971. The Committee further note that both the products—Dinitro-chloro Benzene and Benzene—are treated as dangerous for the purpose of rail transport and under the Freight Forwarder Scheme, freight forwarder could not book offensive or dangerous goods notified in the Red Tariff. Keeping in view these facts the Committee find it difficult to agree that the freight forwarder had described it non-dangerous in good faith. The Committee are surprised that a leading freight forwarder, who was offering a large number of wagon loads, should plead ignorance of the provisions contained in the Freight Forwarder Scheme while booking a dangerous commodity which was a potential risk to Railway property. The Commodity booked was dangerous but it was described as non-dangerous and non-explosive, thereby exposing the Railway staff, the Railway property and the public to grave risk. In the opinion of the Committee there was no case for any concession being shown to the

freight forwarder as has been done in this case, by remission of penal charges amounting to Rs. 27,989 levied earlier. The fear that the freight forwarder might have retaliated by undercutting Railway's freight forwarder rates was imaginary. In any case Railways could not be expected to win traffic through unscrupulous freight forwarders and the Committee do not appreciate their attempt to justify their action. The Committee wish that the Ministry of Railways should have taken the above factors into consideration while deciding this case. The Committee would like the Railway Board to devise steps to prevent the recurrence of such cases.

2.31. The description given by the freight forwarder of the commodity in the forwarding note was clear and categorical. It was stated as 'Benzene' which has been included in the Red Tariff and thus could not be booked for rail transport. The Committee fail to understand how this commodity was accepted for rail transport by the Railway officials in contravention of the rules. This is tantamount to deliberate negligence on the part of Railway officials. The Committee take a serious view of this lapse and would like that the officials who were responsible, should be brought to book.

Northern Railway—Non-observance of routing and rating instructions.

Audit Paragraph

2.32. (i) The Railway Board issued instructions on 26th October 1974 that under the rationalised scheme the chargeable distance would be computed by the routes mentioned below and the freight charged accordingly:—

- (i) (a) all goods traffic from Tughlakabad side to Ludhiana station and beyond and *vice versa* should be routed *via* Shakurbasti-Jakhal and Dhuri; and
- (b) all goods traffic booked from Delhi area for Ludhiana and beyond should be routed *via* Tughlakabad-Shakurbasti (*via* Delhi avoiding lines), Jakhal, Dhuri and *vice versa*;
- (ii) all goods traffic from Varanasi Junction side to Lucknow and beyond should be routed *via* Janghai-Pratapgarh-Rae-Bareilly (traffic in the reverse direction should be carried *via* shortest route); and
- (iii) all goods traffic from Shahjahanpur side to Moradabad and beyond should be routed *via* Chanehti-Chandausi (traffic in the reverse direction should be carried *via* shortest route).

These orders were to come into force from 15th November, 1974.

2.33. A limited review by Audit of the inward and outward traffic at Moga, Ludhiana, Jullundur Cantonment and Jammu Tawi stations covering the period November 1974 to February 1975 disclosed that these instructions had not been implemented due to non-receipt of the notification by the station staff, resulting in short realisation of freight charges to the extent of Rs. 64,807. As a result of further review of traffic received at some other stations by the Accounts Office during the period from 15th November 1974 to 14th May 1975, under-charges of Rs. 2,55,945 had been noticed.

2.34. The Railway Administration stated (December 1975) that debits for the under-charges were being raised and that the result of review by other Zonal Railways was awaited.

2.35. (ii) Rules in the Indian Railway Conference Association's Goods Tariff provide that in the absence of specific instructions in writing from the sender to the contrary, goods will be despatched by the shortest route at charges by the cheapest route, that is the route by which freight charges are the lowest. For purposes of determining the shortest route in cases where transshipment at break-of-gauge is involved, each break-of-gauge is to be reckoned as equivalent to 160 kms. In the event of the shortest route when not the cheapest, being partially or wholly closed for traffic, the goods may be despatched by the next shortest route at charges by the cheapest route.

2.36. There are two routes for carriage of traffic from stations on Kot Kapura-Bhatinda section of broad gauge main line between Ferozepur Cantonment and Delhi to stations in Bombay area— (A) all broad gauge route *via* New Delhi, Mathura and Dadar; and (B) broad gauge-cum-metre gauge-cum-broad gauge route *via* Bhatinda or Hissar, Marwar and Sabarmati stations involving transshipments at Bhatinda or Hissar (from broad gauge to metre gauge) and at Sabarmati from metre gauge to broad gauge). Route (A) is shorter as the notified distance of route (B) is inflated by 320 kms on account of two transshipments involved on it for purposes of ascertaining the 'shortest route'. However, route (B) is cheaper as for charging freight, the distance for charge *via* the broad gauge-cum-metre gauge-cum-broad gauge route is not inflated on account of transshipments.

2.37. The Northern Railway's Goods Tariff provides that stations on Bhatinda-Kotkapura section are closed for all descriptions of goods traffic involving transshipment at Bhatinda and Hissar. Consequently, only route (A) has been available for routing and rating of traffic between these places.

2.38. A test check of the records of stations on Kotkapura-Bhatinda section disclosed that freight on traffic booked on different rates between January 1972 and March 1975 from these stations and carried by route (A) had been incorrectly charged as for route (B), resulting in under-charges of freight of Rs. 1,94,462.

2.39. The Railway Administration stated (November 1975) that debits for the under-charges had been raised. The amount is, however, still (January 1976) to be realised.

[Paragraph 33 of the Report of Controller and Auditor General of India for the year 1974-75, Union Government (Railways).]

2.40. It would be seen from the Audit Paragraph that the Railway Board issued instructions on 26th October 1974 that under the rationalised scheme the chargeable distance would be computed by the routes mentioned below and the freight charged accordingly.

- (i) (a) all goods traffic from Tughlakabad side to Ludhiana station and beyond and *vice versa* should be routed via Shakurbasti-Jakhal and Dhuri;
- (b) all goods traffic booked from Delhi area for Ludhiana and beyond should be routed *via* Tughlakabad-Sakurbasti (*via* Delhi avoiding lines), Jakhal, Dhuri and *vice versa*;
- (ii) all goods traffic from Varanasi Junction side to Lucknow and beyond should be routed *via* Janghai-Pratapgarh-Rai-Bareilly (traffic in the reverse direction should be carried *via* shortest route); and
- (iii) all goods traffic from Shahjahanpur side to Moradabad and beyond should be routed *via* Chanchti-Chandausi (traffic in the reverse directions should be carried *via* shortest route).

These orders were to come into force from 15 November, 1974. The Committee desired to know what special measures were taken by the Ministry of Railways/Railway Administration to ensure that the instructions reached the stations sufficiently before 15 November, 1974. The Ministry of Railways have in a note stated:

“Board’s letter dated 26-10-1974 regarding the rationalisation scheme was received by the Headquarters office of the Railway on 30-10-1974 and necessary instructions were issued by them to the Divisions on 25-11-1974 in the normal course without taking any special steps.”

2.41. The Audit Paragraph further points out that a limited review by Audit on the inward and outward traffic at Moga, Ludhiana, Jullundur Cantonment and Jammu Tawi stations covering the period November, 1974 to February 1975 disclosed that these instructions had not been implemented due to non-receipt of the notification by the station staff resulting in short realisation of freight charges. In this context, the Committee desired to know the date on which the Railway Board's letter containing instructions was received by the Headquarters Office of the Railway Administration the date on which the instructions were issued to the Divisions the date on which the latter circulated it to the stations and finally the dates on which the stations concerned received the circular. In reply, the Ministry of Railways stated:

"Railway Board's letter dated 26-10-1974 was received by the Headquarters Office of the Railway Administration on 30-10-1974. Necessary instructions in the matter were issued by the Headquarters Office to the Divisions on 25-11-1974. Ferozepur Division circulated these instructions on 12-12-1974 which were received by the concerned stations as under:

Ludhiana	—	13-12-1974
Jullundur Cantt.	—	10-1-1975
Jammu Tawi	—	24-1-1975
Moga	—	10-1-1975."

2.42. In view of the fact that considerable delay took place in transmitting the instructions to the stations concerned, the Committee enquired of the reasonable minimum time that should be allowed for bringing in force the decisions about revisions in rates, tariffs, routing and rating instructions. The Ministry of Railways have replied:

"As per the provision in the Indian Railway Traffic Code the minimum notice required to be given to Public for enhancements in rates is fourteen days. Taking into account the time required for the Headquarters Office and the Divisions to transmit the instructions, four week's time is considered as a reasonable time for the Railway Administrations for implementing the changes in rates and routing and rating instructions."

2.43. The Committee asked whether the time allowed to and the time taken by Northern Railway Administration to notify the instructions to the stations was considered, reasonable. In reply, the

Ministry of Railways have stated:

“Though the time allowed to Northern Railway for notification of the instructions was not reasonable (they were given only 15 days time as against the reasonable period of four weeks), the actual time taken by the Railway Administration in notifying these instructions to the Divisions is not considered reasonable and could have reduced by special efforts.”

2.44. The Committee enquired as to when the instructions were received in the Office of the Financial Adviser and Chief Accounts Officer. In reply the Ministry of Railways have stated:

“The instructions issued by the Commercial Branch of the Headquarters Office on 17-12-1974 and which were endorsed to Financial Adviser and Chief Accounts Officer were received in the Office of the Financial Adviser and Chief Accounts Officer on 27-2-1975.”

2.45. The Committee have learnt from Audit that in paragraph 36(i) of the Report of C&AG of India for the year 1974-75—Union Government (Railways) another case has been mentioned where the Eastern Railway had notified revised carrying capacity of oil tank wagons on 19 March 1973 making it effective from the same day. The Committee desired to know as to what measures the Railway Board proposed to take to ensure that the instructions issued reached the stations well in advance of the dates of enforcement, keeping in view the number of stations which were required to enforce the revisions in the tariffs etc. The Ministry of Railways have in a note stated as under:

“It has been decided to normally give a minimum of four weeks time to the Railway Administrations for implementing decisions relating to enhancement of rate, classification, minimum weight condition and change in routing and rating procedures. In cases where a notice shorter than four weeks is proposed to be given, special steps will be taken to ensure that the instructions are received by the Railways and transmitted to stations in time. At present, on certain Railways instructions regarding changes in rates, minimum weight condition etc., are transmitted to Divisions who in their turn circulate the instructions to stations. To avoid delay in the percolation of the instructions to stations a proposal is under consideration to centralise the cyclostyling of instructions having financial implications in the Headquarters Office and to despatch the required number of copies of notifications to Divisions by couriers.”

2.46. When asked as to how the irregularity escaped notice in internal check by the Accounts Officer, the Ministry of Railways have replied that the irregularity did not escape the notice of internal check and debits were raised against the stations in case of local traffic and in respect of through traffic, destination Railways were advised through "incorrect statements" i.e. statement sent to other Zonal Railways advising in the cases of wrong charging.

2.47. The Committee understand that the Railway Administration had stated in December 1975 that debits for the undercharges were being raised and that the result of review by other Zonal Railways was awaited. In this context, the Committee enquired if the total undercharges (including foreign inward traffic) had been assessed and if so, what was the total amount involved and the amount that was to be realised. The Ministry of Railways have stated as under:

"The assessment of the undercharges due in respect of local traffic has been completed and it is seen that the total undercharges in respect of local traffic is Rs. 1,55,700 out of which Rs. 1,36,459 is yet to be realised. In respect of Foreign traffic, the review is under progress and the exact amount of undercharges due will be known only after the review is completed."

2.48. The Committee have learnt from Audit that the Railway Board had issued instructions in February, 1970 about rationalisation of routing of traffic over North Eastern Railway (Railway Board's letter No. 70-TFIII/27(i)-General Order No. A/1 of 1970) and that these instructions came into force from 1 March, 1970. These instructions were partially modified in August 1974 and January 1975. In terms of these instructions the traffic from Metre Gauge stations of North Eastern Railway to Broad Gauge stations on Northern and Western Railways, which should have been carried and charged *via* Manduadih were booked and charged *via* Barabanki. Similarly, the traffic which should have been routed through Garhara, involving transshipment at Garhara was booked and charged *via* Manduadih. The Audit further points out that non-observance of routing instructions by five stations namely, Hathua, Siswa Bazar, Narkatiaganj, Motihari and Darbhanga resulted in undercharges of freight of Rs. 81,860 during a limited period test checked by Audit. The Committee have further learnt that at the instance of the Audit North Eastern Railway Administration has undertaken a detailed review to ascertain the total amount of undercharges of freight. In this context, the Committee desired to know whether the Railway Administration

have examined as to how the irregularity remained undetected for a long time. The Ministry of Railways have in a note stated:

"In terms of Rationalisation scheme issued under the amendment to General Order No. A/5 of 1974 traffic from and to stations on Central, Northern and Western Railways to and from Metre Gauge stations in Samastipur Division of North Eastern Railway, must be booked, charged and routed *via* Garhara. These instructions were not received by the concerned station staff. The three stations out of the five stations mentioned in the Audit Para, namely, Narkatiaganj, Motihari and Darbhanga fall within the jurisdiction of Samastipur Division and they are covered by the above mentioned rationalisation scheme.

With regard to Siswa Bazar and Hathua which come within the jurisdiction of Varanasi Division of North Eastern Railway and which were outside the scope of the Rationalisation scheme notified in General Order No. A/5 of 1974, booking of traffic was required to be done by the shortest open route *i.e.* *via* Barabanki/Kanpur Central. These stations however, have booked and charged the traffic *via* Barabanki/Kanpur Central but carried the traffic *via* Manduadih which is a longer route. The concerned staff who had defaulted in this regard at Siswa Bazar and Hathua have been taken up under Discipline & Appeal Rules, Action against staff at other stations is being initiated."

2.49. Asked about the measures taken to avoid recurrence of such cases, the Ministry of Railways replied that the following measures are being taken by the Railway Administration:—

- "(i) the procedure with regard to distribution of instructions is being streamlined so that cases of non-receipt of instructions are avoided.
- (ii) the Inspectorial staff have been instructed to check up invoices and also records with regard to maintenance of circulars and also rules regarding routing and rating aspects, whenever they visit stations for inspections.
- (iii) the Accounts Deptt. have been asked to advise the Commercial Branch the cases where wrong charging is being done by staff continuously so that necessary steps be taken to check further recurrence of the same."

2.50. The Committee enquired whether the amount of under-charges has been assessed and if so, desired to know the total am-

ount, period and the number of stations involved. The Ministry of Railways have replied:—

“The assessment of undercharges due, on account of non-compliance of instructions has been completed in respect of stations in Varanasi Division. The amount assessed is Rs. 53,865. This amount pertains to the periods 1973-74 and 1974-75. The number of stations involved were 25.

As regards the three stations viz. Motihari, Narkatiaganj and Dharbhanga situated in Samastipur Division, the traffic was booked *via* Manduadih which is the shortest route, due to non-observance of the rationalisation scheme. The traffic was, however, carried *via* Garhara, a longer route, for operational convenience.”

2.51. In reply to another question, the Ministry of Railways have stated that “the irregularity has ceased from 1-4-1975 at stations in Varanasi Division including Siswa Bazar and Hathua and from 11-11-75 at Motihari, Dharbhanga and Narkatiaganj in Samastipur Division.”

2.52. According to Audit Paragraph, Northern Railway's Goods Tariff provides that stations on Bhatinda-Kotkapura sections are closed for descriptions of goods traffic involving transshipment at Bhatinda and Hissar. The Committee desired to know when these restrictions on booking of dearer routed traffic from Northern Railway broad gauge stations to stations reached *via* Bhatinda or Hissar were introduced. The Committee also desired to know as to when instructions in this behalf were received by the stations concerned and the office of Financial Adviser and Chief Accounts Officer. The Ministry of Railways have stated:

“Notification regarding restrictions on routing of dearer route traffic from Northern Railway Board Gauge stations to stations reached *via* Bhatinda or Hissar are in force since 1957. They were incorporated in the Northern Railway Goods Tariff Part-I, 1957 edition. These instructions were incorporated in the 1967 edition of the Northern Railway Goods Tariff Part-I also. In as much as these instructions were incorporated in the Goods Tariffs of both 1957 and 1937 editions, the stations on the Northern Railway and the staff of Financial Adviser and Chief Accounts Officer were aware of these instructions right from 1957 onwards.”

2.53. Since according to Audit undercharges pertained to the period January, 1972 to March, 1975, the Committee asked as to how

these escaped the notice of the Accounts Office and T.I.As earlier particularly when the restrictions relating to booking of traffic *via* Bhatinda were in force since 1957 and the Accounts Office was aware of this. The Committee also desired to know if there were any undercharges prior to January 1972. The Ministry of Railways have explained the position as under:

“The instructions regarding restrictions on dual gauge stations on Bhatinda-Kotkapura section in force since 1957 escaped notice of the Accounts staff entrusted on internal check of goods outward invoices. This lapse came to notice at the time of scrutiny of audit objection relating to live stock traffic and the review for general goods was conducted without asking by Audit on record from 1972 to 1973 which was available. In the absence of records prior to 1972 (which was destroyed as expired records) it cannot be said if the irregularity in question did not persist. Check of rates and routing does not come under the purview of TIAs. The Railway Administration have since been asked to take steps to ensure that such lapses do not take place in future.”

2.54. According to Audit Paragraph a test check of the records of stations on Kotkapura-Bhatinda section disclosed that freight on traffic booked on different dates between January 1972 and March 1975 from these stations and carried by route (A) had been incorrectly charged for route (B), resulting in under-charges of freight of Rs. 1,94,462. Asked as to why it could not be possible to detect the irregularity in internal check, the Ministry of Railways in a note have clarified the position as under:—

“Out of the amount of Rs. 1,94,462 pointed out by the Audit, an amount of Rs. 24,048 pertains to livestock traffic. The balance amount of Rs. 1,70,414 relates to general goods traffic. The restrictions in regard to dearer route goods traffic from Northern Railway Board Gauge stations to stations reached in Bhatinda Metre Gauge and *via* Hisar Metre Gauge is not applicable to traffic in livestock. Thus, the amount of undercharges due to be recovered is only Rs. 1,70,414. This irregularity was detected by the Accounts Office of the Railway in the course of internal check and the Accounts Office of the Railway on their own issued error sheets in respect of traffic other than livestock booked from dual-gauge stations on Kotkapura-

Bhatinda section in accordance with extant rules. Action was also initiated by the Railway Administration to realise the amount."

2.55. Asked as to how much of the undercharges have been recovered so far, the Ministry of Railways replied:

"Out of the undercharges of Rs. 1,70,414 due to be recovered, an amount of Rs. 771 has so far been recovered."

2.56. The Committee asked as to how many times these stations were visited by Travelling Inspectors of Accounts and Commercial Inspectors during the period January 1972 to March 1975 and desired to know as to how this irregularity escaped their notice. The Ministry of Railways have stated:

"Although these four stations were visited by the C.M.Is and T.I.As on a number of occasions during the period January, 1972 to March, 1975, this aspect escaped their notice."

2.57. The Committee note that the Railway Board issued on 26 October, 1974 certain routing and rating instructions under the rationalisation scheme which were to come into force w.e.f. 15 November, 1974. Though Railways Ministry consider four weeks as reasonable time for the Railway Administration for implementing such changes, yet in this very case a period of only twenty days was allowed. The Committee regret that in spite of knowing the fact that time allowed was not sufficient to implement the instructions in the normal course, the Ministry of Railways did not take any special steps to ensure that these instructions reached the stations sufficiently before 15 November, the day from which the changes were to be effected.

2.58. The Committee further note that the letter of 26 October, 1974 was received by the Headquarters Office of Railway Administration on 30 October 1974 and the Headquarters Office took further 25 days to issue instructions in this regard to Divisions on 25 November 1974. Again, Ferozepur Division in its turn sent these instructions to the stations concerned on 12 December, 1974 and some of the stations received them as late as January 1975. The Committee are unhappy at the abnormally long time taken at various stages in transmitting urgent instructions to stations concerned by the various agencies of the Ministry of Railways. They would like the Ministry to investigate the reasons for delay at various stages with a view to fixing responsibility and taking remedial measures for future. The Committee would like to be apprised of the action taken against the erring officials.

2.50. In the same context the Committee are surprised to note that the Commercial Branch of the Headquarters Office issued instructions to the Financial Adviser and Chief Accounts Officer on 17 December 1974 but the latter received the same only on 27 February 1975, i.e., after a period of more than two months. The Committee would like this delay also to be investigated thoroughly.

2.60. The Committee appreciate that in order to avoid such delays the Ministry of Railways are considering a proposal to centralise the cyclostyling of instructions having financial implications at the Headquarters Office and to send the required number of copies of the notifications etc. to Divisions by couriers. In this context, the Committee would suggest that advance copies of notifications having financial implications should be despatched under registered covers to the stations concerned directly from the Headquarters Office simultaneously while sending instructions to the Divisions. The stations in their turn, on receipt of such instructions would advise within a specified period to the Divisions and the Headquarters Office about their having received such orders. This would reduce the time in transmitting such instructions from Headquarters Office to the stations.

2.61. The Committee are given to understand that a sum of Rs. 1,36,459 as undercharges in respect of local traffic was yet to be realised and in respect of foreign traffic the review is under progress. The Committee would like to be apprised of the progress made in this regard.

2.62. The Committee further note that assessment of undercharges due on account of non-compliance of routing and rating instructions on North-Eastern Railway has since been completed in respect of stations in Varanasi Division and the amount assessed is Rs. 53,865 for the years 1973-74 and 1974-75. The Committee would like to be apprised of the steps taken to recover the amount due.

2.63. The Committee find that notification regarding restrictions on routing of dearer route traffic from Northern Railway Broad gauge stations to stations reached via Bhatinda or Hissar were in force since 1957 and were incorporated in the Northern Railway Goods Tariff Part-I, 1957 edition and also in the 1967 edition of the Northern Railway Goods Tariff Part-I. However, these instructions were not complied with, resulting in undercharges to the extent of Rs. 1,70,414 for the period January 1972 to March 1975. It is learnt that undercharges prior to January 1972 could not be assessed due to destruction of record pertaining to that period. The Committee

are greatly concerned at the loss of revenue which cannot be precisely quantified in the absence of records. The Committee would like the Ministry of Railways to investigate the matter in depth for taking suitable remedial action.

2.64. The Committee are unhappy to note that out of Rs. 1,70,414 outstanding as arrears of undercharges on Bhatinda-Kotkapura section a sum of Rs. 771 only could be recovered so far. The Committee would like the Ministry of Railways to take effective steps for recovering Government dues without further loss of time and apprise the Committee of the progress made in this direction.

2.65. The Committee observe that although four stations on Bhatinda-Kotkapura section were visited by the CMIs and TIAs on a number of occasions, the irregularity escaped their notice. The Committee would like the Ministry of Railways to investigate how the undercharges escaped their notice with a view to taking remedial measures for the future. The Committee would also like to know why the irregularity could not be detected in the internal check since 1972.

Northern Railway—Railway dues against Power Houses and Oil Companies

Audit Paragraph

2.66. The rules provide that, if wagons are placed in a Railway siding for unloading without effecting the book delivery and collecting the freight and other charges due, it should be ensured that there is no delay in effecting book delivery and collecting the charges due. However, the Power House authorities of the Delhi Electric Supply Undertaking had not been surrendering railway receipts immediately after the wagons had been placed for unloading in their sidings before book delivery. In some cases railway receipts had been surrendered by them after the lapse of six months or so. Consequently, billing of freight and other charges was delayed and had to be done on the basis of invoices instead of the railway receipts.

2.67. At the end of July 1975, a sum of Rs. 8.81 crores was outstanding against the Undertaking on account of freight and other charges on coal wagons booked and delivered to its Power Houses. Out of this amount, Rs. 5.96 crores pertained to the year 1974-75 and Rs. 0.14 crore (approximately) to the earlier years.

2.68. In addition Rs. 1.89 crores was outstanding (December 1975) against the Undertaking on account of cost of coal and Railway freight of 3329 coal wagons diverted to its Power Houses.

2.69. In January 1975, the General Manager, Delhi Electric Supply Undertaking, stated that because of difficult financial position the Undertaking could not liquidate its liabilities.

2.70. Likewise, at the end of July, 1975, a sum of Rs. 4.09 crores was outstanding against the Uttar Pradesh State Electricity Board on account of freight and other charges on coal wagons booked and delivered to its Power Houses. Out of this, a sum of Rs. 1.97 crores is stated to have been paid during August 1975.

2.71. In January 1976 the Railway Administration stated that all possible steps were being taken to recover the dues.

2.72. In respect of tank wagons of P.O.L. traffic placed in the sidings of oil companies for unloading without book delivery, these companies had not been surrendering the railway receipts immediately after delivery and there have been heavy accumulations of freight charges against them at the end of each month. The review of the position at Shakurbasti station disclosed that the average monthly outstanding dues against the oil companies during the years 1973-74 and 1974-75 were Rs. 14.56 lakhs and Rs. 16.19 lakhs respectively. At the end of March 1975, the total outstandings stood at Rs. 33.40 lakhs of which Rs. 21.19 lakhs pertained to traffic 'on hand', that is, traffic actually received and unloaded by the oil companies. During May 1975 the total outstanding in respect of consignments 'on hand' stood at Rs. 36.97 lakhs and at the end of July 1975 it stood at Rs. 15.46 lakhs.

2.73. According to the agreements with the oil companies interest at the rate of 10 per cent per annum is leviable on all freight amounts which have fallen due for recovery. No interest had been levied on the overdues of freight and other charges recoverable.

2.74. During the years 1973-74 and 1974-75, out of total demurrage charges of Rs. 33.83 lakhs due from the Indian Oil Corporation, Rs. 24.81 lakhs were written off.

2.75. The Railway Administration stated (August 1975) that the delay in collection of freight charges is inevitable due to the system of periodical billing for freight, which is done after the railway receipts are surrendered by the companies, and that the waiver of demurrage was sanctioned by the competent authority on merits of each case and also on grounds of (i) defective tank wagons, (ii) wrong placements and (iii) failure of electricity. It may be mentioned that the Railway Administration decided to

recover demurrage charges to the extent of only 25 per cent of the total charges accrued, on an *ad hoc* basis, without examining individual cases on merits.

2.76. It may also be added that, for the P.O.L. supplied by the oil companies including Indian Oil Corporation, the Railways are required to make 100 per cent advance payment.

[Paragraph 35 of the Report of the Comptroller and Auditor General of India for the year 1974-75, Union Government (Railways)]

2.77. The Committee have learnt that paragraphs 2514 and 2515 of Indian Railway Commercial Manual Vol. II provide that, if wagons are placed in a Railway siding for unloading without effecting the book delivery and collecting the freight and other charges due, it should be ensured that there is no delay in effecting book delivery and collecting the charges due. According to Audit paragraph, however, the Power House authorities of the Delhi Electric Supply Undertaking had not been surrendering railway receipts placed for unloading in their sidings before book delivery and in some cases railway receipts had been surrendered by them after the lapse of six months. In this context, the Committee desired to know the difficulties in effecting book delivery i.e., on production of Railway Receipts and collecting the charges. The Ministry of Railways have stated:—

“The main difficulty experienced in effecting book delivery is the non-submission of the Railway receipt by the Delhi Electric Supply Undertaking in time i.e. before the wagons are actually despatched to their siding. It is the duty of the consignee i.e. the Delhi Electric Supply Undertaking to surrender the Railway receipts in time before the wagons are actually handed over to them and they are not performing their duty of surrendering the Railway Receipts in time.”

2.78. The Committee desired to know the reasons as to why the Power House authorities took as long a period as six months or so in surrendering the Railway Receipts after taking delivery of the consignments. The Ministry of Energy have stated* that the delay in surrendering the Railway Receipts was attributable to the procedure of furnishing the Railway Receipts to the Undertaking as per the following stages:—

“(1) Railway Receipts prepared at the collieries siding by Railways are forwarded to the Coal Supplying Agency at the pit-head.

*Not vetted by Audit.

- (ii) Coal Supplying Agency at the pit-head forwards the R.Rs. to its local branch office.
- (iii) The Local Branch office of the Coal Supplying Agency forwards the Railway Receipts to their office in Delhi.
- (iv) The Delhi Office of the Coal Supplying Agency forwards the Railway Receipts to the DESU's Stores Department.
- (v) The DESU's Stores Department verifies the coal receipts, prepares the acknowledgement note therefor and forwards the Railway Receipts to the Accounts Department for surrendering the same to the Railway Authorities.

In view of the above procedure, the timelag involved in the receipt of the Railway Receipts by the power house authorities and surrendering the same to the Railways ranges between 3 to 4 months under the normal circumstances from the date it is prepared. The power station authorities surrender the Railway Receipts within 3 to 4 weeks from the date of receipt. However, payment is not linked with Railway Receipts as separate bills are preferred by Railway and Coal Department."

2.79. In reply to another question, the Ministry of Railways have stated that Delhi Electric Supply Undertaking paid freight through cheques.

2.80. The Committee enquired whether it was not possible to prefer bills immediately on receipt and placement of consignments in the sidings of Delhi Electric Supply Undertaking on the basis of the Railway's copies of invoices namely through invoices, transit invoices or 'memo-invoices' in cases where the consignors are unable to produce their own copy of the invoices. The Ministry of Railways have replied:—

"Before June, 1975, bills were preferred only when the Railway Receipt was surrendered or when the invoices were received. From June, 1975 onwards bills are being preferred on the basis of card labels. However, even though bills are being preferred now in time, the

payments are not forthcoming from Delhi Electric Supply Undertaking."

2.81. According to Audit Paragraph at the end of July, 1975, a sum of Rs. 8.81 crores was outstanding against the Delhi Electric Supply Undertaking on account of freight and other charges on coal wagons booked and delivered to its Power Houses and out of this amount, Rs. 5.96 crores pertained to the year 1974-75 and Rs. 0.14 crores (approximately) to the earlier years. In view of this, the Committee enquired about the steps taken by Delhi Electric Supply Undertaking to liquidate the heavy outstanding dues and to see that there was no accumulation of such dues in future. The Ministry of Energy have stated:*

"According to the Delhi Electric Supply Undertaking Accounts, an amount of about Rs. 11.4 crores was payable to Northern Railway as on 31-3-76 on account of freight charges. This liability could not be discharged owing to the tight financial position of the Undertaking. In fact, it was mainly in this background that the Government of India had released a short term loan of Rs. 7.5 crores to Delhi Electric Supply Undertaking out of which an amount of about Rs. 3 crores was released to Northern Railway on 31st March, 1976 towards part payment of the Railway's claim. The Undertaking has again approached the Government of India for further financial assistance to liquidate its old accumulated liabilities including freight outstandings of Rs. 8.43 crores (as on 31-3-76).

As far as the current financial obligations are concerned these are being almost fully discharged. During the first six months of the current year (1976-77) amounts aggregating to about Rs. 4.06 crores have already been released to the Northern Railway and in addition to this electricity charges payable by the Northern Railway amounting to about Rs. 70 lakhs have been adjusted by them towards Railway freight."

2.82. The Committee desired to know the present position of recovery of outstandings from Delhi Electric Supply Undertaking

*Not vetted by Audit.

and Uttar Pradesh State Electricity Board. In reply the Ministry of Railways have explained the position as under:—

“The position of outstandings from Delhi Electric Supply Undertaking and Uttar Pradesh Electricity Board as on 1-6-1976 is given below:—

(Rupees in crores)

	Outstandings as on 1-8-1975	Accumulation from August, 75 to May, 76	Total	Cleared upto May, 76	Balance outstanding on 1-6-76 (4-5)
1	2	3	4	5	6
Delhi Electric Supply Undertaking	8.90	10.56	19.46	5.13	14.33
Uttar Pradesh State Electricity Board	3.93	13.03	16.96	10.53	6.43

All efforts were made to recover the outstanding amount from Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board.”

2.83. Asked as to how such a huge amount was allowed to accumulate, the Ministry of Railways have stated that accumulation has taken place due to certain financial difficulties experienced by these two bodies resulting in their not being able to pay railway dues regularly.

2.84. When asked about the steps taken to avoid such accumulation in future, the Ministry of Railways have stated that “in order to ensure that such accumulations do not take place in future, the first step taken was to adjust all the dues payable by the Railways to these Undertakings and reduce the outstandings correspondingly. Secondly, meetings have been held at the level of General Manager, Delhi Electric Undertaking and Chairman and Member Finance, Uttar Pradesh State Electricity Board.” The Ministry of Railways have further added:

“The matter has also been taken up at the highest level and D.O. letters have been issued from the Minister of Railways to Chief Minister, Uttar Pradesh, and from the Minister of State for Railways to the Minister of State for Energy.

In fact, during December 1975 the condition of compulsory pre-payment of freight was also imposed on Delhi Electric Supply Undertaking for a short period but was withdrawn because railways did not want the supply of electricity in the capital region to be affected adversely."

2.85. According to Audit Paragraph besides freight and other charges stated above, Rs. 1.89 crores was outstanding in December, 1975 against the Delhi Electric Supply Undertaking on account of cost of coal and railway freight of 3329 coal wagons diverted to its Power Houses. The Committee asked as to why there is a delay in the settlement of the claim of Rs. 1.89 crores on account of cost of diverted coal and railway freight thereon. The Ministry of Railways have stated:

"The delay in the settlement of the claims, is due to delay in receiving payment from the Delhi Electric Supply Undertaking. The Delhi Electric Supply Undertaking has so far made a payment of only Rs. 10 lakhs against a sum of Rs. 1.89 crores due from them on account of coal wagons diverted and delivered to them."

2.86. The Committee enquired as to how many wagons were carrying public coal out of 3329 wagons diverted to the Power Houses. The Ministry of Railways have replied:

"Further verification reveals that the number of coal wagons diverted to Delhi Electric Supply Undertaking during the period 1-1-1973 to 31-12-1974 was 3316 and not 3329. Out of these wagons, 2,944 belonged to other power houses and 372 belonged to other consignees (i.e. other than Power Houses."

2.87. When asked about the amount of compensation paid therefor *vis-a-vis* amount recoverable from Delhi Electric Supply Undertaking, the Ministry of Railways have stated:

"The amount of compensation paid by the Northern Railway in respect of coal wagons pertaining to public other than Power Houses was Rs. 5.7 lakhs during the year 1974-75."

2.88. The Committee enquired if any accommodation had been shown to the Railways by the Power Houses in the payment of

amounts due to the latter towards supply of electricity. The Ministry of Railways have stated as under:—

“No accommodation is shown to the Railways by the Power Houses (Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board) in the payment of amount due to the latter towards the supply of electricity. Delhi Electric Supply Undertaking has been levying a surcharge if the payment of their bills is not arranged in time. Uttar Pradesh State Electricity Board have been either levying a surcharge or not allowing the usual rebate in the event of delayed payments. Uttar Pradesh State Electricity Board have in certain cases even dis-connected supply to the railway stations because of delay in payment.

However, a bulk of the amount of bills for electricity supplied to the Railways by the Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board is being set off against the Railways' outstanding dues for transportation of coal, by mutual agreement since March, 1975.”

2.89. While the Railways do not charge any interest on belated payments by the Power Houses and also grant delivery of consignments meant for them without realising freight etc. the Power Houses (Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board) do not show any accommodation to the Railways in the matter of payment of amount due to them. On the other hand, the Railways are required to lose rebate or pay the surcharge levied in case the dues of Power Houses for supply of electricity are not paid by the former within the due dates. In this context, the Committee enquired whether the Ministry of Railways had at any stage negotiated with the Electricity Boards etc. that surcharge would not be paid to them and/or rebate would be availed, of even in cases where dues of Power Houses are not paid by Railways within due dates. The Ministry of Railways have intimated to Audit that the matter was under further examination in consultation with the Northern Railways.

2.90. The Committee asked for details of the outstandings exceeding Rs. 5 lakhs at a point of time on other Railways. The Committee also desired to know the total amount of Railway's claim for (i) cost of coal; (ii) freight; and (iii) demurrage charges in respect of other Power Houses. The Ministry of Railways have furnish-

ed, the following details of the outstanding dues exceeding Rs. 5 lakhs from Power Houses as on 30 June, 1976 on the other Railways:

(Amount in lakhs of Rupees)

Railway	Name of Power House	Cost of coal	Outstandings Freight	Demurrage
Central	Nasik Thermal Power House (Maharashtra State Electricity Board)	9.88	20.30	3.44
	(Bhusaval Power House, (Maharashtra State Electricity Board)	—	24.66	—
	Badarpur Thermal Station	..	120.42	142.02
	New Power House, Faridabad	—	5.83	0.58
	Tata Thermal Power House, Trombay	..	25.98	1.73
	Koradi Thermal Power House	..	4.19	0.98
	Electric Power House (DESU), New Delhi	..	13.31	..
Eastern	Bandel Power House, Mogra	..	39.46	3.33
	Durgapur Thermal Plant, Waria	..	11.25	7.64
	Patratu Thermal Plant	11.00	17.18	..
	Obra Power House	2.00	106.28	..
	Chandrapura Power House	..	3.07	5.85
	Barauni Thermal Station	..	13.37	0.04
North Eastern	Uttar Pradesh State Electricity Board, Mau	..	6.90	0.02
	Uttar Pradesh State Electricity Board, G rakhpur	..	13.51	0.57
Southern	Ennore Power House	..	11.12	9.48
	Basin Bridge Power House	..	12.75	..
South Central	Kothagudam Power House	7.79	24.58	5.82
South Eastern	Santhaldih Power House	..	3.60	8.62
	Madhya Pradesh Board, Korba	6.52
Western	Ahmedabad Electric Co., Sabarmati	..	8.45	..

2.91. According to the Audit paragraph in respect of tank wagons of P.O.L. traffic placed in the sidings of oil companies for unloading without book delivery, these companies had not been surrendering the railway receipts immediately after delivery and there have been heavy accumulations of freight charges against them at the end of each month. In this context, the Committee desired to know as to why the oil companies did not surrender railway receipts promptly. The Ministry of Petroleum have in a note* stated:

“Majority of the tank wagons receipts of the oil companies are freight prepaid.

In a few cases and at locations where oil companies have the railway credit note facility, wagons are booked on ‘freight to pay basis’. In such cases of ‘freight to pay’ consignments, oil companies have standing instructions to surrender railway receipts immediately after taking delivery of the consignments.

Delay of a few days in surrendering railway receipts is however, caused by the following:—

- (i) Late receipt of railway receipts by the oil companies, at times, on account of postal delays or early arrival of wagons moved in block special or delay in preparation and handling over of railway receipt by railways at the originating stations.
- (ii) Need to show railway receipts to municipal authorities at a few locations for payment of octroi dues.”

2.92. The Ministry of Railways in this connection have added as under:—

“The oil companies are not surrendering the railway receipt because they state that the railway receipts are not received by them in time. The invoices are also not received at the stations in time. After the railway receipts are received, the oil companies link the same with the tank wagons already delivered. They also do not surrender the railway receipts in case part consignments are delivered to them till all the wagons included in the railway receipts are received.”

*Not Voted by Audit

2.93. According to the Railway Administration the delay in the collection of freight charges is inevitable due to the system of periodical billing of freight which is done after the railway receipts are surrendered. In this context, the Committee desired to know if it could not be possible to prefer bills on the basis of Railway's own copy of invoices. In reply, the Ministry of Railways have stated:

"From June, 1975 the bills are being prepared on the basis of card labels when the Railway Receipts or Invoices are not available. With the revised system, the process of billing is likely to become up-to-date."

2.94. The Audit Paragraph points out that according to the agreements with the oil companies, interest at the rate of 10 percent per annum is leviable on all freight amounts which have fallen due for recovery. In view of this fact the Committee asked as to why the railway administration did not invoke the provisions of the agreement for levy of interest on outstanding freight. In reply the Ministry of Railways have stated:

"Even though the agreements with the Oil Companies provides for levy of interest on outstanding freight, it was not considered advisable to invoke the same, because, if, on the one hand, the Railways have to recover interest on freight outstanding on the other hand, the Railways have also to pay compensation claims to the Oil Companies, on which the Oil Companies may also ask for interest. Also the freight outstandings as far as Oil Companies are concerned are comparatively small amounts."

2.95. It is seen from the Audit Paragraph that the Railway Administration decided to recover demurrage charges from the Indian Oil Corporation to the extent of only 25 per cent of the total charges accrued on an *ad-hoc* basis without examining individual cases on merit. The Committee asked whether the competent authority was not required to record reasons for waiver of demurrage charges after examining individual cases on merits. The Committee also desired to know the circumstances under which decision was taken on *ad hoc* basis to recover demurrage charges only to the extent of 25 per cent. The Ministry of Railways in reply have stated as under:

"The relationship of Oil Companies with the Railways is altogether on a different footing as compared to the ordinary trader who comes to the railways once in a while. The Volume of traffic in POL and the number of wagons

loaded being considerable, the demurrage transactions between the Railways and Oil Companies also run into huge accounts.

As per extant instructions, the competent authority is required to record briefly the reasons for waiver of demurrage charges in cases where the amount waived is in excess of 50 per cent of the ceiling applicable to the authority waiving these charges. However, in the case of Oil Companies since they had represented against incorrect charging of 30 paise per tonne per hour or part of an hour against the rate of 6 paise per tonne per hour or part of an hour, by the station staff, and since the benefit of extended free time was not granted to them in the case of block rakes and demurrage was charged on the entire rake even when one tank wagon was left over for decantation due to mechanical difficulty over which the consignee had no control, it was not considered necessary to examine each case individually looking into the fact of each case separately and after discussion with the Indian Oil Corporation authorities it was considered just and equitable to recover 25 per cent of the total demurrage accrued on an *ad hoc* basis."

2.96. Pointing out that the coal meant for Power Houses and POL constituted sizeable portion of traffic carried by Railways, the Committee desired to know the measures the Ministry of Railways proposed to take for prompt realisation of Railway freight thereon. In reply the Ministry of Railways have stated:

"A strict watch is kept in freight outstandings both at the level of Divisional Superintendent and General Managers. In fact this position is now being watched at the Railway Board level also. With a view to enable the Railways to deal with this problem effectively the General Managers have been authorised to impose the condition of compulsory pre-payment of freight both in the case of the Private Sector and the Public Sector undertakings and the Railways can now effectively deal with those parties who default in payment of their dues. In the case of Delhi Electric Supply undertakings and Uttar Pradesh State Electricity Board as advised earlier, the matter has been taken up at the highest level and Minister of Railways and Minister of State for Railways have addressed the Chief Minister of Uttar Pradesh and Minister of Energy respectively. The Zonal Railways and the

Ministry of Railways are trying to do their best to realise their dues from the various parties who owe heavy amounts to railways which include Power Houses and Oil Companies."

2.97. The Committee note that rules under paragraphs 2514 and 2515 of Indian Railway Commercial Manual Vol. II state that if wagons are placed in a Railway siding for unloading without effecting the book delivery and collecting the freight and other charges due, it should be ensured that there is no delay in effecting book delivery and collecting the charges due. The Committee, however, find that Delhi Electric Supply Undertaking had not been surrendering railway receipts immediately after the wagons had been placed for unloading in the sidings before book delivery and in some cases railway receipts had been surrendered after the lapse of six months thus resulting in delayed billing of freight and other charges. Consequently, huge arrears of outstanding freight and other charges on coal wagons running into crores of rupees have accumulated against the Undertaking thereby straining the economy of the Railways. According to the calculations of the Ministry of Energy, the time lag involved in the receipt of the Railway Receipts by the power house authorities and surrendering the same to the Railways ranges between 3 to 4 months under normal circumstances. The Committee are unable to appreciate the cumbersome procedure adopted by Coal Supplying Agencies in forwarding the railway receipts from pit-heads to the Delhi Electric Supply Undertaking. The railway receipts pass through so many agencies that these get unduly delayed for several months. The Committee need hardly emphasise that the Ministry of Energy should devise steps to ensure prompt delivery of railway receipts to the consignees.

2.98. The Committee are concerned at the accumulation of huge arrears of Railway freight and other charges amounting to Rs. 14.33 crores and Rs. 6.43 crores as on 1 June, 1976 against the Delhi Electric Supply Undertaking and the Uttar Pradesh State Electricity Board respectively. While the Committee appreciate the efforts made by the Ministry of Railways to recover the outstanding dues from these two organisations, they are, however, unhappy at the lukeworm attitude of these bodies to liquidate their arrears. The Committee would like the Ministry of Energy to initiate action in consultation with the Delhi Administration and the State Government of UP for the expeditious settlement of the Railway dues and report to the Committee the progress of the recovery of dues within six months.

2.99. The Committee regret that against another Rs. 1.89 crores due from Delhi Electric Supply Undertaking on account of price of coal and freight charges of 3316 wagons of public coal diverted to them to meet their contingencies during the period January 1973 to December 1974, the Undertaking could pay only Rs. 10 lakhs to Railways so far. The Committee need hardly point out that a public undertaking of the stature of Delhi Electric Supply Undertaking should honour its commitments without loss of further time.

2.100. The Committee appreciate that the Railways have extended certain concessions to the Power Houses of Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board by not charging any interest on belated payments and also granting delivery of consignments meant for them without realising freight etc. However, they find that no reciprocal goodwill gesture is shown by these bodies towards Railways by not levying any surcharge or by allowing the usual rebate even in the event of delayed payment of electricity bills payable to them by the Railways.

2.101. The Committee are concerned to note that Railway dues to the extent of Rs. 4.29 crores are outstanding against various other power houses as on 30 June, 1976 by way of cost of coal, freight and demurrage charges. The Committee would like the Ministry of Railways to make concerted efforts for the recovery of these dues from the power houses. In this connection they would also like the Ministry of Energy to issue general instructions to the State Governments concerned for expeditious settlement of railway dues against the power houses. The Committee would like to be apprised of the position in this regard in due course.

2.102. According to agreements with the oil companies interest @ 10 per cent per annum is leviable on freights which have fallen due for recovery. However, it is a matter of regret that the Railway Administrations are not invoking such provisions of these agreements on the plea that the Railways would also have to pay interest on compensation claims to the oil companies. The Committee are not impressed by this plea and would like the Ministry of Railways to direct the Administrations concerned to invoke the provisions of the agreements for the purpose of charging interest on outstanding freight charges. After all, the Railways are a commercial concern and they must function on business terms.

NORTHERN RAILWAY—INCORRECT FIXATION OF SIDING CHARGES

Audit Paragraph

2.103. The siding charges for three sidings served by Anpitsaf station were revised from 1st January, 1969. The revised rates were

lower than the rates existing immediately prior to this date and this was pointed out in July 1969 by the Goods Inspector, Amritsar, to the Divisional Commercial Superintendent, Northern Railway, Ferozepur. The latter advised that the revised siding charges had the approval of the General Manager (Rates) and must be levied with effect from 1st January, 1969. Accordingly, the recovery of siding charges at the reduced rates was enforced and the amount collected at the old rates till July 1969 was refunded to the siding owners.

2.104. In August, 1969, Audit pointed out that the revised siding charges had not been calculated as per approved formula of the Railway Board resulting in considerable reduction of the charges. Thereupon, the Railway Administration reviewed the traffic data and revised the rates in April 1972 giving them retrospective effect from 1st January, 1969. Based on these rates, arrears of siding charges of Rs. 89,123 for the period from 1st January, 1969 to 31st July, 1972 became recoverable from the three siding owners; the amount is still (January 1976) to be realised.

2.105. On the failure of one of the three siding owners to pay the charges, the Railway stopped placement of wagons in the siding. The party obtained a temporary injunction against the Railway Administration restraining it from stopping the placement of wagons in its siding. The injunction was vacated by the Court in August 1975 and placement of wagons in the siding was again stopped from 17th September, 1975, but on an appeal being filed by the party the Court granted stay and the placement of wagons was again resumed from 1st October, 1975.

2.106. A notice for payment of outstanding dues had been served in September, 1975 on the second siding owner.

2.107. The third siding owner had gone into liquidation and, in September 1974, his mill had been taken over by the Central Government for a period of 5 years and the State Bank of India had got all the assets of the mill frozen. Since a moratorium had been imposed on all payments of dues outstanding against the Company for a period of one year (later extended by another one year) there is no likelihood of recovering the amount from it also so long as the moratorium remains in operation. Railway freight and other charges amounting to Rs. 12,844 are also outstanding against this siding owner.

2.108. The Railway Administration stated (August 1975) that, to avoid recurrence of such type of cases, suitable record was being

maintained so that siding charges might be revised on due dates.

[Paragraph 38 of the Report of the Comptroller and Auditor General of India for 1974-75, Union Government (Railways)].

2.109. The Committee learnt from Audit that the rates of siding charges per four wheeled wagon for the three sidings referred to in the Audit paragraph were as under:

Rates of siding charges per four-wheeled wagon			
Name of siding	Period upto 1st Jan., 1969	Effective from 1st Jan., 1969 (as originally fixed)	Notified on 29th April, 1972 to take effect from 1st January, 1969
	Rs.	Rs.	Rs.
I	79.05	40.60	64.65
II	62.50	34.78	51.30
III	103.87	46.36	77.93

2.110. The Audit paragraph points out that in July, 1969, when the revised rates which were lower than the rates existing prior to 1st January, 1969 were brought to the notice of the Divisional Commercial Superintendent, Northern Railway, Ferozepur by the Goods Inspector of Amritsar, the former advised that the revised siding charges had the approval of the General Manager (Rates) and must be levied with effect from 1st January, 1969. The Committee desired to know whether the Divisional Commercial Superintendent, Ferozepur had at that time the data checked up to find out the reasons for reduction in the rates and also whether the matter had been referred to the General Manager (Rates) who had approved the rates, particularly in view of the fact that revised rates were lower. The Ministry of Railways have, in a note, stated:

“When the Goods Inspector, Amritsar, pointed out in July, 1969, that the rates revised from January, 1969, were lower than the rates existing prior to this date, the Divisional Commercial Superintendent, Ferozepur, did not get the data checked up to find out the reasons for reduction in rates, as this data was jointly compiled by the Goods Inspector and Traffic Inspector (Accounts), Amritsar. The Divisional Commercial Superintendent, Ferozepur, also did not refer the matter to the General Manager

(Rates), even though the revised rates were lower because the revised siding charges were fixed by the General Manager (Rates), who is the competent authority to do so."

2.111. It is seen from the Audit Paragraph that in August, 1969, Audit had pointed out that the revised siding charges had not been calculated as per approved formula. The Railway Administration, however, revised the rates in April, 1972. The Committee asked as to how the Railway Board—accounted for the long time taken in examining the matter for fixing the rate correctly. In a note, the Ministry of Railways have stated:

"The issue of fixing the siding charges was not referred to the Railway Board as it is purely within the competence of the Railway Administration. However, the delay in fixing the siding charges was due to re-checking the revised data supplied by the Goods Inspector, Amritsar, and in taking a decision regarding giving the benefit of **common haulage** to the siding holders in working out the siding charges."

2.112. Asked whether the revision of the siding charges was carried out with the concurrence of Finance, the Ministry of Railways have stated:

"The revision of siding charges was carried out with the concurrence of Finance and the rates of charges were calculated in accordance with the SAO's formula which is approved by the Railway Board."

2.113. In another note, the Ministry of Railways have stated:

"The major reduction in siding charges was due to incorrect data supplied by Goods Inspector, Amritsar and not due to incorrect formula being followed. The siding charges were re-calculated on the basis of correct data later on. When these siding charges were fixed the principle followed was 'no profit; no loss' basis for recovery of this principle the benefit of common haulage was given to the siding holders, since the Railways have to recover only the cost incurred in rendering this specific service. The Finance also concurred with this principle. If the benefit of common haulage was not given to the siding owners, the Railways would have recovered more from the siding owners than what it cost them to render this service."

2.114. As to the present position about realisation of the Railway's dues from the three parties referred to in the Audit paragraph the Ministry of Railways have, in a note, stated:

"Out of the 3 parties against whom undercharges were raised, the recovery has already been effected in case of M/s. II. In case of M/s. I, the case has been referred to the Arbitration. In the third case of M/s. III, the case is *sub judice* pending in the Court of Senior Civil Judge, Amritsar."

2.115. The Committee find that the siding charges for three sidings served by Amritsar Station which were revised from 1st January, 1969 were lower than the rates existing immediately prior to this date. When this position was brought to the notice of the Divisional Commercial Superintendent, Ferozpur by the Goods Inspector of Amritsar, the former made no efforts to have the reasons for reduction in the rates checked up or to refer the matter to the General Manager (Rates) who had approved the rates. Instead, he advised that the revised lower rates be charged.

2.116. The Committee feel that the lapse of the Divisional Commercial Superintendent, Ferozpur in not taking corrective action when a specific instance of incorrect levy of siding charges had been brought to his notice by the Goods Inspector, Amritsar needs to be looked into. This is considered important because when the Audit pointed out in August, 1969 that the revised siding charges had not been calculated as per approved formula, a review of the traffic data was ordered by the Railway Administration. It was on the basis of the review that the rates were revised upward on 29th April, 1972 (with retrospective effect from 1st January, 1969) and Rs. 89,123 became recoverable from the three siding owners.

2.117. The Committee are surprised to note that the major reduction in siding charges was due to incorrect data supplied by the Goods Inspector, Amritsar. The Committee need hardly emphasise that the reasons for furnishing incorrect data may be gone into so as to fix responsibility. They would also like to know the remedial action taken in the matter to obviate recurrence of such lapses.

2.118. The Committee also find that the revised rates notified on 29th April, 1972 are also lower than the rates prevalent prior to 1st January, 1969. The Committee would like the Railway Administration

to once again check-up if the revised rates are in conformity with the approved formula.

2.119. The Committee note that of the Rs. 89,123 due from the three siding owners as arrears, the recovery has since been effected from one and the remaining two cases are under Arbitration/sub judice. The Committee would also like to be apprised of the progress made in these cases.

NEW DELHI;
September, 1977.
Bhadra, 1899 (S)

C. M. STEPHEN,
Chairman,
Public Accounts Committee.

APPENDIX

Conclusions/Recommendations

S.No.	Para No.	Ministry concerned	Recommendations
1	2	3	4
I.	I. 138	Railways	<p>A comprehensive review of the performance of the three important marshalling yards of the Eastern Railway, namely, Chitpur, Naihati and Andal, was undertaken by the Audit, whose report has brought out into sharp focus the deficiencies and the drawbacks to which these yards are subjected to. Chitpur yard is a pivotal point in regard to goods traffic from Calcutta Port and also the areas further down Calcutta. It has been admitted by the Ministry of Railways that "the proper functioning of this yard is very essential to maintain fluidity in operation in and around Calcutta area". Being one of the most important yards in the down country areas of Calcutta, a Senior District Traffic Superintendent is handling both the operating and commercial work. The Andal Yard is important for traffic to and from Calcutta area and the Calcutta Port. It also serves as a base yard for the colliery pit yard which serve 50 per cent of the coal mines in the Raniganj coal field areas. It has been stated by the Ministry of Railways that the pattern of operation in the Andal area had undergone basic changes in the 1970's the most</p>

important of which was changeover from steam traction to diesel and electric traction. The Naihati yard caters to the industrial belt on the east coast of the Ganga from Kalyani to Agarpura. In addition to dealing with the traffic relating to jute and rolling mills this yard forms daily four to five empty rakes for the collieries for loading coal for thermal power stations etc. Short distance trains for Sealdah, Chitpur, Ranaghat Junction and Krishnapur Junction stations are also formed here. The traffic to Bangladesh and via started from 1st June, 1973. It has been stated by the Ministry of Railways that the work of Naihati is handled by a Station Superintendent, being of small dimension as compared to Chitpur.

2. I. 139

-Do-

Coming to the actual performance of the Chitpur Yard as analysed by Audit, the Committee note that an estimate of Rs. 20.04 lakhs for the remodelling of the Yard was sanctioned in 1958. Though the major part of remodelling work was completed by March, 1962, some residual works including Signal and Telecommunication works were completed as late as 1976. The Committee feel that a long time of 17 years taken in the completion of a comparatively simple work of lengthening of receiving and despatch lines in Chitpur Yard can by no means be justified. It is surprising that while the civil engineering portion of that work was completed earlier, the signalling and electrical portion was held up because certain leads in this portion could only be completed in March 1972. The Committee deplore this lack of synchronisation. The Chairman, Railway Board has conceded during evidence that the delay in the execution of the work was 'unfortunate' and that 'he cannot find any valid reason for it'. The

Committee takes a serious view of such delays and would like the Railway Board to investigate the matter fully so as to fix responsibility for the same as also to take remedial measures to obviate recurrence of the same.

3.

I. 140

Railways

It has been stated by the Railway Board that the remodelling of Chitpur Yard was based on the need for increasing the loads of freight trains due to introduction of electric traction. A major portion of the expenditure was for extension of receiving and despatch lines for running 70 wagons trains. The remodelling did not however eliminate the basic limitation of cross movements required for transfer of stock from the sorting yard to the despatch yard as the yard was stated to be space-bound. The Audit Paragraph however points out that in the course of remodelling of Chitpur Yard, the layout of the yard was changed to facilitate quick movement of the wagons to and from the yards. That the remodelling of the yard at a cost of about Rs. 20 lakhs has had no impact on the movement of wagon to and from the yard is evident from the fact that although the number of wagons dealt with in Chitpur had considerably decreased as compared to the preremodelling period, the detentions suffered by wagons in the yard have appreciably increased. Even though the representatives of the Ministry of Railways have tried to explain before the Committee that the objectives of remodelling have been realised and that the decline in the number of wagons dealt with in Chitpur yard was mostly attributable to the exceptionally had socio-

economic conditions that prevailed after 1970, the Committee are not convinced. They feel that the gains of remodelling of Chitpur Yard need to be quantified in more concrete terms with a view to see whether the expenditure was commensurate with benefits derived.

4. I. 141

-Do-

On the question of continuous drop in the number of wagons handled at Chitpur after remodelling, the Railway Board have stated that the total intake of wagons on the Eastern Railway in the down country area was itself low and that maximum difficulty was in respect of the cutting of the overhead wire which resulted in a drop in the volume of traffic. According to the Ministry the disturbed conditions prevailing in the Eastern region during 1970—72 would have been a contributory factor for the fall in production resulting in a fall in traffic. According to the Report of the Ministry of Railways (Indian Railways: Central Facts and Major Problems) (February 1974) the number of cases of overhead wire thefts during the years 1970—73 were as follows:—

1970—645

1971—699

1972—121

1973—109

It is apparent that there was a distinct fall in the thefts of overhead wires during the years 1972 and 1973 and the position was not so alarming as has been pointed out by the Ministry. The Committee would, therefore, like to be informed in greater detail about the

causes which were responsible for the fall in the number of wagons in the Chitpur Yard during the years 1970—74.

5.

I. 142

Railways

The Committee find that in August, 1967, the targets for detention of 'through loaded wagons' and 'all wagons' in Chitpur Yard were revised from 16 and 17 hours respectively to 19 and 16 hours respectively after taking into consideration the working conditions of the yard. These targets were further revised to 23 hours and 18 hours respectively in December, 1974. During evidence before the Committee, the Member Traffic, Railway Board pleaded that the targets fixed in December, 1974 were not entirely realistic as certain additional commitments given to the yard had not been fully taken into account while fixing these targets. The Committee have been subsequently informed that after an analysis of the performance of the yards at Chitpur, Naihati and Andal in the context of existing traffic patterns, marshalling commitments and other constraints peculiar to each yard, these targets have been re-fixed w.e.f. January 1977. The targets now fixed for detention of 'through loaded wagons' and 'all wagons' in Chitpur Yard are respectively 28 and 21 hours. The Committee are constrained to observe that the targets for detention have been revised and liberalised from time to time on the plea of making them realistic but the actual performance nowhere approximates the targets set. In this connection it needs to be pointed out that while in January 1977, the revised targets for detention of 'through loaded wagons' and 'all wagons' were 28 and 21 hours respectively, the actual performance in the

year immediately preceding namely 1975-76, was of the order of 36.00 hrs.' detention on an average for 'though loaded wagons' and '24.05 hours detention on an average for 'all wagons'.

As regards the fixation of targets and the unsatisfactory performance, the Railway Convention Committee, 1971 had made the following observations in para 6.104 of their Fifth Report (April 1973):

"From the date for the last three years furnished to them, the Committee observe that there are heavy detentions to wagons in almost all the important marshalling yards and that the targets prescribed have practically no relevance to the realities of the situation. The Committee understand that the question of fixing these targets afresh both in respect of marshalling yards and transshipment points is under consideration so as to reflect the position correctly in terms of wagons units:"

While intimating the action taken on the above recommendation, the Railway Board had, on the 15th March 1974 informed the Railway Convention Committee, 1973 that the Committee's recommendations had been noted and communicated to the Zonal Railways. Obviously the Railway Convention Committee's recommendation had no effect on the Eastern Railway Administration as it is seen that the targets fixed in December, 1974 did not take into account the changes in pattern of traffic, marshalling etc. in Chitpur yard. The Committee would like to be apprised of the precise action taken by each Zonal Railway in pursuance of the recommendations of the Railway Convention Committee, 1971, referred to above.

7 I.144

Railways

The Committee note that the detentions of wagons in the Chitpur Yard during the years 1970-71 to 1974-75 for periods far above the liberalised targets have been attributed to factors such as deterioration in law and order situation, political agitations etc., It is, however, seen that even during the year 1975-76 which was free from the above-mentioned disturbing factors the average detentions to "through loaded wagons" and "all wagons" were far above the liberalised targets laid down. The Committee are not satisfied with the manner of fixation of targets for detention of wagons from time to time. They would like to know whether the detention targets as revised from January 1977 have been adhered to by the three marshalling yards of Chitpur, Naihati and Andal.

8 I.145

-Do-

The Committee have been informed that detentions to wagons at a particular point do not materially affect the wagon availability for loading in a particular railway or on all-India basis. The real criterion for judging the wagon availability is the wagon turn-round i.e. the time interval which elapses between two successive loading of a wagon. It has been stated during evidence that the wagon turn-round in 1975-76 has recorded improvement as compared to the previous years. The figures of wagon turn-round given in the Railway Board's publication entitled "Indian Railways Year Book—1974-75" however tell a different story. The wagon turn-round of 11.8 days in 1965-66 had deteriorated to 13.5 days in 1971-72 on B.G. This figure had further gone down to 15.0 days in 1973-

74 and 14.6 days in 1974-75. Similarly, on the Meter gauge, the picture was one of the continuous decline from 8.4 days in 1965-66 to 12.5 days in 1973-74 and 12 days in 1974-75. In the context of the above, the improvement recorded in 1975-76 in the index of wagon turn-round on BG is welcome. The Committee trust that continuous efforts would be made to sustain the improvement recorded in wagon turn-round during the year 1975-76.

9 I. 146 -Do-

The Committee have been informed that the performances of the Yards at Chitpur Naihati and Audal were analysed in the context of the existing traffic pattern, marshalling commitment and other constraints peculiar to each yard. The Committee have not been informed about the level at which such reviews were undertaken. The Committee would therefore urge that a comprehensive review should be undertaken by the Efficiency Bureau of the Railway Board so as to assess the performance of the Chitpur, Naihati and Andal in regard to quicker turn-round of wagons and detentions keeping in view the traffic pattern, marshalling commitments etc.

10 I. 147 -Do-

The Committee are concerned to note that the performance of shunting engines in the three yards of Chitpur, Naihati and Andal deteriorated from the year 1970-71. This involved wastage of locomotive power and delayed clearance of wagons. While explaining the reasons for the deterioration in the performance of shunting engines, it has been stated that from the year 1970 onwards the fall in the originating traffic on the Eastern Railway, as a whole, had its impact on these yards, which handled a lesser number of wagons than before. The shunting engine hours could not however be cor-

responsingly reduced in view of the fact that operations in the various spheres of the yards had to be performed round the clock even though with reduced intensity. During this period no shunting engine could be withdrawn as each had a distinct function. The Committee however find that the number of wagons dealt with per shunting engine hour recorded a sizeable improvement in 1975-76 although the number of wagons handled by these yards during the year 1975-76 do not show any marked difference as compared to the previous year. The Committee would like to be informed how the substantial improvement stated to have been made during 1975-76 in regard to number of wagons dealt with per shunting engine hour was brought about and what measures are proposed to be taken to sustain it

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11.

1.148

Railways

The Committee find that the analysis of the reasons for detention of wagons in the Chitpur Yard made by Audit is quite revealing. During the selected month of November 1974 the Audit had found that from Chitpur Yard 14 local trains had been despatched underloaded, although more wagons were available in the yard for the respective destinations for forming optimum loads. Out of these 14 trains, 7 trains moved with only 1 to 5 wagons each and the remaining seven with 6 to 21 wagons each. Similarly in Naihati Yard, 22 underloaded trains were despatched during the month of January, 1975 and out of these 13 trains were run with less than 10 wagons each. It is further seen that though the loads available in

the Chitpur Yard could have been moved by only 15 trains, 19 additional trains were run resulting in avoidable running of 19 locomotives. This gross under-utilisation of the haulage capacity causes concern to the Committee.

12. 1.149 -do-

That the position has not improved is evident from the fact that a test check carried out by the Railway Administration in March, 1976 further revealed that out of 465 pilots/shuttles run in that month as many as 403 pilots were run underloaded, of which 124 pilots were run with less than 15 wagons on an average. It has been argued that running of under loaded work trains and industrial pilots was incidental to operations and servicing in an industrial complex keeping in view the need for punctual and regular running of industrial pilots so that the industries receive their inward goods and despatch their outward products regularly. The Committee are conscious of the need for running of industrial pilots and work trains in accordance with a set schedule and it may be that the running of underloaded trains was an operational necessity. However, the wastage or haulage capacity of the locomotives and detention of wagons involved in the running of such underloaded trains is of such a magnitude, that the Committee are constrained to suggest that the pilot schedules may once again be subjected to a thorough scrutiny at the level of Zonal Headquarters, with a view to rationalise the operations of these pilots and work trains. The Committee are also of the view that in case the running of underloaded trains was found inescapable their operating cost may be analysed and the

possibility of passing the additional expenditure on to the industry concerned may be examined forthwith. The Committee would like to be apprised of the precise action taken in this behalf.

13. 1.150 Railways

According to the Chairman, Railway Board and the Member Traffic, Railway Board, the increased number of suburban trains are coming in the way of proper functioning of the marshalling yards. In a developing country like ours, the passenger trains—both suburban and non-suburban, have to grow and multiply in keeping with the country's requirements. The growth of passenger traffic cannot therefore be viewed as a hindrance to the goods traffic. On the contrary, there should be a juxtaposition of passenger and goods traffic in a manner that the job can be done with optimum efficiency. The Committee are, in fact, given to understand that the industrial pilots carrying goods for industrial complexes were being run during the periods when there were no passenger trains on the line. This only indicates that by a proper planning the movement of both the goods and the passenger trains can well be coordinated.

14. 1.151 -do-

Another reason given for detention of wagons in Chitpur Yard is the excessive time lag between loads awaiting despatch and the materialisation of power. The Committee has been given to understand that in the present day operations under electric traction such

detentions are inherent as there is no automatic matching of loads and locomotives. In fact the study of records for 1974-75 by Audit has disclosed that the average time lag between loads awaiting despatch and materialisation of power was about 5 hours. According to the Member (Traffic) the time lag of 5 hours is excessive. He has conceded that in the present working conditions the time lag should be round about 3 hours. The Committee feel that the problem of detention of loads stated to be inherent in the operations under electric traction needs to be reconsidered in depth with a view to rationalising the use of costly electric locomotives. They have no doubt that further refinements can be made for reducing the time lag between the formation of trains and ordering of locomotives.

15. 1.152 -do-

The Committee are concerned to note that wagons suffered detentions for long periods for reasons which *prima facie* appear to be avoidable. As pointed out in the Audit Paragraph, during the periods October to December, 1973 and October to November, 1974 255 wagons were detained in the Chitpur Yard for periods varying from 48 hours to as many as 1,292 hours per wagon for adjustment of loads and placement of damaged stock in sick lines. Further out of 46 wagons requiring adjustment of loads and transshipment, in the case of 40 wagons the total average detention per wagon in transshipment shed and the yard works out to as many as 397.3 hours. The detention in the transshipment shed was mainly on account of non-supply of crane by the Loco Foreman. The explanation given for the non-supply of crane in time appears to be stretched and unconvincing. The fact that the crane remained out of order from 15 to 25 days in each of the months when the Audit surveyed the working

1	2	3	4
			of the yard, only goes to prove how badly the railway assets are maintained.
16.	1.153	Railways	<p>It is also disturbing to note that out of about 1,000 wagons repaired monthly in the sick lines, not less than 150 wagons suffered detention for over 100 hours per wagon mainly on account of delays in placement of these wagons to the sick lines and withdrawal therefrom after repairs, the repair time being barely 8 hours per wagon, on an average. The reasons for such abnormal delays by the yard staff in placing the wagons in different sidings and withdrawing therefrom need to be studied for taking suitable remedial measures.</p>
17.	1.154	Railways	<p>Still another reason for detention of wagons in the yard was the blocking of the unloading space in the yard mainly due to non-release of wagons by the consignees within the free time allowed. There are two aspects of the problem. One is that since the yard is stated to be space-bound there is only limited capacity for the handling of loaded wagons and hence the wagons in excess of the handling capacity of the yard have inevitably to wait till the delivery lines are clear. The other aspect is that the consignees do not take delivery in time and prefer to undergo some penalty in the form of demurrage charges. So far as the space aspect is concerned the Railway Administration may well have to reassess the existing capacity of the yard with reference to the traffic being handled and</p>

take suitable remedial measures including extension of the yard space by remodelling, if necessary.

18. 1.155 Railways

However, the figures regarding the number of wagons on which demurrage accrued each year, as given in the Audit paragraph suggest that the practice of deliberately delaying the delivery of wagons by paying some demurrage charges is wide-spread. During the year 1973 out of 20,902 wagons received in the Chitpur yard as many as 5,373 wagons suffered demurrage. Similarly in 1974 out of 19,648 wagons, on 4,525 wagons demurrage accrued. In 1975, the number of wagons on which demurrage accrued was 4,578. The Committee feel that since the levy of demurrage is compoundable at the discretion of the railway authorities, the unscrupulous consignees may be manipulating things for their own advantage. The Committee are surprised to learn that the percentage of demurrage waived to that accrued was as high as 60 in 1973. The Committee fail to understand why such high percentage of the demurrage charges are later on waived. This practice is obviously faulty and susceptible of being misused inasmuch as it provides a leverage both to the corrupt officials and the dishonest consignees.

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19. 1.156 Railways

It has been made out before the Committee that the Zonal Railways enjoy absolute discretion in the matter of levy and waiver of demurrage charges. The Committee would urge the Railway Board to consider forthwith, what mechanism could be evolved to ensure that these powers, which have great financial implications, are not abused. The Committee would like to be apprised of the action taken in the matter.

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20.	1.157	Railways	<p>The Committee would like to suggest that a procedure may be evolved which should <i>inter alia</i> ensure that periodical progress reports in respect of each yard are submitted to the General Manager, who will have them reviewed in consultation with the Financial Adviser and the Chief Commercial Superintendent of the Zonal Railway. At the Railway Board level there should be a monitoring cell which should keep a contemporaneous watch on the performance of each of the important yards. The detailed procedure to be followed in this behalf may be issued by the Railway Board in the form of guidelines to all the Zonal Railways.</p>
21.	1.158	-do-	<p>Another important problem to which Committee's attention has been drawn is the large scale mismarshalling of wagons that occurred in Chitpur yard during the year 1974-75. Upto February 1975, i.e. in about 11 months as many as 9,886 wagons received in Chitpur yard were found to mismarshalled. The Railway Board have tried to explain that the abnormal increase in the number of mis-marshalled wagons received in Chitpur during 1975 is partly attributable to the improper maintenance of the records at the Chitpur and Naihati yards. Without going into the merits of this explanation, the Committee would like to be informed of the action taken against the staff for improper maintenance of the yard records.</p>
22.	1.159	-do-	<p>The problem of mismarshalling has another serious implication, namely, that the train documents are not properly com-</p>

piled by the staff. This can be either intentional or due to negligence of the concerned staff. The Member (Traffic) has gone on record to say that the intentional mismarshalling by unscrupulous staff was not ruled out even though there may be only a few cases of this kind. In view of this, it is only appropriate that the Railways should look afresh at the problem of mismarshalling with a view to tie up the loopholes and taking remedial steps.

23. 1.160 -do-

The Committee find that the position regarding detention of wagons in the Naihati yard was even more alarming and was by no means better than the Andal yard. In the case of Naihati yard, against permissible detention of 21¹/₂ hours per wagon, 1,442 wagons which terminated at this yard in January 1975, suffered detention for 119.5 hours per wagon on the average. The average detention per wagon for want of cranes was recorded as 264 hours and that for want of covered empty wagons as 101 hours. Further, in Naihati yard while the total time taken for repair was only 4 to 7 hours per wagon, that for placement of these wagons on sick lines and withdrawal after repair averaged to 22.36 hours and 36.33 hours per wagon. Thus detention on account of marshalling etc. was 12 times the time taken for repairs. The reasons for these abnormal delays need to be investigated and remedial measures taken.

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24. 1.161 -do-

The analysis made by Audit in regard to the functioning of the Chitpur yard for the selected month of November, 1974 has revealed that in that month 20,430 wagons had been detained in the

1**2****3****4**

yard for different reasons for as many as 5,06,664 hours. Similarly the position in other months of the year such as September 1974 and February, 1975 was also not different. In the case of Naihati yard, during the selected month of January 1975 wagons suffered detentions at the rate of 119.5 hours per wagons, on the average, against the permissible detention of 21.23 hours per wagon. The total detentions suffered by wagons in one month in these yards thus add up to a staggering figure.

25.**1.162****Railways**

When viewed in their totality, the Committee are led to the conclusion that the total detentions suffered by wagons as has been brought out in the Audit paragraph, cannot but impair the general mobility of wagons on the Railways as a whole, even though the Chairman Railway Board and Member (Traffic) Railway Board were of the view that the detentions at a particular point do not determine the efficiency or inefficiency of the movement of wagons. It is not clear to the Committee how the detentions of this magnitude, even though they are relatable to particular yards, will not have their impact on the overall wagon turn-round on all railways.

140

26.**1.163****-do-**

As pointed out earlier by the Committee, the analysis of the performance of the three yards of Chitpur, Naihati and Andal has brought to surface many ills of the marshalling yards. Except for certain peculiar problems faced by individual yards, the general nature of the operations of most of other yards would perhaps be

similar. The Committee therefore need hardly emphasise that the Railway Board may instruct each Zonal Railway to have the working of the marshalling yards under them examined in the light of the experience gained by the review of the performance of three yards of the Eastern Railway. The Committee consider that such detailed analysis of the working of each yard will help the authorities to come to grips with the problems of the yards.

27.

1.164

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The elaborate analysis of the functioning of the three yards of the Eastern Railway has not only highlighted the problems of operation but has also put in perspective the role of the supervisory staff and the nature of control exercised by them for ensuring efficient performance of the yards. All the three yards under reference are headed by fairly senior and high rank officers. However, the control exercised by them on the day-to-day operations in the yards appears to be lax. Some of the apparently simpler problems, such as non-supply of cranes, non-availability of locomotives, non-availability or less availability of water from storage tanks, non-availability of rest vans for the crew, frequent power failures and such other minor things which hamper the movement of wagons, have not been attended to in time. The Committee have no doubt that if the supervisory officers on the spot are vigilant and are assisted in time and if there is proper coordination, many of the

problems of the yards could be solved satisfactorily and in time. It will perhaps be worthwhile to make a systematic appraisal of the functioning of the important marshalling yards at the level of the Efficiency Bureau of Railway Board with a view to streamlining their work.

28.

2.17

Railways

The Committee observe that the term 'scrap', as defined in Special condition 18 of Goods Tariff applicable to Iron or Steel Scrap, applies only to such scraps or pieces of metal as have metal value only as distinct from shape value and are useful for remelting, re-forging or re-rolling only. This definition obviously does not lay down that the commodity offered as scrap should have 100 per cent metal value for conforming to the description of iron or steel scrap as given in the Special Condition 18 of the Goods Tariff. Accordingly, therefore, the so-called slag mixed with iron/steel scrap, which was found to have a metallic content of more than 53 per cent and which was being sent to foundries for reclaiming the metal could only be considered as scrap and not slag, which is supposed to be a waste refuse of steel plant containing practically very negligible percentage of iron (ferrous content less than 2 per cent) and used only for road making. In the absence of any clear cut and specific provision in the Goods Tariff to the effect that scrap should have 100 per cent metallic content and in view of the fact that the same commodity despatched from two other stations viz. Rourkela and Tatanagar was being treated as scrap and charged as such, the Committee fail to

understand how the Railway Administration maintain that the commodity booked from Durg Station approximated more to slag than to scrap.

29.

2.18

DÓ.

The Committee feel that till 14 February, 1972 the Railway Administration was correctly charging the freight on the consignments containing slag mixed with iron/steel scrap at the class rate applicable to iron and steel scrap. However, from 15 February, 1972, following the introduction of a lower classification for iron or steel slag, the firms took advantage of the lower rates by just declaring the commodity, i.e. slag mixed with iron or steel scrap as iron and steel slag in the forwarding notes. Surprisingly, the Railway Administration started charging the freight at the lower classification knowing fully well that the commodity being booked by the firms was the same and contained metallic iron to the extent of 53.20 per cent and ferric oxide to the extent of 15.44 per cent and as such could not be properly classified as iron or steel slag for the purpose of charging freight. Even the firms were stated to be aware of the high metallic content of the slag and to that extent they were guilty of misdeclaration. The Committee note that it was only on 4 June, 1973 that at the instance of the Travelling Inspector of Accounts, Durg Station also started charging freight for the commodity at the rates applicable to iron and steel scrap. There has thus been a serious lapse on the part of the Durg Station authorities in agreeing to charge the freight at a lower rate just on the basis of a declaration made by the firms. This needs to be investigated thoroughly to fix responsibility as also

to find out if there was a collusion between the firms and the booking staff at Durg Station. The Committee would like to be apprised of the result of investigation within three months of presentation of this report to the House.

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2.19

Railways

The Committee are somewhat perplexed at the stance now being taken by the Railway Administration by stating that the booking and charging of the commodity had been correctly done in conformity with the extant provisions of the Goods Tariff and that the question of raising of under-charges did not arise. This is in contradiction of the position taken by the Railway Administration earlier that the commodity booked at Durg station could bear freight rates higher than the rates applicable to iron and steel slag NOC but lower than the rates for iron or steel scrap. The Committee find that following a reference from the Railway Administration, the Railway Board had referred the proposal for raising the classification of iron and steel slag to the level of the rate applicable to iron and steel scrap for examination by the Commercial Committee of Indian Railway Conference. The Commercial Committee had come to the conclusion that there was no justification to raise the classification of iron and steel slag and this recommendation had been accepted by the Railway Board. The Committee are of the view that even if the two commodities, *i.e.* iron and steel slag NOC and iron and steel scrap could not be equated for the purpose of charging of freight,

there was no justification for charging a lower rate for a commodity which though described as iron or steel slag did not satisfy the specification thereof and could more appropriately be termed as iron and steel scrap. Allowing benefit of lower rate provides scope for leakage of revenue. In view of this, the Committee need hardly emphasize that the total undercharges for the period 15 February 1972 to 3 June 1973 may be assessed and recovered from the parties concerned without loss of further time. The Committee also desire that the position may be reviewed afresh with a view to establish that the commodity known as iron or steel slag is being correctly classified for the purpose of charging of freight rates at all the stations. The Committee would like to be apprised of the action taken in this behalf.

31

2.30

Do.

The Committee note that a freight forwarder of Bombay booked in March 1973, 770 drums of Dinitro-chloro Benzene from Carnac Bridge to Ghaziabad describing the contents as Benzene and declaring it as non-dangerous and non-explosive contrary to the provisions of the Freight Forwarder Scheme circulated by the Railway Board in June, 1971. The Committee further note that both the products—Dinitro-chloro Benzene and Benzene—are treated as dangerous for the purpose of rail transport and under the Freight Forwarder Scheme, freight forwarder could not book offensive or dangerous goods notified in the Red Tariff. Keeping in view these facts the Committee find it difficult to agree that the freight forwarder had described it non-dangerous in good faith. The Committee are surprised that a leading freight forwarder, who was offering a large number of wagon loads, should plead ignorance of the provisions

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contained in the Freight Forwarder Scheme while booking a dangerous commodity which was a potential risk to Railway property. The Committee booked was dangerous but it was described as non-dangerous and non-explosive, thereby exposing the Railway staff, the Railway property and the public to grave risk. In the opinion of the Committee there was no case for any concession being shown to the freight forwarder as has been done in this case, by remission of penal charges amounting to Rs. 27,989 levied earlier. The fear that the freight forwarder might have retaliated by undercutting Railway's freight forwarder rates was imaginary. In any case Railways could not be expected to win traffic through unscrupulous freight forwarders and the Committee do not appreciate their attempt to justify their action. The Committee wish that the Ministry of Railways should have taken the above factors into consideration while deciding this case. The Committee would like the Railway Board to devise steps to prevent the recurrence of such cases.

The description given by the freight forwarder of the commodity in the forwarding note was clear and categorical. It was stated as 'Benzene' which has been included in the Red Tariff and thus could not be booked for rail transport. The Committee fail to understand how this commodity was accepted for rail transport by the Railway officials in contravention of the rules. This is tantamount to deliberate negligence on the part of Railway officials. The Committee take a serious view of this lapse and would like that the officials who were responsible, should be brought to book.

33 2.57

Do.

The Committee note that the Railway Board issued on 26 October, 1974 certain routing and rating instructions under the rationalisation scheme which were to come into force w.e.f. 15 November, 1974. Though Railways Ministry consider four weeks as reasonable time for the Railway Administration for implementing such changes, yet in this very case a period of only twenty days was allowed. The Committee regret that in spite of knowing the fact that time allowed was not sufficient to implement the instructions in the normal course, the Ministry of Railways did not take any special steps to ensure that these instructions reached the stations sufficiently before 15 November, the day from which the changes were to be effected.

34 2.58

Do.

The Committee further note that the letter of 26 October, 1974 was received by the Headquarters Office of Railway Administration on 30 October 1974 and the Headquarters Office took further 25 days to issue instructions in this regard to Divisions on 25 November 1974. Again, Ferozpur Division, in its turn sent these instructions to the stations concerned on 12 December, 1974 and some of the stations received them as late as January 1975. The Committee are unhappy at the abnormally long time taken at various stages in transmitting urgent instructions to stations concerned by the various agencies of the Ministry of Railways. They would like the Ministry to investigate the reasons for delay at various stages with a view to fixing responsibility and taking remedial measures for future. The Committee would like to be apprised of the action taken against the erring officials.

1	2	3	4
35	2.59	Railways	<p>In the same context the Committee are surprised to note that the Commercial Branch of the Headquarters Office issued instructions to the Financial Adviser and Chief Accounts Officer on 17 December 1974, but the later received the same only on 27 February 1975, i.e., after a period of more than two months. The Committee would like this delay also to be investigated thoroughly.</p>
36	2.60	Do.	<p>The Committee appreciate that in order to avoid such delays the Ministry of Railways are considering a proposal to centralise the cyclostyling of instructions having financial implications at the Headquarters Office and to send the required number of copies of the notifications etc. to Divisions by couriers. In this context, the Committee would suggest that advance copies of notifications having financial implications should be despatched under registered covers to the stations concerned directly from the Headquarters Office simultaneously while sending instructions to the Divisions. The stations in their turn, on receipt of uch instructions would advise within a specified period to the Divisions and the Headquarters Office about their having received such orders. This would reduce the time in transmitting such instructions from Headquarters Office to the stations.</p>
37	2.61	Do.	<p>The Committee are given to understand that a sum of Rs. 1,36,459 as undercharges in respect of local traffic was yet to be realised and</p>

in respect of foreign traffic the review is under progress. The Committee would like to be apprised of the progress made in this regard.

38 2.62 Do.

The Committee further note that assessment of undercharges due on account of non-compliance of routing and rating instructions on North-Eastern Railway has since been completed in respect of stations in Varanasi Division and the amount assessed is Rs. 53,865 for the years 1973-74 and 1974-75. The Committee would like to be apprised of the steps taken to recover the amount due.

39 2.63 Do.

The Committee find that notification regarding restrictions on routing of dearer route traffic from Northern Railway Broad gauge stations to stations reached via Bhatinda or Hissar were in force since 1957 and were incorporated in the Northern Railway Goods Tariff Part-I, 1957 edition and also in the 1967 edition of the Northern Railway Goods Tariff Part-I. However these instructions were not complied with, resulting in undercharges to the extent of As. 1,70,414 for the period January 1972 to March 1975. It is learnt that undercharges prior to January 1972 could not be assessed due to destruction of record pertaining to that period. The Committee are greatly concerned at the loss of revenue which cannot be precisely quantified in the absence of records. The Committee would like the Ministry of Railways to investigate the matter in depth for taking suitable remedial action.

40 2.64 Do.

The Committee are unhappy to note that out of Rs. 1,70,414 outstanding as arrears undercharges on Bhatinda-Kotkapura section

a sum of Rs. 771 only could be recovered so far. The Committee would like the Ministry of Railways to take effective steps for recovering Government dues without further loss of time and apprise the Committee of the progress made in this direction.

41

2.65

Railways

The Committee observe that although four stations on Bhatinda-Kotkapura section were visited by the CMIs and TIAs on a number of occasions, the irregularity escaped their notice. The Committee would like the Ministry of Railways to investigate how the under-charges escaped their notice with a view to taking remedial measures for the future. The Committee would also like to know why the irregularity could not be detected in the internal check since 1972.

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42

2.67

Railways
Energy

The Committee note that rules under paragraphs 2514 and 2515 of Indian Railway Commercial Manual Vol. II state that if wagons are placed in a Railway siding for unloading without effecting the book delivery and collecting the freight and other charges due, it should be ensured that there is no delay in effecting book delivery and collecting the charges due. The Committee, however, find that Delhi Electric Supply Undertaking had not been surrendering railway receipts immediately after the wagons had been placed for unloading in the sidings before book delivery and in some cases railway receipts had been surrendered after the lapse of six months thus resulting in delayed billing of freight and other charges. Conse-

quently, huge arrears of outstanding freight and other charges on coal wagons running into crores of rupees have accumulated against the Undertaking thereby straining the economy of the Railways. According to the calculations of the Ministry of Energy, the time lag involved in the receipt of the Railway Receipts by the power house authorities and surrendering the same to the Railways ranges between 3 to 4 months under normal circumstances. The Committee are unable to appreciate the cumbersome procedure adopted by Coal Supplying Agencies in forwarding the railway receipts from pit-heads to the Delhi Electric Supply Undertaking. The railway receipts pass through so many agencies that these get unduly delayed for several months. The Committee need hardly emphasise that the Ministry of Energy should devise steps to ensure prompt delivery of railway receipts to the consignees.

The Committee are concerned at the accumulation of huge arrears of Railway freight and other charges amounting to Rs. 14.33 crores and Rs. 6.43 crores as on 1 June 1976 against the Delhi Electric Supply Undertaking and the Uttar Pradesh State Electricity Board respectively. While the Committee appreciate the efforts made by the Ministry of Railways to recover the outstanding dues from these two organisations, they are, however, unhappy at the lukeworm attitude of these bodies to liquidate their arrears. The Committee would like the Ministry of Energy to initiate action in consultation with the Delhi Administration and the State Government of UP for the expeditious settlement of the Railway dues and report to the Committee the progress of the recovery of dues within six months.

1	2	3	4
44	2.99	Railways Energy	<p>The Committee regret that against another Rs. 1.89 crores due from Delhi Electric Supply Undertaking on account of price of coal and freight charges of 3316 wagons of public coal diverted to them to meet their contingencies during the period January 1973 to December 1974, the Undertaking could pay only Rs. 10 lakhs to Railways so far. The Committee need hardly point out that a public undertaking of the stature of Delhi Electric Supply Undertaking should honour its commitments without loss of further time.</p>
45	2.100	Do.	<p>The Committee appreciate that the Railways have extended certain concessions to the Power Houses of Delhi Electric Supply Undertaking and Uttar Pradesh State Electricity Board by not charging any interest on belated payments and also granting delivery of consignments meant for them without realising freight etc. However, they find that no reciprocal goodwill gesture is shown by these bodies towards Railways by not levying any surcharge or by allowing the usual rebate even in the event of delayed payment of electricity bills payable to them by the Railways.</p>
46	2.101	Do.	<p>The Committee are concerned to note that Railway dues to the extent of Rs. 4.29 crores are outstanding against various other power houses as on 30 June, 1976 by way of cost of coal, freight and demurrage charges. The Committee would like the Ministry of Railways to make concerted efforts for the recovery of these dues from the power houses. In this connection they would also like</p>

the Ministry of Energy to issue general instructions to the State Governments concerned for expeditious settlement of railway dues against the power houses. The Committee would like to be apprised of the position in this regard in due course.

47 2.102 Railways

According to agreements with the oil companies interest @ 10 per cent per annum is leviable on freights which have fallen due for recovery. However, it is a matter of regret that the Railway Administrations are not invoking such provisions of these agreements on the plea that the Railways would also have to pay interest on compensation claims to the oil companies. The Committee are not impressed by this plea and would like the Ministry of Railways to direct the Administrations concerned to invoke the provisions of the agreements for the purpose of charging interest on outstanding freight charges. After all, the Railways are a commercial concern and they must function on business terms.

48 2.115 Do.

The Committee find that the siding charges for three sidings served by Amritsar Station which were revised from 1 January 1969 were lower than the rates existing immediately prior to this date. When this position was brought to the notice of the Divisional Commercial Superintendent, Ferozepur by the Goods Inspector of Amritsar, the former made no efforts to have the reasons for reduction in the rates checked up or to refer the matter to the General Manager (Rates) who had approved the rates. Instead, he advised that the revised lower rates be charged.

1	2	3	4
49	2.116	Railways	<p>The Committee feel that the lapse of the Divisional Commercial Superintendent, Ferozepur in not taking corrective action when a specific instance of incorrect levy of siding charges had been brought to his notice by the Goods Inspector, Amritsar needs to be looked into. This is considered important because when the Audit pointed out in August 1969 that the revised siding charges had not been calculated as per approved formula, a review of the traffic data was ordered by the Railway Administration. It was on the basis of the review that the rates were revised upward on 29 April 1972 (with retrospective effect from 1 January 1969) and Rs. 89,123 became recoverable from the three siding owners.</p>
50	2.117	Do.	<p>The Committee are surprised to note that the major reduction in siding charges was due to incorrect data supplied by the Goods Inspector, Amritsar. The Committee need hardly emphasise that the reasons for furnishing incorrect data may be gone into so as to fix responsibility. They would also like to know the remedial action taken in the matter to obviate recurrence of such lapses.</p>
51	2.118	Do.	<p>The Committee also find that the revised rates notified on 29 April 1972 are also lower than the rates prevalent prior to 1 January 1969. The Committee would like the Railway Administration to once again check-up if the revised rates are in conformity with the approved formula.</p>

Do.

The Committee note that of the Rs. 89,123 due from the three siding owners as arrears, the recovery has since been effected from one and the remaining two cases are under Arbitration/*sub justice*. The Committee would also like to be apprised of the progress made in these cases.
