

**GOVERNMENT OF INDIA  
RAILWAYS  
LOK SABHA**

UNSTARRED QUESTION NO:776  
ANSWERED ON:26.07.2001  
PLACEMENT OF WAGONS ORDERS  
AJAY CHAKRABORTY;BHAN SINGH BHAURA;RUPCHAND PAL

**Will the Minister of RAILWAYS be pleased to state:**

- (a) whether Railways have placed order for wagons to such company which has been black-listed earlier by the Railways itself;
- (b) if so, the reasons therefor;
- (c) whether Railways overlooked the wagon manufacturing units under PSUs and the PSU units are almost on the verge of collapse due to non-availability of orders from Railways;
- (d) if so, the reasons therefor;
- (e) whether several Members of Parliament have also requested the Government to release wagon orders to Public Sector Units; and
- (f) the steps taken by the Government to remove the problem?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS AND PARLIAMENTARY AFFAIRS (SHRI O. RAJAGOPAL)

- (a) No, Sir.
- (b) Does not arise.
- (c) No, Sir.
- (d) Does not arise.
- (e) Yes, Sir.
- (f) Initially certain vigilance checks were conducted on wagons where it was found that a manufacturer had used cheaper mild steel in place of corten steel being supplied by Railways to wagon manufacturers as free supply item. In the process of inspection by Research Design and Standards Organisation (RDSO), use of mild steel in place of corten steel was detected in the factory premises of two more wagon manufacturers. Recent vigilance checks show that few more manufacturers have also been found to have used mild steel in place of specified corten steel in manufacturing of wagons. It has, therefore, become necessary to carry out more joint comprehensive checks on all wagon manufacturers in order to assess the quantum and magnitude of the problem before release of further orders. RDSO have been asked to complete the investigations expeditiously.