

COMMITTEE ON PETITIONS

(FIFTH LOK SABHA)

NINETEENTH REPORT



[*Presented on the 21st August, 1974*]

LOK SABHA SECRETARIAT
NEW DELHI

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COMPOSITION OF THE COMMITTEE ON PETITIONS

(1974-75)

CHAIRMAN

Shri Jagannath Rao

MEMBERS

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3. Shri Chhatrapati Ambesh
4. Shri Biren Engti
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SECRETARIAT

Shri Y. Sahai—*Deputy Secretary.*

Shri J. R. Kapur—*Under Secretary.*

**NINETEENTH REPORT OF THE COMMITTEE ON PETITIONS
(FIFTH LOK SABHA)**

INTRODUCTION

I, the Chairman of the Committee on Petitions, having been authorised by the Committee to present the Report on their behalf, present this Nineteenth Report of the Committee to the House on the following matters:—

- (i) Representations from M/s. Ahmed Oomerbhoy, Bombay, regarding payment of claim in respect of shortages of 71 bags of G.N. seeds in consignments booked from Kurnool Town to Grain Depot;
- (ii) Representation from M/s. Bombay Grain Crushing and Spice Mills, Bombay, regarding remission of wharfage charges in respect of four consignments of Sal seeds de. oilcake booked ex. Khamgaon to Grain Depot (B.P.T.);
- (iii) Representation from Sarvashri Prehlad P. Khamar and Popatlal B. Nayak, Patan (Gujarat) regarding rail link between Bhildi and Kakosi, Wagrod or kansa;
- (iv) Representation for staying recovery of undercharges from the salaries of Commercial Clerks of Western Railway;
- (v) Representation regarding apprehended closure of Arrah-Sasaram Light Railway; and
- (vi) Action taken by Government on the recommendation contained in the Seventeenth Report (Fifth Lok Sabha) of the Committee on the representation regarding certain grievances of Railwaymen.

1.2. The Committee considered the above matters at their sittings held on the 3rd January, and 10th and 11th July, 1974, and adopted the draft Report at their sitting held on the 19th August, 1974.

1.3. The observations/recommendations of the Committee on the above matters have been included in this Report.

REPRESENTATIONS FROM M/S. AHMED OOMERBHOY,
BOMBAY, REGARDING PAYMENT OF CLAIM IN RESPECT OF
SHORTAGES OF 71 BAGS OF G.N. SEEDS IN CONSIGNMENTS
BOOKED FROM KURNOOL TOWN TO GRAIN DEPOT.

2.1. M/s. Ahmed Oomerbhoy, Bombay, submitted representations (See Appendices I & II) regarding payment of claim in respect of shortages of 71 bags of G.N Seeds in consignments booked from Kurnool Town to Grain Depot (Bombay Port Trust Railway) under Invoices Nos. 26 and 27 RR Nos. 122969 and 122970 dated 7-6-1967.

A. Petitioners' Grievances and Prayer

2.2. In their representations, the petitioners stated *inter alia* as follows:—

“Two consignments of ground-nut seeds were booked from Kurnool town to Grain Depot (referred to as BPTG hereinafter) *vide* Invoices Nos. 26 & 27, Railway Receipts Nos. 22969 & 22970 on 7th June, 1967. While effecting the delivery of these consignments at the destination station situated on the Bombay Port Trust Railway shortage of 20 bags in the consignment booked under Invoice No. 26 and 51 bags in the consignment booked under Invoice No. 27, was noticed. The remarks about the short receipt of 71 bags were made by the petitioners in the Unloading and Delivery Memo at the destination station as per the procedure of the Bombay Port Trust Railway. The petitioner was told by the destination station staff that the shortage of 71 bags would be intimated to the booking and intermediate railways and they would be delivered to the petitioner when received from those railways. In spite of this assurance by the destination station staff, your petitioners thought it wise to prefer the claim for the shortage in both the consignments and effectually preferred the same *vide* their letters Nos. AO.715 and AO. 716 of 4-7-1967 detailing the claim for 20 bags at Rs. 4860.00 and that of 51 bags at Rs. 12393.00 as required by Section 78-B of the Indian Railways Act which lays down that ‘a claim should be preferred with the destination station railway within six months from the date of booking for the shortage, damage or entire non-delivery of the consignments either by the consignor himself or by his agent on his behalf or by the

consignee or endorsed consignee. Your petitioner has thus preferred the claim for compensation within the prescribed time limit and, therefore, the B.P.T. Railway was liable to arrange the payment of the claim preferred as laid down in the Rules and Regulations in force. The Bombay Port Trust Railway had verified the claim as per their procedure and had notified the claim under the Conference Rules to the South Central and Central Railways but none of these Railways conveyed their instructions during the limitation laid down by the Conference Rules. Your petitioner was under the impression that his claim will be paid as soon as the trunk railways *i.e.* South Central and Central Railways who are involved in the booking convey their liability for the shortage because they were the party who handled the consignment in question right from the booking point till it was made over to the Bombay Port Trust Railway and made available for delivery to the petitioner at the destination station.

According to the rules and regulations in force prevalent on the railways enforced by the Railway Board forming part of the Ministry of Railways, the destination railway's headquarters office on getting a Discrepancy Report from the destination station should intimate the claim to the trunk railways which are involved in handling the consignments without waiting for a claim to be preferred by the claimant. In the instant case your petitioner stands well protected for he had preferred the claim well within the time limit. Your petitioner in addition to reminding the destination railway had also made references to the Central and South Central Railways and requested them to finalise the claim or to deliver the missing bags. The Bombay Port Trust Railway had also made a reference for either to prove delivery of the 71 bags short delivered to the petitioner or to accept the liability. Both the trunk railways mentioned above who handled the consignment, neither traced the missing bags nor accepted their liability to enable the B.P.T. Railway in arranging the payment of the claim till date for reasons best known to the officers of these railways who are highly paid by the democratic and socialistic government perhaps with a view to deprive the citizen of his legitimate dues against the State shirking the responsibility on technical grounds and avoided its liability under one pretext or the other.

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The B.P.T. Railway *vide* their letter of 10th July, 1972 informed the petitioner that Central Railway has finally replied that the claim is already barred by limitation and they will not accept liability in the event the claim is settled. It further advised the petitioner to pursue the claim with the Central Railway for accepting liability and if the Central Railway agreed, the BPT Railway will arrange the payment.

* * *

In the end your petitioner states that your petitioner only wants the justice and the restoration of his legitimate dues of which he has been deprived. The petitioner may be permitted to state that because the petitioner kept the faith in the railways owned by the democratic government that the claim of the petitioner would be settled by the railways in the normal course, the railways have deprived the petitioner on the grounds of limitation and now the petitioner leaves the matter in the hands of your Honour and the Members of the Committee how the petitioner should be given the justice and the petitioner wants justice and nothing else."

B. Comments of the Ministry of Railways (Railway Board)

2.3. The Ministry of Railways (Railway Board), with whom the matter was taken up, have in their factual comments dated the 28th November, 1973, stated as follows:—

"The Claimants, M/s. Ahmed Oomberbhoj preferred the following two claims with the manager, Bombay Port Trust Railway:—

- (i) Inv. 26 RR No. 122969 of 7th June, 1967 Ex. Kurnool Town to BPTG—Claims for shortage of 20 bags G.N. Seeds for Rs. 4,860/-.
- (ii) Inv. 27 RR No. 122670 of 7th June, 1967 Ex. Kurnool Town to BPTG—Claim for shortage of 51 bags G.N. Seeds Claim for Rs. 12,383/-.

The B.P.T. Railway issued the usual notices of claim to the Chief Commercial Superintendent of Southern, South Central and Central Railways during November, 1967, and the South Central Railway replied during May, 1968, and

August, 1968 that the two consignments had met despatch ex. Guntakal for Bombay Port Trust Railway (Grain Depot) in good condition. However, since there was no further reference from the claimants with the B.P.T. Railway, the B.P.T. Railway lost sight of these two cases and further enquiries were not pursued by them. The claimants, in fact, did not pursue their own claims for as many as 4 years and it was as late as 1971 that some professional Claims Agent evinced interest in these cases and the Claims Agent along with the party's representative after meeting the Manager, B.P.T. Railway, sent a letter dated 9th July, 1971, addressed to Shri Nadkarni, the then Chairman, Bombay Port Trust Railway. The claimants in this letter mentioned that they had sent some reminders which had remained unreplied. The factual position, as seen from the B.P.T. Railway's files is that no such reminders have been received by the B.P.T. Railway.

Detailed enquiries were nevertheless made by the Central Railway with a view to ascertaining whether the alleged loss of 71 bags had taken place on the Central Railway's portion but unfortunately since old records of 1967 were not available in 1972 and the case was also barred by limitation, the B.P.T. Railway were advised regretting acceptance of liability on 26th April, 1972. The question as to whether the two claims of June, 1967 merit settlement at this distant date has, however, been examined critically, keeping in view their merits and whether the claimants are entitled for claiming relief under equity.

The merits of the case, are such that the actual loss of 71 bags has not been established in a categorical manner. As far as the other issue, whether the claimants were entitled for compensation under equity, it has to be stated that since the claimants did not pursue their own rights for as many as four years and also failed to take proper and diligent action so as to be alive to their own rights they are not considered entitled for grant of compensation under equity.

The claimants in these cases, M/s. Ahmed Oomerbhoy, happen to be one of the biggest manufacturers of vegetable oils at Bombay and their scales of operations with the Railways are such that they are maintaining a separate specialised claims department of their own and considering that even

their claims department have failed to pursue their claims for as many as four years, it would be inequitable to make an exception in their favour and to pay their claims by waiving the bar of limitation."

2.4. At their sitting held on the 3rd January, 1974, the Committee considered the above factual comments furnished by the Ministry of Railways. The Committee, however, noticed from the representation of the petitioners that they had preferred claims for shortages in both these consignments with the destination station staff i.e. B.P.T. Railway vide their letter Nos. AO. 715 and AO. 716 dated the 4th July, 1967 within the period of six months from the date of booking as required under Section 78B of the Indian Railways Act, 1890. The Committee were of the view that since the petitioners had preferred their claims in time, they should not have been rejected on the ground that the old records of the case were not now available or that the petitioners had failed to pursue their claims. Non-availability of the relevant records was not the fault of the petitioners. The Committee also noticed from the representation of the petitioners that the Bombay Port Trust Railway had informed the petitioners that if the Central Railway agreed to accept the liability, the Bombay Port Trust Railway would arrange the payment. The Committee asked the Ministry of Railways to explain how these claims could be treated as time barred when the petitioners had filed their claim with the destination station staff (B.P.T. Railway authorities) within the time limit as required under the provisions of Section 78B of the Indian Railways Act.

2.5. The Ministry of Railways (Railway Board) have, in their communication dated the 27th February, 1974, stated as follows:—

- "(i) For any claim for compensation, certain time limit has to be prescribed to initiate the process of enquiries as also for the preservation of records pertaining to that claim. It is largely for this purpose that statutory time-limit for 6 months from the date of booking of the consignment for preferment of the claim, and 3 years for filing a suit by the aggrieved party has been prescribed.
- (ii) Section 78B of the Indian Railways Act prescribes that a claim for compensation will be valid if the same is preferred within six months from the date of looking. It is not this provision of the Indian Railways Act which has been attracted in the subject case. The point which has arisen in this case is that the claim has been hit by the statutory provisions of the Indian Limitation Act according to which limitation period for filing suit in respect of

claims for compensation is 3 years. The claim in the subject case has become suit-barred.

- (iii) In so far as compensation claims are concerned, any relaxation to the provisions of Limitation Act is considered as a special case only where there is proof on the file to show that the claimant has been pursuing this claim at periodical intervals. In the subject case the claimant failed to pursue their claims for as many as 4 years and therefore, are not entitled to any relaxation of the rules as envisaged above. Even in such cases where suit-bar limitation is waived the admission or repudiation of the claim has to be determined on the basis of relevant records. As already brought out in para 4 of Railway Board's U.O. No. TCTV/4833/73/1 dated 28th November, 1973, the records in the subject case are not available.
- (iv) It has, therefore, not been possible to admit the claim."

C. Recommendation of the Committee

2.6. The Committee note from the factual comments furnished by the Ministry of Railways (Railway Board) that the claim has been hit by the statutory provisions of the Limitation Act, 1963, according to which the limitation period for filing a suit in a court of law in respect of claims for compensation is three years, and that, this claim has become time-barred. The Ministry of Railways have also taken the stand that any relaxation of the provisions of the Limitation Act is considered only as a special case where there is a proof on the file to show that the claimant has been pursuing his claim at periodical intervals. As, in the present case, the claimants, according to the Ministry of Railways, have failed to pursue their claim for as many as four years, the petitioners were not entitled to any relaxation of rules. The Ministry of Railways have further pleaded that since the records in this case are not now available, the admission or repudiation of the claim cannot be determined.

2.7. The Committee do not agree with the above stand taken by the Ministry of Railways. The Committee are of the view that since the petitioners had preferred their claim with the Bombay Port Trust Railway in time, as admitted by the Ministry of Railways themselves, it cannot be rejected on the ground that the petitioners have failed to pursue their claim periodically, that the claim in this case has become time-barred under the Limitation Act, 1963 and that the old records of the case are not now available. The Committee regret that the records of the case should have been destroyed without taking any final decision in the matter and that that fact should now

be made the basis of repudiation of the claim. The Committee feel that the principles of natural justice require that the petitioners should not be put to total loss for merely not pursuing their claim from time to time. The Committee desire that the Ministry of Railways should reconsider the claim of the petitioners and, if the old records of the case cannot be traced, efforts should be made to reconstruct the relevant records. Failing that, the Committee would like the Ministry of Railways to settle the present claim of the petitioners on the basis of equity and principles of natural justice by way of a compromise.

2.8. In this connection, the Committee hope that the Ministry of Railways would bear in mind the observations made by the Bombay High Court in the case-Kaluram Sitaram v/s. The Dominion of India (A.I.R. 1954 Bombay 50) as quoted by the petitioner, in para 19 of his representation*.

*See Appendices II

II

REPRESENTATION FROM M|S. BOMBAY GRAIN CRUSHING AND SPICE MILLS, BOMBAY, REGARDING REMISSION OF WHARFAGE CHARGES IN RESPECT OF FOUR CONSIGNMENTS OF SAL SEEDS DE. OILCAKE BOOKED EX. KHAMGAON TO GRAIN DEPOT (B.P.T.)

3.1. M|s. Bombay Grain Crushing and Spice Mills, Bombay, submitted representations regarding remission of wharfage charges in respect of four consignments of Sal seeds de. oilcake booked ex. Khamgaon to Grain Depot, Bombay Port Trust, *vide* Invoices Nos. 60 & 61, dt. 31-3-1973 and 2 & 3 dt. 25-4-1973.

A. Petitioners' Grievances and Prayers

3.2. In their representations. M|s. Bombay Grain Crushing and Spice Mills, Bombay. stated *inter alia* as follows:—

“The petitioner above named carrying on business being aggrieved with the decision of the Chairman, Bombay, Port Trust, on behalf of the Bombay Port Trust Railway, and asking your petitioner to pay the heavy wharfage charges amounting to Rs. 23,515-20 accrued upto 6th June, 1973 in addition to the railway freight of Rs. 2100|- for the four consignments consisting of 300 bags of Sal seeds de. oilcake in each consignment booked from Khamgaon a station on the Central Railway, to Grain Depot, a station on the Bombay Port Trust Railway.

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The above refreed four consignments were booked by M|s. Hanuman Vitamin Foods Pvt. Ltd., Khamgaon and had sent the Railway Receipts through the bank which were not honoured due to some dispute on the Hundi drawn by the senders for excessive amount and as such the documents were not retired and they were returned to the senders by the bank. On return of the documents the senders contacted the petitioner and had agreed to send the Railway Receipts back and requested us to retire the documents from the bank and to release the consignments and the petitioners accepted the request of the senders and enquired at the railway station about the consignments and the petitioner's clearing agents who were entrusted with the job of clearing the consignments informed the

The petitioner's intention in submitting this mercy petition is nothing but to get justice and substantial relief as it is being accorded on the trunk railways and the Port Trust Railway should be directed to deal this case in the manner in which the trunk railways are dealing and allow the delivery of the consignments on payment of freight due and wharfage of Rs. 2500|- as already stated earlier.

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On 17-11-1973 as scheduled the auction of the consignments in question was held and the highest offer which was received by the BPT in view of the damaged and deteriorated condition of the goods which was not only deteriorated in quality but in value due to fall in market rate of good quality the offer received by the railway was only Rs. 7700|- as it is learnt by your petitioner. Eventually the consignments were withdrawn from the auction."

B. Comments of the Ministry of Shipping and Transport (Transport Wing)

3.3. The representations were referred to the Ministry of Shipping and Transport (Transport Wing) for furnishing their factual comments for consideration by the Committee. The Ministry have furnished notes (*See Appendices III & IV*) received by them from the Bombay Port Trust containing their comments on the points raised in the representations. The Ministry have stated as follows:—

"The Bombay Port Trust is a statutory authority constituted under the Bombay Port Trust Act, 1879 and it is competent to dispose of such matters. Remedy is available under the law to the petitioner. Under Rule 160 of Rules of Procedure and Conduct of Business in the Lok Sabha therefore this case does not fall within the scope of petitions. The Bombay Port Trust has informed that it proposes to auction the consignments on 25th January, 1974."

3.4. In their note, the Bombay Port Trust have stated *inter alia* as follows:—

"Four consignments comprising in all 1200 bags of sal seeds oil cakes loaded in 4 Board Gauge railway wagons at Khamgaon, a station on the Central Railway, were received at Grain Depot, a station on the Bombay Port Trust Railway, on 5-4-1973 and 1-5-1973. Two of the wagons were unloaded at Bombay Port Trust Railway Grain Depot Station on 8-4-1973 and remaining two on 2-5-1973.

The consigner of all these four wagons was M/s. Hanuman Vitamin Food Private Ltd., Khamgaon, and the consignee was 'self'.

The Bombay Grain Crushing and Spice Mills, in whose favour the railway receipts were endorsed by the bank, claimed delivery of the consignments on 6-6-1973 for the first time. As the consignments had already been unloaded from the wagons partly on 8-4-1973 and partly on 2-5-1973, wharfage was being incurred on all those consignments twenty-four hours after unloading. Therefore, till 6-6-1973 the day on which the railway receipts were surrendered for the first time for taking delivery of the consignments, wharfage charges amounting to Rs. 23515-20 had already been incurred. Simultaneously with the surrender of the railway receipts for claiming the delivery of the consignments on 6-6-1973, the party (The Bombay Grain Crushing and Spice Mills) appealed to the Bombay Port Trust for not charging the full wharfage charges but charging only nominal charges thereof on the following grounds:—

- (i) That the Railway receipts could not be surrendered earlier on account of a dispute between the consignors, i.e. M/s. Hanuman Vitamin Food Private Ltd., and the endorsed consignee, i.e. The Bombay Grain Crushing and Spice Mills.
- (ii) That the goods had suffered deterioration due to passage of time.
- (iii) That there was a fall in the market value of the goods.
- (iv) That the totality of the circumstances of the case warranted nominal wharfage to be charged as the wharfage incurred till 6-6-1973 itself was much more than the value of the goods.

The request for charging nominal wharfage was considered by the Port Trust in depth. Facts of the case clearly showed that the delay for taking delivery of the goods was entirely due to the fault of the party (Bombay Grain Crushing and Spice Mills). The goods were not cleared by the party (Bombay Grain Crushing and Spice Mills) as they could not get the railway receipts cleared from the bank in time. The wharfage had been correctly charged according to the rules, and therefore, the party's request was rejected and they were asked to take delivery of the consignment on payment of all wharfage accrued upto 6-6-1973 and other charges like freight etc. The party has declined to take delivery and has been addressing petitions to various authorities including Secretary, Ministry of Shipping and Transport, Minister of Shipping

and Transport Chairman of the Petition Committee of Parliament, Speaker of Lok Sabha and President of India.

The party has been advised in writing on several occasions that their request has been rejected on merits, vide Bombay Port Trust Railway Manager's letters Nos. RD. 20/8/73-74 of 2-11-1973, 30-10-1973, 13-9-1973, 14/15-9-1973 and 26-7-1973.

The consignments were actually put up to public auction on 17-11-1973. The response to the auction was unsatisfactory and the highest bid was far less than the reserve price. It was apparent that the bids were manipulated after the formation of a syndicate for deliberately keeping the prices low. The consignments were, therefore, withdrawn from auction."

C. Observation of the Committee

3.5. The Committee note the factual comments furnished by the Ministry of Shipping and Transport and the Bombay Port Trust. The Committee feel that as a remedy is available to the petitioners under the law, no action is called for in the matter by the Committee.

III

REPRESENTATION FROM SARVASHRI PREHLAD P. KHAMAR AND POPATLAL B. NAYAK, PATAN (GUJARAT) REGARDING RAIL LINK BETWEEN BHILDI AND KAKOSI WAGROD OR KANSA.

4.1. Shri Prehlad P. Khamar, Editor, Maha Gujarat and Shri Popatlal B. Nayak, Patan (Gujarat) submitted representation regarding rail link between Bhildi and Kakosi, Wagrod or Kansa.

A. Petitioners' Grievances and Prayer

4.2. In their representation, the petitioners stated as follows:—

“It is a long standing demand of the people of Patan area that a Rail link between Bhildi of the Northern Railway and either Kakosi, Wagrod or Kansa on the Western Railway be established to serve that backward area and enable people to reach our boundary in Gujarat boundary with Pakistan by a short route. The requested link is strategically very significant and important.

In 1966, in reply to a question by Shri K. S. Chavda, M. P. in the Rajya Sabha, the then Minister of Railways had said that over a lakh of rupees have been spent for investigations and the link was only 20 kms. and would provide a parallel rail route to trunk route between Ahmedabad and Delhi. The matter was also raised by Shri Chavda many a times in the Rajya Sabha, Lok Sabha and Informal Consultative Committee meetings, but nothing has been done upto now.

Therefore, your humble petitioners pray that the above railway link of 20 kms. be joined as early as possible to serve the neglected area of Patan Taluka.”

B. Comments of the Ministry of Railways (Railway Board)

4.3. The representation was referred to the Ministry of Railways (Railway Board) for furnishing their factual comments for consideration by the Committee. In their comments, the Ministry of Railways have stated as follows:—

“The proposal for a new line between Bhildi and Wagrod has been considered in the course of the traffic survey recent-

(ii) Undercharges on Newspapers Parcels

It is stated that the Western Railway Administration has been directed not to recover undercharges from the staff but efforts should be made to recover the same from the Consignors or Consignees. Undercharges which become irrecoverable, if any, will be written off by the competent authority.

(iii) Undercharges on old, used iron and steel materials

The question of waiving these undercharges is under examination.

(iv) Undercharges in respect of consignments of oil received at Bhavnagar.

Out of the total debits of Rs. 94,352|-, debits amounting to Rs. 86,132|- have been cleared leaving only a balance of Rs. 8,220|-. The Railways are taking necessary action to arrange recovery of this sum from the consignees. If this is not finally recovered from the party then only the question of recovering the amount from the staff will arise.

(v) Efforts have been made to recover undercharges from the concerned traders wherever possible. Where, however, the traders are petty merchants and their whereabouts cannot be located, the recoveries have to be enforced from the staff through whose fault the undercharges have been incurred."

C. Observations of the Committee

5.4. The Committee have perused the factual comments furnished by the Ministry of Railways (Railway Board). The Committee are of the view that, as far as possible, the undercharges should be recovered from the concerned consignees. The affected staff should also help the Railway administration in finding the addresses of the concerned consignees and tracing them with a view to have recoveries of undercharges made from them. The Committee desire that in cases where the bonafides of the concerned Railway staff are established, the question of writing off the outstanding amounts may be examined instead of recovering the same from the salaries of the concerned staff.

REPRESENTATION REGARDING APPREHENDED CLOSURE OF ARRAH-SASARAM LIGHT RAILWAY

6.1. The General Secretary, Martin's Railways Staff Association, Calcutta, submitted a representation regarding apprehended Closure of Arrah-Sasaram Light Railway in Bihar.

A. Petitioner's Grievances and Prayer

6.2. In his representation, the petitioner stated as follows:—

“The successive closures of Light Railways in the past few years have created uncertainty in the minds of the employees and they are in such a desperate mood that they may resort to any suicidal action which may result in closure of these light Railways any time.

Further, it is learnt that a decision has been taken at the level of the Departmental Secretaries of the Bihar, Government not to give any subsidy to Arrah-Sasaram Light Railway. It is known to all concerned that because of various factors this Company for quite some time is passing through financial crisis and the Company is unable even to meet immediate essential expenditures. All this has demoralised employees and their efficiency and the standard of service on this essential transport is rapidly going down.

I fervently appeal to take up the matter with the Railway Minister as well as with Bihar State Government immediately as I feel that delay may end up in closure of this vital transport which serves millions of travelling public in the State of Bihar.

The closure of Howrah-Amta and Howrah-Sheakhala Light Railways in West Bengal has not only thrown thousands of employees out of employment but has created a transport bottleneck in the suburban areas of Calcutta and Howrah. West Bengal Government's plan to replace the Light Railways by road service has completely failed. The closure of these Railways has shattered the economy of the two districts that these Railways used to serve.

Thousands of wage earners who used to travel on these Light Railways from their village homes to Calcutta and Howrah to earn their livelihood had to leave their villages and are now living in the slums of these cities. They had to leave their hearth and homes as no adequate alternative arrangements of transport service could be made by the West Bengal Government even after two years of the closure of these Light Railways. The proposal for re-opening of Howrah-Amta and Howrah-Sheakhala Light Railways is now under active consideration of the Government.

We earnestly hope that the Government learn from the experience and do not take such steps by which the existing Light Railways in Bihar and West Bengal have to close down adding to the miseries of the suffering people of these States. A prompt action on your part to help us in finding a solution to the problems will be gratefully appreciated."

B. Comments of the Ministry of Railways (Railway Board)

6.3. The representation was referred to the Ministry of Railways (Railway Board) for furnishing their factual comments for consideration by the Committee. In their comments (See Appendix VII), the Ministry of Railways (Railway Board) have stated *inter alia* as follows:—

"The Arrah-Sasaram Light Railway Co. is working under an Agreement with the District Board of Shahabad. The District Board has guaranteed to supplement the net earnings of the Company by such annual subsidy as may be necessary to allow the Company to pay a Dividend of 4 per cent per annum on the share capital, subject to a maximum of Rs. 88,000|- per annum or the sum of 4 per cent of the subscribed share capital, whichever is less. The surplus profits in excess of 4 per cent on its capital are divisible equally between the District Board and the Company. The Central Government thus do not have any financial interests in the Railway nor do they have any contractual obligations.

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The proposal to convert the line into Broad Gauge was initially examined in the year 1955 but the same was not found to be financially viable. The issue of conversion again came up for consideration in the year 1964. The Eastern Railway

was accordingly asked to make an assessment of the traffic potential and cost of conversion afresh. On the basis of the report submitted by the Railway the gross earnings of the proposed Broad Gauge line in the year 1970-71 (presumed to be the first year of opening to traffic) were estimated at a little over Rs. 20 lakhs, including Rs. 17 lakhs from passenger traffic. The working expenses of the line were estimated at about Rs. 27 lakhs thus leaving a deficit of about Rs. 7 lakhs per annum. The cost of conversion into Broad Gauge was estimated to be Rs. 5.76 crores, inclusive of Rs. 42 lakhs, the purchase price of the Narrow Gauge line. Dividend on this amount at the rate of 6 per cent comes to about Rs. 34 lakhs a year. The total recurring loss was thus estimated to be of the order of Rs. 41 lakhs per year; the purchase was thus found to be heavily unremunerative.

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The management (without purchase) of the Railway can be taken over by the Government under Section 3 of 'The Railway Companies (Emergency Provisions) Act, 1951', if a situation has arisen in the affairs of the Company which has prejudicially affected the convenience of persons using the Railway, or has caused serious dislocation in any trade or industry, or has caused serious unemployment amongst a section of the community or when in the opinion of the Central Government, such a step is necessary in the national interest.

As the Ministry of Railways have received no intimation from the Company that the Light Railway is proposed to be closed down, it is considered premature to examine taking over the management of the Company under the provisions of the Railway Companies (Emergency Provisions) Act, 1951. It would, however, not be out of place to mention here that the taking over of the management of the Company by the Ministry of Railways would be an uneconomic proposition, because the operation of the Railway by the Central Government would result in an increased expenditure due to factors, such as bringing the staff of the Light Railway on the scales of pay applicable to the Government Railways, employment of additional staff to conform to the provisions of hours of employment regulations, etc.

As the nationalisation of the Railway, or taking over of its management, would not be viable, efforts have to be made

to keep this Railway running by the respective Company. It was with this object in view that the Ministry of Railways had often (since April, 1964) requested the State Government to protect the Light Railway from road competition and to consider the Company's request for financial assistance. Unfortunately, the Government of Bihar have not agreed to give any financial assistance to the Company on the grounds of unsatisfactory financial position of the State.

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The Minister for Railways has again written (in Oct., '73) to Shri Abdul Ghafoor, Chief Minister, the Government of Bihar, urging that the Government of Bihar may take suitable steps to protect the Light Railway from uneconomic road competition and that the Company's request for assistance should be reconsidered."

C. Observations/Recommendations of the Committee

6.4. The Committee note that the Arrah-Sasaram Light Railway Co., is working under an Agreement with the District Board of Shahabad (Bihar), who have guaranteed to supplement the net earnings of the Company by such annual subsidy as may be necessary to allow the Company to pay a Dividend of 4 per cent per annum on the share capital, subject to a maximum of Rs. 88,000 per annum or the sum of 4 per cent of the subscribed share capital, whichever is less. The surplus profits in excess of 4 per cent on its capital are divisible equally between the District Board and the Company. The Central Government do not have any financial interests in the Railway nor do they have any contractual obligations.

6.5. The Committee further note that the right to purchase Arrah-Sasaram Light Railway Co. vests with the District Board of Shahabad, who have the option recurring at intervals of every seven years, to purchase the line after giving at least six months' notice. The option, which fell due on the 12th October, 1972, was not exercised by the District Board. According to the Ministry of Railways, the Central Government can purchase the Railway only if it is decided to convert it into the Broad Gauge. The proposal to convert the line into Broad Gauge was initially examined in the year 1955 but the same was not found to be financially viable. The issue of conversion again came up for consideration in the year 1964. On the basis of the report submitted by the Eastern Railway, the gross earnings of the proposed Broad Gauge line in the year 1970-71 (presumed to be the first year of opening to traffic) were estimated at a

at a little over Rs. 20 lakhs, including Rs. 17 lakhs from passenger traffic. The working expenses of the line were estimated at about Rs. 27 lakhs thus leaving a deficit of about Rs. 7 lakhs per annum. The cost of conversion into Broad Gauge was estimated to be Rs. 5.76 crores, inclusive of Rs. 42 lakhs, the purchase price of the Narrow Gauge line. Dividend on this amount at the rate of 6 per cent comes to about Rs. 34 lakhs a year. The total recurring loss has/thus been estimated to be of the order of Rs. 41 lakhs per year; the purchase was thus found to be heavily unremunerative. The present position is not appreciably different from what it was in the year 1964.

6.6. According to the Ministry of Railways, taking over of the management of the Company by Government under the provisions of the Railway Companies (Emergency Provisions) Act, 1951, would be an uneconomic proposition, because the operation of the Railway by the Central Government would result in an increased expenditure due to factors, such as bringing the staff of the Light Railway on the scales of pay applicable to the Government Railways, employment of additional staff to conform to the provisions of hours of employment regulations, etc.

6.7. The Committee have also noted that the Ministry of Railways had often (since April, 1964) requested the State Government of Bihar to protect the Light Railway from road competition and to consider the Company's request for financial assistance. But, the Government of Bihar have not agreed to give any financial assistance to the Company on the grounds of unsatisfactory financial position of the State. On the other hand, the State Government had decided to issue permits for running a bus service between Arrah and Sasaram, on the ground that there had been a steep fall in the level of service of the Light Railway and the people of the area were facing great difficulties.

6.8. The punctuality of passenger trains over the section has deteriorated because of the acute shortage of coal of the proper grade and on account of the difficulties being experienced in loco maintenance works, subsequent to the closure of the Bankura General Workshop on the Howrah-Amta Light Railway.

As regards the condition of assets, there are arrears in replacement and renewals of track, rolling stock, etc. For instance, 50 per cent of the sleepers are more than 15 years old and are unserviceable, and require replacement. Similarly, the average year of 30 lb. and 35 lb. rails is 6 per cent to 7 per cent on the straight and 10 per cent to 12 per cent on the curves. Six Locomotives out of 13 in use were build in the year 1910-11 and are therefore obsolete. Two

more were built in 1921—1928, and are also very old. The rolling stock is in need of intensive repairs. Some of the components of the locomotives, such as crank pins, wheel tyres, etc., have reached condemning sizes and require renewal.

6.9. From the factual comments furnished by the Ministry of Railways, the Committee find that the efficiency and working of the Arrah-Sasaram Light Railway have progressively deteriorated during the last several years. The punctuality of the passenger trains has deteriorated because of the acute shortage of coal of proper grade and on account of the difficulties in loco maintenance work. There are heavy arrears in the replacement and renewal of the track, rolling stock etc. Most of the locomotives are very old and obsolete and the rolling stock is in need of intensive repairs. It is on the ground that there has been a steep fall in the level of service of the light railway and the consequent difficulties to the people of the area that the Government of Bihar have decided to issue permits for running bus service between Arrah and Sasaram.

The Committee, therefore, feel that if all these deficiencies in the working of the light railway are removed and the efficiency, speed and the number of trains of the Railway are increased, not only this Railway can be run profitably but also a better service for the travelling public of this areas can be ensured.

6.10. The Committee observe that the Railway Company have been unable to improve the working of this Railway. Also, neither the District Board of Shahabad nor the Government of Bihar seems to be prepared to assist the Railway Company financially in an appreciable manner so as to improve its working.

6.11. The Committee also observe that the Ministry of Railways are not in favour of purchasing this Railway and convert it into broad gauge on the ground that it will be heavily unremunerative. The Ministry of Railways are not also prepared to take over the management (without purchase) of this Railway under the provisions of Section 3 of the Railway Companies (Emergency Provisions) Act, 1951, on the ground that taking over of the management of the Company would be an uneconomic proposition. One of the arguments advanced by the Ministry of Railways is that the operation of the Railway by the Central Government would result in an increased expenditure due to factors, such as, bringing the staff of the Light Railway on the scales of pay applicable to the Government Railways, employment of additional staff to conform to the provisions of hours of employment regulations etc. The Committee are not impressed by this argument.

6.12. The Committee thus observe that the Ministry of Railways seem to be guided in this matter solely by financial considerations and they have ignored the factor of public interest and the difficulties that are likely to be faced by the inhabitants of the area consequent on the closure of this Railway. The Committee have no doubt that conditions have arisen which warrant the take-over of the management of this Railway as stipulated in Section 3 of the Railway Companies (Emergency Provisions) Act, 1951, namely, a situation has arisen in the affairs of the Company which has prejudicially affected the convenience of persons using the Railway and is likely to cause serious dislocation in the trade and industry and also cause serious unemployment amongst the employees of the Company. The Committee, are, therefore, of the opinion that the take-over of this Railway is in the national and public interest.

6.13. The Committee, therefore, recommend that the Ministry of Railways should take an active interest in the efficient running of this Railway and render the necessary financial and other assistance to this Light Railway themselves instead of entering into a futile exercise in persuading the Government of Bihar to do so, who have been pleading their inability to give any financial assistance to the Company on the ground of unsatisfactory financial position of the State. In the alternative, the Committee recommend that the Ministry of Railways should consider the question of taking over and running this Railway themselves.

VI

ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATION CONTAINED IN THE SEVENTEENTH REPORT (FIFTH LOK SABHA) OF THE COMMITTEE ON THE REPRESENTATION REGARDING CERTAIN GRIEVANCES OF RAILWAYMEN

7.1. In their Seventeenth Report, the Committee after considering the representation regarding certain grievances of Railwaymen and the factual comments of the Ministry of Railways (Railway Board) thereon, had recommended as follows:—

“The Committee have noted the factual comments furnished by the Ministry of Railways (Railway Board). The Committee particularly note that all the vacancies in Class IV posts have been filled from amongst the casual labourers upto the 31st December, 1973. While the Committee agree that it is not possible for the Railways to abolish the casual labour system altogether, efforts should continuously be made so that as many of the casual labourers as possible may be absorbed in regular vacancies. The Committee also desire the Ministry of Railways to consider the feasibility of continuing the ban on entry to regular Class IV posts from outside and consider the casual labourers and substitutes for these posts.”

[Para 6.4, page 20, Seventeenth Report (Fifth Lok Sabha)]

7.2. The Ministry of Railways (Railway Board), with whom the above recommendation of the Committee was taken up for implementation, have stated as follows:—

“The Railways are doing their utmost that is possible to bring the casual labourers to regular establishment against vacancies as and when they arise. This step has already been taken and for the last four years all Class IV posts are being filled up from amongst casual labourers and substitutes. Since this change, about 70,000 casual labourers and substitutes have been absorbed against regular posts. Another 25,000 have been screened for such absorption. The age limit for recruitment to Class IV service is relaxed in the case of casual labourers to the extent of

their total service as casual labourers which may be either continuous or in broken periods. In order to avoid their medical unfitness at the time of absorption, it has recently been decided to examine them according to relaxed standard of medical examination as applicable to serving railway employees.

Instructions have also been issued by the Railway Board on 1-12-1973 that all the vacancies in Class IV staff which may become available upto 31-12-1974 should be filled only from amongst casual labourers and substitutes."

Observation of the Committee

7.3. The Committee note the action taken by Government on their recommendation.

NEW DELHI;

Dated the 19th August, 1974.

JAGANNATH RAO

Chairman,

Committee on Petitions.

APPENDIX I

(See para 2.1 of the Report)

[Representation from M/s. Ahmed Oomerbhoy, Bombay, Re. payment of claim in respect of shortages of 71 bags in consignments booked from Kurnool Town to Grain Depot (BPT)]

AHMED OOMERBHOY

P.O. Box 4511, BOMBAY-8 (B.C.)

14th November, 1972.

The Hon'ble Chairman and Members of the
Petition Committee on Lok Sabha,
Parliament House,
New Delhi.

Petition against the unjust and illmotivated decision of the Bombay Port Trust Railway jointly controlled by the Ministry of Transport and the Ministry of Railways depriving the petitioners of their legitimate dues of Rs. 17253-00 amount of compensation of claim for the shortage of 71 bags G. N. seeds.

PETITIONER: Ahmed Oomerbhoy of Ahmed Oomer Street,
Near Two Tanks, Bombay-8.

OPPONENTS: The Bombay Port Trust Railway,
Central Railway and the
South Central Railway.

May it please your Honour and Members of the Committee:

With due liberty of your Honour and Members of the Petition Committee, the petitioner is enclosing herewith his petition dated 14-11-1972 for the redressal of the petitioner's grievances which has caused a heavy loss of capital investment in entrusting the consignment referred to in the petition to the railways under the contract of carriage.

The Railway Administration has deprived your petitioner from his capital investment and the grounds on which your petitioner has been deprived have been categorically mentioned in the enclosed petition. Your petitioner expects justice at your hands and with due instructions to the railways to restore this amount instead of depriving your petitioner on a technical plea of bar by limitation much against the order of the Railway Board. Few years back, as it is known to your petitioner, the Western Railway started rejecting the cases on this ground and this matter was represented strongly to the

Ministry of Railways by the President of Indian Merchants Chamber, Bombay, and the Chamber of Commerce, and thereafter, considering the real grievances of the trading public, the Ministry of Railways issued a circular that if the settlement of the claim is delayed on account of the railway administration in completing their enquiries they should not repudiate the claims but if such claims are one for payment the railway should obtain the President's sanction for payment. The cases are not settled because they are being delayed by the Railway administration in completing their enquiries.

Under the terms of the contract of carriage and under Section 151 to 161 of the Indian Contract Act, as well as under the provisions of Section 72 of the Indian Railways Act, it was obligatory on the railways concerned to deliver the entire consignment but in these two cases your Honour and Members of the Committee will observe that 71 bags G. N. seeds were delivered short and this fact was in the know of the administration that they have not fully discharged their contractual obligations to fulfil the terms of the contract by delivering the entire consignment for which the railways had collected their service charges as railway freight for the full consignment. This obligation ought to have been discharged fully by them after your petitioner lodged the claim with the destination railway but inspite of lodging the claim none of the railways involved in the transaction honourably accepted their liability. On the contrary they delayed intentionally and waited for considerable time eventually to deprive your petitioner. Neither the zonal railways owned by the Government of India honestly accepted their liability, neither the Port Trust Railway owned by an autonomous body created by an Act of Parliament accepted the liability inspite of they had an authority from the Railway Board *vide* Board's letter No. TC. III/3149/66-BPT of 18-4-1968. The authority was given by the Board with a view to avoid the complaints from the trading public. This issue as far as your petitioner knows was thoroughly discussed and after several meetings of the high officials of the zonal railways and the Railway Board, this facility was granted to the Bombay Port Trust Railway and under this authority several claims have been paid and then what were the reasons with the Bombay Port Trust Railway in not arranging the payment of this claim within the time limit when they had this authority of the Railway Board. Besides this, there are directives to the Zonal railways by the Railway Board that in case of short delivery or entire non-delivery of entire packages, and if the railway administration thinks that their enquiries might yield some results of tracing the same subsequently the settlement of the claim should not be delayed but it should be paid by taking an undertaking letter from the claimant that if after the

claim is paid the missing articles are traced they will effect the delivery on actual condition and refund the amount to the railways. But in spite of these directives no railway administration came forward honestly to fulfil their contractual obligation and the officers dealing with the claim delayed this case tremendously and eventually deprived a citizen of India from his legitimate dues which has not only caused a severe loss but a set back and loss of interest too. As such your petitioner has been aggrieved by the order issued by the Bombay Port Trust Railway at the instance of the Central Railway who have denied to accept the liability on the grounds of suit-barred. Your petitioner also requests your Honour and Members of the Committee to call for the detailed statement of claims paid by the Bombay Port Trust Railway and Central Railway which were time-barred and also claims of short delivery or non-delivery paid by both the railways as per the directives of the Railway Board referred to above during this period and what was the reason for withholding the settlement of the petitioner's case. This will prove the genuineness and partiality treatment given by the officers and their whims and that has remained inspite of bringing the fact of the case even to the notice of the Railway Board and the Ministry of Railways. It is the bitter experience your petitioner have that the Railway Board particularly the Commercial Wing never takes any interest on such complaints of the trading public which encourages the zonal railways to act according to their whims. Many members of the trading public have similar grievances when they deprived of their capital investment and they are forced for the redressal of their grievances to knock the doors of the court of law or are compelled to approach your Honour.

In the end your petitioner as an Indian citizen requests your Honour and Members of the Committee to enquire into this entire episode and call for the original file of papers from all the railways concerned which would give the factual idea and the entire picture and how the railway administration actively take actions for tracing the consignment in the interest of national exchequer and the members of the public who have to deal with them and your expects that only justice and nothing else at the hands of your Honour and Members of the Committee which the petitioner expects from the Committee.

Thanking you in anticipation.

Yours faithfully,
 For AHMED OOMERBHOY,
 Sd/-
 Petitioner

APPENDIX II

(See para 2.1 of the Report)

[Representation from M|s. Ahmed Oomerbhoy, Bombay, re. payment of claim in respect of shortages of 71 bags in consignments booked from Kurnool Town to Grain Depot. (BPT)]

From: Ahmed Oomerbhoy,
Post Box No. 4511,
Ahmed Oomer Street,
Two Tanks,
BOMBAY-8.

Dated: 14th November, 1972.

The Hon'ble Chairman and Members of the Petition Committee,
Parliament House,

NEW DELHI.

Petition against the unjust and ill-motivated decision of the Bombay Port Trust Railway jointly controlled by the Ministry of Transport and Ministry of Railways depriving the petitioners of their legitimate dues of Rs.17253—00 amount of compensation of claim for the shortage of 71 bags groundnut seeds.

PETITIONER: Ahmed Oomerbhoy of Ahmed Oomer Street,
Near Two Tanks, Bombay-8.

OPPONENTS: The Bombay Port Trust Railway, Central Railway and South Central Railway.

May it please the Hon'ble Chairman and Members of the Committee

The petitioner above-named carrying on business at the afore-said premises, being aggrieved with the decision of the Bombay Port Trust Railway refusing to honour its obligatory duties in fulfilling the contractual liability as Common carriers pursuant to the shortage of 71 bags of groundnut seeds booked from Kurnool Town to Grain Depot under Invoices Nos. 26 & 27, Railway Receipts

Nos. 22969 & 22970 dated 7th June, 1967, humbly and most respectfully submits this petition for acquitting justice at your hands who are the custodians of the democratic State.

2. Your petitioner may kindly be permitted to submit the facts of the case which are as under:—

3. Two consignments of groundnut seeds were booked from Kurnool Town to Grain Depot (referred to as BPTG hereinafter) vide Invoices Nos. 26 & 27, Railway Receipts Nos. 22969 & 22970 on 7th June, 1967. While effecting the delivery of these consignments at the destination station situated on the Bombay Port Trust Railways noticed a shortage of 20 bags in the consignment booked under Invoice No. 26 and 51 bags in the consignment booked under Invoice No. 27. The remarks about the short receipt of 71 bags were made by the petitioner in the Unloading and Delivery Memo at the destination station as per the procedure of the Bombay Port Trust Railway. The petitioner was told by the destination station staff that he shortage of 71 bags would be intimated to the booking and intermediate railways and they would be delivered to the petitioner when received from those railways. In spite of this assurance by the destination staff, your petitioner thought it wise to prefer the claim for the shortage in both the consignments and effectually preferred the same vide their letters Nos. AO. 715 and AO. 716 of 4-7-1967 detailing the claim for 20 bags at Rs. 4860.00 and that of 51 bags at Rs. 12 393.00 as required by Section 78-B of the Indian Railways Act which lays down that "A claim should be preferred with the destination station railways within six months from the date of booking for the shortage, damage or entire non-delivery of the consignments either by the consigner himself or by his agent on his behalf or by the consignee or endorsed consignee." Your petitioner has thus preferred the claim for compensation within the prescribed time limit and, therefore, the B.P.T. Railway was liable to arrange the payment of the claim as preferred as laid down by the Rules and Regulations in force. The Bombay Port Trust Railway had verified the claim as per their procedure and had notified the claim under the Conference Rules to the South Central and Central Railways but none of these Railways conveyed their instructions during the limitation laid down by the Conference Rules. Your petitioner was under the impression that his claim will be paid as soon as the trunk railways i.e. South Central Railways who are involved in the booking convey their liability for the shortage because they were the party who handled the consignment in question right from the booking point till it was made over to the Bombay Port Trust Railway and made available for delivery to the petitioner at the destination station.

4. According to the rules and regulations in force prevalent on the railways enforced by the Railway Board forming part of the Ministry of Railways, the destination railway's headquarters office on getting a Discrepancy Report from the destination station should intimate the claim to the trunk railways which are involved in handling the consignments without waiting for a claim to be preferred by the claimant. In the instant case your petitioner stands well protected for he had preferred the claim well within the time limit. Your petitioner in addition to reminding the destination railway had also made references to the Central and South Central Railways and requested them to finalise the claim or to deliver the missing bags. The Bombay Port Trust Railway had also made a reference for either to prove delivery of the 71 bags short delivered to the petitioner or to accept the liability. Both the trunk railways mentioned above who handled the consignment, neither traced the missing bags nor accepted their liability to enable the B.P.T. Railway in arranging the payment of the claim till date for reasons best known to the officers of these railways who are highly paid by the democratic and socialistic government perhaps with a view to deprive the citizen of his legitimate dues against the State shirking the responsibility on technical grounds and avoided its liability under one pretext or the other.

5. Your petitioner further submits that since their personal approaches did not yield results in securing either the missing bags or payment in lieu thereof approached the Hon'ble Ministers for Transport and Railways vide their representation dated 21-9-1971. (Copies of this representation were sent to the then General Manager of Central Railway, Shri D. N. Mathur and Manager, Bombay Port Trust Railway, Shri N. P. Bapat, for due consideration and expediting the settlement of claim. Your petitioner got a reply from the Chief Commercial Superintendent, Central Railway under his No. CX|6885-80-68-HV|CX|80-7002-68|HV of 5.10.1971 intimating the acknowledgement of the representation and assuring to advise your petitioner in the matter. The Ministry of Railways i.e. Railway Board also acknowledged the receipt of the representation vide their letter No. TC.IV/4800/71-3 dated 17-11-1971 advising the petitioner that the matter has been brought to the notice of the Manager, B.P.T. Railway and he has been asked to finalise the claim expeditiously and to reply your petitioner direct as early as possible.

6. Your petitioner got a letter bearing No. CU-150-G-67 dated the 12th August, 1971 from the Asstt. Manager, B.P.T. Railway in response to the petitioner's representation dated 9th July, 1971 to the Chairman, Bombay Port Trust, contents whereof are reproduced below for your ready reference which justify the genuineness of the claim of your petitioner.

“Please refer to your above quoted letter addressed to the Chairman, Bombay Port Trust. Before the merits of the case are considered I have to politely bring to your notice that the claim is now time-barred for action in law and that equity is not on your side as you have not actively pursued your claim. We are, however, trying our best to re-open our correspondence with the Central Railway, who are concerned with this case more. We shall let you know further about your case in due course.”

7. Consequent to the consolation of the Railway Board and the Manager, B.P.T. Railway, in their aforesaid letters, your petitioner pursued the claim by reminding the B.P.T. Railway vide letters dated 25th August, 1971, 4th April, 1972, 2nd May, 1972, 19th May, 1972, and similarly reminded the Central Railway Administration to finalise its reply to the B.P.T. Railway accepting the liability for the claim. Further your petitioner submitted representation dated 2nd May, 1972 to the Hon'ble Minister for Railways and Hon'ble Minister for Transport and Shipping listing the grievances of the petitioner about the claim which stood unsettled despite the assurance of the Railway Board vide their letter of 17th November, 1971. Copies of the said representation were forwarded to the Manager, B.P.T. Railway and the Chief Commercial Superintendents of Central and South Central Railways and reminded the aforesaid authorities including the Ministries of Railways and Transport on 19th June, 1972, since all of them kept quiet over the matter. The Chief Commercial Superintendent, South Central Railway, Secunderabad, vide his letter No. C/131.0.1/1716/67/ C. 131/0/2012/67 of 2nd June, 1972 in reply to the petitioner's letter of 5th May, 1972 intimated the petitioner as under:—

“You are requested to get in touch direct with the Manager, B.P.T. Railway, Bombay, who is the competent authority for investigation and final disposal of your claim as the station delivering the traffic lies within his jurisdiction.”

The B.P.T. Railway vide their letter of 10th July, 1972 informed the petitioner that Central Railway has finally replied that the claim is already barred by limitation and they will not accept liability in the event the claim is settled. It further advised the petitioner to pursue the claim with the Central Railway for accepting liability and if the Central Railway agreed, the BPT Railway will arrange the payment.

8. All the above correspondence tend to indicate that Central and South Central Railways are put to deprive the public money by finding faults on technical grounds and teach them to abide by the law,

rules and regulations but the responsible officers dealing with the compensation claims are put to dislodge their own responsibility in honouring the law of the land and rule made thereunder. Your petitioner may be permitted to express this highly irresponsible functioning of the bureaucratic officers of the railways in general and Central Railway in particular who are presumably more conscious to their own personal interest than the national interest and, therefore, they at times act not only vehemently but create their own rules to satiate their own likings and dislikings.

9. The Indian Railways which are owned and controlled by the Railway Board, a creature under the Railway Board Act, 1905 have to abide by the Indian Railways Conference Association Rules (hereinafter referred to as I.R.C.A. for equity's sake) had laid down set of rules for the settlement of compensation claims which are duly approved by the Railway Board. Your petitioner takes the liberty of inviting your Honour's attention to Rule 314 of the I.R.C.A. wherein it has been laid down that destination railway on getting a notice of claim should serve the notice of claim by Regd. Post A/D to the railways forming route on which the consignment has travelled and these railways should complete their enquiries and either prove delivery to the other railways and finally to the destination railway or accept their liability for payment within three months time. Central and South Central Railways have flatly violated the provisions of Rule 314(2) for reasons best known to the officers concerned.

10. Your petitioner takes the liberty to invite your Honour's attention to Railway Board's letter No. TC.III/3024/65-A dated 3rd May, 1966, addressed by the Asstt. Director (C) of Railway Board to the General Secretary, I.R.C.A. Extracts are reproduced below for ready references:—

“Conf. Rules No. 314(2) and 314(6) allow the other carrying railways a minimum of one month and half in the first instance and a minimum of two months again. Considering the target time for settlement of claims, this does look very liberal. In the circumstances, the Board desire that the matter be placed before the Commercial Committee for consideration of amendment of the Rules quoted above so as to ensure (a) prompt settlement of claims and (b) avoidance of delay that occurs in cases where one or the other railway fails to give reply to the notices of claim.

It should also be provided if possible, that though the other railways have to advise grounds, if any, for non-payment, any decision taken by the settling railway in regard to railway's liability for payment of claim to the party should

be binding on all railways concerned despite any instructions to the contrary."

11. Consequent to this desire of the Railway Board, the I.R.C.A. has passed a Resolution amending Rule 314 which authorises the settling railway to settle the claim on merits even without waiting for time limit mentioned in this rule. The B.P.T. Railway is a full fledged member of the I.R.C.A. and, therefore, Conf. Rules are binding to that railway. It cannot repudiate the petitioner's genuine and legitimate claim on the ground of limitation and equity, since the officers of the B.P.T. Railway have thrown overboard the rules under which they are required to dispose the claims for compensation.

12. As regards the "time limitation" the pretext raised by the Central Railway, the petitioner humbly begs to state that Central Railway and other Indian Railways have concurred their liability even after six to seven years in cases settled by the B.P.T. Railway as could be seen from the Railway Board's letter No. TC.III|302466| Lt. Rly. dated 2nd June, 1966 to the I.R.C.A. along with its enclosure letter No. KBC/BPT/BSO-66 dated 27th April, 1966. The Railway Board have also amended para 324 of the Indian Railway Code for Traffic Deptt. (Commercial) laying down that "settlement or repudiation of claim need not be delayed merely for the completion of periods provided in Conf. Rules for proving delivery" *vide* Railway Board's letter No. TC.III/3125/64 dated 22nd June, 1966, addressed to the General Managers of all Indian Railways.

13. The petitioner further submits that Railway Board with a view to avoid abnormal delay in settlement of claims by the B.P.T. Railway issued instructions *vide* their letter No. TC.III|3149|66|BPT dated 18th April, 1968 which *inter alia* laid down that the B.P.T. Railway should on merits settle the claims and pay compensation where due, the payment made may be adjusted against the earnings payable to the Central Railway and it would then be the responsibility of the Central Railway to settle the question of inter-railway liability and effect adjustments as due.

14. The above directives of the Railway Board and amended Rule 314 of the I.R.C.A. straight away authorised the B.P.T. Railway to settle the claims for compensation on merits regardless to the disposal instructions by the railways concerned but in the instant case of the petitioner the insistence of the B.P.T. Railway in obtaining the instructions from Central Railway even after 5 years seems rather ridiculous when it has been empowered to debit the amount to the Central Railway, since that railway has failed to comply with the provisions of Conf. Rules 314. It is also needless to state that the

B.P.T. Railway has settled the cases of six to eight years duration regardless to time limitation and, therefore, the reply in the present case is nothing but a penalty for approaching the Hon'ble Ministers for Railways and Transport for expeditious settlement of the petitioner's case. When the B.P.T. Railway could settle claims of other parties even after six years and that being the practice in vogue with the B.P.T. Railway in view of Section 49 of the B.P.T. Act which is not only inconsistent with the Indian Railways Act and I.R.C.A. Rules but the provisions of B.P.T. Act concerning the claims for compensation violates the provisions of the Indian Railways Act under which it becomes a party to the contract being the railway delivering the goods. There cannot be double set of rules which scaffolds the public and national Exchequer.

15. The loss of 71 bags in the instant consignment involving the amount of Rs. 17253-00 is not small and 71 bags G.N. Seeds are also not small enough so as to escape notice of the railway staff who have handled the consignment enroute, but these bags evedorated with the connivance of the staff which tantamounts to gross negligence on the part of the railway servant and, therefore, the railway administration is responsible for payment in this case.

16. The Railways are owned by Government of India and are therefore, a part and parcel of the democratic government which has its own liabilities while dealing with its citizens and can hardly deprive them of their genuine and legitimate dues, when the merits that is equity is in favour of claimant. The Government department cannot absolve the liability only because the limitation is over when others are paid regardless to limitation, which is nothing but discrimination between the customers.

17. Your petitioner, therefore, humbly and most respectfully submits that the Committee be pleased to call for the records and reports from all concerned railways including the Railway Board and I.R.C.A. who have been referred to above and decide the petition after giving the petitioner an opportunity of personal hearing to ventilate the petitioner's grievances and substantiate the petitioner's case which is one for payment on merits but the petitioner is deprived of his dues on the grounds of limitation which is advanced to dislodge the liability at this stage.

18. While concluding this petition, your petitioner begs to state that from the foregoing paras of this petition your Honour and Members of the Committee will appreciate that how the Indian Railway Administration and the Port Trust Railway Administration have deprived a citizen from his legitimate dues even though it was a known fact to them that they were at fault in not delivering the 71 bags and.

therefore, there was sufficient evidence of breach of contract of carriage. From the foregoing paras you will know that the Conference Rules have definitely laid down certain limitation of time within which the railways involved in the transaction have to convey their instructions and the destination railway has to take the decision for the same but neither the trunk railways involved in the transaction conveyed their instructions nor the destination railway exercised their powers given by the Railway Board *vide* their letter No. TC.III|3149/66-BPT dated 18th April, 1968. Not only this, but the Railway Board in one of their suggestions *vide* their letter No. TC.III|3169|68-1 of 6th March, 1968 have instructed the zonal railways that in case of entire shortage of packages/bags etc. instead of waiting for their tracing they should take an undertaking letter from the claimants and should settle the claim. Even this directive of the Railway Board was overlooked. This shows that the administration had a guilty conscience to deprive your petitioner from his legitimate dues. Your petitioner has learnt from certain reliable sources that a similar type of case of Messrs. Associated Cement Company Ltd. which was also suit-barred but still it was considered for payment because it had the merit of being represented by the ex. Chief Commercial Superintendent of the Central Railway who joined the said firm after his retirement from the railway service. As regards the cases which are suit-barred and delayed by the railways for settlement, for one or the other reason, but on merits if the claims are one for payment, there are definite instructions from the Board that such claims should not be repudiated on the grounds of limitation but they should obtain the President's sanction and should pay the claim, but in obtaining the sanction from the President they are subjected to several Audit queries to be replied in detail as to the cause of delay. So to avoid the said situation they are depriving the citizen knowingly well that the citizen has no legal remedy in the court of law. But if the Chief Commercial Superintendent desires to pay some parties such claims they use this discretion and most of the parties like your petitioner are deprived because the petitioner and other parties have no influence to get the services of ex. Chief Commercial Superintendent as had happened in the case of M/s. Associated Cement Company which the petitioner had stated earlier.

19. Your petitioner desires to bring to the notice of your Honour and Members of the Committee the observation made by the Bombay High Court how to deal with the citizen of the State when the State is dealing with the citizens claims:—

“Now, we have often had occasion to say that when the State deals with a citizen it should not ordinarily rely on tech-

nicalities, and if the State is satisfied that the case of the citizen is a just one, even though legal defences may be open to it, it must act, as has been said by eminent judges, as an honest person. In this case, at the instance of Sir Jamshedji, we have construed the law and on the law perhaps the plaintiff has no case at all. But turning away from the law and looking to the equities of the case there can be no doubt that the railway administration is responsible for the loss caused to the plaintiff. As I have said before, it was entirely due to the dishonest servant of the railway administration that the plaintiff suffered this heavy loss of over Rs. 20,000/- and we are sure that the Dominion of India although we are dismissing his suit, will consider whether some reasonable compensation **should not be paid to the plaintiff for the loss he has suffered.** Sir Jamshedji has assured us that he would do his best to put forward this point of view to his client the Dominion of India, and we have no doubt that the Dominion of India, will be persuaded by Sir Jamshedji to take a fair, reasonable and equitable view of this case and do something to meet the justifiable grievance of the plaintiff." (Kaluram Sitaram v/s. The Dominion of India—A.I.R. 1954 Bom. 50).

20. In the end your petitioner states that your petitioner only wants the justice and the restoration of his legitimate dues of which he has been deprived. The petitioner may be permitted to state that because the petitioner kept the faith in the railways owned by the democratic government that the claim of the petitioner would be settled by the railways in the normal course, the railways have deprived the petitioner on the grounds of limitation and now the petitioner leaves the matter in the hands of your Honour and the Members of the Committee how the petitioner should be given the justice and the petitioner wants justice and nothing else.

Thanking you,

Yours faithfully,
For AHMED OOMERBHOY,

Sd/-

Petitioner.

APPENDIX III

(See para 3.3 of the Report)

[Note furnished by Bombay Port Trust on the representations from the Bombay Grain Crushing and Spice Mills, Bombay re. remission of wharfage charges.]

The facts of the case are as follows:—

Four consignments comprising in all 1200 bags of sal seeds oil cakes loaded in 4 Broad Gauge railway wagons at Khamgaon, a station on the Central Railway, were received at Grain Depot, a station on the Bombay Port Trust Railway, on 5th April, 1973 and 1st May, 1973. Two of the wagons were unloaded at Bombay Port Trust Railway Grain Depot Station on 8th April, 1973 and remaining two on 2nd May, 1973.

The consignor of all these four wagons was M/s. Hanuman Vitamin Food Private Ltd., Khamgaon, and the consignee was 'self'.

The Bombay Grain Crushing and Spice Mills, in whose favour the Railway receipts were endorsed by the bank, claimed delivery of the consignments on 6th June, 1973 for the first time. As the consignments had already been unloaded from the wagons partly on 8th April, 1973 and partly on 2nd May, 1973, wharfage was being incurred on all those consignments twenty-four hours after unloading. Therefore, till 6th June, 1973 the day on which the railway receipts were surrendered for the first time for taking delivery of the consignments, wharfage charges amounting to Rs. 23,515.20 P. had already been incurred. Simultaneously with the surrender of the railway receipts for claiming the delivery of the consignments on 6th June, 1973, the party (The Bombay Grain Crushing and Spices Mills) appealed to the Bombay Port Trust for not charging the full wharfage charges but charging only nominal charges thereof on the following grounds:—

- (i) That the railway receipts could not be surrendered earlier on account of a dispute between the consigners, i.e. M/s. Hanuman Vitamin Food Private Ltd., and the endorsed consignee, i.e. The Bombay Grain Crushing and Spice Mills.
- (ii) That the goods had suffered deterioration due to passage of time.
- (iii) That there was a fall in the market value of the goods.

- (iv) That the totality of the circumstances of the case warranted nominal wharfage to be charged as the wharfage incurred till 6th June, 1973 itself was much more than the value of the goods.

The request for charging nominal wharfage was considered by the Port Trust in depth. Facts of the case clearly showed that the delay for taking delivery of the goods was entirely due to the fault of the party (Bombay Grain Crushing and Spice Mills). The goods were not cleared by the party (Bombay Grain Crushing and Spice Mills) as they could not get the railway receipts cleared from the bank in time. The wharfage had been correctly charged according to the rules, and therefore the party's request was rejected and they were asked to take delivery of the consignment on payment of all wharfage accrued up to 6th June, 1973 and other charges like freight etc. The party has declined to take delivery and has been addressing petitions to various authorities including Secretary, Ministry of Shipping and Transport, Minister of Shipping and Transport, Chairman of the Petition Committee of Parliament, Speaker of Lok Sabha and President of India.

The party has been advised in writing on several occasions that their request has been rejected on merits, *vide* Bombay Port Trust Railway Manager's letters Nos. RD.20/8/73-74 of 2nd November, 1973, 30th October, 1973, 13th September, 1973, 14/15th August, 1973 and 26th July, 1973.

The consignments were actually put up to public auction on 17th November, 1973. The response to the auction was unsatisfactory and the highest bid was far less than the reserve price. It was apparent that the bids were manipulated after the formation of a syndicate for deliberately keeping the prices low. The consignments were, therefore, withdrawn from auction.

Our parawise comments on the petition are given below:—

Regarding para 1:—This para gives the details of booking and also a copy of letter issued by office of Bombay Port Trust Railway Manager. These are factually correct.

Regarding para 2:—The letter issued by office of Bombay Port Trust Railway Manager contains no threat. It is a normal letter advising the party of the consequences for not taking delivery of the consignment. Section 72 of the Indian Railways Act and Sections 148 to 162 of the Indian Contract Act have no bearing on the facts of this case.

Regarding Para 3:—The dispute between the trading parties regarding the price of the commodity and the negotiation of the rail-

way receipts from the bank, is an internal matter between the parties. The Railway is concerned only with the actual time the party presents the proper railways receipts for taking delivery of the goods. Incidentally, if delivery of the consignment at the destination is delayed for a cause like this, i.e., internal dispute between the parties regarding valuation of the commodity etc., there is still more the reason why no consideration needs to be shown for waiver of wharfage either in part or in full. Wharfage on these consignments accrued up to 6th June, 1973 amounts to Rs. 23,515.20. The Port Trust are not aware that the goods were damaged and deteriorated, and the cost of such deterioration and damage was approximately over Rs. 4000/- as stated in the petition. In all probability the statement in the petition is a guess work, as it is not possible to ascertain the correct extent of damage without proper chemical analysis which has not been done. It is true that the petitioner's representative had approached the Manager, Bombay Port Trust Railway. It is not true that the Manager, BPT Railway, had extended to the said party any promises for obtaining consideration of foregoing wharfage on the consignment. The statement in the petition that demurrage was also considered is not true. In this case, the question of demurrage (i.e. a charge on the detention to wagons for unloading) has never arisen.

Regarding paras 4 & 5:—The details of the movement of the papers in respect of individual cases in a office cannot be relevant subject matter for a petition of this nature. The Sections 55 and 56 of the Indian Railways Act are clear on the point as to how and when the goods should be sold by public auction and comments in respect of that will follow in subsequent paragraphs. The contention of the party, that in view of the rules framed by the I.R.C.A. the Manager, BPT Railway, called the petitioner's representative and told him that he will have to pay Rs. 12,000/- etc. is not true. The Manager, BPT Railway has no powers to waive any amount of wharfage. In fact, this power is exercisable by no other officer except the Chairman of the Bombay Port Trust. The Port Trust are not aware of the consultation between the party's representative and the party. Again, movement of papers and the contents thereof between different officers in an organisation is not relevant to the main issue. The relevant part is the official decision of the appropriate authority, which in this case was by the Chairman of the Bombay Port Trust, who had considered the case on merits and ordered that the wharfage charges amounting to Rs. 23,515.20 must be recovered in full. This decision was communicated to the party by a letter dated 26th July, 1973, a copy of which is reproduced in the petition.

Regarding para 6:—These are copies of different letters. No comments.

Regarding Para 7:—The legal position has been examined by the Port Trust and the wharfage charged, is legally due to them. Most of this paragraph details the party's efforts to approach various authorities before approaching the Parliamentary Committee on Petitions. We have no comments on that.

Regarding para 8:—We are not aware of any judicial ruling on all fours with this case, laying down that the wharfage must never exceed the value of the goods. The Port Trust stand by their decision to give delivery of the consignment only on payment of all wharfage charges accrued upto the serving of notice under sections 55 and 56 of the Indian Railways Act and the date of claiming delivery i.e. upto 6th June, 1973 and other charges, such as railway freight, unloading charges, etc.

Regarding para 9:—The party has referred to a case dealt with in the year 1967, wherein the party says that he made a petition to the President of India and the then Minister of Transport, Shri V. K. B. V. Rao, etc., as a result of which, the consignment was released on the payment of nominal wharfage. This is an old case, which has been closed in the year 1967. Under the existing practice of classification of old records, these papers are not preserved at this distant date and hence, no meaningful comments can be offered. The contention that decrees are never executed is not correct. They may or may not be executed depending upon various other factors. Any difficulty or even a failure in the execution of a decree cannot be an estoppel for instituting a judicial proceeding. If that were so, the sanctity of legal process will itself be void. Incidentally, of about 27 suits filed since 1966, 8 have so far been decreed finally and all of them are in the process of execution, except one in which the party has gone in liquidation and the claim has been filed with the official liquidator. But again, Bombay Port Trust maintain that if they were only to be deterred by the possibility of a failure in execution of a decree and, therefore, refrain from filing legal proceedings at all, the consequences would be catastrophic.

Regarding para 10:—To the best of the Port Trust's knowledge, all cases are decided on merits on the trunk Railways also. The stand taken by the Port Trust is not stubborn but real and legal. We have no comments to offer on the party's assessment as to how the Law Court would be have in this case. The party's implied contention that the wharfage can be chargeable only for 7 days is not at all correct. Section 77 of the Indian Railways Act reads as follows:—

“77. Responsibility of a railway administration after termination of transit:—(1) A railway administration shall be responsible as a bailee under sections 151, 152 and 161 of the

Indian Contract Act, 1872 (9 of 1872), for the loss, destruction, damage, deterioration or non-delivery of goods carried by railway within a period of seven days after the termination of transit: Provided that where the goods are carried at owner's risk rate, the railway administration shall not be responsible for such loss, destruction, damage, deterioration or non-delivery except on proof of negligence or misconduct on the part of the railway administration or of any of its servants.

- (2) The railway administration shall not be responsible in any case for the loss, destruction, damage, deterioration or non-delivery of goods carried by railway, arising after the expiry of the period of seven days after the termination of transit.
- (3) Notwithstanding anything contained in the foregoing provisions of this section, a railway administration shall not be responsible for the loss, destruction damage, deterioration or non-delivery of the goods mentioned in the Second Schedule, animals and explosives and other dangerous goods carried by railway, after the termination of transit.
- (4) Nothing in the foregoing provisions of this section shall relieve the owner of animals or goods from liability to any demurrage or wharfage for so long as the animals or goods are not unloaded from the railway wagons or removed from the railway premises.
- (5) For the purposes of this Chapter:—
 - (a) unless otherwise previously determined, transit terminate terminates on the expiry of the free time allowed (after the arrival of animals or goods at destination) for their unloading from railway wagons without payment of demurrage, and where such unloading has been completed within the free time so allowed, transit terminate on the expiry of the free time allowed for the removal of the animals or goods from railway premises without payment of wharfage;
 - (b) 'demurrage' and 'wharfage' have the meanings respectively assigned to them in clause (d) and clause (h) of section 46 C.

The intention of this section is to give to Railway Administration a better mobility of operation by limiting the period to 7 days (instead of 30 days, prior to the amendment) after the termination of transit, during which time the Railway Administration shall be responsible for the goods in its possession only as a bailee under Sections 151, 152 and 161 of the Indian Contract Act. The Railways' responsibilities are, therefore, three-fold: (i) during transit till the termination of the transit, the railway's responsibilities are lesser than an insurer but higher than a bailee; (ii) for a period of 7 days after termination of transit, the railway's responsibility is only that of a bailee; and (iii) after 7 days from the termination of transit, the railway is not responsible at all. The party's inference that no demurrage or wharfage is over chargeable after 7 days, is wrong. Article 195 of the IRCA. Goods Tariff No. 33, Part I, to which the party has referred reads as follows:—

“195. Treatment and disposal of unclaimed goods:—(3) Unclaimed articles are liable to the wharfage and demurrage charges hereinafter referred to, as well as to all freight and special expenditure incurred by the Railway on account of their custody and disposal.”

Any argument to link the period of bailee's care after the termination of transit with the permissibility for charging of wharfage is not correct. The Port Trust administration are not at all in the habit of retaining the consignment for a long time. In fact, they are anxious to do otherwise. They are interested to see that no consignment should ever be delayed in clearance. They are not at all interested in making money on wharfage. They would rather utilise the same space for handling more and more cargo.

Regarding para 11:—The attitude of the Port Trust Administration in such cases is not rigid. But they certainly go by the facts of the case. They do not at all like wasting their energy and money on litigation. But if they are forced to do it, they cannot help. It may be true that the cost of litigation is not always commensurate with results, but that again should not by itself deter the Port Trust from the compliance with the processes of law. They are trying their best to maintain good commercial relation with the trading public. They are interested in making their facilities available to as many rail users, as possible. They would always find that situation as ideal where not a Paise of wharfage or demurrage becomes legally due

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to them. They have already issued proper and legal notice as required under Section 35 of the Indian Railways Act.

Regarding para 12:—We can comment on these old English cases cited by the party only after the full judgement are made available. The three other Indian cases—AIR 1956 ALL 149, AIR 1958 MAD 321 and AIR 1927 ALL 220—are not on all fours with the facts of this case. While the first case deals with consignment of goods reaching the destination but re-classified by the Railway Administration; the second one deals with a contingency where the right to sell has not accrued to the Railway at all, and the third one enunciates that the Demand for a fixed sum has to be made and that the railway company has no power to sell an entire consignment where a sale of a portion also would satisfy the demand. Hence none of these cases have any bearing or relevance with the case under petition.

Regarding para 13:—The Port Trust would politely rejected the party's offer.

Regarding para 14:—The communication referred to does not constitute that but a mere intimation of the confirmed decision. We beg to submit that the facts of this case do not warrant any mercy to be shown, and we pray that the Port Trust may be allowed to stand by their decision, which is appropriate in relation to the facts of the case and necessary in relation to the conditions of working in the Port.

Regarding para 15:—While we are very eager that the petitioner as well as other rail users will continue to have good relations with the Port Trust, we pray that as far as this petition is concerned it may kindly be negatived.

Regarding para 16:—The facts of the case have been clearly stated above and as such we pray that the petition be rejected.

In the Bombay Port area where the availability of storage space is very limited, it will be incorrect to encourage the storage of goods for prolonged periods for reasons entirely attributable to the fault of the parties. As a matter of policy, therefore, charging nominal wharfage in such cases would only amount to denial of accommodation for the storage of export cargo. If remission on such grounds as relation of the value of the goods with the wharfage charges incurred is to be granted, the trading public are liable to exploit the Railway Administration by booking such consignments and then making the Railway premises as their own cheap warehouses. Storage accommodation in the Port of Bombay is very valuable and the Port Trust cannot afford to permit the trading public to make cheap warehouses out of their premises. If this is done, it will seriously affect the movement of storage and shipment of export cargo. More-

over, a concession granted to one particular party is likely to be quoted as a precedent in subsequent cases, thereby rendering the Port Railway premises as inexpensive storage godowns for the trading public, a situation which for obvious reasons cannot be tolerated.

In view of the foregoing, we beg to pray that this petition be summarily rejected.

APPENDIX IV

(See para 3.3 of the Report)

[Parawise comments of Bombay Port Trust on the further representation dated 15th January, 1974, by Bombay Grain Crushing and Spice Mills].

Re. Para (1):—No stay order has been issued by the Committee on Petitions. It is true that the consignment could not be sold in auction on 17th November, 1973 as the bids were too low. Subsequent auction held on 25th January, 1974 also did not attract acceptable bids. The consignment is proposed to be again advertised for auction sometime in March, 1974.

Re. Para (2):—No comments.

Re. Para (3):—The implied contention that the wharfage can be charged only for a restricted period (either 30 days or 7 days) is not correct. The BPT Railway Rules legally and validly framed under section 47 of the Indian Railways Act, provide that the wharfage commences to accrue from the day following the day on which the goods are unloaded. Such wharfage is chargeable from the day it begins to accrue till the service of notice under section 56 of the Indian Railways Act. Wharfage is not chargeable subsequent to the service of the said notice. Thus the wharfage can be charged under our rules from the time it begins to accrue till the issue of the notice under section 56. It has correctly been charged in this case. The implied contention that the wharfage is not chargeable at all, after a period of 7 days from the termination of transit is not correct.

All the rules framed by us have legal authority and it is incorrect to say that the said rules are beneficial to the railway administration and injurious to the public. A complete picture of the case has been given in the comments sent to the Lok Sabha Secretariat *vide* Ministry of Shipping and Transport U.O. No. 8-DGA(153)/73, dated 24th January, 1974. Other observations in this para do not call for any comments. The insinuation that the petitioner has made against the Bombay Port Trust to the effect that they do not care for the Committee on Petitions is denied.

The petitioner has requested for the issue of a stay order restraining us from putting this consignment for auction. The consignment is now lying on the valuable Port Trust premises for about 10 months and has immobilised storage accommodation which to that extent has been denied to the export traffic. A stay order is not warranted in the circumstances.

APPENDIX V

(See para 5.2 of the Report)

[Representation for staying recoveries of undercharges from salaries of Commercial Clerks of Western Railway].

ALL INDIA RAILWAY COMMERCIAL CLERKS ASSOCIATION
(Regd. Under Trade Union Act, Regd. No. 1121).

WESTERN ZONE

To

The Speaker,
Lok Sabha.

Sub:—Prayer to save poor Commercial Clerks of Western Railway whose salaries are being deducted to the tune of Lakhs of Rupees by the Western Railway Administration.

The humble petition submitted by Shri H. P. Sharma, working President, All India Railway Commercial Clerks Association, Western Zone, and others, on behalf of the Commercial Clerks working over the Western Railway.

SHEWETH,

The poor and middle class commercial clerks numbering about 5500 working over the Western Railway are now-a-days in great distress, as the Western Railway Administration have ordered the recovery of under-charges from their salaries.

2. The undercharges relates to the transactions as listed below:—

1. More than Rupees Two Lakhs in connection with the consignments of perishable articles like Green Chillies, Potatoes, Vegetables etc. booked on the stations of Western Railway during the period from 1st April, 1970 to 31st December, 1970.
2. Nearly Rupees One Lakh on account of undercharges on Newspapers consignments booked during 1st April, 1970 to 31st August, 1971.

3. Rs. 10,784/- on account of under-charges on the consignments received at Bhavnagar station for iron rails during the years 1965 to 1969.
4. Nearly Rs. 65,000/- on the consignments of oil tanks received at the Stations of Bhavnagar Division during the years 1965 to 1970.

3. The above noted undercharges were disputed by the Commercial Clerks on the following grounds:—

- (a) The undercharges on consignments of perishable articles as referred in para 2(1) above, have been raised in contravention to the provisions of the Railway Codes as mentioned below:—
 - (i) According to Para 1002(1) of Indian Railway Code for the Traffic Department (Commercial), *the Accounts offices should raise debits against stations within two months after the close of the month to which the transaction relates.*

and

- (ii) According to para. 2403 (2) of Indian Railway Code for Accounts Departments, Part-II, *Except in special circumstances and in the case of errors detected by Travelling Inspectors of Accounts, no debit should be raised against stations in local booking, more than six months after the date of booking.*
- (b) The change in the rates for the consignments of Newspapers & Perishable parcels referred in Paras 2(1) & (2) above, was ordered by the Railway Administration to be effective from 1st April, 1970, but the clarification in regard to the change in the rates of freight was never brought to the notice of the Commercial Clerks working over the Western Railway.
- (c) The Commercial clerks have submitted their monthly Returns to the Accounts Office alongwith one copy of the Parcel Way Bills regularly every month, but the Accounts Office, too, have passed all those returns without raising any undercharges, until these undercharges were pointed out by the Statutory Audit Department.
- (d) The Chief Commercial Superintendent, Central Railway, *vide letter No. C|636|R|536 of 20th April, 1970 has ordered very categorically that the Perishable articles should be charged as vegetables on Central Railway, whereas the*

undercharges have been raised on such consignments on Western Railway.

4. Uptil now, all the undercharges as referred in para 2 above were kept as Disputed on the Stations, but now the Chief Commercial Superintendent, Western Railway, Bombay *vide* his letter No. C|375|2|1 dated 20th May, 1972 and with his subsequent reminders, has asked the Divisional Superintendents of Western Railway to get these items admitted against the Commercial Clerks and recover the undercharges from their salary bills.

5. The Western Railway Administration has also ignored the provisions of the Section 55 of the Indian Railways Act, according to which they have got a vast power to recover these undercharges from the concerning Traders, whose addresses and whereabouts are well known to the Administration.

6. The Commercial clerks working on Indian Railways are low-paid Railway employees and in these hard days when the dearness has reached to its peak, they are hardly maintaining their family affairs.

7. Therefore, your petitioners pray that—

- (a) The Western Railway administration should be restricted to recover any amount from the salaries of any commercial clerk in regard to the undercharges referred in Para (2) above.
- (b) The Western Railway administration may kindly be directed to recover the amount of undercharges from the Traders who are available and whose whereabouts are fully known to the administration, in accordance with the Section 55 of Indian Railways Act.

and for this kindness, your petitioners as in duty bound will ever pray.

S. No.	Name of Petitioner	Full Address	Signature
1	Sh. H. P. Sharma, Working President, W. Zone, AIRCCA.	Parcel Office, W. Rly., Ajmer.	Sd/-.
2	Sh. P. N. Sharma, Zonal Secy., W. Zone, AIRCCA.	Booking Office, W. Rly., Ajmer.	Sd/-.
3	Sh. Gopilal Parmar, Divl. President, Ajmer Dvn., AIRCCA.	Parcel Office, W. Rly., Ajmer.	Sd/-.
4	Sh. M. P. Srivastava, General Secy., AIRCCA.	Parcel Office, W. Rly., Ajmer.	Sd/-.

Countersigned By :

CHANDRIKA PRASAD, M. P.

APPENDIX VI

(See para 5.3 of the Report)

[Factual note of the Ministry of Railways (Railway Board) on representation for staying recovery of undercharges from salaries of Commercial Clerks of Western Railway.]

1. Undercharges in Green Chillies, Onions, Potatoes etc:

1.1. Prior to 1st April, 1970 vegetables as also green chillies, onions, potatoes, garlic etc. were chargeable at half parcel rates. From 1st April, 1970, while nomenclature of 'half parcel rates' was revised as 'scale 4', a separate lower scale of charge viz. 'scale 5' was prescribed for vegetables. Except for vegetables other commodities which were earlier chargeable at half parcel rates continued to be chargeable at 'scale 4' from 1st April, 1970. At some stations, however, the lower rate viz. 'scale 5' rate which was chargeable for vegetables only, was apparently applied to green chillies, onions, potatoes etc. also after 1st April, 1970 under a misconception that these commodities were also vegetables in spite of the fact that these commodities as also vegetables had been listed separately in the rate circulars. This resulted in the undercharges amounting to Rs. 96,823 being raised by the Audit. Out of this, undercharges to the extent of Rs. 39,856.11 have been realised or and undercharges amounting to Rs. 356/- are not due. The balance is still outstanding.

1.2. The orders regarding revision of rates from 1st April, 1970 were advised to all the Station Staff well before 1st April, 1970. Since no clarification was sought for by the station staff, the question of bringing clarifications to their notice does not arise.

1.3. The debits were raised against the station staff in terms of provision contained in para 2803(2) of the Accounts Code Vol. II which reads as under:

"Except in special circumstances and in case of errors detected by the Inspector of Station Accounts and the Officials of the Audit Department, no debit will ordinarily be raised against stations more than six months after the month of accountal of transaction in station returns."

Since in this case undercharges were detected by Audit, raising of debits against the station staff after expiry of six months period, was in order.

1.4. Reference to a communication issued by Central Railway is irrelevant to the issue as such communication, if any, is for the staff of that Railway and not for any other railway. Central Railway also withdrew these instructions subsequently.

2. *Undercharges on newspapers parcels:*

2.1. Prior to 1st April, 1970 separate rates for charge of newspaper parcel not exceeding 2.5 kgs. and those exceeding 2.5 kgs. but not exceeding 5 kgs. with a minimum of 30 p for parcels not exceeding 2.5 kgs and 40 P for those exceeding 2.5 kgs. but not exceeding 5 kgs., were provided for. From 1st April, 1970 due to revision of freight separate slabs for charges for newspaper parcels not exceeding 2.5 kgs. and those exceeding 2.5 kgs. but not exceeding 5 kgs. were abolished and a single slab for parcels not exceeding 5 kgs was provided for. As a result of this, the minimum charge of 30 P became redundant as all the newspaper parcels were to be charged for a minimum weight of 5 kgs. the minimum chargeable freight being 50 P.

2.2. Some staff of Western Railway, however, continued to charge the minimum freight of 30 P on newspaper parcels after 1st April, 1970.

2.3. As a result of this mistake Audit detected undercharges amounting to Rs. 25,227.61 out of which undercharges to the extent of Rs. 6,990.15 have been realised and the balance of Rs. 18,237.46 stands debited to the defaulting stations.

It is stated that the Western Railway Administration has been directed not to recover undercharges from the staff but efforts should be made to recover the same from the Consignors or Consignees. Undercharges which become irrecoverable, if any, will be written off by the competent authority.

3. *Undercharges on old, used iron and steel materials:*

3.1. The undercharges in question do not pertain to the period from 1965 to 1969 but to twelve consignments of old, used iron and steel materials booked from Bharatpur Stores Depot to Bhavnagar Terminus during June and July, 1970. Both the consignor and consignee were Shri Sharma Metal Rolling Mills, Bhavnagar, a registered re-rolling mill, enjoying good reputation. The consignments consisted of iron and steel materials such as used rails, sleepers, angles-

crossings etc., verified by Depot Storekeeper, Bharatpur, as scrap for re-rolling.

3.2. Special rate equal to 20 per cent less than the normal tariff rates applicable to iron or steel division 'C' have been allowed in the case of old, used and scrap rails despatched from the Stores Depots of the Railways to the re-rolling mills who are members of the Re-rolling Mills Association or registered with the State Directors of Industries, subject to the production of a certificate from the Depot Officer or Stock-Holders of the Railway to the effect that the rails were intended for re-rolling or re-melting purposes.

3.3. The concessional rates, as indicated in the para 3.2 above, are also applicable to old, used and defective iron and steel materials, other than rails, not conforming to the definition of scrap when these materials are consigned from Railway Stores Depots to certain notified electric furnace owners provided a certificate from the Controller of Stores of the Railway to the effect that the materials are intended for re-rolling or re-melting purposes, is produced.

3.4. In the case of the twelve consignments in question, the materials were verified by the Depot Store Keeper (not Controller of Stores) as scrap for re-rolling purposes and the consignments were consigned to a registered re-rolling mill (but not to one of the specified electrical furnaces). Hence under extant instructions, concessional rates are not applicable.

3.5. However, it is rather anomalous to have different rules for rails and other steel materials sold by Railway Stores Depot as scrap.

3.6. In view of the position explained above the question of waiving these undercharges is under examination.

4. *Undercharges in respect of consignments of oil received at Bhavnagar:*

4.1. The Railway Administration through their periodical Rates circulars issued from time to time have notified the volumetric capacity of the tank wagons and the weight for charge computed on the basis of the specific gravity of the particular fluid for the different groups of tank wagons. These circulars also stipulate that if any particular liquid is loaded in a tank wagon for which the chargeable carrying capacity for that liquid has not been specifically notified the charges should be levied on the basis of the highest carrying capacity for that tank wagon as notified for different liquids.

4.2. The staff concerned at the forwarding station (Okha) failed to levy freight charges on the proper notified carrying capacity of the tank wagons used but freight charges were levied on the weights declared by the senders or on the marked carrying capacity of the tank wagons without referring to the notified carrying capacity for each liquid in the Rate circulars. The destination stations also failed to recover charges correctly. In the circumstances the debits aggregating to Rs. 94,352 in respect of transactions booked were raised against the stations concerned.

4.3. Out of the total debits of Rs. 94,352, debits amounting to Rs. 86,132 have been cleared leaving only a balance of Rs. 8220. The Railways are taking necessary action to arrange recovery of this sum from the consignees. If this is not finally recovered from the party then only the question of recovering the amount from the staff will arise.

5. Efforts have been made to recover undercharges from the concerned traders wherever possible. Where, however, the traders are petty merchants and their whereabouts cannot be located, the recoveries have to be enforced from the staff through whose fault the undercharges have been incurred.

APPENDIX VII

(See para 6.3 of the Report)

[Note of the Ministry of Railways (Railways Board) on the representation re. apprehended closure of Arrah-Sasaram Light Railway in Bihār].

The Arrah-Sasaram Light Railway Company is working under an Agreement with the District Board of Shahabad. The District Board has guaranteed to supplement the net earnings of the company by such annual subsidy as may be necessary to allow the company to pay a Dividend of 4 per cent per annum on the share capital subject to a maximum of Rs. 88,000 per annum or the sum of 4 per cent of the subscribed share capital, whichever is less. The surplus profits in excess of 4 per cent on its capital are divisible equally between the District Board and the Company. The Central Government thus do not have any financial interests in the Railway nor do they have any contractual obligations.

2. The salient features of the Railway, its financial position, the volume of goods and passenger traffic carried on it, etc., are given in Enclosures I to IV. It would be observed from Enclosure II that even after adjusting the maximum subsidy of Rs. 86,772 (4 per cent of subscribed share capital of Rs. 21,69,300) received from the District Board of Shahabad, the Company suffered a net loss of Rs. 313 during the year 1971-72. Regarding the traffic carried on the Railway, it would be noticed that while the passenger traffic increased from 26.5 lakhs per annum in 1965-66 to 31 lakhs per annum in 1971-72, the goods traffic fell from 44,948 tons per annum to 28,811 tons per annum during this period (The position for the year 1972-73 is not known, as the audited balance sheet has still to come in).

3.1. The right to purchase Arrah-Sasaram Light Railway Co. vests with the District Board of Shahabad, who have the option recurring at intervals of every 7 years, to purchase the line after giving at least six months notice. The option, which fell due on 12-10-1972, was not exercised by the District Board. The Central Government can purchase the Railway only if it is decided to convert it into the Broad Gauge. Where the Railway is purchased by the Central Government or by the District Board, the purchase price payable is 25 times the yearly average net earnings of the Company for the preceding three years, subject to a maximum of

120 per cent and a minimum of 100 per cent of the capital expenditure. The capital outlay of this Railway is about Rs. 24 lakhs.

3.2. The proposal to convert the line into Broad Gauge was initially examined in the year 1955 but the same was not found to be financially viable. The issue of conversion again came up for consideration in the year 1964. The Eastern Railway was accordingly asked to make an assessment of the traffic potential and cost of conversion afresh. On the basis of the report submitted by the Railway the gross earnings of the proposed Broad Gauge line in the year 1970-71 (presumed to be the first year of opening to traffic) were estimated at a little over Rs. 20 lakhs, including Rs. 17 lakhs from passenger traffic. The working expenses of the line were estimated at about Rs. 27 lakhs thus leaving a deficit of about Rs. 7 lakhs per annum. The cost of conversion into Broad Gauge was estimated to be Rs. 5.76 crores, inclusive of Rs. 42 lakhs, the purchase price of the Narrow Gauge line. Dividend on this amount at the rate of 6 per cent comes to about Rs. 34 lakhs a year. The total recurring loss was thus estimated to be of the order of Rs. 41 lakhs per year; the purchase was thus found to be heavily unremunerative.

It was also estimated that the entire passenger traffic as anticipated in the year 1970-71 (29.4 lakhs) could be easily accommodated in three Broad Gauge trains each way. Regarding the goods traffic even, if a five fold (which is very much on the high side) increase is assumed, the total traffic was estimated not to exceed even 20 Broad Gauge wagons i.e. 1/3rd of a Broad Gauge goods train per day. This would show that the line capacity of the Broad Gauge line would be heavily under-utilised. On this evidence the Project was not only considered uneconomical but it was felt that it would not pay its way at any time in the foreseeable future.

The position now is not appreciably different from what it was in the year 1964. As a matter of fact, the *per capita* cost of staff and prices of material have risen at a much faster pace than the fares and freights, that the purchase and conversion, if now undertaken, would be still more unremunerative.

Hence the purchase of the Railway and its conversion into Broad Gauge would not be economically viable.

4.1. The management (without purchase) of the Railway can be taken over by the Government under Section 3 of "The Railway Companies (Emergency Provisions) Act, 1951", if a situation has arisen in the affairs of the Company which has prejudicially affected the convenience of persons using the Railway, or has caused serious dislocation in any trade or industry, or has caused serious

unemployment amongst a section of the community or when in the opinion of the Central Government, such a step is necessary in the national interest.

4.2. As the Ministry of Railways have received no intimation from the Company that the Light Railway is proposed to be closed down, it is considered premature to examine taking over the management of the Company under the provisions of the Railway Companies (Emergency Provision) Act, 1951. It would, however, not be out of place to mention here that the taking over of the management of the Company by the Ministry of Railways would be an uneconomic proposition, because the operation of the Railway by the Central Government would result in an increased expenditure due to factors, such as bringing the staff of the Light Railway on the scales of pay applicable to the Government Railways, employment of additional staff to conform to the provisions of hours of employment regulations, etc.

5. As the nationalisation of the Railway, or taking over of its management, would not be viable, efforts have to be made to keep this Railway running by the respective Company. It was with this object in view that the Ministry of Railways had often (since April, 64) requested the State Government to protect the Light Railway from road competition and to consider the Company's request for financial assistance. Unfortunately, the Government of Bihar have not agreed to give financial assistance to the Company on the grounds of unsatisfactory financial position of the State. On the other hand, the State Government have decided to issue permits for running bus service between Arrah and Sasaram, stating that there is a steep fall in the level of service of the Light Railway and the people of the area are facing great difficulties. This position was advised to the Ministry of Railways by Shri Kedar Pandey, the former Chief Minister of Bihar, vide his letter dated 11-6-73. The decision taken by the Government of Bihar to issue bus permits would only weaken the already unsatisfactory financial position of the Light Railway and may thereby hasten its closure. This decision is also not in keeping with the assurance given by the former Chief Minister of Bihar (Shri Daroga Prasad Roy) who had advised the Ministry of Railways (in December, 70) that the roads connecting Arrah and Sasaram were not suited to cater to the traffic handled by the Railway because they were narrow and the existing bridges and culverts were old, and that the Government of Bihar were not issuing road permits with a view to protect the Railway from unhealthy road competition. The Minister for Railways has again written (in October, 1973) to Shri Abdul Ghafoor, Chief Minister, Government of Bihar, urging that the Government of Bihar may

take suitable steps to protect the Light Railway from uneconomic road competition and that the Company's request for assistance should be reconsidered.

6. The punctuality of passenger trains over the section has deteriorated because of the acute shortage of coal of the proper grade and on account of the difficulties being experienced in loco maintenance work, subsequent to the closure of the Bankura General Workshop on the Howrah-Amta Light Railway.

The average speed of goods and passenger trains over this section is 22 kms. per hour and 30 kms. per hour respectively. The maximum sanctioned speed over the section is 40 kms. per hour.

7. As regards the condition of assets, there are arrears in replacement and renewals of track, rolling stock, etc. For instance, 50 per cent of the sleepers are more than 15 years old and are unserviceable, and require replacement. Similarly, the average wear of 30 lb. and 35 lb. rails is 6 per cent to 7 per cent on the straight and 10 per cent to 12 per cent on the curves. Six Locomotives out of 13 in use were built in the year 1910-11 and are therefore obsolete. Two more were built in 1921/1928, and are also very old. The rolling stock is in need of intensive repair. Some of the components of the locomotives, such as crank pins, wheel tyres, etc., have reached condemning sizes and require renewal. The detailed position is given in Enclosure V.

ENCLOSURE—I TO APPENDIX VII

Salient features

S. No.	Name	Gauge	Length in kms.	Contract with	Fixed capital expenditure to the end of 1972
1.	Arrah-Sasaram .	2/—6//	97 kms. (excluding Sasaram-Tarachandi hill siding of 7 kms.)	District Board of Shahabad	Rs. 34·04 lakhs

ENCLOSURE II TO APPENDIX VII

Arrah-Sasaram Light Railway

Statement showing the G. Earnings, Working Expenses, Loss in working, subsidy paid/surplus profit recd. etc.

(Extracts from Balance Sheets)

Year	G. Earnings	Total working Expenses	Loss/Profit in working (Col. 1-Col. 2)	Subsidy paid by District Board or share of surplus profit recd. by Dist. Bd.	Net Profit/Loss after adjustment of subsidies, remuneration to Secretaries, provision for taxation etc.
			(—) (+)	(—) (+)	(—) Loss (+) Profits
1965-66	22,78,235	19,93,861	(+)2,84,374	(—)6,764	(+)96,240
1966-67	22,11,823	21,71,691	(+)40,132	(—)86,772	(+) 36,957
1967-68	22,25,980	22,90,037	(—)64,057	(—)86,772	(—)6,762
1968-69	22,81,576	22,40,512	(+)41,064	(—)86,772	(+)46,181
1969-70	22,72,553	24,93,966	(—)2,21,413	(—)86,772	(—)1,31,350
1970-71	26,91,381	27,38,791	(—)47,410	(—)86,772	(+)1,21,697
1971-72	29,09,402	29,69,386	(—)59,984	(—)86,772	(—)313

ENCLOSURE-III TO APPENDIX VII

Statement showing the volume of goods and passengers carried

ON

ARRAH SASARAM LIGHT RAILWAY

Year	Tonnage carried per annum	Passengers carried per annum
1965-66	44,948	26,51,839
1966-67	41,077	24,69,462
1967-68	36,651	24,74,654
1968-69	32,214	24,95,124
1969-70	27,164	24,24,532
1970-71	26,803	28,59,625
1971-72	28,811	31,06,102

ENCLOSURE-IV TO APPENDIX VII

Arrah-Sasaram Light Railway Co.

Year	Subsidy paid to the Company by District Board (—)	Share of Surplus profit received by District Board (+)
	Rs.	Rs.
1965-66		6,764
1966-67	(—)86,772	
1967-68	(—)86,772	..
1968-69	(—)86,772	
1969-70	(—)86,772	..
1970-71	(—)86,772	..
1971-72	(—)86,772	..
TOTAL	(—)5,20,632	(+)6,764

ENCLOSURE-V TO APPENDIX VII

Rails:—The average were of 30 lbs., 35 lbs. and 41 ½ lbs. rails on straight is 6 per cent to 7 per cent, whereas on curves it is 10 per cent to 12 per cent. 50 lbs. and 60 lbs. rails which are hardly 22 years old do not have appreciable wear worth noting.

Sleepers:—There are no sleepers of 1973 as no renewal was carried out during this year. 50 per cent of the sleepers are more than 15 years old and are unserviceable.

Ballast:—During the last 7 years, only about 35,000 cft. of ballast has been put in the track as a whole. This has been mainly put in during the years 1966-69 and after that almost no ballast has been put in track but instead 1,15,000 cft. of ashes have been provided in the track for day to day maintenance. Thus through out the section, no where there is any clean ballast but is ash and stone mixed and the cushion throughout is varying from 2" to 3" only.

Bridges:—There are in all 229 bridges in the section of almost all types ranging from 9" pipe drain to 132 ft. span. Out of these, 5 are major bridges. The condition of the bridges in general is fair, except for 9 bridges which are extremely bad. Out of these 9 bridges in one bridge only the RSJ* is bad. Only 2 bridges are being rebuilt during this year.

Formation:—The bank is well consolidated and in good shape.

Locomotives:—27 Crank pins were found reaching condemning sizes and require renewal:—

- 43 wheel tyres found reaching condemning sizes and require renewal.
- 20 wheel axle journal sizes were found reaching condemning sizes and axles require renewal.
- 24 Cylinder bore sizes were found reaching maximum sizes and require bushing.
- 1 Piston rod was found reaching condemning sizes and require renewal.
- 6 Valve rods were found reaching condemning sizes and require repair by spray-welding.
- 6 Slide bars were found reaching condemning sizes and require renewal/repair by building up with strip liners.
- 4 Slide valves were found reaching condemning sizes and require renewal/repair.

*Rolled Steel Joint

On visual examination, the condition of the frame appeared to be unsatisfactory.

6. locomotives were put on line in 1910|11 and are, therefore, old and obsolete types. 2 more were put on line in 1921 and 1928 and are also very old. These 8 engines may need to be taken off the line soon. Similarly, some of the carriages and wagons may also be quite old and need replacement. Workshop facility does not exist for the overhaul of the rolling stock.