E. C. No. 158

ESTIMATES COMMITTEE
1959-60

SEVENTY-FOURTH REPORT

(SECOND LOK SABHA)

MINISTRY OF RAILWAYS

Action taken by Government on the Recommendations of the Estimates Committee contained in the Thirty-second Report (First Lok Sabha) on Important Projects.

LOK SABHA SECRETARIAT
NEW DELHI—1.
March, 1960
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CORRIGENDA

to

Seventy-fourth Report of the Estimates Committee on action taken by Government on the Recommendations contained in the Thirty-second Report (First Lok Sabha) on the Ministry of Railways - Important Projects.

Page 1, line 13; *read* '1367' *for* '1361'

Page 2, line 25; *read* 'MG' *for* 'NG'

Page 49, line 20; col. 4; *read* 'prefer' *for* 'perfer'

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INTRODUCTION

I, the Chairman of the Estimates Committee, having been authorised by the Committee, present this Seventy-fourth Report of the Estimates Committee of the Lok Sabha on action taken by Government on the recommendations contained in the Thirty-second Report of the Estimates Committee of the First Lok Sabha.

2. The Thirty-second Report of the Estimates Committee was presented to the House on the 29th May, 1956. The Government furnished their replies indicating action taken on the recommendations/conclusions in this report between the 16th October, 1956 and 20th December, 1957. The replies of Government were considered by the Study Group 'A' of the Estimates Committee (1958-59) on the 28th April, 1959, after completing the examination of the replies of Government in respect of recommendations made in the earlier Reports on Railways. The Ministry was requested to furnish clarifications on certain points arising out of their replies on the 6th May, 1959. The replies of Government to the recommendations made in this report (including points for clarification) were again examined by the Study Group 'F' of the Estimates Committee (1959-60) on the 18th August, 1959, and 22nd December, 1959. This Report includes the replies of the Ministry to the original recommendations/conclusions of the Committee as well as replies to the points for clarification.

3. The Report has been divided into four chapters.

I. Report.

II. Recommendations that [have been accepted by the Government.

III. Replies of the Government that have been accepted by the Committee.

IV. Replies of the Government that have not been finally accepted by the Committee.]

4. An analysis of the action taken by the Government on the recommendations contained in the Thirty-second Report (First Lok Sabha) is given in Appendix VI. It would be observed therefrom that out of 41 recommendations/conclusions in the Report, 31 recommendatios and a part of one more recommendation *i.e.*, 76·8% have been fully accepted by Government, while 6 recommendations and a part of one more recommendaion *i.e.*, 15·7% have been accepted partly. Of the rest, replies of Government in respect of 2 recommendations *i.e.*, 4·9% have been accepted by the Committee, while that in respect of one recommendation *i.e.*, 2·5% has not been accepted by the Committee.

NEW DELHI-1;
The 16th March, 1960.
The 26th Phalguna, 1881 (*Saka*).

H. C. DASAPPA,
Chairman,
Estimates Committee.

CHAPTER I

REPORT

The Esimates Committee, in para 110 of the Thirty-second Report (First Lok Sabha), repeated their earlier suggestion made in para 133 of the Twenty-first Report (First Lok Sabha) that it should be their aim to reach self-sufficiency in the requirements of rolling stock by the end of the Second Plan period, if not earlier. In reply the Ministry enumerated the steps taken in this regard for Locomotives and Coaches among others. Later, in reply to a query of the Committee they furnished figures of revised requirements and the internal production of Locomotives and Coaches during the Second Plan period as under:

	Locomotives	Coaches (Inc. EMU Stock)
Revised Requirements . .	2,180	8,765
Internal Production . .	1,361	8,494
Procurement from outside . . .	813	271

However, while examining this, the Committee noticed the following discrepancies in the figures of locomotives and coaches ordered during the year 1956-57, as furnished in White Paper on the Railway Budget, 1957-58, and the annual Report Part I of the Railway Board for the year 1956-57:—

	Locomotives	Coaches
White Paper—para 14 . . .	557	1931
Annual Report—Part I	390	804

On enquiry, the Ministry replied as under:—

"*Regarding Locomotives*—557 Locomotives referred to in para 14 of the White Paper on the Railway Budget, 1957-58, represent locomotives ordered against those provided in 1956-57 Rolling Stock Programme. On the other hand 390 locomotives referred to in Railway Board's Report Volume I, 1956-57 represent locomotives which were ordered during the period 1-4-56 to 31-3-57 irrespective of Rolling Stock Programme to which they relate.

Regarding Coaches—1931 coaches referred to in White Paper on the Railway Budget, 1957-58, represent coaches provided in the 1956-57 Rolling Stock Programme for manufacture in public and private sectors including Railway Workshops whereas the number of 804 coaches referred to in the Railway Board's Report Vol. I represent coaches actually ordered from 1-4-56 to 31-3-57 in the private and public sector excluding Railway Workshops."

In a note furnished by the Railway Ministry at the stage of factual verification, the details working up to the figure of 557 locomotives as given in para 14 of the White Paper were given as under:—

"In the Rolling Stock Programme 1956-57, the following 679 locomotives were provided :

Broad Gauge		*Metre Gauge*		*Narrow Gauge*
WP	93	YP	20	36
WG	220	YL	79	
WH	31	YG	185	
		Diesels	15	
TOTAL	344		299	36

Against the above provision, locomotives were ordered as below:

Broad Gauge

WP	30	ordered in October, 1956 (ex-abroad)
WP	30	ordered in November, 1956 (ex-abroad)
WG	220	ordered in January, 1956 (ex-CLW)
Total BG locos. ordered.	280	

Metre Gauge

YP	20	ordered in July, 1955 (ex-Telco)
YL	54	ordered in Oct., 1955 (ex-abroad)
YG	100	ordered in Apr., 1955 (ex-Telco)
YG	85	ordered in Oct., 1955 (ex-abroad)
Total NG locos. ordered.	259	

Narrow Gauge

ZB	12	ordered in June, 1956 (ex-abroad)
ZD	6	ordered in March, 1956 (ex-abroad)
	2	ordered in Feb., 1958 (ex-abroad)
	4	Ordered in October, 1957 (ex-abroad)
Total NG locos. ordered.	24	
Overall total of locos ordered against 1956-57 Rolling Stock Programme	563	

It will be seen, therefore, that upto 31-3-1957, 557 locos had been ordered aginst 1956-57 programme and some of these orders were placed in the period prior to 1956-57 or after 1956-57".

The above note brings out the following peculiar features:—

(i) The Rolling Stock Programme for 1956-57 included 679 locomotives.

(ii) Against this programme, orders were placed for 485 locomotives prior to the commencement of the period in question.

(iii) The number of locomotives ordered against this programme during the year 1956-57 was 72, thus bringing the total to 557 till 31st March,1957.

(iv) Orders were placed for 6 locomotives against the programme for 1956-57 after 31st March, 1957 (4 in October, 1957 and 2 in February, 1958), bringing the total number ordered to 563, leaving a balance of 116 out of the programme of 679 for 1956-57.

The Committee are surprised to note that a curious procedure of ordering rolling stock against the programme for a year after that year is over has been resorted to. They are unable to see any justification for such an extraordinary course.

Even if such a procedure had any basis, justifiable or otherwise, it is not clear why only 6 locomotives out of the remaining 122 (679—557) should have been ordered in the subsequent year against the programme for 1956-57. The Committee have only to express their dismay at the illogicality of the procedure.

The Committee also find that the rolling stock programme for the year and orders placed against that programme have no bearing on the expected deliveries during or the budget provision made for that year. *It is difficult to understand the preparation of rolling stock programme for a year and placing orders against that programme without expecting the orders to mature during that year. The Committee suggest that the question of linking up the orders against the rolling stock programme of a particular year with the anticipated deliveries of the items and payments thereon during that year may be examined by the Ministry of Railways.*

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

S. No. (as in Appendix X to the 32nd Report)	Reference to Paragraph No. of the Report	Summary of Recommendation/conclusion	Government's Reply
1	2	3	4
1	1	The Indian Railways have all along been dependent on imports for meeting their requirements of coaches, wagons, locomotives and their components and during the 17 year period from 1938-39 to 1954-55 they had to spend Rs. 138 crores for importing these basic requirements.	All possible steps are being taken to augment the capacity for building Rolling Stock and their components in the country with a view to avoid imports. *Locomotives and Spare Parts/Components* Chittaranjan Locomotive Works and Telco are already turning out 12 and 4 locomotives per

month, respectively. With the proposed expansion of these works it is anticipated that the normal requirements of steam locomotives will be met from indigenous sources during the Third Plan period except for NG locomotives which are required in very small numbers and the manufacture of which will be uneconomical. Other special types of locomotives such as Diesels and Electric will also continue to be imported till the establishment of capacity in India which is likely to take place by the 3rd Plan period. As regards spare parts and components, an additional factory for their manufacture is being established near Banaras.

Coaching Stock

No coaching stock except, special types such as Rail Cars and E.M.U. stock, which are not manufactured in the country at present, is imported. Capacity for the manufacture of about 50 E.M.U. stock per year is being established by M/s Jessops of Calcutta. Plans are also under consideration to augment the Coach Building capacity through contractors and establishment of a factory for building M.G. integral light weight coaches.

Wagons

The manufacture of wagons in the country has been developed considerably and it is at present

1	2	3	4
			estimated at about 20 thousand wagons per year. There are prospects of developing wagon building capacity still further to meet the Railways' requirements. At present only a few special types of wagons which are not manufactured indigenously are being procured from abroad. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendations* (32), *dated* 16-10-1956.]
2	22	The Committee are favourably impressed with the facilities afforded to the workers at Chittaranjan. In order to raise the standard of living of the people, the Government have accepted the policy of rapid industrialisation. Care will, however, have to be taken to see that in the enthusiasm to build up large scale industry rapidly, factor of labour exploitation, usually associated with rapid large scale industrialisation, does not creep in. The old patterns of unhygienic and insanitary conditions of living for the workers and the slum areas must not be repeated. The Committee, therefore, recommend that the living conditions and amenities provided at Chittaranjan should be accepted as the basic minimum for workers in all the Government enterprises in future.	The recommendation has been transferred to the Ministry of Labour for their consideration and final disposal. [*Ministry of Railways O.M. No.* 56-*B*(*C*) 6000/ *Recommendations* (32), *dated* 16-10-1956.]

2	22		The two-Sub-Committees set up under Secretaries' Standing Committee on Welfare Standards, are required to lay down Standards of Welfare facilities to be given to workers in the Public sector for enabling that sector to become in course of time a model employer for the private sector to follow while laying down Standards of Welfare facilities, there is no likelihood of going below any existing standards obtaining at Chittaranjan. [*Ministry of Labour and Employment O.M. No. LWI*(1)-9602/59, *dated* 16-7-1959.]
3	26	Against the target of 268 locomotives to be turned out during the First Five Year Plan period, 341 have been turned out. Since July, 1955 Chittaranjan has been turning out 11 locomotives per month against the original target of 10 per month (120 locomotives per year), thus exceeding the target. The Railway Ministry have subsequently intimated that the C.L.W. is turning out 12 locomotives per month now.	Noted—No comments. [*Ministry of Railways O.M. No. 56-B(C)6000/ Recommendations* (32), *dated* 16-10-1956.]
4	29	The Committee understand that a tentative target date 1958, has been fixed for achieving the enhanced target. In view of the shortage of locomotives and the necessity of reducing the imports from abroad, the Committee would suggest that the Railway	*Chittaranjan Locomotive Works* Though it has been provisionally decided to raise the target to 300 steam locomotives per year, the Board are examining the question of fixing up a firm target for the production of steam

1	2	3	4
		Board should seriously consider the feasibility of bringing forward the tentative date by at least one year.	locomotives. Every effort will be made to achieve the new target as early as possible. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/*Recommendations* (32), *dated* 16-10-1956.]
5	30-31	The Committee were informed that the manufacture of W.P. locomotives at Chittaranjan will be considered in due course, when requirements of W.G. locomotives have been met in a large measure. The Committee feel that it would be advisable to make a small beginning in the manufacture of W.P. locomotives also simultaneously and suggest that a suitable target for W.P. locomotives may be set up at an early date.	The manufacture of W.P. locomotives at Chittaranjan is under active consideration by the Railway Board, and proposals will be evolved in due course, with a view to fixing a suitable target at an early date. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/*Recommendations* (32), *dated* 16-10-1956.]
		(*Further information called for by the Committee*) Please communicate the decision taken by the Railway Board in the matter of fixing a suitable target for the manufacture of W.P. Locos at Chittaranjan. (*L.S.S. O.M. No.* 111-*EC-II*/56, *dated* 6-5-1959).	An order for 36 Locos has been placed on the Chittaranjan Locomotive Works in May 1959 against Railway Board's Rolling Stock Programme, 1960-61. [*Ministry of Railways O.M. No.* 59-*B*(*C*)6000/*32nd Report*/*Pt. I*, *dated* 3-7-1959.]

Please state the annual requirements of W.P. Locomotives of all the Railways and whether these would be met by the Chittaranjan Locomotive Works.

(L.S.S. O.M. No. 111-EC-II/56, dated 8-8-1959.]

The requirement of passenger steam locomotives on the B.G. during the 3rd Plan is assessed at approximately 360, which works out to an average of 72 locomotives per annum. The entire requirement is expected to be met by Chittaranjan Locomotive Works.

[*Ministry of Railways O.M. No. 59-B(C)-6000 32nd Report/Pt. I, dated* 14-9-1959.]

6 33 The cost of production per loco under various heads has fluctuated widely and the same under the heads "Direct Stores" and "Stores overhead labour" has increased in 1954-55 when compared to 1952-53. The reason for this fluctuation and particularly the increase under the two heads should be analysed and remedial action taken, as necessary.

The reasons for fluctuations under various heads in the cost of production per locomotive at CLW in the past were analysed and found to be attributable to the following factors:—

A. Fluctuations under various Heads

(i) During the period of expansion, it was not possible to develop each of the Shops to a uniform level of out-turn with the result that the batches of components turned out from each Shop varied and did not match up to the output of the best Shop. In order to keep locomotive production at the maximum during this developmental period, the overall production of CLW was related to the performance of the best Shop. To achieve this objective, the output of other Shops was per force balanced by procuring from indi-

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			genous sources as well as abroad the components in short production, as a temporary expedient to avoid the capacity of the best developed Shop running waste or lying idle. As more and more Shops reached the best perfomance level there was a gradual reduction of the items procured from outside. This factor inevitably caused fluctuations of costs under various heads.
			The period from 1950-51 to 1954-55, the cost figures for which have been compared, comprises the periods of installation and expansion of C.L.W. During the initial stages of installation and development, the cost figures for various periods have to be interpreted in the context of constituent factors that bear on the economics of production under various heads. The Board are alive to the need of obtaining comparable cost statistics split up into various elements and C.L.W. are already taking steps to rationalise progressively the production and accounting methods, and, as production stabilises, a comparative study of cost statistics will be rendered easier and more useful.

(*ii*) The production of locomotives rose from 17 locos in 1951-52 to 98 locos in 1953-54. With the rising tempo of production the elements of costs which were of a fixed nature, naturally declined per locomotive in an inverse production.

(*iii*) Changes of a far reaching nature were made in the accounting methods which contributed to variations in cost under various heads. These are as follows:—

(*a*) In consonance with the best cost accounting practice, it was decided in April '53 to treat Dearness Allowance as part of Direct Labour cost instead of treating the same as an element of factory overhead. This resulted in a decrease in the factory overhead content of cost and increase in the Direct Labour content.

(*b*) There was a change in the method of collection and apportionment of overheads. While during 1951-52 there were only two categories of overheads, *i.e.*, Factory and Administrative, in the year 1952-53 there were four categories *viz.*, Factory, Administrative, Township and Stores overheads (from July 1952).

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			Moreover, the total depreciation which was included in the Administrative overheads during 1951-52, was apportioned between Factory, Administrative and Township overheads with effect from July, 1952. With effect from February, 1953, it was further decided to apportion part of the Administrative overheads and Factory overheads in respect of service departments to Stores overheads and to Township overheads.
			(*c*) In the latter part of 1953, some items not produced in full at CLW were taken over to Stock Suspense instead of keeping them under custody stores as was the practice previously. This resulted in the labour and overheads incurred in the manufacture of such items being included in "Direct Stores", instead of split up over 'Labour', 'Material' and 'Overheads' as was the case previously.
			B. *Increase under 'Direct Stores' and 'Stores Overheads Labour' in* 1954-55 *as compared to* 1952-53.

(*i*) The composition of the 'Stores Overheads' was changed with effect from February '53, when it was decided that a portion of the Administrative overheads and Factory overheads in respect of service departments should be included in the Stores overheads and to Township overheads.

(*ii*) As has already been explained, the taking over on stock suspense in the latter part of 1953 of the items which were previously treated as custody stores resulted in the labour and overheads incurred in the manufacture of such items being included in 'Direct Stores'. Since the final cost consists of (a) purchased stores, (b) manufactured stores sent to stock, and (c) self-sufficient (custody stores) items, and (a) & (b) account for the bulk of the Direct Stores element of cost of a locomotive, there was inevitably an increase under this element, with a corresponding decrease under other heads.

It may, however, be mentioned that the cost of production per locomotive has shown a consistent downward trend over all these years.

[*Ministry of Railways O.M. No.* 56-*B*(C)6000/ *Recommendations* (32), *dated* 25-6-1957.]

1	2	3	4
			Chittaranajan Locomotive Works
7	36	Considering the fact that the Locomotive Works have been in existence for only a few years, the Committee note with satisfaction that the cost of the indigenous locomotives does not compare unfavourably with that of the imported ones. The Committee, however, hope that with greater experience in the technique of production and more rigorous control, the cost would be reduced further. With the increased target of annual production of 300, efforts should be made to reduce the cost of production (exclusive of interest charges on capital-at-charge) to bring it to the level of the estimated landed cost of U.K. and Japanese W.G locomotives under the T.C.M. Programme. If this is achieved, it would result in an approximate annual saving of Rs. 1,41,00,000 on the basis of the average actual cost of a Chittaranjan Locomotive produced during 1954-55.	The increased target of annual production of 300 average-size locomotives proposed originally was based on the anticipated allotment of Rs. 1,480 crores for the Railways under the Second Five Year Plan. But in view of the curtailment of the funds to Rs. 1,125 crores and the possibility of greater dieselisation, the Railway Board are examining the need to revise the target of 16 W.G. locomotives per month, equivalent to 240 average-size locomotive units per year. Every effort will, however, be made to achieve a reduction in the cost of production (exclusive of interest on capital-at-charge) with a view to bringing it to the level of the estimated landed cost of U.K. and Japanese Locomotives under T.C.M. Programme as recommended by the Committee. [*Ministry of Railways O.M. No. 56-B(C)6000/Recommendations* (32), *dated* 16-10-1956.]
8	37	The Committee consider that the percentage of the cost of imported stores to the cost of direct stores consumed in the manufacture of a locomotive is on the high side and suggest that special efforts should be made to reduce it substantially.	The imported element in the locomotives manufactured by Chittaranjan Locomotive Works consists mainly of raw and basic materials, heavy and medium steel castings and some proprietory fittings. All these items are either not manufactured in the country or the existing

capacity is not adequate to meet the increasing demands. In regard to raw and basic materials, the necessity for imports depends on availability from indigenous sources of material, *i.e.*, although steel is produced in the country, certain sections like boiler-plates over 6′ wide, main bar-frame slabs, etc., etc. are not rolled and therefore, have to be necessarily imported. Similarly, capacity does not exist in the country for heavy and medium steel castings and these have to be imported. There are also items such as ejectors, lubricators, roller bearing axle-boxes, etc., etc. which are patented items and until capacity is developed for the manufacture of these fittings in the country, the Chittaranjan Locomotive Works have necessarily to depend on imports. Apart from the above, due to imbalance in certain sections of the Shops for optimum production, certain components had to be imported.

2. All efforts are being made to keep the imported element in the locomotives manufactured in C.L.W. as low as possible, but appreciable reduction will be possible only when industries which can make the components now imported, are established in the country.

With a view to minimising the import of heavy and medium steel castings, it has been decided to establish a steel foundry at Chittaranj n

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			Locomotive Works. Global tenders for technical collaboration to set up this steel foundry have recently been obtained and are now under consideration. The Tata Locomotive and Engineering Co. are also setting up a steel foundry at their Works, with a capacity of about 550 tons of finished castings per month, against which they have been asked to reserve capacity to the extent of 200 tons per month for the Chittaranjan Loco Works. This foundry is expected to go into production shortly and actual deliveries of castings from this foundry may be expected by December, 1957. When these new steel foundries go into actual production, the foreign content of the Locomotives manufactured at Chittaranjan would be reduced considerably, and permit of a marked reduction in the import of raw and basic materials.
			The indigenous production of boiler tubes at the newly installed factory at Jamshedpur would also make a substantial contribution in this direction. It may be stated that the foreign element content has been decreasing in spite of the continuous rising trend of world prices of the imported material and components.

The following particulars in respect of a WG loco will indicate the position:—

	(*Figures in thousands of Rupees*)			
	1953-54	1954-55	1955-56	1956-57
1. Total Direct Stores .	346	382	286	300
2. Imported components included in 1 above .	145	144	141	138·7

[*Ministry of Railways O. M. No. 56-B(C)6000/Recommendations* (32), *dated* 25-9-1957.]

9	39	The Committee suggest that the question of setting up subsidiary industries in the private sector for the manufacture of such of the parts as are not manufactured in the Chittaranjan Locomotive Works should be given prompt attention.	The procurement from subsidiary industries of components not manufactured by C.L.W. has been under their active consideration for some time and substantial numbers of components are being procured from the private sector already. With a view to obtaining a greater response from the private sector for setting up subsidiary industries, Chambers of Commerce and Engineering Associations were approached by C.L.W., but the response has been rather poor. A further Press Note has been issued by the Board on 4-9-1956 inviting private engineering firms to come forward to undertake the manufacture of components at present imported or in short supply. [*Ministry of Railways O.M. No. 56-B*(C)6000/*Recommendations* (32), *dated* 16-10-1956.]

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		(*Further information called for by the Committee*) Revised reply indicating the latest position in the matter may please be furnished. (*L.S.S. O.M. No.* 111-*EC-II*/56, *dated* 6-5-1959).	The response from the indigenous industries for setting up subsidiary units for manufacture of components required by C.L.W. has not been very encouraging. Considerable progress has however been made in developing capacity with the existing indigenous units for manufacture of components which had to be imported in the past. [*Ministry of Railways O.M. No.* 59-*B*(*C*)-6000/*II*/ 32*nd Report*/*Points for Clarification*, *dated* 4-6-1959.]
10	40-41	The Committee recommend that the Railway Ministry should make special efforts to set up indigenous industry for the supply of components that are at present being imported from abroad. Private industrialists or artisans should be given special encouragement for this purpose. The Committee hope that by end of the 2nd Five Year Plan, Chittaranjan will be able to manufacture hundred per cent Swadeshi Locomotives. (*Further information called for by the Committee*) Please furnish up-to-date information as to the progress made by the Development Co-ordi-	The recommendation of the Committee is accepted. A development Co-ordination cell has already been set up in the Board's Office, which will encourage the development of the required capacity in close collaboration with the development Wing of the Ministry of Commerce and Industry on the one hand and on the prospective manufacturers on the other. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendations* (32), *dated* 16-10-1956.] [As a result of efforts made by the Development Co-ordination Cell of the Ministry of Railways,

nation Cell set up in the Railway Board's office.

(*L.S.S. O.M. No.* 111-*EC-II*/56, *dated* 6-5-1959).

capacity has now been developed in the country for manufacture of the following essential components required by C.L.W. :—

(1) Vacuum and Pressure Gauges.

(2) Electric Lighting Equipment.

(3) Thermic Syphons.

Capacity has also been developed for some of the essential steel castings. However, in order to achieve complete self-sufficiency for steel castings, a steel foundry is being set up shortly in C.L.W.

Capacity for lubricators and insulating mattresses is being developed. Capacity already exists in the country for ball and roller bearings but the same is being considerably augmented.

Provision has also been made for the development of capacity with one of the new steel plants for manufacture of rolled wheel centres.

Besides these components, capacity has been developed for manufacture of a number of minor components such as Ejectors, Injectors, Safety Valves, bull's eye glasses, boiler tubes and flue tubes, spark arrester screens.

Capacity is being developed for super heater elements speed recorders, gauge glasses and grease guns.

[*Ministry of Railways O.M. No.* 59-*B*(*C*)/6000/*II*/ 32*nd Report / Points for Clarification, dated* 4-6-1959.]

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11	44	The Committee are glad to note that a scientific system of costing has been introduced at the Locomotive Works. The Committee reiterate their recommendations made in para 131 of their Twenty-first Report that the officers from the Indian Railways should be sent to Chittaranjan for a short period to receive intensive training in this subject and that a cost accounting unit should be set up in each major workshop of the Indian Railways. The system should be copied by other State enterprises also, with such modifications as are absolutely necessary.	Attention is invited to the remarks against Recommendation No. 58* of Twenty-first Report of the Estimates Committee. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/*Recommendations* (32), *dated* 26-8-1957.]
12	53	The Committee refer to their recommendation made in para 129 of their Twenty-first Report that each Railway should evolve the system of piece work rating and bonuses in major workshops. The Committee suggest that advantage should be taken of the experience gained at Chittaranjan in this direction. The Officers, who are deputed for the study of costing system at the Locomotive Works may also be asked to study the incentive bonus scheme in operation there. The system should be introduced in other State enterprises also, with such modifications as are absolutely necessary.	Attention is invited to the remarks against Recommendation No. 57 of Twenty-first Report of the Estimates Committee. [*Ministry of Railways O.M. No.* 56*B*(*C*)6000/*Recommendations* (32), *dated* 20-6-1957.]
13	55	The Committee appreciate the training scheme introduced at Chittaranjan. In this connec-	The recommendation is accepted and Railway Administrations have been addressed accordingly.

N.B. Recommendation 58 of the 21st Report(1st Lok Sabha) and Government's reply thereto are reproduced in Appendix I.

		tion, the Committee refer to para 69 of their Twenty-fourth Report in which they have recommended that basic training centres should be organised on each Railway. The experience gained in the Technical School at Chittaranjan would be considerably useful for this purpose.	[*Ministry of Railways O.M. No. 56-B(C) 6000 Recommendation (32), dated 16-10-1956.*]
14	56	The Committee understand that the cost of an imported W.G. locomotive from the U.S.A. obtained under the T.C.M. Programme is Rs. 10·61 lakhs, *i.e.*, nearly double of that imported from other countries. The Committee were given to understand that one of the reasons for this was that the cost of production of steam locomotives in the U.S.A. was higher than in any other country. The Railway Ministry, however, pay to the general revenues the price at the usual world market rates. The Committee appreciate that under the T. C. M. Aid programme, the Railway might not have any voice regarding the cost of the locomotives, but the Committee suggest that the price at which the U.S. locomotives were being given to other countries (a) under similar aid programmes to those countries, and (b) through normal trade channels, may be ascertained and compared with the rates at which the locomotives were supplied to India in the corresponding periods.	The matter was referred to the Ministry of Finance (Department of Economic Affairs) with the request that the Government of U.S.A. may be approached to advise the price at which the U.S. locomotives were being given to other countries under similar aid programmes as also through normal trade channels. They have stated that the invoice price of the W.G. locomotives being obtained from U.S.A. under the T.C.M. Programme is no doubt considerably higher than the prices of similar locomotives being obtained from U.K. and Japan, but only the international price of the locomotives and not the contract price is being adjusted against the aidfunds allocated to the Government of India. The difference is being met by the U.S. Government outside the aid funds. It would, therefore, not be necessary to compare the contract price of the U.S. locomotives supplied to the Indian Government with the prices charged to other countries under the U.S. Aid Programme or sold through the normal trade channels. The Government of India's accounts are not charged with anything more than the international

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			price, and hence the contract price is not strictly relevant in this connection. [*Ministry of Railways O.M. No. 56-B(C)6000/Recommendations (32) dated 24-4-57.*]
15	60	The Committee understand that the suppliers of Hollerith Accounting equipments as a rule refuse to sell their machines. The hire charges, however, include repairs and maintenance. The Committee also understand that the Hollerith machines are not manufactured in India. The Committee see no justification for the continued hire of these machines and suggest that they should be purchased outright. In case, the firm is not in a position to sell the machines to Government, the Committee suggest that the Railway Ministry should invite Global tenders, so that other manufacturers, will be forthcoming for the sale of similar accounting equipment manufactured by them. The Committee feel that the Government should not be at the mercy of any monopolistic firm.	It has been ascertained from M/s Hollerith (India Private Limited) that they are now quite willing to sell their equipment on outright sale terms. The position of Hollerith machines is, thus, the same as that of the other calculating machines which can either be purchased outright or be taken on hire, the hire charges being such as to include repairs and maintenance. On a reference being made to him the following opinion was expressed by the Honorary Statistical Adviser to the Government of India : "Outright purchase raises two questions : (a) Maintenance and repair which the Railway Board may find difficult or uneconomical to undertake. Even if the equipment is purchased, the suppliers may undertake maintenance and repair on payment of servicing charges; but in this case a part of the economy of outright purchase may be lost.

(b) Secondly, equipment once purchased cannot be changed. Improvements are however being continually made and new machines and equipment are frequently introduced. As hire contracts are usually made for 2 years (or sometimes for one year) it is always possible to change over to better equipment.

2. "Hiring is quite general in the case of punched card tabulating machines all over the world. Global tenders may not be of much use because the question of maintenance and obsolescence would arise in every case. Also, if the equipment is not in normal supply in India, it may be difficult to obtain spare parts.

3. However, sometimes it may be economical to make outright purchases. If the processing programme is fully standardised and is likely to remain practically the same for a long period it may be possible to use the same equipment for a long time without much loss of efficiency. Also, if a large number of machines of the same type can be used it may be worth while setting up independent servicing arrangements. A good deal depends on both the type and the quantity of work. Detailed investigations would be necessary to ascertain to what extent it may be possible or economical for the Railway Board to purchase the equipment".

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			The choice between outright purchase and hire will thus apply in the case of all calculating machines and not only for Hollerith. The Central Statistical Organisation have undertaken a census of the various business machines in use in the different Government Offices. This Ministry will keep in touch with that Organisation and take the decision with regard to purchase *vis-a-vis* hiring in consultation with them. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendation* (32) *dated* 20-12-1957].
	(*Further information called for by the Committee*) Attention is invited to para 3 of the Ministry's reply, and it is requested that further information in regard to purchasing of Hollerith machines *vis-a-vis* hiring thereof may please be furnished. (*L.S.S. O.M. No.* 111-*EC-II*/56, *dated* 6-5-1959)		The matter is under the examination by the Central Statistical Organisation (CSO) with whom the Ministry of Railways have been in touch, in regard to the progress in the matter. In February, 1958 the C.S.O. explained that the nature of this recommendation was such that these studies would take some time. They further stated that they were making efforts to study the problem in consultation with the Government Departments having business machine installations. The Ministry of Railways have been informed now that the matter is still under examination of the Central Statistical Organisation (Cabinet Secretariat), and that

their findings will be intimated to the Ministry of Railways in due course.

[*Ministry of Railways O.M. No.* 59 *B*(*C*)6000/ 32*nd Report*/*Pt. I, dated* 5-8-1959.]

16	62	The Committee hope that the proposal to set up a steel foundry at Chittaranjan which will assist in reducing the import of steel castings will be finalised without undue delay ?	The setting up of a steel foundry at Chittaranjan is being progressed. It is expected that technical and perhaps also financial assistance will become available under the T.C.A. Two railway officials *viz.* Shri Karnail Singh, General Manager, Chittaranjan Locomotive Works, Chittaranjan, and Shri P.C. Kapoor, Joint Director, Railway Board have since been sent to U.S.A. to fix up suitable consultants, who will advise on the design and layout of the foundry and later assist in setting up production.

(*Further information called for by the Committee*)

[*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendations* (32), *dated* 16-10-1956.]

Please intimate the latest position obtaining in regard to setting up of a steel foundry at Chittaranjan,

(L.S.S. O.M. 111-EC-II/56, dated 6-5-1959).

As a result of the tour which the two Railway Officers had of the U.S.A., during 1956, it was found that technical aid available there was not suitable and satisfactory to the requirements for setting up a steel foundry at Chittaranjan. It was, therefore, decided to set up the steel foundry with our own resources.

Global tenders enquiry was issued in March, 1957, and proposals from steel foundries of repute were invited with a view to entering into a

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			contract in connection with setting up a steel foundry at Chittaranjan. As a result of this call of tenders, it has been decided to enter into technical collaboration agreement with Messrs F.H. Llyd & Co., U.K. A draft Agreement to this effect was drawn up in consultation with the Ministry of Law and sent to the firm for acceptance. This has been received back from the firm suggesting certain modifications to a few clauses, which are under consideration. The Agreement is expected to be finalised shortly. [*Ministry of Railways O.M. No.* 69-*B(C)*6000/32*nd Report/Pt. I. dated* 3-7-1959.]
18	64	The Committee suggest that the question of manufacturing electrical locomotives in India should be pursued vigorously so that their manufacture may commence in the country without undue delay.	The question of manufacturing electric locomotives in India is under consideration. The Chittaranjan Locomotive Works have been asked to study the drawings with a view to the possibility of their undertaking the manufacture of the mechanical portion. The manufacture of Electrical portion will have to be linked with the development of the Heavy Electrical Industry in the country. [*Ministry of Railways O.M. No.* 56-*B(C)*6000/*Recommendation* (32) *dated* 16-10-1956.]
19	68	The Committee may be apprised of the findings of the Tariff Commission who have been asked	A copy is enclosed of Government of India, Ministry of Heavy Industries' Resolution No.

		to enquire into the cost of locomotives produced by Telco and the order of Government thereon in due course.	Eng. Ind. 17(17)/56 dated 23-11-56* which embodies the recommendations of the Tariff Commission and the Government's decisions thereon. The prices recommended by the Commission and accepted by the Government for payment to Tata Locomotive & Engineering Co. Ltd. for deliveries upto 31-3-58 (from the commencement of the price period namely 1-2-1954 in the case of boilers and 1-7-1954 in the case of locomotives) are set forth in the attached statement in which the prices quoted by the Company are also shown. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendation* (32), *dated* 5-3-1957.]
21	72-73	The Committee recommend that the fortnightly bulletin 'Chittaranjan' issued by the C.L.W. and published simultaneously in English, Bengali and Hindi should be made self-supporting.	Recommendation has been accepted. The General Manager C.L.W. has been asked to take necessary action. [*Ministry of Railways O.M. No.* 56-*B*(*C*) 6000/ *Recommendations* (32), *dated* 16-10-1956.]
22	84	The Committee recommend that the training facilities to be provided at the Integral Coach Factory should be of the same standard as at Chittaranjan. Apprentices from other Railways might also be sent for training at Perambur and Chittaranjan for short periods.	The recommendation has been accepted. Arrangements already exist at Chittaranjan for the training of Trade / pprentices and Special Class Apprentices. (*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendation* (32), *dated* 16/17-12-1956).

*N.B. The Resolution is reproduced in Appendix II.

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24	93	The Committee would like the Railway Ministry to keep a very close watch over the progress of the training of Indian Officers posted in the Integral Coach Factory with a view to avoiding the possibility of extending the Agreement with Schileren beyond 1961. The Railway Ministry should arrange to depute staff from the Railways to the factory periodically so that the technique is properly understood and widely known.	The recommendation has been noted. [*Ministry of Railways O.M. No. 56-B(C)6000 Recommendation* (32), *dated* 16/17-12-1956.]
25(a)	95	The Committee recommend that the question of deputing more men of the Hindustan Aircraft Ltd. for selected periods in the Factory may be discussed with the appropriate authorities, so that more and more qualified Indians get to know the technique.	The training facilities available at the I.C.F. are fully required for training the craftsmen required to man the factory, particularly in view of the furnishing project. For the next few years the school will be busy in meeting requirements of the factory. No spare capacity is available for training men from other undertakings. [*Ministry of Railways O.M. No. 56—B(C)6000/ Recommendations* (32), *dated* 16/17-12-1956.]
27	107	The Committee feel that greater utilisation of aluminium in coach building is desirable subject to technical considerations. The Committee understand that during the work of the Railway Equipment Committee, it was found that aluminium could be substituted for steel with great advantage, particularly in coach building	In 1949, 50 covered and 50 open Broad Gauge wagons with aluminium body sheets were built for experimental purposes to ascertain the extent of anti-corrosive property and other advantages of aluminium. During 1953-54, 50 Broad Gauge all metal class III coaches with body side and end and seat partition panels in aluminium were

and on roofs of wagons, where steel plates had to be replaced too frequently due to corrosion. If aluminim were to be used, it might last for 25, 30 or even 40 years with no corrosion. The initial cost might be about two and half times more than that of steel, but taking into consideration other factors such as life, maintenance and repairs, it might prove to be cheaper in the long run. Moreover, whatever stock of aluminium is available in the country is not being fully utilised at present. In the U.S.A. and other Western countries, the bold use of light alloy metals has resulted in considerable saving being effected in dead weight. The Committee, therefore, suggest that the question of manufacturing some coaches and wagons entirely or partly of aluminium should be given more serious consideration.

also built by M/s Hindustan Aircraft Limited, Bangalore.

This experiment has recently been extended to 50 more coaches with aluminium panels to be built by M/s Hindustan Aircraft Limited and construction of 50 more wagons with aluminium sheets is under consideration.

The further extension of the use of aluminium in the building of coaching and wagons depends on the results of the experiments in progress. The Director of Wagon Interchange has been requested to withdraw from service 12 Broad Gauge covered wagons and an equal number of open wagons with aluminium panels for detailed inspection at Delhi, Calcutta and Bombay with a view to decide whether the use of aluminium alloys should be extended particularly for the roofing of covered wagons. Some reports have come in and are under examination.

On the recommendation of the 34th Carriage and Wagon Standards Committee Report, the Board had approved last year, of the following items for air-conditioned coaches being made in aluminium. This has been done primarily with the object of reducing weight. This will, however, also provide experience:

1. Body side and end panels.
2. Water Tanks.
3. Window Frames.

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			4. Roofing for Metre Gauge Coaches only. 5. Upper berth frames. In regard to Goods Stock the view at present held is that in view of the harsh usage involved the best material is undoubtedly steel. The use so far made of aluminium sheeting for body panels must be viewed only as an experiment. Construction of wagons using aluminium for the Underframe has not been considered so far on account of difficulty in designing suitable sections to withstand the high stresses involved and high price of aluminium. [*Ministry of Railways O.M. No.* 56—*B*(*C*)6000/ *Recommendations* (32) *dated* 16-10-1956.]
	(***Further information called for by the Committee.***) The latest position in the matter of using Aluminium alloys in the manufacture of coaches and wagons may please be furnished. (*L.S.S. O.M. No.* 111—*EC*—*II*/56 *dated* 6-5-1959)		*Progress of the use of Aluminium on Coaches and Wagons.* *Coaches*: In view of the difficulty in the procurement of steel panel plates for the production of coaching stock, H.A.L. were permitted to use.

Aluminium panel plates on 100 coaches to be built to model 407. Early in 1958 instructions were also issued to railways to the effect that aluminium alloy sheets of accepted specification should be used as permissible alternative to 'TISCOR' or similar quality anti-corrosive steel. Aluminium tanks and window shutters are also used in coaches.

Due to shortage of stainless steel pans, the question of the use of aluminium pans is also being looked into.

Wagons: 100 general service wagons were turned out with aluminium panels, as an experimental measure. After inspection of these wagons and further study in this Ministry it was decided that further trials should be conducted with cattle wagons with aluminium panels. Accordingly, it is proposed to build 50 Cattle wagons 'BG' with aluminium panels against 1959-60 Rolling Stock Programme.

[*Ministry of Railways O.M. No. 59—B(C)6000/Recommendation/32nd Report/Pt. I, dated* 30-7-1959.]

28	108	In view of the acute shortage of coaching stock on Indian Railways, the Committee suggest that a speedy decision should be arrived at in the proposal to step up the capacity of the	It is understood that Messrs Hindustan Aircraft Limited have already finalised their proposals for the manufacture of broad gauge integral type coaches in their factory and have entered into an

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		Hindustan Aircraft Ltd., beyond 180 coaches per annum.	agreement with Messrs M.A.N. of Germany, who are collaborating with them for the manufacture of this stock. Their Plan is to increase the capacity for building of such coaches upto 300 per annum by 1960-61. The manufacture of existing 407 model coaches will continue simultaneously and the number will progressively decrease with the development of integral type coaches.
		(*Further information called for by the Committee*)	[*Ministry of Railways O.M. No. 56-B (C) 6000/ Recommendation (32) dated 16.12.1956.*]
		Please furnish revised comments indicating the progress made in the manufacture of coaches of integral type at the Hindustan Aircraft Ltd.	M/s. Hindustan Aircraft Ltd. have plonned to build 400 Integral type B.G. Coaches during the 2nd Five Year Plan.
		(*L.S.S. O. M. No. 111-EC-II/56, dated 6-5-1959*)	Orders for 400 Integral Type coaches 200 against 1958-59 and 200 against 1959-60 rolling stock Programme have already been placed. The out-turn to the end of April 1959 of such coaches is 19.
			M/s. H.A.L. have planned to increase their capacity of producing Light Weight Integral type coaches to 300 per year from the beginning of the 3rd Five Year Plan.

[*Ministry of Railways O.M. No. 59-B(C)6000/32nd Report [Pt. I dated* 3-7-1959.]

(*Further information called for by the Committee*)

It is observed that against the order for 200 integral type coaches against 1958-59 programme only 19 coaches have been turned out by the Hindustan Aircraft Limited. Please state the reasons for failure in the production and also the position likely to obtain during the year 1959-60.

(*L.S.S. O.M. No.* 111-*EC-II*/56, *dt.* 8-8-1959)

For a factual appreciation of the position, the following informations are given :—

Year	Orders Placed	Number turned out			Total
	Type and number	Model 407	Model 408	Model 411	No.
1956-57	180 Conventional type coaches.	184	1		185
1957-58	180 Conventional type coaches.	170			170
1958-59	200 Integral type coaches	135	59	14	208

NOTE : (i) Model 407 : Conventional type B.G. COACHES.

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			(ii) Model 408 : Military type B. G. COACHES (iii) Model 411 : Integral type B. G. COACHES. It is evident from the above figures that during 1958-59 Messrs. Hindustan Aircraft Ltd. have been simultaneously executing the order for 3 type of coaches, as such their out-turn of integral type coaches upto March 1959 was 14 only. They have further turned out 5 in April 1959 and it is presumed that with the completion of previous orders and the experience gained so far, the monthly out-turn of Integral type coaches would improve. 2. It is expected that Messrs. H.A.L. will turn out about 200 Coaches (conventional and Integral type) during 1959-60. [*Ministry of Railways O.M. No. 59B(C)-6000/32nd Report/Pt. I, dated* 13-11-59.]
29	109	The Committee suggest that the question of utilizing the agreement with Schilierens for the proposed Metre Gauge factory should be carefully examined in consultation with the financial and legal experts. As far as possible, indigen-	Preliminary reports have been called for, for the establishment of Metre Gauge Coach factory from Schilierens and other continental firms. They have been asked to indicate the financial terms and conditions on which they would be pre-

		ous engineering talent should be made use of in the new venture.	pared to give technical assistance in the establishment of the unit. After these reports are received, the proposals will be examined from the technical, financial and other aspects. As regards the use of indigenous engineering talent the recommendation of the Committee will be kept in view. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/*Recommendation* (32) , *dated* 16-10-1956.]
		(*Further information called for by the Committee*) Please furnish the latest position in regard to establishing a Metre Gauge Coach Factory. (*L.S.S. O. M. No.* 111-*EC-II*/56, *dated* 6-5-1959)	Earlier in the Second Plan it was envisaged that a separate M. G. Coach Factory may be necessary. Subsequent development of production in the existing units particularly in the public sector *i.e.* at the Integral Coach Factory has revealed that by multiple shift working it may be possible to meet the requirements of coaches, both for M.G. and B. G., during the Third and successive Five Year Plans. In the circumstances the question of setting up a separate M.G. Coach Factory has been shelved for the present. [*Ministry of Railways O.M. No.* 59-*B*(*C*)6000/32*nd Report*/*Pt. I., dated* 30-7-1959.]
32	114	Except in Class IV the percentage of Scheduled Caste candidates recruited for the I.C.F. is considerably lower than the prescribed quota fixed by the Government due to the non-availability of suitable candidates. The Railway Ministry have brought the matter to the notice	The observations made by the Estimates Committee have been noted by the Board who are pursuing the matter with the Ministry of Labour. [*Ministry of Railways O.M. No.* 56-*B*(*C*) 6000/*Recommendation* (32) *dated* 16/17-12-1956.]

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		of the Labour Ministry for their assistance. The Railway Ministry have also issued special instructions to the Railway Service Commissions. The Committee hope that with the joint efforts of the two Ministries, the position will improve and that the prescribed quota of Scheduled Caste candidates will be filled without undue delay.	
33	115	The Committee recommend that the Joint Production Committees consisting of representatives of the management and the workers should be formed in both the C.L.W. and the I.C.F. which should meet at stated intervals and discuss ways and means of improving the quality and quantum of production. The minutes of the meetings of the Production Committees of the two factories should be circulated to each other and should also be seen by the Railway Board, so that useful suggestions emanating from the meetings can be implemented in other Railway Workshops. If the results of the experiment are encouraging, the question of extending the scheme to other Railway Workshops may be considered with advantage.	*C. L. W.*—As an experimental measure and to visualise the final set up, a "suggestions and Inventions" Committee consisting of representatives of the management and the workers to deal with the suggestions coming through the suggestion boxes in the shops has been formed. It is considered that Production Committees should be of Small units to be effective and representing shops or departments allied in their spheres. One or two workmen of outstanding merit who have proved their worth with suggestions in the past will be nominated to the Production Committee as the representative of the labour, the number of members, however, depending on the total strength of the shop. A start with Production Committee in the heavy machine shop, which is one of the key shops at C.L.W. is being made. On the basis of the results of this experiment

further progress in respect of introducing such committees in other shops will be made.

I. C. F.—The various processes of production are yet under development. The men are not fully experienced as yet and it is considered that they will not be in a position to give aeceptable suggestions till they gain sufficient experience on the new processes. Accordingly, the introduction of such committees will be considered in due time but not before full production has been established.

[*Ministry of Railways O. M. No.* 56-*B* (*C*) 6000/ *Recommendation* (32) *dated* 16/17-12-1956.]

(*Further information called for by the Committee*)

It is requested that revised comments may please be furnished in the light of experience gained during the last two years or so in the matter of introducing representatives of the workers in the management at C.L.W. and I.C.F.

[*L.S.S. O.M. No.* 111-*EC-II*/56, *dated* 6-2-1959].

The Production Committee consisting of representatives of the management and workers of C.L.W. and I.C.F. were formed for their Heavy Machine and Sheet Metal Shops respectively. The minutes of the meetings of these committees are being circulated to each other.

So far the working of these committees has been found to be satisfactory and similar committees are being formed in other shops of C.L.W. and I.C.F. The question of the formation of similar Committees in other Railway Workshops will be

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			considered when sufficient experience has been gained of the overall working at C.L.W. and I.C.F. [*Ministry of Railways O.M. No. 59-B(C) 6000/ 32nd Report/Pt. I, dated 17-8-1959.*]
35	117	The Chittaranjan Locomotive Works have the following special features, which the Committee suggest should be introduced at the Integral Coach Factory:— (*i*) Production Control ; (*ii*) Paper system of Inspection independent of production wing ; (*iii*) Scientific system of costing ; (*iv*) Incentive Bonus Scheme : (*v*) Comprehensive Training Scheme ; and (*vi*) A well-laid out township with modern amenities to meet local requirements.	Some of the features mentioned in the recommendation have already been introduced in the factory and the position in regard to the vario us sub-items is as below : (*i*) *Production Control :* Steps have already been initiated for the introduction of production control. Most of the initial planning work has already been completed. A schedule fixing up production targets from year to year has been drawn up. As work involved required advanced Technical knowledge, full production control can be implemented only after an adequate number of qualified and thoroughly compentent staff are available. Efforts are being made to get over this difficulty. (ii) *Proper system of Inspection—independent of Production Wing:* This system is already in vogue in the I.C.F. All coaches and components are inspected by a separate set of Inspection Staff during the various stages of

manufacture as well as when the coaches are turned out of the factory. The question of strengthening the organisation further, is receiving attention of the administration.

(iii) *Scientific system of costing.*—The factory has already adopted a scientific system of costing which achieves the following purposes :—

(*a*) Finding cost of a coach in a batch of coaches constructed together ;

(*b*) Costing of each sub-group (into which the coach is divided) ; and

(*c*) Costing of individual items, such as spare parts manufactured for supply to other Railways etc.

(iv) *Incentive Bonus Scheme.*—The Railway Board have accepted the recommendation, in principle, but before the scheme can be implemented, it is very necessary to stabilise satisfactory standards and complete job sets. The skilled workmen as also the supervisory staff must become fully familiar with the different operations and reach reasonably good level of efficiency. This has not been reached yet. Proper time and motion studies on modern scientific lines are also still to be

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			undertaken and completed. After these are completed it will be possible to introduce the incentive bonus scheme. (v) *Comprehensive Training Scheme.*—A technical school with the basic training workshop was started early in 1954. It will be improved and expanded as and when found necessary to meet the requirements. (vi) *A well laid township with modern amenities to meet local requirements.*—A colony consisting of 400 staff quarters of various types, with an Institute, a compound, a Children's Park and an Elementary School, has already been provided. Expansions and additions thereto will be made as and when found necessary. [*Ministry of Railways O.M. No. 56-B(C) 6000/ Recommendation (32) dated, 16/17-12-1956.*]
	(*Further information called for by the Committee*) As the reply is about two years old, revised reply may please be furnished indicating the latest position. [*L.S.S. O.M. No. 111-EC-II/56, dated 6-5-1959*]		All the items of recommendation No. 35 made in the 32nd Report of the Estimates Committee (First Lok Sabha) have been implemented except the one relating to Incentive Bonus Scheme. The Railway Board have already accepted that

			Chittaranjan Pattern of incentive bonus scheme will be applied to I.C.F. Preparatory work has already been completed and proposals for its introduction have been received in Railway Board's Office. They are under examination and the scheme will be introduced in due course. [*Ministry of Railways O.M. No. 59-B(C) 6000/ 32nd Report/Pt. I, dated 17-8-1959.*]
37	137	The over all physical progress as on 31-3-55 has been more than 20% and the total expenditure upto the end of 31-3-56 is about Rs. 4.5 crores. The Committee are glad to learn from the Railway Board that the work is expected to be completed within the scheduled time *i.e.*, March, 1960.	Noted. No action. The target date of completion of the Ganga Bridge Project is December, 1959. Over all progress of work upto 30th June, 1956, is 42·5% and the expenditure incurred is Rs.726·26 lakhs. [*Ministry of Railways O.M. No. 56-B(C) 6000/ Recommendations (32), dated 16/17-12-1956.*]
38	148	The Committee are of the opinion that local men, whose lands have been acquired for the Project may be given due consideration at the time of recruitment without in any way sacrificing the question of merit and past experience.	The recommendation has been noted. [*Ministry of Railways O.M. No. 56-B(C) 6000/ Recommendations (32), dated 12-7-1957.*]
39	150	The Committee hope that the work of award and payment of claims of persons whose land has been acquired on the North Bank of the project will be completed expeditiously.	Every effort is being made to expedite payments but it is difficult to predict a date for completion of this work, as it depends primarily on the Special Land Acquisition Officer of the Bihar State Government. [*Ministry of Railways O.M. No. 56-B (C) 6000/ Recommendations (32), dated 16-10-1956.*]

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		(Further information called for by the Committee) It is requested that the total estimated amount of compensation to be paid to the owners of land and amount paid and cases disposed of so far may please be furnished. The number of cases still outstanding and when the pending work was likely to be completed may also be stated. *(L.S.S. O.M. No. 111-EC-II/56, dated 20-8-59)*	(*a*) Total estimated amount of compensation to be paid to the owners of land.—Rs.85,28,301 (*b*) Amount paid 84,74,845 (*c*) No. of cases disposed of so far About 1500. (*d*) Number of cases pending 9. Amount involved 53,456 (*e*) When the pending work is likely to be completed The cases are pending for court's decision. The amounts in respect of disputed items have been deposited in the treasury and the amount will be paid by Directorate of Land Acquisition as soon as the cases are decided by Court. [*Ministry of Railways O.M. No. 59-B-(C) 6000/-32nd Report/Pt. I, dated 29-10-1959.*]
40	151	The Committee understand that the question of giving facility for making direct purchases (to the Ganga Bridge Project) is under consideration. The Committee suggest that this facility may be afforded to the project if it is likely to facilitate the progress of the work.	Necessary facility has already been given to the Ganga Bridge Project for making direct purchases upto the period ending 31-3-57 with instructions that if extension of these powers beyond that date is required, the Board may be approached in due course of time. [*Ministry of Railways O.M. No. 56-B (C) 6000/ Recommendations (32), dated 16-10-1956.*]

CHAPTER III

REPLIES OF GOVERNMENT THAT HAVE BEEN ACCEPTED BY THE COMMITTEE

S. No. as in Appendix X to the 32nd Report	Paragraph No. of the Report	Summary of recommendations conclusions	Government's reply
1	2	3	4
17	63	In order to keep locomotive production at the maximum during the developmental period, the overall production of Chittaranjan Works has been related to the performance of the best shop. To achieve this objective, the output of other shops has been balanced by procuring the components in short production from indigenous sources as well as from abroad. While such a course of action might be unavoidable in the initial stages, the Committee feel that early steps should be taken to balance production in different shops by providing extra equipment and introducing double shifts wherever necessary. Dependence on imported components should be eliminated as early as possible.	The Railways have already been taking necessary action to provide extra equipment and adequate facilities to manufacture most of the items. In order to meet the present emergency conditions, the capacity available in the Railway Workshops is being fully utilised to the maximum extent and it is not possible for these workshops to manufacture the complete range of locomotive spare parts. It has, however, been decided to set up two components manufacturing workshops, one in the North to feed Eastern, South-Eastern, Northern and North Eastern Railways and the other in the South to feed the Southern, Central and Western Railways. The Workshop in the North is being set up at a site selected near Banaras. In regard to the Workshop in the South, the matter is still under consideration of the Board.

1	2	3	4
			The Workshops at Banaras will manufacture a certain range of loco-duplicates for the maintenance of 600 locomotives. Regarding introducing double shifts, railways are making endeavours to increase the output of their workshops by introducing double shifts where necessary and practicable. Already most of the manufacturing sections in Railway Workshops are working two shifts—day and night. [*Ministry of Railways O.M. No.56-B(C) 6000/ Recommendations* (32), *dated 16-10-1956.*]
		(*Further information called for by the Committee*).	
		The progress made in setting up a workshop to manufacture locomotive components for Western, Central and Southern Railways may be communicated. (*L.S.S. O. M. No. 111-EC-II/56, dated 6-5-1959*).	Workshops Reviewing Committee in their final report recommended the setting up of two Production Units on the basis of locomotives holding envisaged, in 1955. Subsequently, the estimate of locomotives holdings underwent a modification and a drive was also initiated for higher productivity in the Railway Repair Shops. In the circumstances, it was decided to set up only one worskhop in the North, which has been located at Banaras, to manufacture components required for all the Railways. [*Ministry of Railways O.M. No. 59-B(C) 6000/ 32nd Report/Pt. I, dated 3-7-1959.*]

Detailed information as to the basis of the first decision regarding setting up of two production units and the subsequent factors, such as modification and the drive for higher productivity in the Railway Workshops which led the Ministry to give up establishment of the second production unit may please be supplied. (Information regarding past production and the present increased production of Railway Workshops, which affected the earlier decision may also be furnished.)

(*L.S.S. O.M. No. 111-EC-II/56, dated 20-8-59*)

The original proposal for the establishment of two separate Production units for the manufacture of selected standard spare parts was made in the Chief Mechanical Engineers' meeting held in the Board's office in August, 1955. At that time it was envisaged that *inter alia*, 1766 additional steam locomotives would be placed on the line during the Second Five Year Plan.

2. Subsequently, when the Second Plan allotment for the Railways was reduced from Rs.1480 crores to Rs. 1125 crores, the provision for additional items of locomotives and Rolling Stock was curtailed ; steam locomotives being reduced from 1766 to 919, or approximately one-half. Later a decision was taken to order 100 main line diesel locomotives equated to 200 steam locomotives and the net addition of steam locomotives in the Second Five Year Plan was of the order of 700 only. Further, the requirements of standard spare parts for Diesel and Electric locomotives would be obtained from the manufacturers.

3. In this background, when the additions to steam locomotives required became less than half of the original estimate, the capacity required for the production of spare parts was also correspondingly reduced. As a corollary, it was decided to establish only one Production

1	2	3	4
			unit for manufacture of spares instead of two, at Banaras, to cater for the requirements of all the Railways. 4. The anticipated increase in the production in the Railway Workshops is expected to cover the additional demands of the Third Five-Year Plan period.
20	69	If satisfactory arrangements for a steady manufacture of M. G. Locomotives at a reasonable price cannot be arrived at with the TELCO, the Committee suggest that the question of suitably expanding the Railway Workshop at Ajmer to undertake the manufacture of the M. G. Locomotives should be carefully reviewed by the Railway Ministry.	It will be observed from the attached statement* that the price payable, for instance for a metre gauge locomotive for the current period (1956-58), is about Rs. 4·50 lakhs. This has been considered as not being unreasonable as it compares favourably with the landed cost of similar stock imported from U.K. which, according to the latest quotations (of 1956), is about Rs. 4·58 lakhs per locomotive. The landed costs of British firm are regarded as a fair basis of comparison. Similar remarks apply to the prices of boilers. The Tariff Commission's recommendations are restricted to deliveries upto 31-3-1958, and satisfactory price arrangement will have to be negotiated with the firm for the period beyond

31-3-1958. Necessary steps are being taken in this respect.

[*Ministry of Railways O.M. No. 56-(B) 6000/ Recommendations (32), dated 5-3-1957.*]

(*Further information called for by the Committee*)

Chittaranjan Locomotive Works may be requested to work out the cost figures of M. G. locomotives and boilers upto the specifications produced by TELCO on the basis of cost figures of B. G. locomotives and boilers produced by them.

The Tariff Commission while enquiring into the prices payable to TELCO for the M. G. locomotives delivered by it upto 31-3-1958 had suggested a formula of estimating the cost of YG locomotive from that of a WG locomotive. The formula was based on figures obtained from a manufacturer in Britain which had manufactured both types of locomotives. The formula laid down the relationship between the wages (amount of work) and overheads between a WG and YP locomotive. To arrive at the cost of a YG locomotive (currently under production in TELCO) from the cost of a YP locomotive so arrived at, further adjustments are required to be made. The formula suggested was applicable if both the types of locmotives (*viz.* WG and YP) were under production in the same works. It will be appreciated that that is not the position in the Chittaranjan Locomotive Works, as no M.G. locomotives have been or/are being manufactured in C.L.W. The application of any formula to the cost figures of B.G. locomotives in C.L.W. would

1	2	3	4
			give only a very rough figure which cannot be taken as reasonably realistic indication of the firm cost of manufacture of a M. G. locomotive of the YG type, detailed estimating of the requirements of raw materials for all the finished components and work assessment on all the units as also the design of the various jigs and tools and other facilities required would have to be done and in this process again only data on the building of B. G. locomotives would be available which would vitiate the results.
			In view of the position as explained above, it is suggested that no useful results for the purpose of drawing any firm conclusions can be expected by asking C.L.W. to work out the estimated cost of M. G. locomotives, if manufactured in that Works.
		Information regarding price of M.G. locomotives and boilers up to the specifications produced by TELCO purchased from U. K. and other foreign countries and the transport charges paid thereon may please be furnished	No M. G. steam locomotives have been ordered out after the year 1955 and the quotations received at that time are shown in Annexure 'A'* indicating also the approximate handling charges and the prices at which orders were placed.

		separately. (*L.S.S. O.M. No.*111-*EC-II*/56, *dated* 20-8-59.)	The quotations shown do not, however, reflect the current market conditions abroad and to that extent its usefulness for any comparison with current prices of TELCO would be extremely limited. [*Ministry of Railways O.M. No.* 59-*B*(*G*)-6000/32*nd Report*/*Pt.-I, dated* 3-10-1959.]
23	85	As the total number of workers to be employed at the Integral Coach Factory would be of the order of 4,000 the provision of only 400 staff quarters in the township appears to be inadequate. The Committee, therefore, recommend that the feasibility of suitably expanding the township should be examined by the Railway Ministry. They also recommend that the standard of amenities to be provided in the township should be the same as at Chittaranjan.	The size of the staff colony at Perambur was planned on the same scale as the accommodation that had already been provided in the adjoining Southern Railway Colony for the staff of the Loco and Carriage Workshops, where accommodation to the extent of 10% only has been provided. Chittaranjan township was constructed in an undeveloped area where private enterprise was not available. In the case of Perambur, however, the Colony lies within the limits of a big city with well-developed suburbs. A good percentage of the staff perfer to and are able to find suitable accommodation outside, in the city or in the suburbs, with frequent suburban train services. It is however, proposed to construct some more quarters in connection with the new Furnishing Project. 2. In planning additions to the existing colony, due consideration will be given to the Estimates Committee's recommendation that the standard

N.B.—Annexure 'A' is reproduced as Appendix IV.

1	2	3	4
			of amenities to be provided in the township should be the same as at Chittaranjan. [*Ministry of Railways O.M. No.* 56-*B*(*C*) 6000/ *Recommendation* (32), *dated* 1-2-1957.]
25 (*b*)	96	As a matter of fact, the Committee would like the Railway Ministry to think about their requirements for the Third Plan and take steps to see that a nucleus of trained men is available in time for building adequate number of coaches and locomotives during the Third Plan period. The import of Rolling Stock should be put a stop to by the end of the Second Plan period, if not earlier.	The question of training sufficient men to stop import of rolling stock by the end of the Second Plan period as far as possible is already receiving the attention of the Railway Board and steps have been taken to form a nucleus of trained men to meet the increasing needs of trained personnel. In fact, the capacity of the Technical School at Chittaranjan Locomotive Works has already been increased and a school has been established at the Integral Coach Factory, Perambur. 2. The question of import of rolling stock is, however, not entirely dependent on trained men and while steps are being taken to achieve self-sufficiency in all branches as early as possible, there may be other factors which may not completely eliminate the purchase of stock from abroad at least of some special types. [*Ministry of Railways O.M. No.* 56-*B*(*C*)6000/ *Recommendation* (32), *dated* 16-10-1956.]

26	104	The Committee recommend that the Railway Ministry should take vigorous steps to see that all the components required for the Integral Coach Factory are manufactured within the country.	It has already been decided that the coaches from Integral Coach Factory will be turned out by using indigenously made components excepting wheels and axles, springs, proprietary fittings and such components the manufacture of which cannot be economically set up at the coach factory and which are not at present manufactured in country by other industries. The position is, however, expected to improve as greater industrialisation takes place and ancillary industries are set up. The Ministry of Railways would cooperate with such industries. The production schedule of such coaches as originally planned and as revised now is given below :

	No. of the unfurnished coaches per year to be turned out by using indigenously made components excepting wheels and axles, springs, proprietary articles etc.	
	Originally Planned	Revised
1st year of production	..	..
2nd year of production	20	20
3rd year of production	120	120
4th year of production	280	310
5th year of production	350	350

[*Ministry of Railways O.M. No. 56-B (C) 6000/ Recommendation* (32), *dated* 16-10-1956.]

1	2	3	4
31	111—113	The Committee suggest that the investigations visualised by the Railway Board for stepping up the production in the Factory beyond the planned target of 350 coach shells per year may be undertaken immediately with a view to attaining self-sufficiency in the coaches as early as possible. It is desirable that the Factory should be made to work in two shifts in order to obtain the most economical use of plant and machinery on which heavy expenditure has been incurred. Modern machinery and equipment are so costly that single shift working is uneconomical. Double shift working will reduce the cost to a great extent and will secure more production which will ultimately reduce the existing chronic overcrowding in the Railways.	Multiple shift working is normally introduced to ensure more intensive use of machinery and plant installed and other assets created, with a view to achieving more economic outturn. This is a desirable feature and should be introduced, wherever possible, without delay. The possibility of introduction, however, varies with the nature of processes involved in the manufacture of the product. Multiple shift working becomes fairly simple when the processes involved are simple, of a repetitive nature, and use is made for more or less automatic machinery and plant thereby minimising the amount of skill required from the worker. In some cases multiple shift working becomes inescapable on account of the processes of manufacture being continuous. Examples of factories where multiple shift working can be introduced with comparative ease are the Fertiliser Factory, the Coke-Oven Plant, Rolling Milling Plant etc. In the case of engineering workshops dealing with such manufacture as locomotive production, coach production, motor-car production, the number of components to be manufactured is very large and the number of processes involved in the manufacture of each component is varied. The details of operations involved in the manufac-

ture of componets run into many thousands. It, therefore, becomes necessary to train staff to be able to deal with a large number of processes which naturally takes time. The introduction and stabilisation of the main day shift usually takes three to four years or longer, especially in our country, as skilled workmen are not readily available. The introduction of a second shift working must necessarily await the stabilisation of the main shift working, training of staff, and setting up an efficient production. Rushing into a second shift without stabilising the first shift would resut in general inefficiency all round and uneconcmical production thereby defeating the very purpose of the introduction. In the case of the Integral Coach Factory, it is expected that effective double shift working can be introduced only in the 3rd or 4th year of production which will permit training staff etc.

[*Ministry of Railways O.M. No.* 56-13 (*C*) 6000/ *Recommendation* (32), *dated* 16-10-1956.]

(*Further information called for by the Committee*)

Please indicate the progress made in introducing double shift working in the Integral Coach Factory.

(*L.S.S.*[*O.M. No.* 111-*EC-II*/56, *dated* 6-5-59)

Sanction to the introduction of 2nd shift working at Integral Coach Factory, Perambur, was issued in February, 1959 and suitable steps are being taken by the I.C.F. to build up 2nd shift working as early as possible.

[*Min. of Rlys. O.M. No.* 59-*B*(*C*)6000/32*nd Report*/ *Pt. I, dated* 3-7-1959.]

1	2	3	4
34	116	The Committee welcome the proposal to obtain technical experts from abroad both under the "Aid Programmes" and under direct terms, some of whom will also be used as demonstrators and as advisers in regard to the efficiency of organisation and output in the Railway workshops including the two Production units. The Committee, however, suggest that, as a regular measure, a team of experts drawn from leading manufacturing establishments from within the country as well as from abroad should be asked to go into the working of the Chittaranjan Locomotive Works, and the Integral Coach Factory, as also other major workshops every quinquennium. Such an impartial study into the working of the important projects will result in useful suggestions to improve the working, both from the point of view of efficiency and economy.	It is accepted in principle that an examination of an industrial undertaking by suitable experts could be of benefit to the undertaking. This should, however, be called for only when such a necessity arises. The Chittaranjan Locomotive Works have had the benefit of a five-year collaboration with M/s. Locomotive Manufactures Co. of U. K. up to December 1954 when an agreement was signed with M/s. North British Locomotive Co., the largest loco-building works in Britain, for another five years' collaboration. During the current agreement period Chittaranjan can call for the services of experts through this company. M/s. North Britain Locomotive Co. have also undertaken to communicate free-of-cost to Chittaranjan any technical improvements in steam, diesel or electric locomotive manufacture and in design or process of manufacture of components, assemblies etc. In the earlier stage agreements were also made to draft the services of a Works Manager from the British Railways to advise on setting up production. He was in Chittaranjan for about three years. It will be seen, therefore, Chittaranjan has had advantage of advice from experts in the steam

locomotive field and these contacts are still continuing. In the circumstances to super-impose another team of experts—and it will be very difficult to find men of superior calibre—would be a disadvantage at this stage.

The Integral Coach Factory, engaged in the manufacture of light-weight integral coaches in steel construction, have entered into an agreement in 1949, current for 12 years, with M/s. Swiss Car & Elevator Manufacturing Corporation Ltd. of Switzerland who are considered to be pioneers and established experts in the manufacture of light-weight coach construction. The factory turned out its first coach only as recently as in October 1955 and a number of Swiss technicians headed by a Chief Technical Manager are, at present, in position in the factory. Further, the Swiss firm bears the responsibility for out-turn as payment to them is related to the number of coaches turned out. In the circumstances, here again it may be stated that during the present period of collaboration with a firm of repute, it would not be in our interests to surper-impose another team of experts to examine the working of the Integral Coach Factory.

The recommendation of the Estimates Committee is being taken note of and will be implemented when a suitable opportunity offers itself.

[*Ministry of Railways O.M. No. 56-B(C)/6000/ Recommendation* (32), *dated* 16-10-1956.]

1	2	3	4
36	118	The Committee would like to reiterate their recommendation in Para 24 (iii) of their Sixteenth Report that the officers and staff employed in the nationalised undertakings should be representative of every part of the country. The Railway Ministry have indicated that it would be difficult to apply this principle in Class IV service.	The above recommendation has been noted but it would not be possible to implement the same in respect of categories in Class IV service as such employees do not normally like to move to distant places. [*Ministry of Railways O. M. No. 56-B (C) 6000/ Recommendation* (32), *dated* 1-2-1957.]
41	152	The Committee suggest that a spirit of healthy competition should be introduced amongst different sections. The earthwork done by the staff under different supervisors can be compared and an efficiency shield might be given to the team which puts forth the best performance. The feasibility of utilising voluntary labour for expediting the work might also be examined. The Committee further suggest that the General Manager and the Chief Engineer should have daily, weekly and monthly charts in their offices indicating the physical progress of expenditure incurred.	The earthwork on the Project is being done departmentally by earth moving machinery. Operation of each machine is carefully observed and a daily record of the output by each machine is maintained. Daily, fortnightly and monthly progress charts are also maintained and any shortfalls are noted and analysed. The earthwork in connection with the Construction of the Guide Bank and portion of North Approach Bank has been completed within the scheduled time. As such "Efficiency Shield" as suggested by the Estimates Committee is unlikely to improve the performance. 2. There are no ancillary or unimportant works on this Project on which voluntary labour could be employed without causing repercussions on other paid labour. The local population consists mostly of farmers, some with small holdings of land and the rest working on zamindari land. Their main sustenance is drawn from the labour

they put in and they can have hardly any incentive for voluntary labour, as this work will not be of any direct benefit to those workers. Sufficient unskilled labour on daily payment have been available all through the working season. Specially skilled and highly technical labour had necessarily to be brought from outside. Importing voluntary labour from outside the locality would involve (i) high cost of residential accommodation and the provision of other facilities, and (ii) depriving local labour of means of livelihood; those whose lands have been acquired by the Project have legitimately looked forward to such employment and always clamour for it. Further, the employment position in the area being none too good, bringing in of voluntary labour would give rise to serious discontent. For these reasons the idea of employing voluntary labour on any phase or part of the construction has not been considered desirable.

3. Daily progress reports on earthwork and sinking and concreting of wells are being maintained. In addition monthly charts depict physical progress under different heads.

[*Ministry of Railways O. M. No. 56-B (C) 6000/Recommendation (32), dated 16/17-12-1956.*]

CHAPTER IV

REPLIES OF GOVERNMENT THAT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

S.No. (as in Appendix X to 32nd Report)	Paragraph No. of the Report	Summary of recommendation/conclusion	Government's reply	Comments of the Committee
1	2	3	4	5
30	110	The Committee repeat that the Railway Ministry should aim at self-sufficiency in their requirements of Rolling Stock by the end of the Second Five Year Plan, if not earlier.	The Railway Ministry is making all possible efforts to attain self-sufficiency in their requirements of Rolling Stock as early as possible. Briefly, the position may be stated as under:— 1. Re : *Locomotives.* It is proposed to increase the present production capacity in the country by expansion of the existing works to meet the future requirements. In the interim period, however, while the expansion of the factory is in progress, it will	Please see Chapter I.

be necessary to continue to import locomotives to meet immediate requirements.

2. Re : *Coaches*. It is proposed :

(*a*) that the Hindustan Aircraft Ltd. should expand their works to give an increased out-turn;

(*b*) that the Integral Coach Factory should revise their targets to achieve full production as early as possible ?

(*c*) that Railway Workshops should undertake more work of coach building, including letting out work by contract and;

(*d*) that a new Metre-Gauge Coach Factory should be established as early as possible.

3. Re : *The Wagon building industry* which is entirely in the hands of the private sector, arrangements have been made with the existing producers to increase their out-turn which is now estimated at about 20,000 wagons (in terms of four wheelers)

1	2	3	4	5

per year. There are also prospects of developing further wagon-building capacity by establishment of new wagon building works. These will also be in the private sector.

[*Ministry of Railways O.M. No. 56-B (C) 6000/Recommendation (32), dated 16/17-12-1956.*]

(***Further information called for by the Committee.***)

The Ministry is requested to please furnish a statement of requirements and internal production of locos and coaches.

(*L.S.S. O.M. No.* 111-*E.C.II/56, dated 20-8-59.*)

The revised requirements of locomotives and coaches during II Five Year Plan are as under:—

LOCOMOTIVES

	B.G.	M.G.	N.G.	Total
Steam . .	1018	934	24	1976
Electric . .	22*	..	..	22
Diesel . .	157	25	..	182
TOTAL .	1197	959	24	2180

COACHES

Coaches (in units)	4650	3509	335	8494
Railcars	24	..	..	24
E.M.U.	231*	16	..	247
TOTAL	4905	3525	335	8765

Out of the requirements indicated above the internal production of locos and coaches during the II Plan period is estimated as under :—

LOCOMOTIVES

	B.G.	M.G.	N.G.	Total
Steam	830	452	..	1282
Electric	10	..	..	10 **
Diesel	50	25	..	75†
TOTAL	890	447	..	1367

COACHES

Coaches (in units)	4650‡	3509§	335	8494
Railcars	..	..	..	..
EMU	..	..	..	..
TOTAL	4650	3509	335	8494

[*Ministry of Railways O.M. No. 59-B(C) 6000/32nd Report/Pt.-I, dated 18-9-1959*].

*Excluding requirements of Calcutta Electrificatoin Project but including 5 BG Electric locos and 57 BG EMU coaches to be transferred to Bombay area out of the stock provided for Calcutta Electrification Project.

**To be assembled at C.L.W.

†Indigenous capacity is being developed in the private sector, for progressive manufacture.

‡Including 207 shells received from abroad in knocked down condition and assembled and furnished at I.C.F.

§Including 167 shells received from abroad and furnished in India in Railway Workshops.

1	2	3	4	5
		(Further information called for by the Committee).		
		(*i*) Year-wise figures may please be supplied in respect of locomotives and coaches (all types) produced or to be produced internally during the Second Five Year Plan period. The number of locos and coaches (all types) for which orders have been placed in foreign countries and the number of locos and coaches of each type for which orders are yet to be placed on foreign firms may also please be furnished.	Information required is given in the attached statements* I & II.	
		(*ii*) The reasons for the discrepancies given below in the figures of locomotives and coaches ordered during the year 1956-57 as revealed from the study of White Paper on the Railway Budget 1957-58 presented in March 1957 and the Annual Report Pt. I for	*Regarding Locomotives* 557 locomotives referred to in para 14 of the White Paper on the Railway Budget 1957-58 represent locomotives ordered against those provided in 1956-57 Rolling Stock Programme. On the other hand 390 locomotives referred to	

the year 1956-57 may please be stated:—

	Locos.	*Coaches*
White Paper—para 14.	557	1931
Annual Report-Para I.	390	804

(*L.S.S. O.M. No.*111-*EC-II*/56, *dated 28-9-1959.*)

in Rly. Board's Report-Volume I, 1956-57 represent locomotives which were ordered during the period 1-4-56 to 31-3-57 irrespective of Rolling Stock Programmes to which they relate.

Regarding Coaches, 1931 coaches referred to in White Paper represent coaches provided in the 1956-57 Rolling Stock Programme for manufacture in public and private sectors including Railway Workshops whereas the number of 804 coaches referred to in the Railway Board's Report—Vol. I represent coaches *actually ordered* from 1-4-56 to 31-3-57 in the private and public sectors excluding Railway Workshops.

[*Ministry of Railway O.M. No. 59-B (C)-6000/32nd Report/ Pt. I, dated 26-10-1959.*]

It may further be stated that what is given in Para 14 of the White Paper on the Railway Budget, 1957-58 is the

N.B. Statements I & II are reproduced in Appendix V.

1	2	3	4	5
			number of Locomotives ordered against 1956-57 and 1957-58 Programme and not during any specific period, while the Administrative Report Part I gives the number ordered during the specific period from 1-4-1956 to 31-3-1957. It is hoped that this would clarify the position. [*Ministry of Railways O.M. No. 59-B (C)-6000/32nd Report/ Pt. I, dated 27-11-1959.*]	
			The mistake was primarily in the loose wording "in the current year" in paragraph 14 of the White Paper on the Railway Budget 1957-58 as presented in March, 1957. * * * It is regretted that the persons who prepared the draft of the above, presumed that in the context of the budget	

documents, the earlier expression " in the current year" would also be read as meaning "orders against the current year's programme".

[*Extracts from detailed note received with Jt. Director Finance D.O. No. 60-B(C)-6000/II/ 74th Report dated the 16/17-2-60.*]

NEW DELHI;

The 16th March, 1960.

The 26th, Phalguna, 1881(*S*).

H.C. DASAPPA,

Chairman,
Estimates Committee.

APPENDIX I

Recommendation 58 of the 21st Report:

The progress made on Indian Railways with regard to introduction of a proper system of costing in Railway workshops is very slow. A cost accounting unit on modern lines has been set up at the Locomotive Manufacturing Works, Chittaranjan.

The Committee recommend that the officers from the Indian Railways should be sent to Chittaranjan for a short period to take intensive training in this subjet, and that the cost accounting unit should be set up in each major workshop of the Indian Railways.

Reply of Government:

The prescribed programme of training for probationary officers in the Indian Railway Accounts Service already includes a course of training in Cost Accounting at Chittaranjan. Instructions are also being issued to the Railways that when class II officers are to be posted as workshop Accounts Officers in arrangements expected to be long-term, measures should be adopted to enable them to study the system of Cost Accounting and Production Control at Chittaranjan for some period.

In order to set up costing units in major workshops, the Board have already recruited Cost Accountants and Cost Accounts Officers. In addition a comprehensive scheme has been drawn for affording practical and theoretical training for Railway Officers and staff by the Institute of Cost and Works Accountants, Calcutta. The first batch of I.R.A.S. Officers have already completed their training in April, 57, and the first batch of clerks are under training.

A co-ordinating unit for introducing Cost Accounting headed by a Senior Officer has also been set up in the Board's establishment, and details have been worked out for introducing pilot schemes, to begin with in some of the Locomotive Workshops.

Though the above preliminary steps have been taken towards implementing the recommendations, it will be appreciated that some time will necessarily be taken in fully implementing the recommendations, in view of the following:

(a) A scientific system of costing presupposes the existence of an efficient Production control organisation, which *inter alia* entails establishment of planning, rate fixing, scheduling and progressing, inspection and jig and tool sections in the workshops. Many of the Indian Railway workshops satisfy these requirements only partially. This requires specialised technical staff and such staff are not immediately available to the extent required. Steps taken to recruit and train staff will naturally take time to produce results.

(b) The extant practice of drawing stores for consumption in workshops, repairing of components, and assemblies in batches, exchange of components between different units of rolling stocks, absence of substores in each shop, method of time booking by head and hand method instead of by the use of clocks, etc. make it very difficult to allocate labour and stores charges correctly and it will take time before the necessary refinements are introduced for overcoming these difficulties.

(c) The first batch of clerks who are at the ICWA will be completing the training only after about six months, after which only subsequent batches from different Railways can be sent for training. Therefore there will be unavoidable delay before adequate number of trained staff is in position.

In view of the aforesaid reasons and of the fact that a vast field has to be covered, it would be quite sometime before it can be claimed that the recommendations have been implemented.

As regards the recommendation to have a scientific system of Cost Accounting as at C.L.W. in other state enterprises, adopting the system with suitable modifications, the appropriate co-ordinating organisation of Ministry of Finance has been advised of this recommendation for necessary action.

APPENDIX II

(Published in the Gazettee of India Extraordinary, dated 26-11-1956)

GOVERNMENT OF INDIA

MINISTERY OF HEAVY INDUSTRIES, NEW DELHI

Dated 23-11-1956

RESOLUTION

No. Eng. Ind 17(17)/56.

By a resolution No. Eng. Ind. 17(17)/55, dated the 10th October, 1955, the Government of India asked the Tariff Commission to make an enquiry into the prices of locomotives and boilers produced by M/s Tata Locomotive & Engineering Co., Ltd. for supply to the Railway Board and to submit its recommendations regarding fair prices. The Commission submitted its report at the end of September, 1956. The main recommendations of the Commission are summarised below:—

(1) M/s. Tata Locomotive & Engineering Co. Ltd. should so maintain its costs as to be able to provide a break-down into about 40 groups of sub-assemblies. The costs of certain items selected should be separately recorded.

(2) Certain prices as recommended should be paid for the locomotives and spare boilers delivered by M/s. Tata Locomotive & Engineering Co. Ltd. during the first price period (1st July, 1954 to 31st March, 1955 for locomotives and 1st February, 1954 to 31st March, 1955 for boilers), the second price period (1st April, 1955 to 31st M rch, 1956) and the third price period (1st April, 1956 to 31st March, 1958).

(3) The prices recommended for the third price period may be adjusted from time to time to the extent that Government are satisfied that manufacturing costs have altered as a result of changes in railway freights, changes in statutory prices of coal and other fuel, raw materials, stores or machinery and changes in labour costs caused by labour legislation or adjudication or conciliation awards.

(4) A cost investigation should be made before prices are fixed for any price period in future.

2. The Commission has examined M/s. Tata Locomotive & Engineering Co.'s basic cost of production in relation to the corresponding cost of the Government-owned locomotives manufacturing unit at Chittaranjan and has then allowed for profit, managing agency commission and special depreciation as admissible under the agreement entered into between the firm and the Railway Board.

3. Government accept the recommendations (2), (3) and (4) above and invite the attention of M/s. Tata Locomotive & Engineering Co. Ltd. to the recommendation (1).

4. The Commission has also made the following ancillary recommendations:—

(*a*) No further orders for spare boilers and no orders for locomotives of types other than YG and YP should be placed with M/s Tata Locomotive & Engineering Co. Ltd. until the termination of the present agreement.

(*b*) There should be full exchange of informaion and consultation between the Railway Board and the Company and adjustments in the phasing of the Railway Board's requirements of locomotives should be made by mutual consent so as to secure maximum economy in production.

(*c*) In order to facilitate the preparation of drawings, the Company should be informed of any modifications required in the original specifications without undue delay.

(*d*) The present level of inspection should be maintained.

(*e*) The system of payments adopted in the case of M/s Tata Locomotive & Engineering Co. Ltd. should not be less favourable than that followed in the case of foreign suppliers of locomotives and boilers.

(*f*) With a view to promoting closer collaboration in technical matters, M/s. Tata Locomotive & Engineering and Chittaranjan should arrange more frequent visits of their personnel to each other's works.

5. Government accept the recommendation (a) above in so far as it relates to deliveries up to 31-3-58, but for deliveries beyond that date the possibility of a modification in the types of stock required in changing circumstances must be taken into account. Accordingly steps will be taken to negotiate with M/s. Tata Locomotive & Engineering Co. Ltd. in the matter of prices for the period beyond 31-3-58, keeping in view any alterations in requirements that may arise. Recommendations (b), (c), (d), (e) & (f) are being further examined by Government and steps will be taken to give effect to them as far as possible.

6. Government trust that M/s. Tara Locomotive & Engineering Co. Ltd. will also take suitable action on the suggestions made in the Tariff Commission's Report regarding the scope for improvement in various matters such as the absorption of surplus labour, introduction of a less expensive incentive system of payment, and avoiding delays in expanding the project.

ORDER

Ordered that a copy of the Resolution be communicated to all concerned and that it be published in the Gazette of India.

Joint Secretary to the Govt. of India.

Statement showing prices fixed by Tariff Commission of Locos & Boilers produced by TELCO

(In units of rupees)

Type of Locomotive/Boiler	Price quoted by Telco per unit	Price recommended by Tariff Commission per unit and accepted by Govt.
1	2	3
I. *Deliveries in 1st Price Period* :		
(1-2-54 to 31-3-55 for boilers and 1-7-54 to 31-3-55 for locomotives)		
Locos YP I Order (34 units) . . .	7,20,396	6,90,105
Boilers XC I Order (12 units) . .	3,68,098	3,40,908
Boilers YD (40 units) .	2,08,272	1,75,512
II. *Deliveries in the 2nd Price Period* :		
(1-4-55 to 31-3-56 for both locomotives and boilers)		
Locomotives YP II Order (42 Units)	6,63,028	6,37,829
Boilers YD (13 units)	2,08,272	1,63,216
YP (12 units)	1,86,269	1,52,229
YG (6 units)	1,86,006	1,50,867
YF (8 units)	1,27,742	1,13,622
XE (3 units)	2,83,539	2,55,610
III. *Deliveries in 3rd Price Period*:		
(1-4-56 to 31-3-58 as both for locomotives and boilers)		
Locos		
YP II Order (8 units) . .	No prices	5,40,905
YG II Order (50 units) . .	quoted	5,11,562
YP III Order (70 units)	yet by TELCO	4,42,755
YG III Order (14 units) . . .		4,44,873

1	2	3
Boilers		
XF (39 units)	No prices	92,719
XE (6 units) .	quoted yet	2,37,696
(8 units) . .	by TELCO	2,27,584
XC (22 units)		2,08,290

NOTE. In quoting prices, TELCO spread the total quantum of the depreciation evenly over the entire period upto the expiry of the Agreement (*i.e.* from 1954 upto 1961), and also quoted separately for profit. These quotations have been adjusted in Column 2 above so as to arrive at the composite (aggregate) quotations, which would permit comparison with the prices recommended by the Tariff Commission.

The prices recommended by the Commission, when compared with the prices asked for by TELCO, involve a reduction of Rs.59 lakhs approximately out of an aggregate price of about Rs. 679 lakhs for deliveries in the first two price periods (1954-56). For deliveries in the third period (1956-58) for which TELCO had quoted no prices, the Commission recommended substantially lower prices than those recommended for the two earlier periods.

APPENDIX III

Statement showing prices fixed by Tariff Commission of Locos & Boilers Produced by TELCO

(In units of rupees)

Type of Locomotive/ Boiler	Price quoted by Telco per unit	Price recommended by Tariff Commission per unit and accepted by Govt.
1	2	3
I. *Deliveries in 1st Price period* :		
(1-2-54 to 31-3-55 for Boilers and 1-7-54 to 31-3-55 for Locomotives).		
Locos YP I Order (34 units) . .	7,20,396	6,90,105
Boilers XC I Order (12 units) . .	3,68,098	3,40,908
Boilers YD (40 units) . . .	2,08,272	1,75,512
II. *Deliveries in the 2nd Price Period* :		
(1-4-55 to 31-3-56 for both locomotives and boilers).		
Locomotives YP II Order (42 Units) .	6,63,028	6,37,829
Boilers YD (13 units) . .	2,08,272	1,63,216
YP (12 units) . .	1,86,269	1,52,229
YG (6 units) . .	1,86,006	1,50,867
YF (8 units) . .	1,27,742	1,13, 622
YE (3 units) . .	2,83,539	2,55,610
III. *Deliveries in 3rd Price Period :*		
(1-4-56 to 31-3-58 as both for locomotives and boilers).		
Locos :		
YP II Order (8 units) .	No Prices	5,40,905
YG II Order (50 units)	quoted yet	5,11,562
YP III Order (70 units)	,,	4,42,755
YG III Order (14 units)	,,	4,44,873

1	2	3
Boilers :		
XF (30 units)	No prices quoted yet	92,719
XE (6 units)	,,	2,37,696
(8 units)	,,	2,27,584
XC (22 units)	,,	2,08,290

NOTE: In quoting prices, TELCO spread the total quantum of the depreciation evenly over the entire period upto the expiry of the Agreement (*i.e* from 1954 upto 1961), and also quoted separately for profit. These quotations have been adjusted in Column 2 above, so as to arrive at the composite (aggregate) quotations, which would permit comparison with the prices recommended by the Tarriff Commission.

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APPENDIX IV

Annexure A

Landed cost of YP/YG locomotives imported from 1951-52 to 1955-56

Year	Country	No. & Type	Contract Price	Landed cost (in lakhs)	Remarks
				Rs.	
1951-52	(*i*) U.K. .	100 YP	£ 17,920	3·52	..
	(*ii*) Germany	50 YP	£ 17,850	3·52	..
1954-55	(*iii*) Germany .	150 YP	£ 20,408	3·40	..
	Japan	75 Y.G.	£ 19,100	3·18	..
1955-56	(*iv*) Japan . .	39 YG	£ 18,100	3·02	
	(*v*) Austria . .	50 YG			
	(*vi*) Czechoslovakia	50 YG			

N.B. (*i*) A list of the quotations for Y.G. locomotives received from various countries against 1955-56 and 1956-57 programmes is enclosed.

(*ii*) Estimated landed cost represents the F.O.B. cost (converted into rupees at the conversion rate of £1=Rs. 13⅓) plus freight customs and other incidental charges, etc. at 25% of F.O.B. cost.

(*iii*) Basis adopted for computing landed cost against items (*i*) and (*ii*) are slightly different as indicated in the enclosed letter .

Annexure A (*contd.*)

Quotations received against 1955-56 *Rolling Stock programme for Gauge Locomotives*

Sl. No.	Name of the firm	Y.G. Type Locomotives			
		F.O.B. Cost		Landed cost	
		Supplementary hand out-opened on 31-5-1955			
		£		£	Rs.
1	M/s. Wiener locomotive Fabric, Austria . .	18,350	for 40 Nos.	22,937/10/-	3,05,833
		18,300	for 50 Nos.	22,875	3,05,000
2	M/s. Mitsubishi Heavy Industries Ltd., Japan .	18,100	for 50 Nos.	22,625	3,01,667
3	M/s. S.A. John Cockrail, Belgium . .	24,757	for 25 Nos.	30,946	4,12,617
		24,264	for 50 Nos.	30,330	4,04,400
		23,764	for 100 Nos.	29,705	3,96,067
4	M/s. Nippon Sharyo Seizo Kaisha Ltd., Japan .	18,100	for 50 Nos.	22,625	3,01,667
5	M/s. Kisha Seizo Kaisha Ltd., Japan . .	21,300		26,625	3,55,000
6	M/s. Baldwin Lima-Hamilton Corporation, U.S.A. . .	54,630		68,287/10/-	9,10,500
7	M/s. Henschel and Sohn, Germany.	19,980	for 100 Nos.	24,975	3,33,000
		19,780	for 200 Nos.	24,725	3,29,667
8	M/s. Krauss Maffie, Germany.	21,500	for 25 Nos.	26,875	3,58,333
		20,700	for 50 Nos.	25,875	3,35,000
		19,700	for 100 Nos.	24,625	3,28,333
		19,400	for 200 Nos.	24,250	3,23,333

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Sl. No.	Name of the firm	Y.G. Type Locomotives			
		F.O.B. Cost		Landed Cost	
	Price Variation : Firm price at increase of 4·5%				
9	North British Locomotive Co., U.K. . .	24,950	fixed price	31,187/10/-	4,15,833
10	M/s. Hitachi Ltd., Japan . .	18,200		22,750	3,03,333
11	M/s. Ansaldo S. P.A., Italy .	33,200	for 25 Nos.	41,500	5,53,333
		32,500	for 50 Nos.	40,625 Fixed Price	5,41,667
12	M/s. Tammerfors Linn Och Jeru, Finland . .	41,000		51,250	6,83,333
13	M/s. Strojexport, Czechoslovakia.	18,100		22,625	3,01,667
	Quotations received against 1956-57 Rolling Stock Programme				
14	M/s. North British Locomotive Co. Ltd., U.K. .	27,460	(Price variation)	34,325	4,57,667
		29,260	(Fixed Price)	36,575	4,87,667
15	M/s. Nippon Sharyo Seizo Kaisha Ltd., Japan .	18,100		22,625	3,01,667
16	M/s. Kisha Seizo Kaisha Ltd. Japan . .	19,800		24,750	3,30,000
17	M/s. Mitsubishi Heavy Industries, Japan . .	21,940		27,425	3,65,667
18	M/s. Krauss Maffei, West Germany.	2,47,000	D.M. Price variations £21,400	26,255	3,50,067
		2,59,350	D.M. (Fixed Price) £22,053/10/-	27,567	3,67,560
19	M/s. Hitachi Ltd., Japan . .	18,600		23,250	3,10,000
20	M/s. Henschel & Sohn, Germany	24,580	(Price variations)	30,725	4,09,667
21	M/s. Strojexport, Czechoslovakia.	25,900	(Fixed Price)	32,375	4,31,667
		18,020		22,525	3,00,333

NOTE :—This list indicates only the quotations received. The actual price fixed by negotiations may turn out to be lower.

COPY

GOVERNMENT OF INDIA

MINISTRY OF RAILWAYS

(RAILWAY BOARD)

No. 52/459/7/M. NEW DELHI, dated 21-4-1953

To

Messrs Tata Locomotive & Engineering Company Ltd.,
24, Bruce Street,
Fort, Bombay—1.

Dear Sirs,

SUB. : Provisional Payment for Y.G. Locomotives.

Please refer to your letter No. TG 3284 dated 4-3-1953. The details of the basis of provisional payment of 3 1/2 lakhs per locomotive sanctioned by the Board are as under :—

(*i*) F.O.B. cost of YP Locomotive ex-Germany (inclusive of £172,856 claimed by manufacturers due to increase in the cost for 50 YP Locomotives)	£ 21,307
(*ii*) Customs charges @5 % and Department Charges and Freight 15% of the F.O.B. cost . . .	£ 4,420
TOTAL . .	£25,727
or . .	Rs. 3,43,027
(*iii*) Since 'YG' is about 1·1/3 tons heavier than 'YP' the cost of the increased tonnage	Rs. 9,000 approximately
GRAND TOTAL Rs. .	3,52,027 approximately
Rounded off Rs. .	3,50,000

Yours faithfully,
Sd: P. Morris,

Director, Mechanical Engineering,
Railway Board.

COPY

GOVERNMENT OF INDIA

MINISTRY OF RAILWAYS

(RAILWAY BOARD)

No. 52/459/7/M. NEW DELHI, dated 10-4-1959

To

The Deputy Financial Adviser and Chief Accounts Officer,
Chittaranjan Locomotive Works,
CHITTARANJAN.

SUBJECT: *Provisional Payment for YP Locos ordered on M/s. Tata Locomotive & Engineering Company.*

M/s. Tatas have represented for increase in the Provisional Payment of YP class M.G. Locos at present being manufactured by them. The Railway Board on reconsideration have decided that pending fixation of the price, provisional payment for YP Class locos should be made at Rs. 3·52 lakhs (Rs. three lakhs and fifty-two thousands) instead of Rs. 3·35 lakhs for each completed loco. This is in supersession of Board's letter of even number dated 31-12-1953.

Sd : P. Morris,
Director, Mechanical Engineering,
Railway Board.

D.A. Nil.

No. 52/459/7/M. New Delhi, dated 10-4-1954

Copy forwarded for information to :—

1. Messrs Tata Locomotive and Engineering Company Ltd., Bombay House, 24, Bruce Street, Fort, Bombay with reference to their letter No. TG-912, dated 27-2-1954.
2. Accounts Branch, Railway Board with reference to item 75 of Railway Board's R.S.P. 1953-54.
3. Chief Auditor, Eastern Railway, Calcutta.
4. F(X)II Branch, Railway Board.

Sd: P. Morris,
Director, Mechnaical Engineering,
Railway Board.

D.A. Nil.

APPENDIX V

Statement I

Statement showing the number of Locomotives/Coaches produced or to be produced internally during the Second Five Year Plan period

LOCOMOTIVES

Year	Broad Gauge			Metre Gauge		Narrow Gauge
	Steam	Electric	Diesel	Steam	Diesel	Steam
1956-57 . .	156	..	..	67	..	..
1957-58 . .	164			85	..	..
1958-59 . .	165		..	103	..	..
1959-60 . .	172	..	..	100	..	..
1960-61 . .	173	10	50	97†	25	..
TOTAL .	830	10	50	452	25	..

COACHING STOCK (In terms of Units)

Year	Broad Gauge			Metre Gauge		Narrow Gauge
	Coaches	E.M.U.	Railcars	Coaches	E.M.U.	Coaches
1956-57 . .	520*	..	..	688**	..	32
1957-58 .	762	..	..	424†	..	69
1958-59 .	943	..	..	684	..	24
1959-60 .	1200	..	..	850	..	100
1960-61 .	1225	..	..	863	..	110
TOTAL .	4650	..	..	3509	..	335

NOTES:

*Including 207 Foreign Shells assembled/furnished in India in Railway Workshops.

**Including 156 Foreign Shells assembled/furnished in India in Railway Workshops.

†Including 11 Foreign Shells assembled/furnished in India in Railway Workshops.

‡Although TELCO's capacity is about 100 M.G. locos. per year, but the production shown in 1960-61 is the number required to complete the overall anticipated indigenous production of 452 M.G. locos during the 2nd Plan period.

Statement II

Statement showing the number of Locomotives/Coaches ordered or yet to be ordered on foreign countries for procurement during the Second Five Year Plan period.

LOCOMOTIVES*

	Broad Gauge	Metre Gauge	Narrow Gauge
Steam	188	482	24
Electric	12	..	..
Diesel	107	..	..

COACHING STOCK *

	Broad Gauge	Metre Gauge	Narrow Gauge
Coaches	..	..	..
E.M.U.	231	16	..
Rail Cars	24	..	..

*All the items of Locomotives and Coaching Stock to be procured from abroad have already been ordered.

APPENDIX VI

Analysis of the Action Taken by Government on the Recommendations Contained in the 32nd Report of the Estimates Committee (First Lok Sabha)

1.	Total Number of recommendations . .	41
2.	Recommendations accepted fully by Government (*vide* recommendations in Chapter II).	
	Number	31 (and a part of one more recommendation).
	Percentage to total	76·8%
3.	Recommendations accepted partly or with modifications (*vide* recommendations Nos. 17, 23, 25(b), 26, 31, 34 and 36).	
	Number	6 (and a part of one more recommendation).
	Percentage to total	15·7%
4.	Recommendations not accepted by Government but replies in respect of which have been accepted by the Committee (*vide* recommendations 20 and 41 Chapter No. III).	
	Number . .	2
	Percentage to total	4·9%
5.	Recommendation in respect of which replies of Government have not been accepted by the Committee (*vide* recommendation in Chapter IV).	
	Number . . .	1
	Percentage to total .	2·5%

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