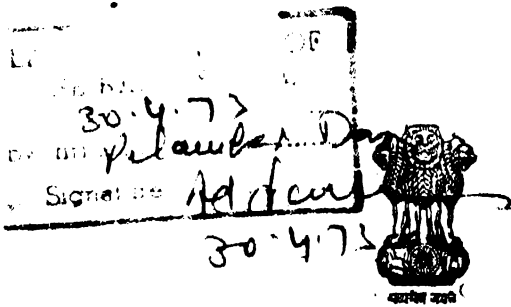


RAILWAY CONVENTION COMMITTEE (1971)

FIFTH REPORT

REQUIREMENTS & AVAILABILITY OF WAGONS



**LOK SABHA SECRETARIAT
NEW DELHI**

April 1973 | Vaisakha 1895 (S).

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C O R R I G E N D A

FIFTH REPORT OF THE RAILWAY CONVENTION
COMMITTEE (PRESENTED ON 27.4.73)

Page	Para	lines	For	Read
1	1.4	2	"at"	"as"
1	1.4	6	"tank"	"tanks"
3	1.8	2	"was"	"as"
3	1.10 below table	1-3	<u>Substitute</u> the sentence "The following...Plan" <u>by</u> the following:-	
			"1.9 There had been wide difference in the originally estimated traffic and its actual materialisation during the first three years of the Fourth Plan."	
4.	1.11	8	"tonnes.On"	"tonnes on"
4.	1.11	14	"their"	"the"
11	1.38	1	"additiona"	"addition"
12	1.44	11	"were"	"are"
16	1.58(3)	1	"GM"	" GM "
22	2.8	11	"violent"	"valiant"
22	2.8	15	","	"and"
25	2.20	2	"locally"	"likely"
31	2.46	Table TISCO	<u>Read</u> figures in cols. 2&3 <u>against</u> and HSL, Durgapur <u>respectively</u> .	
35* 31	2.47	4	"samll"	"small"
39	3.10	1	<u>Delete</u> "how"	
40	3.12	4	"Ownership"	"ownership"
42	4.8	4	"unfattered"	"unfettered"
47	4.18	1	"so"	"no"
52	4.38	3	"dealt"	"dealt with"
64	4.75	2	"to movement"	"of movement"
65	4.78	14	"wagons"	"of wagons"
69	4.100	1	"4.100. The Commit tee... to assess the"	"4.99 The Committee note that proposals are under consideration"
85	4.152	3	"Chamber"	"Chambers"
87	5.1	8	"well high"	"well-nigh"
89	5.13	2	"bookings"	"booking"
104	6.22	1	"increase"	"increased"
105	6.26	12	"increase"	"increased"
*35	5	5	"to"	" "

105	6.28	12	"Wagons..... Power"	"wagons and towards the end came the anti-Mulki rules agitation in"
112	6.52	1	"Appendix VII"	"Appendix VI"
138	6.148	4	"detention"	"detentions"
141	6.158	14	"instituted"	"instituted"
143	7.2	1	<u>Delete</u> "the"	
145	7.12	7	"promises"	"premises"
146	7.17(11)	11	"loss"	"less"
147	7.18	16	"feed so as to"	"so as to feed"
153	-	5	<u>Delete</u> "As on 31.3.1972"	
169	-	3	<u>Delete</u> "1968-1972"	
206	S.No.26	1	"build's"	"build"
207	" 30	2-3	<u>Transpose</u> lines 2 & 3	
207	" 30	3	"to"	"-"
208	" 30	3	"to"	"from"
210	" 31	1	"that"	"that if"
210	" 32	3	"fixed"	"is fixed"
212	" 35	3	"centre"	"entire"
213	" 37	4	"for"	"and for"
214	" 38	4	"dealt"	"dealt with"
215	" 39	1	"memorandum"	"memoranda"
217	" 46	3	"where-houser"	"warehouse"
218	" 48	2	"movement of"	"movement to"
220	" 53	26	"mode"	"more"
224	" 60	3	"consigners"	"consignees"
225	" 61	8	"chargas"	"charges"
226	" 63	12	"extereme"	"extreme"
226	" 64	13	"recogise"	"recognise"
233	" 81	2-3	<u>Transpose</u> lines 2 & 3	
234	" 82	4	"detentions"	"detention"
236	" 90	Col.2	"6.159&6.160"	"6.159"
237	" 91	"	"6.161"	"6.160"
237	" 92	"	"6.162"	"6.161"
238	" 95	30	"in"	"in a"

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**RAILWAY CONVENTION COMMITTEE
(1971)**

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Shri Avtar Singh Rikhy—*Joint Secretary*

Shri G. D. Sharma—*Deputy Secretary*

*Nominated to be a Member of the Committee w. e. f. 18th August, 1972 vice Shri S. M. Krishna, resigned from the membership of the Lok Sabha.

** Nominated to be a Member of the Committee w. e. f. 24th May, 1972 vice Shri Mahitosh Purkayastha resigned from the membership of Rajya Sabha.

INTRODUCTION

1. The Chairman of the Railway Convention Committee, 1971 having been authorised by the Committee to present this Fifth Report on their behalf, present this Report on "Requirements and Availability of Wagons".

2. The Railway Convention Committee took the evidence of the representatives of the Ministry of Railways on "Requirements and Availability of Wagons" on the 6th (FN and AN) and 8th January, 1973. The Committee wish to express their thanks to the Chairman and Members of the Railway Board and the Financial Commissioner for Railways for placing before the Committee the material and information that they wanted in connection with the examination of the subject.

3. The Committee also wish to thank the Members of Parliament, Railwaymen's Unions, Chambers of Commerce and Industry, Professional Organisations, Retired Railway Officers, Public Undertakings, State Governments and other individuals who have furnished memoranda to the Committee and given valuable suggestion on the working of the Indian Railways (*vide* Appendix X).

4. The Committee also wish to thank the Federation of Indian Chambers of Commerce and Industry, New Delhi; the Federation of Associations of Small Industries of India, New Delhi; the Associated Chambers of Commerce and Industry, Calcutta; National Institute for Training in Industrial Engineering, Bombay; National Federation of Indian Railwaymen, New Delhi and Sarvashri D. D. Desai, M.P., G. D. Khandelwal, K. B. Mathur, D. V. Reddy and R. P. Srivastava for appearing before the Committee and making valuable suggestions.

5. The Report was considered and adopted by the Committee at their sitting held on 16th April, 1973.

6. The summary of recommendations/conclusions contained in the Report is appended to the Report (Appendix XI).

NEW DELHI;
April 25, 1973.

Vaisakha 5, 1895 (S).

R. K. SINHA,
Chairman,
Railway Convention Committee.

(v)

CHAPTER I

REQUIREMENTS OF WAGONS

(A) Procedure followed in assessing the requirement of wagons

1.1. Assessment of wagons requirements is done by the Railways for a Five Year Plan period as a whole depending upon increase in traffic expected during the Plan period.

1.2. The anticipated traffic, as at the end of the Plan period, under major commodities is first determined by the Working Group, which includes representatives of various Economic Ministries, Public Sector Undertakings and the Planning Commission. This is then distributed between different gauges (broad, metre and narrow) based on the past trends as well as applying necessary correction keeping in view the known developments. As commodity-wise turn rounds are not compiled, it is calculated in each case, based on the anticipated leads of traffic, terminal detentions, speeds of trains, average load per wagon and the proportion of empty running. Suitable allowance for peak traffic and repair is also made in arriving at the total wagon requirement against each major commodity.

1.3. So far as the assessment of typewise requirement of wagons is concerned, an exercise was undertaken in July, 1969, while preparing 1970-71 wagon programme. Based on the pattern of loading (actual|anticipated) of each commodity in different types of stock, the total wagons arrived at against the respective commodity were distributed in the same proportion. Having thus worked out the total wagon requirement at the end of the IV Plan under each type, the holdings as at the beginning of the Plan were deducted to arrive at the net requirement during the Plan period. This had formed the basis for ordering different types of stock during that year. Thereafter, typewise ordering has been done on a general assessment of the shortages under each type.

1.4. In determining the wagon requirements, it is done on All India basis at the traffic targets during the Plan are not available for the individual zones. However, the basic data about the pattern of loading of commodities which require particular types of wagons and any specific requirements of special types like vegetable oil tank etc. are furnished by the Zonal Railways. Having procured

the wagons on All India basis, the target holdings for different types (opens, covered, BFRs etc.) are fixed for each zonal railway based on the assessment of anticipated traffic from year to year. These targets are fixed after discussion with the Chief Operating Superintendents of all the Zonal Railways at the operating meetings. Thus in distributing the stock, the zonal railway Administrations are fully associated. Changes are made in the targets whenever change in the traffic pattern makes them necessary.

1.5. In reply to a question whether the views of trade and industry are also ascertained for assessing the requirement of wagons, the Ministry have stated that while finalising the commodity-wise forecast of traffic, representatives of various economic Ministries|Public Sector Undertakings, which control the movement of major commodities, are included in the Working Group, under the aegis of the Planning Commission. Once the commoditywise demand is fixed, the requirements of the total number of wagons and their distribution typewise are decided on the basis of the different types of wagons necessary to carry different types of goods, like Tank Wagons for petroleum products, vegetable oil, Bogie rail trucks for rails and structurals, covered wagons for damageable goods, opens for coal, ores, timber etc. The daily demands of trade and Industry for wagons according to major types i.e. covereds, opens or other special types like BFRs are obtained each day by the Zonal Railways from all the stations/goods sheds together with the extent to which the demands have been met and the extent of delay involved in case of demands not met. A summary is relayed to the Transportation Directorate of the Board also. As a result of this continuous appraisal, a fairly reliable feel is developed about the needs of Trade and Industry for the different types of wagons and this knowledge is made use of at the time of preparation of the annual Rolling Stock Programme for wagons. Major consumers like Coal and Ore trade, Steel Works, Refineries are also consulted as found necessary in case of any major departure from the standard types.

Freight traffic during 3rd and 4th Plans

1.6. The Third Plan anticipated a freight traffic of 245 million tonnes in the last year of the Third Plan (1965-66). Against this the actual traffic moved was 203 million tonnes.

1.7. The anticipated traffic targets for major commodity groups for the last year for the Third Five Year Plan and the actual traffic

moved by the Railways was as under:

(In million tonnes)

Commodities	Third Plan Estimates (Mid Term Appraisal Nov '63)	Actual Traffic Moved	Shortfall
1. Steel Plants traffic	26.2	23.7	-3.2
2. Coal	89.0	66.7	-22.3
3. Cement	10.5	8.6	-1.9
4. General Goods.	87.9	78.2	-9.7

1.8. The originating freight traffic during the Fourth Plan period was originally estimated and actual materialisation has been as under:—

Year	As origi- nally estimated	Actual materialisation
1969-70	211.9	207.9
1970-71	224.6	196.5
1971-72	237.2	197.8
1972-73	249.0	203.4 (estimated)
1973-74	264.7	215 (estimated)

1.10. The following table shows the break-up of the traffic by traffic and its actual materialisation during the first three years of the Fourth Plan.

1.10 The following table shows the break-up of the traffic by commodity groups as originally anticipated and as per the present assessment which is expected to materialise in 1973-74.

(In million Tons)

Commodities	Original anticipa- tion at time of prepara- tion of 4th Plan	Present assessment	Differences
(i) Steel Plants traffic	37.7	29.0	-8.7
(ii) Coal	69.4	62.5	-6.9
(iii) General Goods—			
(a) Foodgrains	16.0	15.7	-0.3
(b) Fertilisers	9.4	7.0	-2.4
(c) Other General Goods	58.6	52.0	-6.6

1.11. The Committee enquired about the reasons for the wide difference between the originally estimated traffic and its actual materialisation from year to year during the 4th Plan. The representative of the Ministry stated during evidence that in 1969, they lifted 207.9 million tonnes of goods traffic which was the highest, until then as against anticipation of 211 million tonnes. It was not possible to lift more in 1969-70 because the demand was not there. In 1970-71 they lifted only 196.5 million tonnes. On account of serious hold up of wagons in the Eastern Sector due to anti-social elements, go slows, bandhs and stoppage of works. Towards the third quarter of 1971 conditions started improving and then they had to undertake very heavy movements for feeding millions of refugees in the Eastern Sector, emergency and post Emergency movements along with the withdrawals of POWs and return of refugees. Their position improved rapidly thereafter till May, 1972, when they had to face the serious difficulty of power shortage, drought etc. The demand of Steel Plants also did not come up to the expectations. It actually dropped due to lower production. The Railways lifted 197.8 million tonnes of goods traffic in 1971-72 and provided for an increase of 9.5 million tonnes in 1972-73. In the first 8 months of 1972-73, they had lifted 3.84 million tonnes of additional traffic against the proportionate target of 6.3 million tonnes. According to the present indications, Railways might lift about 5 to 6 million tonnes of additional traffic in 1972-73 as compared to 1971-72 making a total originating traffic of about 204 million tonnes against the original estimate of 249 million tonnes. The anticipated traffic in 1973-74 might be taken to be 214 million tonnes against the original estimate of 264.7 million at the end of the Fourth Plan. In view of the slow growth rate, the target of rail borne goods traffic of the Fourth Plan was fixed at 240 million tonnes at the time of Mid-term Appraisal of the Fourth Plan towards the end of the 1970 and the target for 1972-73 was fixed at 226 million tonnes. The original estimate of 1970-71 and 1971-72 also needed review in the light of the reduced target for the Fourth Plan as per Mid Term Appraisal. It was true that actual materialisation in 1970-71 and 1971-72 and anticipated materialisation in 1972-73 and 1973-74 have fallen short of even the revised estimate as per Mid Term Appraisal. The target could not be achieved mainly due to (i) serious dislocation to the train services in the Eastern sector during the last summer (ii) shortage of power and water (iii) Frequent interruptions to the electric train services in the Eastern sector on account of frequent power shut downs and power failure from different supply stations (iv) continued detention to loaded wagons in Calcutta and Howrah areas due to various labour difficulties etc. (v) Interference with train running and attacks on stations and trains in Andhra Pradesh area in connection with Mulki Rules etc. (vi) serious

breaches on Western Railway during July-August, 1972 (vii) heavy detention to Railway wagons inside the Steel Plants due to slow handling etc. They were hoping that if conditions in the new calendar year remained normal they would do better, but there had been difficulties which had seriously affected the traffic and that was why they had not yet lifted tonnage which was to be lifted in the last year.

1.12. The representative of the Ministry further stated during evidence that transportation output of the Railways might be judged not merely in terms of the originating tonnage but in terms of net tonne kilometers carried. The 240.5 million tonnes meant 152 billion net tonne kilometers which they had almost reached. This year they expected to reach about 142 billion net tonne kilometers and next year about 150 billion net tonne kilometers.

1.13. The representative of the Ministry also stated that when they were preparing the Fourth Plan, the Economic Ministries wanted them to provide for 290 million tonnes. They pointed out that it was too ambitious target. The Public Accounts Committee had also criticised for planning too ambitious targets. Ultimately the Planning Commission decided on originating traffic of 265 million tonnes. Even though that was above their expectations still they accepted it. But when they found in 1969-70, an increased traffic of only 4 million tonnes against anticipated increase of about 9 million tonnes, they persuaded the Planning Commission to reduce the targets to 240.5 million tonnes. This figure was prepared by them and accepted by the Planning Commission. As far as the amount was concerned the original provision was Rs. 1525 crores excluding Rs. 50 crores for metropolitan transport. Then because of lowering of targets they suggested the original provision was to be reduced by Rs. 250 crores to Rs. 1275 crores. Later on the Government decided in the mid-term appraisal that revised Fourth Plan outlay should be Rs. 1400 crores.

1.14. The representative of the Ministry explained that the Railway performance could be maximised if the wheels kept moving. If the troubles were going to continue and they had to live with them, they had to go in for a very much larger investment. Every month there were troubles and all their plans were upset. So they gave preference to certain priority commodities and in these essential commodities traffic was moving fully. Other traffic for which complaints were received were for lesser priority items which had to be left behind because they had no wagons to move them. They could give better performance if they were allowed to move them. If they were to plan for all the adverse and unusual conditions, they would

have to have more money for more locos, wagons, and more capacity. If they assumed that present conditions would continue, they would have to have greater resources not only of money but of scarce raw material also like steel because every wagon needs about 8 tonnes steel.

1.15. Asked what were the assessments of freight traffic during each year of the Fifth Plan period, the representative of the Ministry stated that their assessment was only 280 million tonnes. Economic Ministries thought that it would be around 345 million tonnes. The Planning Commission had agreed with them that it would be in the area of 280 to 300 million tonnes. They were trying to bridge the gap and also trying to find a solution and would probably fix in the range of 300 million tonnes. They had to watch the progress continuously and adjust the limit higher or lower. They had put two officers on special duty to consider the development of transport for the movement of coal and their Report would be available after about two months. These officers were, however, not dealing with steel. For steel they were depending on data furnished by the Ministry of steel.

1.16. The Committee enquired about the measures taken by the Railway Board to see that traffic projections for the Fifth Plan were prepared on realistic basis. The representative of the Ministry stated that as far as the Fifth Plan was concerned, they had brought to the notice of the Planning Commission and also in inter-Ministerial meetings how the targets in the Fourth Plan had fallen short. Actually they were thinking for the targets for the Fifth Plan. They could not reach more than 280 million tonnes in 1978-79. Therefore, they had formed a Working Group which was represented by the Railway Board, Ministry of Food and Agriculture, M.M.T.C. and so on. The Chairman of the Railway Board was the Chairman of the main Working Group and the Director (Planning) Railway Board was the Chairman of smaller Working Group.

1.17. To a question what steps the Railways had taken to avoid inaccurate forecasting of wagons during the Fifth Plan period, the representative of the Ministry stated that they held consultations with the Ministries and as far as possible they would try not to commit the earlier mistakes.

1.18. In reply to another question whether the Railways made their own independent assessment of the transport needs of big projects and major industries for Fourth Plan, the representative of the Ministry stated that it was not a decision taken solely by the Planning

Commission or the Ministry of Finance. It was in a meeting that they tried to resolve the differences. When they were not able to resolve it at the Secretaries level or at Minister's level, matter was placed before the Cabinet. The figure of 240.5 million tonnes had been arrived at in full consultation with the Railway Ministry.

1.19. In this connection the Committee invited reference to the recommendation of the Public Accounts Committee made in para 1.12 of their Forty-Ninth Report (Fourth Lok Sabha) wherein they *inter alia* had desired the Planning Commission and Government to ensure that while drawing up the Fourth Plan, planning for rail capacity should be done on a more realistic basis and the persistent tendency to overestimate traffic requirements and push up investment should be firmly curbed, and enquired the reasons for steep shortfall between the planned and actual materialisation of originating traffic during the Fourth Plan.

1.20. The representative of the Ministry stated that the observations of the Public Accounts Committee were made in 1967 in a certain context and the observations which they were making now were in a different context. Those observations made in 1967 were not with reference to law and order situation but to other factors which rendered wagons idle. When the Third Plan was coming to a close, the Railway capacity was ahead of the demand and the traffic did not generate to that extent.

1.21. The Committee note that wagon requirements are related to freight traffic which is assessed for a Five Year Plan period. They regret to note that there have been persistent shortfalls in the materialisation of traffic compared to the assessed forecast. During the Third Plan, originating freight traffic of 245 million tonnes was anticipated for the last year of the Third Plan (1965-66). Against this, the actual traffic moved by the Railways was 203 million tonnes. The originating freight traffic during the last year of the Fourth Plan (1973-74) was estimated at 264.7 million tonnes which was reduced to 240.5 million tonnes at the time of Mid-Term Appraisal. Against this, the present indications are that not more than 215 million tonnes of traffic will be moved.

1.22. The Committee are disturbed to note that during the Fourth Plan while the originating freight traffic fell from an estimated figure of 265 million tonnes to about 215 million tonnes, the Plan provision for the Railways has been reduced from Rs. 1525 crores to Rs. 1400 crores only. The Committee regret to observe that heavy capital expenditure has been incurred by the Railways in creating traffic

capacity which has been far in excess of the requirements of traffic actually moved. Thus scarce resources which could have been used in other sectors of the economy more purposefully, have been spent by the Railways, resulting in over-capitalisation.

1.23. The Committee are also concerned to note that there have been shortfalls in the movement of traffic of major commodity groups like steel plants traffic, coal, general goods etc. both during the 3rd Plan period and the 4th Plan period. In this connection, the Committee would like to invite attention to the 22nd and 49th Reports of the Public Accounts Committee (Fourth Lok Sabha) in which that Committee had commented upon inaccurate forecasting of freight traffic during the Third Plan and the persistent tendency of the Railway Board to over-estimate traffic requirements, particularly in respect of major commodities—coal, steel plants traffic and general goods traffic and had emphasised the need for planning for rail capacity on a more realistic basis. The Committee note that in spite of the recommendations made by the Public Accounts Committee the forecast of freight traffic in respect of those very commodity groups viz., coal, steel plant traffic and general goods traffic again proved inaccurate during the Fourth Plan.

1.24. The Committee regret to point out that the lessons underlined by these shortfalls have not been learnt by Government; otherwise they can see no reason why the estimates continue to be grossly inflated. In the Fourth Plan Mid-Term Appraisal it has been admitted that "inaccurate forecasting has..... led to inadequate facilities in some areas and under-utilisation of capacity in others. In some cases, the original linkages (particular collieries to particular washeries, washeries to steel plants, iron ore mines to ports and coalfields to thermal plants) which form the basis of planning for railway facilities have had to be revised by major users....."

1.25. The Committee would like Government to exercise extreme caution in planning for the movement of major commodities by Railways so that the traffic forecasts for the Fifth Plan are realistic and there are not wide divergencies between forecasts and actual materialisation of freight traffic. The Committee would also like to point out that as the production of steel is mainly in the public sector and a Holding Company has been set up for the purpose, it should be possible for Government to forecast more realistically the traffic requirements for the movement of steel traffic—both raw materials and finished products, particularly, when the Hindustan Steel has a well-organised and integrated Sales Organisation to regulate the movement of finished steel.

1.26. The Committee need hardly point out that the raw material particularly iron ore is now being increasingly supplied to the Steel Plants either by captive mines or by National Mineral Development Corporation, a public sector undertaking. There should, therefore, be no difficulty in realistically determining the movement of iron ore to steel plants. Similarly for export of iron ore, it should be possible to determine in detail and well in advance the traffic requirements in this regard as Metals and Mineral Trading Corporation and National Mineral Development Corporation—both public undertakings—occupy a dominant role.

1.27. As admitted by Government, the difficulties in respect of coal have been due to non-linking of raw material producing units like coal mines, washeries, ore mines to consuming units like steel plants, thermal plants, etc. Since the coal mines have also been largely nationalised and steel plants and thermal stations would be major consumers of coal in future, it should be possible for Government to determine this linkage more realistically. The Committee would like to draw pointed attention to the fact that the Thermal Stations would become chief consumers of coal in the Fifth Plan and careful and detailed planning should therefore be done to ensure that the supply of coal to thermal stations flows smoothly as per requirements.

1.28. The Committee trust that Government would gain from past experience and taking the present realities into account, would be able to assess freight traffic particularly in regard to major commodities, realistically for the Fifth Plan. In particular, Government should ensure that investment is not made in creating facilities which later on are not put to operational use.

1.29. The representatives of the Ministry of Railways, in their evidence before the Committee, have urged that the main criterion for seeing whether or not the Railways have fulfilled the traffic requirements, should be in terms of net tonne kilometres, rather than merely originating traffic. It has been claimed that against the target of 152 billion tonne kilometres to be carried in the last year of the Plan, the Railways hope to carry 150 billion tonne kilometres, thus very nearly fulfilling the target.

1.30. As far as the Committee are aware, in all the successive plans, the emphasis has been on originating traffic, though lately, in various reviews particularly Annual Reports of the Railways, more and more emphasis is being laid on tonne kilometres carried, rather than on mere originating tonnage. The Committee would like this matter to be examined in all its aspects by the Planning Commission

and Government, in order to come to a definite decision whether the target should be laid down in terms of originating traffic tonnage, or in terms of both the load and the distance carried, viz. tonne kilometres. If the latter criterion is accepted by Government as the rational method for determining the investment etc., the Committee have no doubt that the Planning Commission, Ministry of Railways in consultation with the Ministry of Finance would also evolve suitable criterion for determining the number of wagons, locomotives etc. which would be required for the movement of anticipated traffic. The Committee would also like Government to settle this matter with utmost expedition so as to leave no room for ambiguity in this behalf in the Fifth Plan.

1.31. The Committee note that for the Fifth Plan the originating freight traffic has been estimated by the various Ministries at 340 million tonnes but the Railways own assessment is 280 million tonnes by 1978-79.

1.32. The Committee note that assessment of traffic requirements is done by the Working Group which includes representatives of various Economic Ministries, Public Sector Undertakings and the Planning Commission. The main working group is headed by the Chairman, Railway Board while the other working group is headed by the Director of Planning (Railways). It is surprising that in spite of the Railways having the main say in assessing the traffic requirements over a plan period, there have been such wide variations in estimated and actual materialisation of freight traffic. The Committee cannot help feeling that the Railways are largely to blame for the faulty estimates of freight traffic. It appears that Railway Officers in the field i.e., Zonal and Divisional Railway Officers, are not fully associated with the assessment of freight traffic in their areas and that the estimates of freight traffic indicated by the Central Ministries and project authorities are not got reviewed in detail taking advantage of the actual field conditions which are well known to the Zonal Managers/Divisional Superintendents who are fully aware of actual progress of the projects and requirements. The Committee consider that this should be done invariably on a continuous basis.

1.33. The Committee note that industrial and business community is also not actively associated with assessing the long term traffic requirements for the plan period. The Committee consider that each zonal railway should also make detailed studies of the long term freight traffic requirements of the main trading and manufacturing interests and centres served by them in association and coordination with the industrial and business interests taking into account the new industries etc., likely to come up in the area.

1.34. The Committee hope that on the basis of experience gained during the four plan periods. Government would examine in depth the main reasons for faulty estimates of freight traffic and take effective remedial measures to ensure that the requirements of freight traffic are assessed realistically for the Fifth and subsequent plan periods.

(B) Estimated requirement of Wagons and Procurement Programme

(i) Wagons procured during Third Plan

1.35. During the Third Five Year Plan, the Railways procured a total of 1,44,789 wagons against the initial target of 1,17,144 and throw forward of 19,309 wagons from the Second Plan.

(ii) Additions and Replacements of Wagons in the Fourth Plan.

1.36. The Programme regarding procurement of wagons on additional and replacement account during the 4th Plan was as under:

	Stock at the end of 1968-69	Programme for the Fourth Plan		
		addition	replace- ment	Total
Wagons (in terms of 4 wheelers)	484985	76192	25340	101522

1.37. As per the Mid Term Appraisal, the requirement of wagons during the Fourth Plan has been estimated as 71,776 wagons in terms of four wheelers including provision for replacement. Against the above requirements, provisions in the rolling stock programmes upto 1972-73 have been made for 66,066 wagons in terms of four wheelers. This leaves a balance of 5710 wagons on replacement account which are proposed to be covered by 1973-74 Rolling Stocks Programme, alongwith some provision against the Fifth Plan requirements.

1.38. In additiona to the above, provision has also been made for 15,000 wagons extra as an ad hoc measure to meet the current shortage of wagons and these would be adjusted against the Fifth Plan.

1.39. The total procurement upto 31-1-1973 both from private wagon builders and railway workshops, is about 43,370 wagons (in terms of four-wheelers).

Additions and Replacement of Wagons during the Fifth Plan.

1.40. The Ministry have informed the Committee that the Fifth Plan requirement of wagons on additional and replacement account

has recently been indicated at a figure of approximately 100,000 to 125,000 which along with the throw-forwards from the Fourth Plan would call for an annual output of approximately 25,000 wagons.

1.41. The Ministry have further informed that the forecast of freight traffic during the Fifth Plan period is yet to be finalised and, therefore, precise requirements of wagons have not yet been determined. There are 3 sets of anticipated originating traffic figures under consideration viz., 280 million tonnes, 330 million tonnes and 347 million tonnes by the end of the Fifth Plan. The requirement of wagons to be procured during the Fifth Plan (including replacement needs) varies from 1.09 lakh wagons for 280 million tonnes of traffic to about 2.3 lakh wagons for 347 million tonnes of traffic.

1.42. The representative of the Ministry informed the Committee during evidence that when the Third Plan was ending, the Railway capacity was ahead of the demand and the traffic did not generate to that extent. When the 4th Plan began, the traffic did not come upto anticipations. It was a fact that during the recession period sufficient traffic did not generate and the demand for wagons came down. He further added that they should not get greatly worried or agitated if during a particular period or during a particular season, certain wagons were stabled for want of traffic. When the busy season came, those wagons could be put into use. He urged that the wagon availability should be ahead of the demand. During the busy season (October-May) wagons should be given to Trade and Industry promptly and regularly so that the traffic did not wait and queue up for wagons.

1.43. The Financial Commissioner further added that the basic infra-structure facilities of power and transport should always be ahead of the requirements and that they should not act as a bottleneck.

1.44. Elaborating the point further, the representative of the Ministry stated during evidence, "In the matter of transport, let us take the two main constituents. One side is the capacity in terms of wagons, locomotives and the lines. The other side is the public traffic waiting to be cleared. This includes public and private sectors and trade and industry. We have got to take a view. Should we have our capacity ahead of the demand so that the traffic does not wait to be cleared and the supply of wagons is regular and prompt or should demand be allowed to pile up and accumulate and should clearance be delayed or denied for want of wagons. In this way, we were losing not only traffic revenue but also goodwill. So, we should strike a balance between the two. My view is that our capacity at all times should be ahead of demand, and if at any time we have

gone slightly above the margin—that means stabling has occurred—we can reduce somewhat in the next year. Year after year, if we drastically cut down wagon orders we will be killing the industry, and then our own ability to clear the traffic.”

1.45. Asked how much the capacity should be ahead of the demand, the representative of the Ministry added that they could not lay down any formula for this. They could, on the basis of the experience of the last few years which included certain things which were under their control and certain other things which were not under their control, give an indication as to how much they should be ahead of demand, converted in terms of number of wagons and locomotives.

1.46. An eminent retired Railway Official in his evidence before the Committee stated that his own view was that the Railways had enough wagons to cater without difficulty 5 to 6 per cent additional traffic by more intensive utilisation.

1.47. During evidence the representative of the Ministry stated that they would be able to carry about 2 million tonnes within their existing resources. It could be 2 per cent to start with, and then they would go up to 3 to 5 per cent if factors beyond their control were removed.

1.48. The Committee note the Railways procured a total of 1,44,789 wagons during the Third Plan. During the 4th Plan, against the original provision of 1,01,532 wagons (in terms of 4-wheelers) both on additional and replacement account, the Railways reduced their requirements to 71,776 wagons at the time of Mid-term Appraisal. In addition, provision has also been made for 15,000 additional wagons which would be adjusted against the 5th Plan.

1.49. The Committee have already referred to the shortfall in freight traffic both during the Third Plan and the Fourth Plan periods. Against the estimated goods traffic of 245 million tonnes during the Third Plan, the actual goods traffic amounted only to 203 million tonnes in 1965-66. Similarly, against the estimated 265 million tonnes of goods traffic for the Fourth Plan, only 215 million tonnes of freight traffic is likely to materialise in 1973-74. The Railways have themselves admitted that they had surplus rail capacity at the end of the Third Plan. Although substantial accretion has been made to the wagon fleet since then, the freight traffic has been less than even 203 million tonnes, which was reached in 1965-66, except during 1968-69 and 1969-70, when it was 204 and 207.9 million tonnes respectively. Even allowing for the increase in load of freight traffic, it would appear that the Railways have sufficient surplus line and

wagon capacity to handle additional traffic. The constraints would appear to be mainly the law and order problem, thefts of parts, labour troubles and operational inefficiency etc.

1.50. The Committee note that the Railways have estimated their requirements of wagons during the 5th Plan between one lakh wagons for 280 million tonnes of traffic and about 2 lakh wagons for 340 million tonnes of traffic. They further note the anxiety of the Railways that wagon availability should be ahead of demand. While the Committee fully share the view of the Ministry of Railways that the wagon capacity should be ahead of the demand and should not act as a bottleneck, they would like the Railways to keep in mind the surplus wagon capacity already with them. According to their own admission, the Railways could move upto 5 per cent additional traffic if factors beyond their control were removed. The Committee further feel that with the increased introduction of electric and diesel traction for hauling goods traffic, the existing wagons can move substantial additional freight traffic. The Committee have also referred in subsequent chapters to the scope for better and more efficient utilisation of wagons than at present. The Committee hope that with more efficient utilisation of wagons and reduction in the detention of wagons by trade, for which various steps have been taken by Government the availability of existing wagons for movement of traffic would improve considerably.

1.51. The Committee would, therefore, like to stress that while assessing the requirements of wagons for the Fifth Plan, all these aspects should be taken into account. Further, norms should also be laid down for each type of wagon for movement of freight traffic.

1.52. The Committee have no doubt that with a wellknit operational organisation with over hundred years' experience and the existence of Efficiency Bureau, the Railways would be able to lay down scientific criteria for assessing the requirements of various types of wagons for the movement of freight traffic. The Committee see no reason why the criteria should not take into account normal increase in the lead of freight traffic and increase in Net Tonne kilometres.

1.53. The Committee would also like the Government to ensure that the cushion for movement of freight traffic, if created, should be specifically indicated as a percentage of the total wagon fleet and kept separate from the normal complement of wagons. The financial and operational implications of the creation of the cushion should also be clearly indicated and reviewed from time to time and published in the Annual Reports of the Railways. The Committee would like to point out that the justification for the extra cushion would lie in

fully satisfying the day to day demand of the Trade and Industry for the movement of goods so that there are no complaints from any quarter in this regard.

1.54. The Committee further suggest that the reserve fleet of wagons—i.e. cushion—should be utilised only after approval by the Railway Board so that a constant watch is kept on the efficient utilisation of the normal fleet of wagons and the reserve fleet is used, where absolutely necessary. In this connection the Committee would also like to invite the attention of the Railways to the observations made in the Report of the Study Team and the main Report of the Administrative Reforms Commission on the Railways wherein they have not favoured a large cushion of wagons and had observed that excessive stocks of wagons lead to slackness in utilisation and poor outturn.

1.55. The Committee feel that Chronic under-utilisation of wagon capacity leads to slackening of standards. It appears that over-cautious procedures adopted by the Indian Railways have adversely affected wagon utilisation. To get the maximum advantage from the heavy capital expenditure incurred over four Plan periods, it is necessary that there is intensive utilisation of the equipment so that increased traffic can be handled with the existing resources.

(C) Types of Wagons

1.56. The public traffic wagons available on the Indian Railways may be broadly classified into the following types according to the specific uses to which they are intended to be put:—

1. Covered general wagons.
2. Open high-sided wagons.
3. Open low-sided end-opening wagons (EFTs).
4. Open flats (BFR/BRT).
5. Box wagons.
6. Special type wagons:
 - (a) Well wagons.
 - (b) Hopper wagons.
 - (c) Tank wagons.

1.57. The specific uses for which these wagons are meant are described below. It may be clarified that irrespective of the purpose for which the wagons are specially designed, they are, from

time to time, used for other purposes as and when possible depending on the traffic needs.

1. *Covered general wagons:*

1.58. These are meant for transport of commodities, which are likely to get damaged by inclemency of weather, or for transport of valuable commodities liable to theft and pilferage. Generally bagged and packed consignments are loaded in these wagons. These are usually 4-wheelers. But new manufactures on B.G. consist of bogies also fitted with centre buffer couplers.

2. *Open high-sided wagons:*

1.59. These wagons are used for transporting commodities, other than those which normally require covered wagons like coal, stone, sand, timber, ore etc. Also those commodities which cannot be conveniently loaded in covered wagons e.g., long iron pipes, cable drums etc., are loaded in opens. Generally unpacked commodities are loaded in them.

3. *Open low-sided with end openings KF/GM:*

1.60. These wagons are generally used for transport of military traffic and other vehicular traffic and when spare are also used for transport of ores, stones, etc.

4. *Open Flats (BFRs/BFTs):*

1.61. These wagons are generally bogie wagons and are meant for transport of long-length consignments like rails, billets, blooms, logs, etc.

5. *Box wagons:*

1.62. These are BG bogie open wagons fitted with centre buffer couplers utilised principally for transport of coal and ores.

6. *Special type wagons:*

1.63. (i) *Well wagons.*—These are open wagons used for over-size consignments of extraordinary height or weight. This is arranged by lowering the floor in between the bogies.

(ii) *Hopper wagons.*—These are open wagons used for transport of iron ore and such other commodities which can be automatically discharged through hopper on to underground bins. These are

usually utilised for transport of raw materials to Steel Plants. Some are also used for transport of railway ballast.

(iii) *Tank wagons*.—These are generally meant for carrying liquid consignments in bulk like molasses, vegetable oil and petroleum products etc.

1.64. Special type of tank wagons are also designed for transport of such commodities which require special arrangements either in the interest of safety or for protection of tank or for facility of loading and unloading. For example—Tank wagons for transport of petrol oil and lubricant products are fitted with special valves and explosive vents. Tank wagons for carriage of Bitumen, coal tar and heavy oils are fitted with heating coils to facilitate unloading. Tank wagons for transport of acids and corrosive liquids are provided with special rubber lining to prevent damage to tank barrel by corrosion caused by the liquid. Tank wagons for carriage of liquid products under pressure such as liquid ammonia, liquid petroleum gas and liquid chlorine gas are designed to withstand high pressure.

Typewise holdings of different Railways as on the last day of 1971-72 are given at Appendix I.

1.65. To a question whether any norms regarding the requirements of wagons for each type have been laid down. The Ministry have stated that no norms as such have been laid down to determine the type-wise requirements of wagons. However, the total requirement of wagons is worked out to cater to the anticipated traffic for each major commodity.* Type-wise distribution is then made on the overall assessment of the planned pattern of traffic.

1.66. It has been stated in the 4th Plan Mid Term Appraisal that there had been growing demand for covered wagons for the movement of commodities like fertilisers, cement and foodgrains which the Railways were unable to meet in full.

1.67. During their tour to various places, the Committee were also informed that there was a general shortage of covered wagons. At one particular station they were also informed about the shortage of tank wagons also.

1.68. A leading Chamber of Commerce and Industry has stated in its memorandum submitted to the Committee that "Supply of wagons on trade account is gradually losing its importance because of the higher demand on State trade and public sector undertakings

account. When it is a question of Foodgrain, Sugar, Coal, Stone, Fertilizer, etc., in bulk quantity, the maximum allotments of empties are given to the State sponsored movement programmes and thus the movement on private trade account greatly suffers and it causes an artificial shortage of goods and increase in prices and thus the price line is not maintained."

1.69. A retired Senior Officer of the Railway has also observed about the insufficiency of 4-wheeler wagons on the Railways. He has stated that:

"Another instance where planning has gone amiss was in regard to construction of four-wheeler wagons. In the late fifties, the Railway Board decided to drastically curtail the construction of such wagons, and build only 8-wheeler bogie wagons in future. The reason for this decision was the Board's anxiety to build wagons with heavier capacity and run them at higher speeds. While these were desirable objectives, the requirements of the pattern of traffic in India were ignored. The average consignment of general merchandise which moves by rail in India is still small, and corresponds more to the carrying capacity of the smaller four-wheeler than the large 8-wheeler. The trade, therefore, has suffered frequently from the shortage of covered four-wheeler wagons particularly for loading foodgrains. Movement of foodgrains registered a sharp increase in 1968 and 1969 as a consequence of the green revolution in the country."

1.70. During evidence the Committee enquired about the reasons for the Railway not being able to meet in full the requirements of covered wagons for the movement of commodities like fertilizer, cement and foodgrains. The representative of the Ministry stated that this observation was on the basis of the situation in 1970-71, when they were in trouble. The wagons that got locked up were to a large extent four-wheeler covered wagons. The other areas of the country to which these wagons would have moved suffered resulting in shortage of covered wagons. They were able to get them out from the Eastern Sector and repaired them. They were now able to meet the entire requirements of foodgrains movement in the country in covered wagons. With the efforts that they had made, there should be no shortage of covered wagons.

1.71. The Committee note that more than 6 types of wagons are available on the Railways for public traffic and that no norms have

been laid down to determine type-wise requirements of wagons. As stated by a senior retired Railway Officer, the Railways have concentrated on the construction of wagons with heavier capacity which can only be used for bulk transport of goods. Since there have been general complaints regarding the inadequacy of covered wogons, 4-wheeler wagons and tank wagons, it is necessary for the Railways to assess the requirements of various types of wagons scientifically and in a detailed manner so as to fully meet the demand for the movement of traffic both on trade account and Govt. account. The Committee recommend that the Railways should assess their requirements of all types of wagons with reference to the demand for each type of wagon and should also fix norms for each type.

1.72. The Committee would also like to point out that the types of wagons used by the Railways should be suited to the freight traffic and types of commodities that are moved. For this purpose the Railways should take full advantage of the design and reaserch facilities available with them and evolve the most suitable types of wagons which would give the best results. The Committee have no doubt, that the Railways would take note of the development in the designs and types of wagons taking place all over the world in order to evoive the best type for their own use. It is necessary that manufacturing facilities too are synchronised for the production of new designs of wagons so as to meet the requirements thereof.

1.73. The Committee would also like the Railways to maintain a record of the demand and utilisation of each type of wagon as well as its idle time so that a check is kept on the real requirement for each type of wagon and imbalances, if any, in the availability of wagons of various types are remedied at the earliest and wagons are made available to the indentors without delay. . .

CHAPTER II

PRODUCTION OF WAGONS

(A) Total production capacity of wagons and actual production

2.1. The total production capacity of wagons of the Railway Workshops and the wagon builders in private sector and their out-turn during the last five years was as under:—

(i) Railway workshops:

Capacity has not been specifically created for wagon building in Railway Workshops. Since 1960 wagon production was undertaken in Railway Workshops to utilise the surplus capacity which was generated as a result of the increased productivity achieved by introducing the incentive schemes. To meet the increased demand of Railway Rolling stock repairs, however it has been decided that future manufacture of wagons would be restricted to three workshops namely Amritsar workshop/Northern Railway, Golden Rock Workshop/Southern Railway and Samastipur Workshop/North Eastern Railway. The present capacity (1972-73) of these three workshops taken together is 2960 in terms of four wheelers units.

2.2. The actual production during the last five years (of all the Railway Workshops engaged in wagon building activity taken together) has been as under:

Year	Production in terms of four-wheelers
1967-68	3678
1968-69	3200
1969-70	2970
1970-71	2160.5
1971-72	1989

(ii) Wagon builders in the private sector (i.e. other than Railway workshops).

2.3. The licensed capacity of all the wagon builders totalling 16 units in the private sector, as advised by the Ministry of Industrial

Development is 40,869 wagons per year and their installed capacity is 31,059 wagons in terms of four wheelers, but the highest production so far achieved has been only 27,565 wagons in terms of four-wheelers.

2.4. At present three firms are closed. Two other firms have not been producing wagons for several months against the Railways' orders. Therefore, for all practical purposes, the capacity of only 11 firms in the private sector may be converted for manufacture of wagons, whose total licensed capacity is 30,125 and installed capacity is 26,575 in terms of four wheelers per year.

2.5. The outturn of all the wagon builders in the private sector (other than Railway Workshops) during the last five years is as under:—

Year	Production in terms of four wheelers
1967-68	13956
1968-69	13398
1969-70	12001.5
1970-71	8964.5
1971-72	6543.5

The figures of type-wise and firm-wise production of wagons separately in the private sector and Railway Workshops during the years 1967-68 to 1971-72 are at appendices II.

2.6. The representative of the Ministry stated during evidence that the licensed capacity of the private wagon builders in the whole country was 40,000. Their best achievement had never been more than 27,000. Since then, a few firms which participated in this 27,000 had closed down. The present capacity should therefore be something less than 27,000 and not more.

2.7. Pointing to the low wagon production during the last 5 years, the Committee enquired whether it was due to lack of adequate orders and lack of adequate supply of steel to the wagon builders. The representative of the Ministry stated that this industry had a few established manufacturers during 1950 and they got an outturn of something like 7000 to 8000 wagons. When the second plan was being formulated, the requirements were expected to be much higher and therefore Government agreed to increase the existing capacity

of wagon builders. Seven new firms were also established. For setting up of such a large industry, it naturally took sometime. The Wagon builders got optimum production in 1964-65. Soon after the end of the Third Five Year Plan, there were three non-plan years and then the Fourth Plan started. Due to recession in the country then, there was a severe cut in the requirement of wagons and the Railways were compelled to cut down to the minimum on their ordering for two years.

2.8. He further stated that this industry was extremely vulnerable to the variations in orders. It had not got sufficient financial stability to absorb fluctuations in the level of ordering. Railways supplied the wheels free of charge to the wagon manufacturers. Even for the steel that they bought for building the wagons, they needed financial support from the Railways which gave them 90 per cent of the value of the steel as an 'on account payment'. Second problem was that there were labour unrests in the Eastern Sector during 1966-67 onwards with the result that production of wagons came down. This resulted in either closing down of some wagon building units or they had to make violent efforts to diversify their production in some other form of manufacture. The wagon requirements of the Railways had recently picked up from July, 1972. They were anxious to give them again the same support of 'on account payment' for steel bought by them, all other financial help that they normally gave them.

2.9. The representative of the Ministry added that the Railway Board was also influenced in reducing orders because of strong criticism made by the Public Accounts Committee. Having in mind this criticism there was no ordering at all in one year and in the other year it was very much reduced.

2.10. The Committee enquired whether the private wagon manufacturers were supplying wagons according to schedule and whether agreement had been reached with them regarding price of wagons. The representative of the Ministry stated that wagons were ordered on individual firms with a firm delivery date. If they were unable to supply them by that date, then liquidated damages clause came into effect. Their experience had, however, been that the wagon builders usually exceeded the delivery schedule. Regarding the prices, they had protracted negotiations. They offered a price based on the latest quotations and saw how many were able to accept the price. They fixed the price and tried to negotiate with others. Sometimes it took a few months before a final order was placed with all the firms. The wagon manufacturers had been criticising them saying that the cost of wagons manufactured at their workshops was

very low and it was not a fair basis for fixing wagons prices in non-railway units. But generally they offered slightly more than what was based on their formula. Some of the firms readily accepted their prices. As far as Jessops was concerned, they did not seem to want any wagon orders from them as they were diversifying their production into other lines and manufacturing what was more profitable. The Jessops were also manufacturing M.G. coaches. Some of the other manufacturers found their present prices quite attractive. They were asking for more and more orders.

2.11. To a question whether the Railway Board investigated the reasons for the closure of the three firms in the private sector and non-production of wagons in the two other firms, the representative of the Ministry replied that perhaps the three firms referred to as closed were, Rayman Engineering Works, Calcutta, M/s. Mackenzie of Bombay and M/s. Singh Engineering Co. in Kanpur. M/s. Rayman Engineering Works declared a lock out in February, 1968. During the period of lock out, it came to their notice that the firm was misappropriating the steel material. Therefore, to recover this material, they resorted to legal action. It was now *sub-judice*. M/s. Mackenzie of Bombay closed in March, 1971 due to financial and labour troubles. Ministry of Industrial Development investigated into this and based on their recommendations, a decision was taken that there was no justification for revival of wagon building activity in their works. The Railways had been compelled to withdraw the outstanding orders. They had initiated action to recover the Railway material lying with them. M/s. Singh Engineering closed the works in January, 1970. They had said that they could not manufacture wagons any more.

2.12. The other two non-producing firms were M/s. Arthur Butler and M/s. K. T. Steel. M/s. K. T. Steel was functioning but it was not manufacturing any wagons for Indian Railways. It was engaged in export orders. M/s. Arthur was closed due to differences among the partners.

2.13. Asked whether the Railways had placed any order with M/s. Arthur Butler for supply of wagons, the representative of the Ministry stated that they did place orders with them, but they seemed to have some problems in connection with management and although officially it had not stopped production, there was no output from them. They would be glad if they did produce wagons because, they had been considerably inconvenienced. The takeover of this firm rested with the Ministry of Industrial Development and that Ministry had ordered an inquiry into the affairs of this firm.

2.14. As regards steps taken to improve production of wagons, it was stated that the Railways were doing their best. The fifth Plan requirements were so high that they were endeavouring to persuade the wagon builders to step up their out-turn. About a year ago, they had placed substantial orders on wagon building industry so that the management of each factory could assure their workers that continuity of orders would be there. The Railways were assisting in every possible way by increasing the imports of steel. They were making the material available to them. The Railways were now finding that some of the industries, where there was no labour trouble, had increased their production and came to the level of production almost equal to their best out-turn.

2.15. As regards the manufacture of wagons in the Railway workshops, the representative of the Ministry explained that there was a very large increase in the requirement of wagons in the Third Plan over the Second Plan. It was a difference of 50,000 wagons. The industry was not ready to manufacture so many more wagons in a five years period. At the same time they had introduced an incentive scheme in Railway Workshops. As a result, they got much higher productivity in them. Since they were going to have surplus labour, they employed them for manufacturing wagons and as many as 18 workshops were manufacturing wagons at one time in the Railway repair workshops. They got the out-turn gradually increased to the maximum of 6000 wagons. Having put 144,000 wagons during the Third Plan into the circuit on the Indian Railways, the arisings of overhaul increased from the end of that Plan. As the overhaul load increased, the Railways were compelled to stop manufacturing of wagons and used the capacity to the purpose for which the workshops were built viz. repairing wagons. There were now 3 Railway Workshops viz. Golden Rock, Amritsar and Smastipur where they had provided special machinery and ear-marked a certain portion of the workshop itself and modified it to suit wagon building activity. Because of the gap that they anticipated in their requirements, they were thinking of increasing their activities. They were trying to increase their capacity from the present 2,000 to 4,000 in the three workshops, together.

2.16. In reply to a question why orders for manufacture of wagons were not regulated evenly from year to year to ensure proper utilisation of the available capacity, the Ministry have stated in a written reply that wagon orders are placed yearly on the basis of requirements for the anticipated additional traffic and replacement needs.

2.17. The initial Fourth Plan had envisaged a freight traffic target of 265 million tonnes by 1973-74, for which the wagon requirements had been worked out to about 1.01 lakhs (including 0.76 lakh on additional account and 0.25 lakh on replacement account). Orders for

about 16,650 wagons were already outstanding and keeping the anticipated requirement in view, orders for 18224 wagons were placed in the first year (1969-70). However, traffic started showing a declining trend in the latter half of that year and, therefore, ordering during the next year (1970-71) was pegged at 8,870 wagons.

2.18. In fact in 1970-71, due to disturbed law and order conditions in the eastern sector, the actual freight traffic carried declined by about 10 million tonnes as compared to that in 1969-70 and taking note of these factors, the Fourth Plan target was also lowered to 240.5 million tonnes in January, 1971. Consequently, the wagon requirement during the Plan was reduced to only 0.60 lakhs (including 0.33 lakh on additional account and 0.27 lakh on replacement account). With this heavy reduction in the wagon requirements and keeping in view the orders already placed during the earlier years, the ordering during 1971-72 had to be reduced in the background of Public Accounts Committee's criticism even though it was realised that it would have an adverse effect on the wagon building industry.

2.19. As wagon ordering had to be tailored to suit the anticipated traffic forecast, it was not possible to place orders on the wagon building industry evenly.

2.20. The Committee enquired about the production programme of wagons for 1972-73 and 1973-74 and the locally shortfall in the manufacture and availability of wagons at the end of 1973-74. The representative of the Ministry stated that the expected out-turn for 1972-73 was originally 12,000 from the private wagon builders and 1,900 from Railway Workshops. Since more wagons were required, in June, 1972 they increased their estimated out-turn from the Railway Workshops from 1,900 to 2,800. Their present expectation was 10,000 wagons from the private wagon builders and 2,000 from Railway Workshops. In 1972-73 they expected 15,000 from the private sector and 4,000 from Railway Workshops.

2.21. In reply to a question about the estimated requirements of additional wagons to move the traffic during the Fifth Plan period, the Ministry have stated that the forecast of freight traffic during the Fifth Plan period is yet to be finalised and, therefore, precise requirements of wagons have not yet been determined. There are 3 sets of anticipated originating traffic figures under consideration viz. 280 million tonnes, 330 million tonnes and 347 million tonnes by the end of the Fifth Plan. The requirement of wagons to be procured during the Fifth Plan (including replacement needs) varies from 1.09 lakh wagons for 280 million tonnes of traffic to about 2.3 lakh wagons for 347 million tonnes of traffic.

2.22. The existing production capacity, with marginal additions in the Railway Workshops will be adequate to meet the requirements for 280 million tonnes of freight traffic. However, substantial expansion thereof will be necessary in the event of higher traffic targets of 330 million tonnes or 347 million tonnes, and in view of the lead time involved in the setting up of new Units, it may yet not be possible to meet the requirements. A decision in this regard can be taken only after the Fifth Plan is finalised.

2.23. The Committee note that there are 16 wagon building units in the private sector, with a licensed capacity of 40,869 wagons per year and installed capacity of 31,059 wagons per year in terms of four-wheelers. Of these, 3 firms are stated to have been closed while two others have not been producing wagons against Railway's orders. There are thus only 11 firms in the private sector for manufacture of wagons with licensed capacity of 30,125 and installed capacity of 26,575 wagons in terms of four-wheelers.

2.24. The Committee are constrained to note that the production of the wagon builders in the private sector has been coming down from 13,856 in 1967-68 to 6,543 in 1971-72. According to the Railways, the best achievement of private wagon builders was in 1964-65 when they produced 27,000 wagons. The existing decline in wagon production in the private sector is stated to be due to severe cut in wagon requirements by the Railways and consequential cutting down of orders on the wagon builders for two years. Since July, 1972, the Railways have, however, placed substantial orders on the wagon building industry.

2.25. The Committee note that 18 Railway Workshops were partly engaged in wagon building activity during the last five years but on account of increase in overhaul load, those workshops are now used for repair work. At present, manufacture of wagons has been restricted to three Railway Workshops only, namely, Amritsar Workshop, Golden Rock Workshop and Samastipur Workshop whose capacity in the current year is 2,860 wagons but will be increased to 4,000 wagons from next year onwards.

2.26. The Committee note that the Railways are in the process of formulating their wagon requirements for the Fifth Plan which are placed at 1.09 lakh wagons for 280 million tonnes of traffic and at 2.3 lakh wagons for 347 million tonnes of traffic.

2.27. The Committee are of the firm view that the Railways can meet all their wagon requirements for the Fifth Plan from the existing manufacturing units. The Railways' three workshops have a capacity of 4,000 wagons. According to the Railways themselves, the 11 wagon manufacturing units, in the private sector have a licensed capacity of 30,125 wagons and installed capacity of 26,575 wagons. In

addition, about 5,000 wagons can be manufactured in the 5 units which are closed or are not producing wagons at present. Thus the total available capacity for wagon manufacture in the country is about 35,000 wagons per year, which is sufficient to meet the requirements.

2.28. The Committee note that the Railways have now restricted the manufacture of wagons to the three Railway Workshops at Amritsar, Golden Rock and Samastipur Workshops. The Committee feel that with the increasing electrification and dieselisation of the Railways, the requirements of maintenance workshops on the Railways are bound to be greatly reduced. It is, therefore, imperative for the Railways to prepare a long term plan for the rationalisation of maintenance workshops on a functional basis and utilise the surplus workshop capacity for the building of wagons and passenger coaches by installing balancing plant and machinery, where necessary. The Committee have no doubt that this would not only enable the reactivation of the existing railway workshops which are languishing for want of adequate work but would also go a long way in meeting the growing railway requirements for wagons and coaches. The Committee desire that Railways should also consider the question of expanding the manufacturing capacity in the existing three Railway Workshops as also other workshops which in the past were undertaking wagon manufacture.

2.29. The Committee note that wagon building industry is extremely vulnerable and is unable to withstand wide fluctuations of orders. The Committee would like the Government to prepare a long term plan with a view to ensure that regular orders are placed on these manufacturing units so as to ensure continuity of work in them. They may also be given other necessary assistance as in the past to put them on sound working footing.

2.30. The Committee would further suggest that the Railways should approach the Ministry of Industrial Development to see whether the three units (M/s. Rayman Engineering Works, Calcutta, M/s. Mackenzie of Bombay and M/s. Singh Engineering Co. Kanpur) which have been closed, could be restarted as valuable equipment and machinery is installed in them. Government should also see whether M/s. Arthur Butler which has been closed due to the differences among the partners, could be taken over by the Government with a view to commence production of wagons as machinery and skilled manpower is available there.

2.31. For ensuring continuity of work to the wagon manufacturers, the committee would like the Government to explore the possibilities of export of wagons to the maximum extent possible after meeting Railway requirements and to synchronise export orders and

Railway orders in such a way that the wagon manufacturing units have continuity in getting orders. The Committee need hardly emphasise that adequate assistance in the matter of provision of steel and other inputs may also be ensured to them to the extent possible.

(B) Proposal for setting up of a Wagon Production Unit by the Railways

2.32. The Ministry of Railways have stated that a proposal is being considered for the setting up of a modern wagon manufacturing unit for the reasons stated below.

2.33. The Fifth Plan requirement of wagons on additional and replacement account has recently been indicated at a figure of approximately 100,000 to 125,000 which along with the throwforwards from the Fourth Plan would call for an annual output of approximately 25,000 wagons.

2.34. Practically the whole of this requirement would be broad gauge wagons as, with the progressive conversion from metre gauge to broad gauge, no metre gauge wagons are proposed to be ordered on additional account and only a very few on replacement account.

2.35. At present the two agencies manufacturing wagons are:—

- (i) the private and public sector manufacturers who effectively number about 11, and
- (ii) the three railway workshops, viz. Central Workshops, Golden Rock, Southern Railway, Amritsar Workshop, Northern Railway and Samastipur Workshop of North Eastern Railway—the former two manufacturing BG wagons mainly while Samastipur Workshop manufactures MG wagons.

2.36. Based on the past performance over the last two or three years of private/public sector manufacturers, the expectation of output next year (1973-74) would be approximately 15,000 wagons from this sector, and approximately 4000 from the Railway manufacturing units.

2.37. Hence the total annual production in 1973-74 between these two agencies be expected to be about 19,000 wagons. Beyond that period this figure may go upto approximately 20,000 wagons by these agencies.

2.38. Wagon manufacture in the Railway sector at present cannot be extended to any more repair workshops without seriously affecting the POH out-turn of rolling stock. Already these workshops have to contend with and overtake arrears of POH. Also the increase in the rolling stock holdings year by year, has also the upward trend in the repairs manifest on the coaching and wagon stock, as noticed

of late due to the intensification of operation, necessitates every bit of spare capacity that is available, that can be mustered in these repair workshops being diverted to the rising repair needs.

2.39. As a matter of fact, the latest appraisal of the arisings of wagons repairs points to the necessity of setting up even one more BG wagon repair workshop at a convenient location. This is in addition to certain expansions of existing repair shops which have already been sanctioned.

2.40. Hence, taking an optimum production of 4000 wagons in terms of four-wheelers in the existing railway repair workshops the annual gap in the production to meet full requirements still remains at 4000 to 6000 wagons approximately, and this needs to be plugged at once if we are to proceed on any firm basis towards meeting our needs of wagons in the Fifth Plan period and thereafter. For this purpose, a proposal to set up a wagon manufacturing unit in the Railway sector with an annual capacity of 4000 broad gauge wagons is under consideration.

2.41. The advantages of setting up such a wagon manufacturing unit are manifold, the chief being—

- (i) Railway sector manufacturing units apply an automatic price regulation on the private and public sectors' quotations and the Railway Ministry is enabled to have a clearer picture of the pricing of the wagons at any time.
- (ii) A better and continuous technical appraisal and appreciation of the problems by setting wagon production and thereby accelerating the process of modifications, and evolution of better types of wagons.
- (iii) Such a unit apart from plugging the gap in domestic requirements of wagons, will enable export demands being met more easily.

2.42. The financial outlay for a wagon manufacturing factory with a capacity of 4000 units per annum (in terms of four-wheelers) will be approximately as under:

1. Land (100 acres @ Rs. 5000/- per acre	Rs. 5 lakhs
2. Structure and buildings	Rs. 178 lakhs
3. Plant and machinery	Rs. 125 lakhs
4. Railway track and sidings	Rs. 15 lakhs
5. Power sub-station and distribution system	Rs. 20 lakhs
TOTAL	Rs. 343 lakhs

The above estimate is exclusive of the cost of the colony. The annual outturn of such a factory would be approximately about Rs. 15 crores.

2.43. In reply to a question about the rationale for setting up a wagon manufacturing unit in the Railway sector with an annual capacity of 4000 wagons, the representative of the Ministry stated during evidence that so far as this new factory was concerned they had made a project to study its implications and how it would cost. They came to the conclusion that it would cost 3.4 crores—a lot of money to invest. Therefore they started investigating whether it was not possible to energize some of the sick firms which could give quicker returns because there the facilities already existed. For the present they were not going ahead with the proposal for the setting up of a new unit for manufacturing wagons. They were fully investigating the private sector to see whether they could improve their outturn to meet their requirements.

2.44. The Committee note that the Ministry of Railways are considering a proposal for setting up of a modern wagon manufacturing unit in the Railway sector with an annual rated capacity of 4,000 broad gauge wagons. The estimated cost of the unit is Rs. 3.4 crores, exclusive of the cost of the colony.

2.45. The Committee have in para 2.27 stressed that the existing wagon building capacity in the country, both in the private and Railway sector, is sufficient to meet the full wagon requirements of the Railways during the Fifth Plan. Moreover, they have already recommended the rationalisation of the existing Railway Workshops and utilisation of spare capacity in them to augment the wagon and coach building capacity in the Railway sector as well as the reactivation of the closed wagon manufacturing units in the country. The Committee would like to stress that the Railways should meet their future requirements of wagons from the existing units in the country particularly the existing Railway Workshops which in the past were undertaking wagon manufacture. They see no justification whatsoever for the setting up of a new unit for the purpose of wagon manufacture.

The Committee note that for the present the Railways are not going ahead with their proposal for the setting up of the new wagon manufacturing unit.

(C) Proposal for setting up a Plant for Production of Wheel sets in the Railway Sector

2.46. The Ministry have stated that there are only two indigenous sources for supply of wheels namely, M/s. Tata Iron and Steel Co. and Hindustan Steel Ltd. Durgapur. The capacity of M/s. TISCO

is very limited. It has been indicated by them recently that they can supply only at the rate of 180 per month i.e. 2160 per year. As regards M/s. HSL Durgapur, they have an installed capacity of 45,000 wheel sets per year. The best supplies they have made during the last 5 years to the Railways had been 14470 during the year 1967-68. Recently M/s. HSL have indicated that they can supply only 7200 wheel sets per year. The actual supplies from these two sources during the last five years is given below from which it may be seen that since 1967-68 there had been a decline in the supply. The shortfall in the availability of wheels from TISCO and Durgapur has been made good by imports. Some small requirements have also been met by repair of used wheels in the Railway Workshops. There have been brief spells of non-availability due to the failure of indigenous suppliers which have affected wagon production during such periods.

Year	(Inspected and passed figures)	
	Supplies from	
	HSL/ Durgapur	TISCO
1967-68	3827	14470
1968-69	1810	9841
1969-70	1477	8354
1970-71	2077	10618
1971-72	1123	7525

2.47. The Committee have further been informed that Railways' requirements of wheels, tyres, axles and wheel sets are met partly indigenously by H.S.L., Durgapur and Tatas; Heavy Engineering Corporation, Ranchi, are also contributing to a small extent. However, the overall output of all these plants being inadequate, it has been necessary to supplement by imports, which during the last 3 years have been at the level of about Rs. 6 crores per annum. As a step towards indigenisation, therefore, it has been decided that Railways should set up an additional Wheel and Axle Plant to supplement available capacity in the country.

2.48. A project Team is presently making detailed studies in this connection, and their assessments are not yet complete. Points emerging from studies so far are as follows:—

- (1) The drain of foreign exchange now at the level of Rs. 6 crores per annum is expected to go up by at least Rs. 2

crores by the end of the Fifth Plan, for increased requirements of wheels, axles and tyres. Should prices go up in world markets, the foreign exchange expenditure would be even higher.

- (2) The new Wheel and Axle Plant is likely to cost about Rs. 17 crores, with a foreign exchange element of Rs. 5 crores for plant and machinery.
- (3) Collaboration will also be involved, but cost thereof would only be fractional when compared with the cost of production.
- (4) The overall saving of foreign exchange on attainment of full production is expected to be Rs. 7.77 crores per annum, at which rate the foreign exchange element on the plant will be more than saved in one year's production.

2.49. Project studies are still in progress. It is difficult at this stage to say when production is likely to commence. The position will emerge more clearly after a collaboration agreement is entered into and definite tie-up arrangements are reached for supply of axle steel in the country.

2.50. During evidence, the Committee enquired about the reasons for setting up a new plant for the manufacture of wheels and axle and whether the financial implications etc. had been fully considered. The representative of the Ministry stated that their estimated requirements during the Fifth Plan were for 78,000 wheel sets—6000 for coaches, 45000 for wagons and 25000 for maintenance. They were getting only about 2200 from TISCO and 7200 from Durgapur. At present they were spending between Rs. 6 to 7 crores per year and this year it was expected to be Rs. 9 crores on imports of wheels. In order to avoid this colossal expenditure in foreign exchange because of the inability of the Durgapur Steel Plant to supply them the wheels, they were examining a proposal for the setting up of a wheel and axle plant as economically as possible. The capacity of this plant was expected to be 22000 wheel sets per year. Thus they would save Rs. 5 crores in foreign exchange.

2.51. The representative of the Ministry added that originally Durgapur Steel Plant was set up with a capacity of 45000 wheels. Then they got additional machinery to step up production to 70,000 or 72,000. Their best production in any year was only 14470. In order to reduce the burden on imports they had been requesting them to step up the production at Durgapur plant. They offered the Railways to take over the production of Durgapur Steel Plant, but

that was not workable. Their production capacity had been coming down continuously. By investing Rs. 18 crores on a costly steel plant they would be saving Rs. 10 to 12 crores annually on imports and as such they should go in for such a new plant. Another feature which they had found was that knowing their dependence on foreign imports, the international manufacturers had got into a ring and had been increasing their prices by about 20 per cent every time. That was why they took a decision last year that instead of depending on the promises of Durgapur Steel Plant about its improving its capacity, they would set up their own plant.

2.52. The representative of the Ministry also stated that in this plant, the cheapest possible way would be to use a special technique, that they had seen in USA and Canada of having cast steel wheels. This was a special process and it gave a special strength and there was indication that it would almost run the life of a rolled steel wheel and therefore, they were going in for this kind of wheel.

2.53. To a question about the reasons for lower production of wheel sets in TISCO in 1971-72, the representative of the Ministry stated that the reason for lower production in 1971-72, according to TISCO, was that special types of wheel sets had been ordered in that year and for making these sets modifications to the existing equipment had to be made as tools and tackles were not indigenously available. As a result the total production of wheel sets in TISCO went down in that year.

2.54. Asked whether there were proposals of the HSL for increasing their supply of wheel sets, the representative of the Steel Ministry stated that the total production in the plant itself has fallen over the last many years. While the plant reached one million tonne production in 1964-65 and 1965-66, there had been thereafter a downward trend. This reflected in the production of wheel sets also.

2.55. To a question whether the production was less due to the managerial and trade union problems, the representative of HSL stated that the wheel and axle plant was an integrated part of the steel plant. The entire Durgapur steel plant industrial belt had got industrial relations problems. So long as industrial relations did not improve, things would remain in that form and that was why they had said that they would be able to supply only 7200. At best in the next one or two years, they might be able to supply 7500. The special type of steel required for this purpose was made only in one open hearth furnace and the technological discipline required was much stricter. Anything happening in the whole steel plant effected the production of wheels and axle.

2.56. The representative of the Railway Ministry added that according to them, this was a very serious matter. The capacity in Durgapur had been increased from 45,000 wheel sets to 75,000. The second thing was that the price of finished wheel sets that they were buying from import was almost twice the price of ordinary steel. Therefore, maximum priority should be given for the production of the type of steel required to be put through the wheel plant to be made into wheel sets.

2.57. The representative of HSL added that this year also, the production would be less, because the situation in Durgapur still continued to be bad. They had adopted a deliberate policy by which the effects would be long lasting. Some slight progress had been made in industrial relations, but it was not marked.

2.58. Asked if in case there was full co-ordination between management and staff, it would be possible to attain the target of 45,000 wheel sets, the representative of HSL stated that they had gone into the matter in detail and the maximum that they would be able to reach was 30,000 wheel sets.

2.59. The representative of the Ministry of Railways informed the Committee that the Ministry of Steel had permitted them to go for a wheel and axles plant. Tentatively, they were thinking of producing some 70,000 wheels and a corresponding number of axles. They would judge the position on the return of their team from the USA.

2.60. The Ministry have informed that the number of wheel sets and the cost (CIF) thereof imported during the last five years was as under:—

Year	Nos.	Value Rs. in lakhs: (CIF)
1967-68	14,000	181.25
1968-69	164	6.29
1969-70	3,000	72.45
1970-71	16,088	464.47
1971-72	1,672	63.82
1972-73 (till date)	22,488	800.37

2.61. The Committee note that the wheel and axle sets for meeting the requirements of Railways are at present produced at Durgapur Steel Plant and the Tata Iron and Steel Co. (TISCO). The capacity of the Durgapur Plant is about 45,000 wheel sets per year while that of TISCO is about 3,000 wheel sets per year. At Durgapur, additional machinery has been obtained to step up production to 70,000 to 72,000 wheel sets per year. Against this, the maximum output of Durgapur Plant has been 14,470 wheel sets in 1967-68. This production also has been coming down since then and last year they produced only 7,500 wheel sets. Recently, they have indicated that they could supply only 7,200 wheel sets per year. TISCO have also indicated that they could supply only 2160 wheel sets per year. To meet the shortfall of wheel sets the Railways have been importing them from year to year and the imports amounted to about Rs. 8 crores in 1972-73.

2.62. The Committee note that the Railways have decided to set up an additional Wheel and Axle Plant to supplement available capacity in the country at an estimated cost of about Rs. 17 crores, with a foreign exchange component of Rs. 5 crores for plant and machinery. In addition there would be foreign collaboration in the manufacture. The capacity of the proposed plant is expected to be 22,000 wheel sets per year. The Ministry of Steel have also agreed to the proposal to set up the Plant in the Railway sector.

2.63. The Committee are greatly disturbed to note that the Railways are setting up a Wheel and Axle Plant costing about Rs. 17 crores with a foreign exchange component of Rs. 5 crores and involving foreign collaboration, when, besides a capacity of about 3,000 wheel sets in the Tata Iron and Steel Co. Jamshedpur, the Durgapur Steel Plant has a capacity of 45,000 wheel sets. In addition, the Durgapur Steel Plant had also obtained machinery to increase the capacity to 72,000 wheel sets per year. It is a matter of great concern that against an installed capacity of about 75,000 wheel sets per year in the country, the actual supplies are below 10,000 wheel sets, resulting in an import of about 8 crores during the current year. Taking into account the requirements of Railways for wheel sets during the Fifth Five Year Plan at about 76,000, it is evident that the existing capacity in the country is sufficient to meet them.

2.64. The Committee are not aware whether any inquiry has been made into the dismally poor production of wheel sets by the Durgapur Steel Plant and whether the same could not be geared to produce upto its rated capacity by taking adequate remedial measures.

2.65. The Committee are unable to appreciate the statement of the Ministry of Steel that the maximum that could be produced in the Durgapur Steel Plant would be 30,000 wheel sets per year, when the capacity has been increased upto 72,000 wheel sets per year. While the Committee would like the requirements of the Railways for wheel sets to be met in full, they would strongly stress that a high powered technical committee should go into the production capacity of wheel sets at the Durgapur Steel Plant and examine whether the same could not be geared to reach its maximum capacity to meet the full Railway requirements. It has to be recognised that apart from non-utilisation of the installed capacity of the Durgapur Steel Plant for the production of wheel sets on which heavy capital expenditure has been incurred, the setting up of a new wheel set plant in the Railway sector would also cost over Rs. 17 crores and would take a long time to grow up. The Committee are of the opinion that it would be far more economical if the Durgapur Plant could be put on its feet and brought to its rated capacity by making necessarily re-adjustments.

2.66. The Committee therefore recommend that before planning for the Fifth Plan demand, the whole matter regarding increasing the capacity of the Durgapur Steel Plant to its rated capacity should be gone into by the high-powered technical committee suggested above.

2.67. The Committee recommend that if it is finally decided to set up the wheel and axle plant in the Railway sector, the matter should be placed before Parliament to enable Members to consider the matter fully.

CHAPTER III

ALLOTMENT OF WAGONS TO ZONAL RAILWAYS

(A) Procedure for allotment of wagons to the various Zonal Railways by the Railway Board

3.1. The Committee enquired about the procedure and criteria adopted for allocation of wagons to each Zone, Division etc. The Ministry of Railways have stated that whereas Railway-wise ownership of wagons is fixed according to the Workshop capacity on each Railway for periodical overhaul of wagons, the wagon holdings of each Railway are fixed on the basis of traffic requirements. All wagons are pooled among the different Zonal Railways. Once the requirements of wagons on a particular Railway have been fixed, it is given a credit balance for the ownership in excess of requirements or debit balance for the requirements in excess of ownership. This balance (known as Pool Balance in Railway parlance) is fixed by the Railway Board twice every year in a meeting of all Chief Operating Superintendents of Railways in which the operating performance and traffic requirements of all the Zonal Railways are also reviewed. The Pool Balance of all wagons or of any particular type are also reviewed in these meetings if warranted by sudden change in pattern of traffic, increased ownership etc.

3.2. The traffic requirements of each Zonal Railway are assessed twice a year taking into account the pattern and growth of traffic as well as the wagon mobility on the same. In fixing the wagon holding for each Railway, all loading originating, transshipment and repacking, are taken into account. Besides the loaded wagons received from other Railways are also taken into account. Anticipated increase in loading and loaded receipts are also taken into account in fixing the wagon holding. Allowance is also made for wagons under temporary repairs or POH wagons on departmental traffic etc. Not only the overall requirements of "all wagons" but also requirements of covered wagons, bogie rail trucks (BFRs), bogie open (BOX) wagons, tank wagons etc. are fixed in the same way.

3.3. No specific allocation of wagons is made Division-wise. Day to day watch on the operating performance of Divisions is maintained mainly through the mobility aspects as reflected by the interchange with adjoining Railways, number of trains run section-

wise, performance at important yards and terminals etc. Some targets of holding Division-wise of wagons in general are also fixed and watched by the Zonal Railways but the more effective check on the performance of different Divisions is through the different mobility aspects mentioned earlier.

The last revision of wagon holdings of different Railways was made in April, 1972. Revision of BOX (bogie open) holding of some Railways (Northern and South Eastern) has also been done in August, 1972.

3.4. The holding of public traffic wagons of different types by the Zonal Railways as on 31st March, 1970, 31st March, 1971 and 31st March, 1972 are given at Appendix I.

3.5. During evidence the Committee enquired about the rationale behind the procedure that whereas Railway-wise ownership of wagons was fixed according to the workshop capacity of each Railway for periodical overhaul of wagons, the wagon holdings of each Railway were fixed on the basis of traffic requirements. The representative of the Ministry stated that it was necessary to make the optimum use of workshop capacity for periodical overhaul of wagons. It could never be that the capacity for periodical overhaul of wagons would always be equal to the traffic necessities of a Zonal Railway. It was not possible to co-relate workshop capacity with the traffic needs of wagons at a particular time.

3.6. The Committee enquired if the question of relating ownership of wagons to traffic requirements had been considered. The representative of the Ministry stated that in regard to ownership of each Railway, the system was that taking into consideration the workshop capacity of a particular Railway they gave a certain ownership. They had varying ownership on different Railways depending on workshop capacity. All the wagons were for operating purposes pooled into a Central pool, say into a Bank and from that Bank they allotted the wagons to different Railways according to traffic needs from time to time. Suppose the traffic needs of a Railway required a particular number of wagons for meeting its needs and if it obtained some of the wagons from the pool, say 5,000 which was in excess of its ownership, they called it minus 5,000. If the Railway had an ownership of 50,000, but needed only 45,000, it gave 5,000 wagons to the pool which were utilised for allotment to other Railways. They called this plus (+) 5,000. This was reviewed from year to year and oftener as and when the pattern of the traffic or ownership changed.

(B) Payments/receipts of charges by the Zonal Railways for excess/less holdings of wagons

3.7. It has been stated by the Ministry that the hire charges are based on the actual wagon holdings of each railway vis-a-vis their ownership. Thus, if any railway owns less wagons but holds more wagons, it has to pay hire charges to a common pool from where it is reimbursed to the railways which have held less wagons than their ownership. This is essentially a book transaction.

3.8. These wagon balances Railway-wise are compiled by the Indian Railways Conference Association on the basis of which monthly hire charges are raised against the Railways which hold more than their ownership and credited to the Railway which holds less to the extent of the debit or credit balance.

3.9. The hire charges recovered from the railways, which held more wagons than their ownership, for the years 31st March, 1968 to 31st March, 1972, as furnished by the Indian Railways Conference Association, are given at Appendix III.

3.10. During evidence, the Committee enquired how would the hire and penalty charges of wagons effected the financial position and operating results of a Railway. The representative of the Ministry stated that this arrangement for fixing wagon ownership of each Railway depended on its workshop capacity for periodical overhaul. The Railway which borrowed the wagons paid the charges to the Railway which owned them. It was merely a financial transaction, but when the overall picture of the Railway system as a whole was taken, it made no difference. The representative of the Ministry added that they had to have complete self-contained accounts for the Zonal Railways. They should have financial adjustments in their transactions. One way to look at it was that the wagons belonged to the Indian Railways and so it did not matter whether they were used by Eastern or Western Railway. The other aspect was to make a financial adjustment on account of the hire charges of these wagons. They were following the latter method which was more logical and scientific.

3.11. The Committee note that while the ownership of wagons among the different zonal Railways is fixed according to the workshop capacity on each Railway for periodical overhaul of wagons, the wagon holdings of each Railway are fixed on the basis of traffic requirement. Each Zonal Railway is given a credit balance for the ownership in excess of requirements or debit balance for the requirement in excess of ownership. The Committee note that under this system while some Railways are regularly credited with hire

and penalty charges, others are continuously debited with these charges. In some cases, the credit and debit charges range between Rs. 3 to 5 crores annually. The Committee note that such financial adjustments in the transactions of different Railways are necessary to have a complete self-contained account for each Zonal Railway. According to the Railways, the capacity for periodical overhaul of wagons could never be equal to the traffic necessities of the Zonal Railways and thus these heavy adjustments would continue to be carried out.

3.12. While the Committee appreciate the need for having self-contained financial accounts for each Zonal Railway to ascertain their operational efficiency and the profit and loss incurred by them during each year, they are unable to agree that the ownership of the wagons should be related to the workshop capacity for periodical overhaul in that zone as under the existing set up this capacity could never equal the wagon requirements. The Committee feel that ownership of wagons should not be related to workshop capacity for periodical overhaul and that ownership and holdings of wagons in each Zone should coincide to the largest extent possible.

3.13. The Committee have already suggested rationalisation of workshop capacity on functional basis on the Railways. They feel that while each zonal Railway may have self-sufficiency in respect of minor repairs and overhauls, major repairs and large scale overhauls should be carried out in special major workshops having the necessary facilities which should be centrally controlled. This has become all the more necessary on account of increasing dieselisation and electrification of Railways which would need reorganisation of workshop capacity on the Railways on functional basis. The Committee find that a similar recommendation was made by the Administrative Reforms Commission and also by their Study Team on Railways, in their Reports. Moreover such system exists on the British Railways too.

3.14. The Committee further recommend that the whole matter regarding the ownership and holdings of wagons by each zonal railway should be reviewed in detail so as to ensure that there are no major differences in the holdings and ownership of wagons by each Railway, necessitating large scale adjustments on account of hire charges etc.

CHAPTER IV

SUPPLY OF WAGONS TO TRADE AND INDUSTRY

(A) Procedure for supply of Wagons

4.1. For the purpose of registering demand for wagon all that is necessary is to put in a requisition giving the type of wagon and particulars of intended booking. A nominal registration fee is also to be paid to guard against spurious registration. As and when allotment is made the particulars are notified in the goods-shed.

4.2. The allotment against the indents depends on the availability of wagons, number of demands pending, priority of the traffic etc. There is some unavoidable delay in allotment of low priority traffic due to seasonal demand, heavy demand over saturated routes, temporary short availability of any particular type of wagons due to heavy demand for the same for other high priority traffic unavoidable hold-ups etc. Any time lag between allotment and supply of wagons is also due to the same. But this delay is due to temporary physical availability of wagons and not for any procedure prescribed.

4.3. For the purpose of allotment, a simpler procedure is followed for movement to free destinations. The allotment of wagons for free destinations is made locally by the Station Master or Goods Clerk according to priority of registration, having regard to Preferential Schedules in force from time to time. There is no delay in such allotment. Supply is also prompt in that allotment is made to availability of wagons.

4.4. Allotment to routes limited by quotas has to be centralised. This allotment is made from Divisional Headquarters to accommodate the demand from different stations equitably within the quota. Since quota regulation of traffic is done where demand is more than the transport or handling capacity, the quotas are smaller than demand and there is naturally some delay in allotment. These delays are, however, not procedural but due to availability of transport being less than demand. Some major goods sheds are, however, allotted quotas direct leaving it to the local authority to make allotment within the same.

4.5. The certainty in wagon supply depends on availability of wagons. If wagon position is easy, wagons are supplied currently with indent. If wagon position is difficult due to peak season or

other hold-up, the wagons available have to be rationed over different sections or for loading of traffic according to priority. Some delay does occur in such cases to allot or to supply wagons after allotment. But here too, the delay is not due to any procedural red-tape.

4.6. Occasionally, temporary restriction has to be imposed to any particular destination or over a particular route due to heavy accumulation of traffic. To avoid inconvenience to trade on account of such restrictions, they are not allowed to take effect except from the next day after receipt of notice (messages) of restriction. If for want of knowledge of restrictions, a consignor brings his goods during periods of restriction, he is allowed to store his goods in the Goods shed, if space is available. Also certain major sheds like Howrah, Chitpur, Shalimar, Wadi Bunder, Carnac Bridge, Belaganj, Kanpur, Delhi, Madras, Bangalore City etc., have been exempted from day to day operating restrictions, except when absolutely inescapable, to ensure regular flow of traffic.

4.7. It is not considered necessary to revise the existing procedure of allotment or supply of wagons which, as indicated above, is already quite simple. The delay arises only when for any reason, there is temporary short availability of wagons or sudden heavy demand or when the demand for transport outstrips the movement capacity.

4.8. Additional wagons are being procured from time to time to meet the increased demand. But continued regular and adequate availability of the same depends on the cooperation of the trade in loading and unloading the same and free flow of traffic unfettered by extraneous factors like antisocial activities, strikes, bundhs etc. It is not possible for a commercial concern like the Railways to keep a heavy fleet of wagons to clear seasonal demand for traffic forth-with. The same has to be spread over the year. A certain amount of delay in compliance of demand is inevitable in such cases. Railways are taking adequate steps to develop sufficient line and terminal capacity works to increase transport capacity.

4.9. To a question about the existing position regarding the supply of various types of wagons for meeting the requirements of the trade and industry, the Ministry have replied that for purposes of determining the needs of different types of wagons by trade and industry the wagons may be broadly grouped into—

General purpose wagons:

- (i) Ordinary covered wagons used for transport of goods, damageable or vulnerable to thefts, BCX (bogies covered

wagons) fitted with Centre Buffer Coupler and Transition gear are also utilised for the same purpose.

- (ii) Ordinary open wagons used for transport of goods in bulk like coal, ores, timber, a large number of finished products from Steel Plants etc. BOX (bogie open wagons) fitted with Centre Buffer Couplers with or without transition gear are also used for the same purpose.

Special type wagons:

- (i) Hopper wagons used for transport of raw materials to Steel Plants.
- (ii) Flats with low sides—
- (a) KFs (4-wheeler end-falling) for short length;
 - (b) BFRs (bogie rail trucks) for long lengths; and
 - (c) Tanks for liquids in bulks including petroleum products, vegetable oil, etc.

4.10. Demand of the trade and industry for special types of wagons is being met more or less in full. Occasionally, supply of BFRs for the public has to be regulated for short periods to meet sudden spates of demand from Steel Plants. At times, demand for tank wagons for vegetable oil outstrips availability due to sudden seasonal demand or inordinate detention at terminals. So far as the position of ordinary type of wagons is concerned, the position was very easy upto 1969-70 and even in early months of 1970-71 when the demand was met almost currently but since September, 1970, temporary short availability of ordinary wagons has been felt particularly on the broad gauge due to immobilisation of a large number of wagons (nearly 20,000) in the Eastern sector due to heavy hold-ups and dislocation to train services due to various anti-social activities. Thousands of wagons were held up due to extensive thefts of parts and fittings and vandalism by miscreants in piercing the side panels of wagons for robbing the contents. Though the wagon position has improved to some extent from the beginning of 1972 with the improvement of law and order situation in the Eastern Sector, the position has still not normalised in that various anti-social activities like squatting on railway tracks, attacks on trains and stations, thefts of wagon parts, etc. have not yet ceased. Availability of wagons is also seriously affected due to heavy hold-up in different industrial units, terminals, etc. and heavy power-cuts, particularly on the electrified sections on Eastern, South Eastern and Northern Railways. Movement from metre gauge section has also been affected due to labour troubles and temporary shortage of broad gauge wagons for transhipment.

4.11. Wagons on Indian Railways are pooled and distributed among different Railways according to the requirements of traffic. The wagons move from one Railway to the other according to the flow of loaded traffic. Any shortage of wagons over the system as a whole therefore gets distributed over the entire system and cannot be kept confined to particular areas or section or station. On the basis of the availability of inward loaded traffic and the outward traffic offering, Railways getting more inward loaded traffic but having comparatively less outward traffic are usually at an advantage in the clearance of the demand for wagons. Thus, the position of the supply of wagons on Southern and South Central Railways is better than the other Railways where the demand for outward loading is extremely heavy.

4.12. Supply of wagons for outward traffic is made according to the priority of different commodities offering for despatch. Based on the essentiality of traffic from the socio-economic point of view, there are five Priority Schedules, viz. A, B, C, D and E. While the clearance under Priority Schedules A and B are more or less current on all Railways, that in Priority Schedules C and D is more satisfactory than the lowest priority E under which commodities which are not sponsored for any specific industry or human consumption or export come.

4.13. Railways have also given top priority for the clearance of certain committed traffic like foodgrains sponsored by the Food Corporation of India, fertilisers sponsored by the Ministry of Agriculture or the State Governments, cement, export ore, coal, raw materials to Steel Plants and finished products therefrom, petroleum products etc. Demands for these traffic are being met currently. Demand for coal from outlying fields has also been met more or less currently. It is not so in the case of Bengal-Bihar fields where the loading is at present about 5800 wagons per day against the target of about 6600 wagons. Railways are continuing efforts to step up loading further. There is also considerable demand outstanding for movement under Item E like stones in Pakur and Jamalpur area of Eastern Railway and in Kota Division of Western Railway, bamboos for Paper Mills in Bilaspur Division of South Eastern Railway, public foodgrains in Bilaspur and Nagpur Divisions of South Eastern Railway and Jabalpur Division of Central Railway, salt in Saurashtra area of Western Railway etc. These outstanding demands are due to the following reasons:—

- (i) Heavy registration of demand for certain commodities like stones, salt, public foodgrains, etc., much in excess of the genuine requirements, due to speculative reasons.

This has been testified by the heavy cancellation of indents whenever supplies are stepped up.

- (ii) Temporary short availability of wagons due to hold-ups in different industrial units and terminals and slow movement on account of factors like power cuts, wild cats strike of railway staff, etc.
- (iii) Heavy traffic offering for *via* break-of-gauge transshipment points much beyond the handling capacity.
- (iv) Heavy preferential movement of procured foodgrains on Central Government account to different parts of the country, particularly in view of the drought.

4.14. In reply to another question about the extent to which non-availability of wagons to trade and industry results in diversion of traffic to the road, the Ministry have stated that till the end of 1969-70, there was adequate capacity on the Indian Railways to meet the entire demand of trade and industry. Particularly after the Third Plan and during the subsequent non-plan years, on account of economic recession, the railway capacity remained unutilised to some extent in different areas. Till 1970, therefore, there was no question of any diversion of traffic to road on account of non-availability of wagons. From 1970-71 onwards, however, the capacity of the Railways was seriously affected by certain extraneous features like unsatisfactory law and order situation prevailing in eastern sector from September 1970 to December 1971, extra strain thrown on the Railways by special moves on a massive scale in connection with the Indo-Pak hostilities in December 1971 and sporadic agitations and interference with train running in different parts of the country throughout this period in connection with various political agitations. During this period, labour unrest in many areas, particularly in the eastern sector, also affected working of many industries and had its impact indirectly on railway movement also. From 1970-71 onwards, therefore, the Railways were not able to meet the full wagon requirements of industry.

4.15. Certain commodities like edible oils, manufactured tobacco, tea and paper, etc. are susceptible to diversion to road on account of certain characteristics like their high value and/or low volume/bulk. Such commodities tend to be diverted to road even during periods when Railways are in a position to fully meet wagon requirements of trade and industry particularly in areas where road development has been satisfactory. It is in realisation of this that the Railways have set up a Marketing and Sales Organisation on

zonal railways. One of the principal functions of this organisation is to undertake a continuous study of the extent of diversion of such sensitive commodities from rail to road and to devise measures to win back this traffic to the maximum extent. A sample study has revealed the following trends:

Name of the Commodity	Tonnage loaded (in thousands)		
	1969-70	1970-71	1971-72
Edible Oil	559	555	666
Manufactured tobacco	107	111	101
Tea	272	245	280
Piece goods (cotton)	235	190	183
Paper & Paper Board	855	889	911
Manufactured Jute	300	366	427

4.16. From these figures it may be seen that while there has been a nominal drop in respect of certain items, by and large, there has been no sizeable drop in loading of even these commodities even during the years when the Railways were not in a position to meet full wagon requirements of trade and industry. While the possibility of some diversion of traffic to road, particularly in respect of specific commodities mentioned earlier, cannot be ruled out, it is not possible to establish with any degree of precision the extent of such diversion as it would depend on a number of factors like railway operation pattern in different areas, the extent of development of roads in that area, the lead of traffic, etc. etc.

4.17. The Committee enquired about the average time taken to supply wagons to the consumers after registration of the demand. The Ministry have stated that no figures are maintained of average time taken in supply of wagons after registration of demand. In order to get a ready idea of delays in supply of wagons Railways maintain an account of the oldest indent pending supply. Compliance of demand to destinations or via routes movement capacity over which is limited is also delayed as movement has to be arranged according to capacity available. Registration of demand over these routes is also inflated.

4.18. In reply to a question about the reasons for delays in supplying wagons after allotment, the Ministry have stated that allotment and supply against indents depends on the availability of wagons, the number of demands pending, priority of traffic, etc.

There is so unavoidable delay in allotment of wagons for low priority traffic due to seasonal demands, heavy demand for movement over saturated routes, temporary short availability of particular types of wagons due to heavy demand for the same, etc. The time lag between allotment and supply of wagons also arises due to the same reasons.

Outstanding Indents.

4.19. The particulars of outstanding indents zone-wise and gauge-wise are given separately for B.G., M.G., and N.G. at Appendix IV.

4.20. Indents were complied with currently in 1969-70. Even at the end of 1970-71, supply was fairly current for free destinations on all Railways except Eastern, South Eastern, Western and Central Railways on the B.G. and Western Railways on the M.G. Some arrears in respect of quota regulated and restricted routes are inevitable, as supply of wagons over these routes have to be regulated according to movement capacity.

4.21. In reply to a question about the reasons for heavy outstanding of indents and the steps taken by the Railways to improve the position, the Ministry have stated that briefly, the position is that the present wagon holding of Indian Railways is sufficient to meet the current demands under normal conditions. It has, however, not been possible to meet the demands in full due to abnormal conditions prevailing during the last two years or so. The availability of wagons to the trade depends not only on the number of wagons available on the railway systems but also on the quickness with which wagons are dealt with at the loading and unloading terminals as also on the speed of their movement while they are in transit. Partly as a result of the unsatisfactory law and order conditions and partly for other reasons, wagons have tended to get accumulated at the unloading terminals, particularly in the Calcutta area. Major users of railway wagons like Steel Plants and Ports and other major industries have also been detaining wagons excessively inside their systems, which again has affected wagons availability.

4.22. When wagons become scarce in availability, there is a tendency on the part of the trade to indicate inflated requirements. Therefore, the outstanding registrations at a particular time do not reflect the actual demand for wagons. This is borne out by the Railways experience that a large number of indents are cancelled when wagons are supplied on a steady basis.

4.23. In the matter of supply of wagons, the Railways have a system of priorities under which essential traffic like raw materials

to major industries, finished products of major industries, foodgrains etc. get higher priority in allotment and supply of wagons. The figures of the outstanding demands are, therefore, generally confined to non-essential commodities, which have a low priority in the scheme.

4.24. The following steps have been taken by the Railways to improve the availability of wagons:—

- (i) an *ad hoc* order has been placed on wagon builders for 15,000 additional wagons. This is in addition to order already pending with them on replacement account. Special assistance is being given by the Railways in various forms to help wagons builders to step up their rate of output.
- (ii) The availability of wagons has been considerably reduced in recent years as a result of wanton damage to wagon bodies by unsocial element with a view to pilfering contents. To overcome this problem, repair, particularly of covered wagons, has been undertaken on a massive scale by all Railways by provision of additional welding sets and panel patching arrangements in workshops as well as in transportation sick lines.
- (iii) To discourage the trade from using wagons as godowns at terminals, the rates of demurrage have been increased with effect from 1st December, 1972.
- (iv) In order to discourage registration of spurious demands, the rate of registration fees has been doubled with effect from 1st January, 1973.
- (v) In certain major goods sheds, the Railways have been experiencing shortage of storage accommodation, due to traders not removing their consignments in time, which leads to accumulation of wagons in turn. To obviate this difficulty, it has been decided to reduce the period for which Railways accept the liability as a bailee after termination of transit time to 7 days from 30 days, which used to be previously.
- (vi) In order to reduce the incidence of detention to wagons inside steel plants, ports, a constant and close study is undertaken in coordination with these units. For example, in respect of steel plants, a work study has recently been completed of all the steel plants and certain suggestions have been made about improving the facilities inside the plants so as to enable them to handle wagons faster and thereby reduce the detentions. This is a continuous process.

4.25. Availability of wagons for the trade is, however, ultimately, dependent on the ability of the Railways to keep the available wagons moving. Agitations in different parts of the country over various issues, almost all of them totally un-related to railway working, have been continuously affecting railway operations and leading to immobilisation of a large number of wagons. There was thus student agitation in Punjab in September and October 1972 over grant of concession to students in cinema houses. This affected Railway operation for over a month. During the same months, there was another agitation in the Assam area of N.F. Railway over the language issue, which again affected operation and resulted in immobilisation of a large number of wagons. Right from the beginning of November, 1972, the agitation in connection with 'Mulki Rules' has seriously affected railway working. There was wanton interference with train running and this is still continuing. Quite a few stations have been burnt and there were instances of even attempted burning of Railway staff while on duty. All these have affected the morale of the Railway staff considerably apart from directly resulting in dislocation of train services and bottling up of wagons. The latest is the strike of the U.P. Electricity Board Engineers.

4.26. During evidence the Committee enquired how the Railways ensured that discrimination was not done in the allotment of wagons to trade and industry. The representative of the Ministry stated that registration and allotment of wagons was done according to a system of priorities. The traffic was divided into five distinct priorities. Priority 'A' was given to the most urgent traffic that was needed for defence requirements etc. Priority 'B' traffic was next urgent traffic, for instance foodgrains sponsored by Food Corporation of India. Priority 'C' traffic was for movement of material like cement, fertiliser etc. Priority 'D' traffic was for the movement of goods of lesser importance. And lastly, priority 'E' traffic was for non-priority goods depending upon the availability of wagons. So they met the demands of wagons for all the priorities in that order. For the movement of essential commodities they saw to it that there was no discrimination in the allotment of wagons.

4.27. The Committee enquired about the reasons for not supplying wagons to trade and industry according to quota fixed. The representative of the Ministry stated that so far as committed traffic like iron ore, cement, foodgrains etc., was concerned, there was no spasmodic supply to the industries concerned. In case of non-priority items like un-sponsored foodgrains, bamboo and other forest material, irregularity in supply occurred because of lack of availability of wagons. To enable clearance of such registrations wagons were supplied in bulk i.e. 30, 40 or 50 at a time.

4.28. In reply to a further question, the representative of the Ministry stated that while he agreed that the Railways should be customer-oriented, they must have more wagons for prompt and regular supply in prevailing conditions.

4.29. Asked whether any study had been made about the extent of non-availability of wagons to the trade and industry, the representative of the Ministry stated that it could not be denied that the trade and industry were resorting to road transport to a considerable extent. They had set up Marketing and Sales Organisations a few years ago with a view to keep in touch with trade and industry who had expressed the view that they wanted prompt and regular supply of wagons to enable them to feed marketing centres in time. When the supply of wagons was delayed, they went to road. The Railway had made a study of the sensitive commodities and they tried and concentrated on prompt and regular supply of wagons for these commodities. The loading of these commodities would bring them more revenue and this effort had yielded very good results. They had been able to meet the demand of these commodities fairly satisfactorily as was evident from the fact that loading of these commodities had gone up.

4.30. As regards exchange of ideas between the trade and industry and the Railway Board, it was stated that so far as the Petroleum Ministry was concerned, they had regular meetings for this purpose. They had no special meetings for the purpose of ordinary wagons.

4.31. The Committee note that till the end of 1969-70, there was adequate capacity on the Indian Railways to meet the entire demand for trade and industry. The mobility of wagons was thereafter seriously affected due to the unsatisfactory law and order situation in Eastern region and also due to the massive scale movements in connection with Indo-Pak hostilities.

4.32. The Committee find that the Railways are now able to meet currently only the indents falling under priorities 'A' and 'B'. The traffic under other categories is affected in varying degrees but the worst affected traffic its priority 'E' traffic like non-sponsored public coal, stones, bamboo and salt etc.

4.33. While the Committee recognise that the abnormal conditions prevailing during 1970-71 and 1971-72 have seriously affected Railway operations, they would like to point out that during their tours over various Zonal Railways, the Chambers of Commerce and other public organisations have voiced a general complaint that wagons are even now not available in adequate numbers and even the limited supplies are not made in time which is indicative of the

fact that the position has not shown any appreciable improvement so far.

4.34. The Committee would, in this connection, further like to point out that the three non-plan years which preceded the launching of the Fourth Plan were a period of recession and the availability of wagons at that time was consequently easy. Even so, they observe that as against a total originating traffic of 207.9 million tonnes lifted by the Railways during 1969-70, the traffic during 1972-73 is estimated to be only of the order of 203.4 million tonnes. The Railways have, therefore, to examine in some depth the reasons for their inability to satisfy fully and in time the requirements of their customers with the existing wagon fleet. In fact, it was admitted by the representative of the Ministry during evidence that with better utilisation they could carry upto 5 per cent additional traffic with the existing resources. Moreover, the various steps taken by the Railways recently viz., increase in the rate of demurrage and wharfage, reduction in the liability of the Railways as a bailee from 30 days to 7 days, speedy repair of damaged wagons etc., would also enable them to make more wagons available for the movement of freight traffic.

4.35. The Committee consider that timely and regular supply of wagons is very essential for the industrial progress of the country and also for keeping the prices under check under the present inflationary conditions. The Committee would, therefore, like the Government to take concerted measures to bring about distinct improvement in supply of wagons to trade and industry and move the traffic offered to it.

4.36. While the Railways are justified in taking all possible measures for ensuring that the wagons are released without undue detentions, they, on their part, are also duty-bound to streamline their operations so that the users who have at present to undergo numerous hardships and avoidable harassment, could be given an efficient and reliable service. It should also be ensured by the Railways that there is no undue time lag between the allotment of wagons and the supply thereof to the trade.

4.37. The Committee have in paragraphs 5.163 and 5.165 of their Third Report pointed out that there is need for activating the Station Committees and for taking into confidence the trading and business community who are at present impelled to patronise road services for want of efficient, reliable and quick rail services. There is a wide-spread feeling in the public mind that the booking staff indulge in a variety of malpractices which not only results in loss of public

goodwill for the Railways but also affects their earnings potential. It is, therefore, of utmost importance that responsible officers are easily accessible to the trade and industry so that their genuine difficulties in getting wagons for movement of goods are rectified without delay.

4.38. The Committee need hardly point out that if any field official is found recalcitrant or unresponsive, to the needs of trade and industry or indulging in malpractices, he should be strictly dealt so as to have deterrent effect on others.

B. Actual Supply of Wagons and the requirements of Major Commodities

4.39. The position in respect of supply of wagons and requirements of wagons for major commodities viz., coal, iron and steel, foodgrains cement, oil and tea is as under:

(i) Coal

The number of wagons indented and actually provided in respect of coal during the last three years were as follows:

Year	Daily average indent (ordinaries)	Daily average allotment	Daily average loading
1969-70	11731	8401	8176
1970-71	13371	7813	7557
1971-72	13543	8037	7830

4.40. A leading Chamber of Commerce and Industry in its memorandum to the Committee has stated that "1969 was the best year for coal traffic. After this there has been continuing deterioration. The Bengal/Bihar fields have been the worst affected. About 80 per cent of India's coal is raised from these fields and it is in these fields that in 1971 and thereafter there has all along been a short-fall of about 300 wagons per day against the targets fixed by the Railways. Whereas the short supply affects both the Bengal/Bihar coalfields, the major share of the short supply is in the West Bengal coalfields...."

4.41. "The shortfall has been the greatest in the 'above Moghul-sarai directions' and viz the Andal depot. Coal produced in West Bengal cannot possibly be consumed in that State at present, and it

has to move to consumers upcountry. With serious shortfall in the 'above Moghulsarai directions' and bottlenecks at the Andal Depot, the West Bengal collieries have suffered serious set back and their production as compared to 1969 has fallen by as much as 3 million tonnes and the pit-head stocks have almost doubled. There is thus a large unutilised capacity in the West Bengal collieries which had made sizeable investment in stepping up capacity in the Third Plan."

4.42. Figures of actual indent and allotment in the Bengal/Bihar fields for the last six months are quoted below:—

Period	Daily average indent	Daily average allotment	Shortfall	
			Wagons	% age
January, 1972	9,997	5,833	4,164	42%
February, 1972	9,540	5,903	3,637	38%
March, 1972	9,316	6,244	3,072	33%
April, 1972	9,660	5,679	3,981	41%
May, 1972	9,943	5,476	4,467	45%
June, 1972	10,125	5,571	4,554	45%
Average	9,764	5,784	3,980	41%

4.43. "Against the coal industry's daily average indents for about 9,764 wagons, the actual allotment was 5,784 wagons or about 41 per cent less than the actual indent. This shortfall was substantial. Moreover, actual supply of wagons to the collieries is always far below the allotment itself."

4.44. The Chamber has further stated that "while the Railways have stressed the need for quicker loading and unloading of wagons when dealing with coal producers and consumers, their own facilities at transshipment and unloading points are extremely poor and are the main reason for most hold-ups. The greatest emphasis in these cases is on manual loading/unloading/transshipment whereas the larger coal producers and consumers have been compelled to mechanise their handling operations. It is, therefore, suggested that the Railways should modernise and mechanise their handling operations at all important stations/yards and particularly at transshipment points."

4.45. In reply to S.Q. No. 1057 dated 30-5-1972 it was stated by the Minister of Railways in the Lok Sabha that "rough estimate shows

that the daily average number of wagons loaded from Bengal and Bihar collieries in Bengal-Bihar fields have been as under:—

(Daily average number of wagons loaded)

	West Bengal collieries	Bihar collieries	Total
1969-70	2418	3824	6242
1970-71	2106	3436	5542
1971-72	2066	3581	5647
February '72	2165	3729	5894
March '72	2214	3858	6072
April '72	2227	3621	5848

4.46. Average daily loading in West Bengal fields in 1971-72 had been only 352 wagons less per day as compared to 1969-70, the normal year, while average daily loading in Bihar fields in 1971-72 was 243 wagons less than that in 1969-70. Loading from West Bengal area has picked up from February, 1972.

4.47. Loading from West Bengal fields suffered most due to various anti-social activities in Andal and Asansol spheres. Moreover, loading from Jharia sphere in Bihar fields had to be kept up due to the same loading coking coal to the steel plants and washeries. Operation in Karanpura sphere of Bihar fields was not much affected by anti-social activities.

4.48. In reply to a question about the reasons for the daily average loading of coal being very much short of the indents during the last three years, the Ministry have stated that currently the demand of outlying fields is being met more or less in full. The shortfall is mostly in West Bengal, Bihar and C.I.C. fields. Prior to 1969-70, the demands of coal industry were fully met even in the peak season. As a result, there used to be idling of surplus wagons in the off peak period. Since 1970-71 onwards, the socio-political conditions have affected the mobility of railways resulting in lower productivity of our rolling stock.

4.49. To a question whether the demand for coal traffic from major industries had been met in full by the Railways, the Ministry have stated that there was a shortfall in loading of coal for public users in 1970-71 to the tune of 6 million tonnes in 1970-71 and 1.24 million

tonnes in 1971-72 in comparison to the anticipations. In the light of this shortfall, it had to be accepted that the Railways could not meet the demand of all industries for coal in full. The primary reason was the unsatisfactory law and order situation in the Eastern Sector.

4.50. In his speech while introducing the Railway Budget for 1973-74, the Minister of Railways observed:—

“In the transportation of coal, which accounts for 30 per cent of the total originating tonnage, determined efforts have been made to step up loading. While the movement of coal from outlying fields was very satisfactory, that from Bengal-Bihar coalfields was not so good. During the first ten months of the year, daily average loading of coal from Bengal and Bihar fields was 5683 wagons against the average of 5647 wagons during 1971-72 and 5542 wagons during 1970-71.”

4.51. The Committee note that the daily average number of wagons loaded in the West Bengal and Bihar coalfields during 1971-72 was 5647 while during the first ten months of the current year (1972-73), there was a marginal improvement, the figure being 5683. It is, however, still considerably short of the daily average loading target of 6600 wagons and the actual daily loading of 6,242 wagons during 1969-70 which was a “normal year”.

4.52. While the Committee realise that coal movement may have suffered during 1970-71 and 1971-72 due to certain reasons beyond the control of the Railways, they are constrained to observe that the position has not shown any appreciable improvement during the current year in so far as the daily average loading is short of the target by as much as 900 wagons. It is no surprise, therefore, that there has been a general complaint by the industry and public about shortage of coal which in certain cases has seriously affected production. This is also reflected in the memoranda submitted to the Committee by Chambers of Commerce etc.

4.53. The Committee cannot emphasise too strongly the imperative need on the part of the Railways to step up coal movement particularly in the above Moghulsarai direction in their own as well as larger national interest.

4.54. The Committee are surprised to note that while the Railways have been emphasising on the producers and the industries the need to mechanise or otherwise speed up the loading/unloading operations,

they have themselves done precious little to mechanise these operations at the transshipment points. While the Committee trust that the nationalisation of coal mines will help the Railways to improve the turn-round of wagons through quicker releases, and rationalisation of movement of coal, they would like the Ministry to examine the feasibility of mechanising the operations where necessary in the interest of economy and efficiency of operations since the Railways will be required, as per tentative estimates, to carry nearly 125 million tonnes of coal in the Fifth Plan.

4.55. The Committee would further like the Ministry to prepare a detailed plan for rationalisation of coal movement to ensure that the available wagon capacity is put to the maximum use.

4.56. The Committee are distressed to find that the shortage of coal has particularly hit the brick kiln industry and other small users. They would like the Ministry to implement without further delay the proposal to set up coal dumps at central places by maximum utilisation of the spare transport capacity during slack season.

(ii) *Iron and Steel*

4.57. The number and types of wagons indented and actually provided in respect of Iron and Steel during the last three years were as under:—

	Ordinary		Long length		Open & BFRS.	
	Daily Indent	Daily Loading	Opens		BFRs.	
			Indent	Loading	Indent	Loading
1969-70	297	295	80	79	182	168
1970-71	286	277	79	79	162	147
1971-72	259	257	87	87	148	133

4.58. In reply to a question whether the Railways have been able to work out realistically the requirements of the Steel Plants, the Ministry have stated that in undertaking commodity-wise assessment of wagons three separate categories of traffic to and from the Steel Industry are taken into account, viz:—

(i) Finished products

(ii) Raw materials, other than coal, and

(iii) Coal—for washeries as well as Steel Plants separately.

Corresponding to the revised overall freight traffic target of 240.5 million tonnes by the end of the Fourth Plan, the anticipated traffic and the requirement of wagons therefor under each category of traffic are indicated below:

Category	Anticipated originating traffic (in million tonnes) by 1973-74.		Wagon requirement, including allowance for sickness and for peak traffic (in FWEs)	
	BG	MG	BG	MG
(i) Finished products including pig iron.	7.88	0.12	17,607	1,789
(ii) Raw materials other than coal	20.96	0.03	14,996	69
(iii) Coal for washeries and Steel Plants	20.50	..	16,284	245*

*for traffic transhipped from BG to MG.

4.59. As the commodity-wise traffic forecast is finalised in consultation with the Planning Commission, alongwith the representatives of the Ministry of Steel, the assessment of wagon requirements, in the manner mentioned above, can be reasonably stated to be realistic.

4.60. M/s. Hindustan Steel Limited have stated in their memorandum to the Committee that "In order to step up the overall earnings of the Railways, equal attention should be paid by them for movement of both high and low rated traffic. What is presently happening is that in view of the overall shortage of wagons to move the iron and steel products, wagons are not available for movement of materials like granulated slag, coke etc. This affects the revenue of the Steel Plants. Moreover, in the absence of regular movement of these, production of the industries like the Cement Industry and the small blast furnaces producing Pig Iron in the State Development Sector etc., which use these material as raw material, are affected. Hence if the Railways pay equal attention to all the traffic of the Steel Plants, it will result in immediate increase in the originating traffic of the Railways. This will also have a multiplier effect as the industries using these raw materials supplied by the Steel Plants would in turn offer more traffic to the Railways."

"Quick Transit Service for movement of bulk traffic, in rake loads, should be extended to cover the close circuit traffic like Coal, Iron Ore, Lime-stone, Dolomite etc. In order to ensure the desired punctuality of services without loss of time in transit, suitable penalty clause by way of remission in freight may be provided. This will

help in the improvement of the wagon turn round time of all general service wagons, resulting in better availability of wagons and consequently more traffic lifting capacity of the Railways.

The Railways as a commercial organisation should go out of their way to find out the requirements of the business community and the industries in order to take steps to remove the difficulties coming in their way in utilising the Railways for movement of their traffic.

In this connection the problems of the steel companies which are the biggest customers of the Railways, should be given special attention by the Railways. There should be coordination between the Railways and the Steel industry about the type, speed and haulage capacity of the engines and wagons to be introduced by the Railways. They should take into account the facilities available at the steel plants for their unloading, loading etc. In the long run this would be in the interest of both the Railways and the Steel Plants.

The Steel Plants require sufficient number of covered wagons for despatch of their sophisticated cold rolled products, which is bound to increase in the future with their additional availability at Bokaro. Moreover, these covered wagons will have to be specially designed so that the roof is either sliding or detachable to facilitate loading and unloading by overheads cranes.

The Railway should also consider providing crane facilities at all important unloading points to handle heavy lift materials.

BFR/BRH type wagons for carrying long length materials like rails, roads, etc., are now in short supply. Particularly long length materials are required for export purposes. It would therefore be necessary for the Railways to make available adequate number of these type of wagons to cater both for internal and export despatches.

The incoming raw material trains for Iron Ore, Coal, Limestone etc. are required in the Steel Plants according to specific time schedules. It would be necessary therefore the Railways to synchronise their movement to the Steel Plants in a planned manner. What is now happening is that the Railways bunch these trains and feed the plant at one time one after another. This results not only in the detention of wagons affecting their turn round but also these bunched movements effect the operations of the Steel Plants.

The Foundries which receive Pig Iron from the main Steel Plants are spread over a wide area in almost every state. It will be economical for the Foundries to get their raw material supplies direct

from the main producers. However, due to the insistence of the Railways for formation of block rakes for movements of Pig Iron, the Foundries do not receive material at their desired stations, resulting in additional expenditure for movement of the material. This affects the economy of the Foundries. It is, therefore, essential that the Railways plan at least to carry a part of Pig Iron say, about 50 per cent of availability in loose wagons to be shunted and placed at the various destinations of these Foundries.

In principle and practice, the Railways discourage movement of raw materials traffic on a piecemeal basis. However, it is not always possible for the Steel Plants to avoid movement of materials in wagon loads. For instance some of the raw materials like Bauxite, Ferrosilicon and certain grades of Limestone etc. owing to their comparatively smaller requirements in a steel Plant, have to be moved on piecemeal basis. The Railways should not insist on train load movements of such raw materials.

The present system of demurrage does not serve as an incentive to the Railways operational staff moving the trains quickly and efficiently in order to ensure quicker turn round of wagons. It is necessary to consider this matter in depth in the context of the present day volume of movement of steel traffic.

On the same basis as demurrages are payable by the Steel Plants for detention of wagons beyond a specific time, the Railways should also suffer penalties for their default in keeping to their programme with the Steel Plants which affects the Plants working. Penalty schemes should therefore be introduced in respect of the following:—

- (a) for irregularity in supply of wagon loads covered by CBT programme.
- (b) irregularities in supply of empty wagons against accepted programme including the time schedule.
- (c) supply of unfit wagons."

4.61. In reply to a question how the Railways maintained co-ordination with the Steel Industry in regard to supply of wagons, the Ministry have stated that the Ministry of Steel are associated fully in finalising the freight traffic forecast. They also have the opportunity to indicate their special requirements, if any. In determining the type of wagons, the view of the Ministry of Steel are also taken into account. So far as the haulage capacity and speeds of locomotives]

wagons are concerned, it will be appreciated that the overall pattern of traffic, economics of operation and the need for standardisation of stock on the Railways largely determine these aspects. Like other customers, the Steel Plants' main concern is the speedy supply of raw materials and clearance of finished products. For this purpose, most of the Steel Plants traffic is moved under diesel or electric traction.

4.62. M/s. Hindustan Steel Ltd., have in their memorandum to the Committee given a number of suggestions for streamlining and stepping up the supply of wagons to the Steel Plants. The Committee would, in particular, like to draw attention to the following:—

- (i) Need for assuring un-interrupted supply of wagons for movement of materials like granulated slag, coke etc.
- (ii) Introduction of Quick Transit Services for closed circuit traffic like coal, iron-ore, lime-stone, dolomite etc.;
- (iii) Provision of specially designed covered wagons for sophisticated products.
- (iv) Stepping up supply of BFR/BRH type wagons for carrying long length materials;
- (v) Need for avoiding bunching of incoming trains of raw materials.

4.63. As the Steel Plants, both in public and private sectors, are the principal bulk user of Railway transport in the country, the Committee would like the Ministry of Railways to give serious consideration to the above suggestions of M/s. Hindustan Steel Ltd., in the overall national interest. It is also necessary that a scheme of effective and close coordination between the Steel Plants and the Zonal Railways is devised so that the day-to-day difficulties of both could be speedily resolved through mutual discussion.

4.64. The Committee have already in Paras 1.23 to 1.25 stressed the imperative need to forecast realistically the traffic requirements for the movement of steel traffic, both raw materials and finished products and provide for their smooth movements during the Fifth Plan. They have also dealt with the question of detention of wagons by the steel plants which adversely affects movements in Paragraph 6.123 of this Report.

(iii) Foodgrains and Fertilizers

4.65. The number and types of wagons indented and actually provided in respect of foodgrains during the last three years were as under:

Year	Daily indent (Covereds)	Daily average loading		
		Covereds	Opens	Total
<i>B.G.</i>				
1969-70	1238	1145	88	1233
1970-71	1269	1138	105	1243
1971-72	1427	1234	119	1351
<i>M.G.</i>				
1969-70	593	590	2	592
1970-71	548	540	..	540
1971-72	679	605	1	606

4.66. The Food Corporation of India have in their memorandum to the Committee observed as follows:—

“The traffic in foodgrains and fertilisers forms one of the major items of transport on the Railways. It is, therefore, necessary that long term measures are planned for reducing the detention to this traffic in the process of loading and unloading and thereby optimising transport capacity....

Railways should think in terms of designing a type of wagon which can carry foodgrains and fertilisers in bulk and at the same time affords facilities for mechanical loading and unloading of these wagons directly from Silos etc. The wagon designs and the ancilliary facilities at the terminals will have to be developed by the Railways in close collaboration with the Port authorities and the FCI.

To encourage industrial units to own their wagon fleet, the question of Railways giving suitable concessions could be examined by the Railways.

The experience of this Corporation has been that the existing arrangements for co-ordination between the Railways and the users are adequate.... However, to strengthen

the machinery of coordination it is necessary that major statutory corporations—such as the FCI which is easily the single biggest rail user in the country—are given representation in the National and Zonal Rail Users Consultative Committees.”

4.67. The Committee enquired about the extent of shortage of wagons for movement of foodgrains and fertilisers and whether it was still persisting. The Ministry have stated that while it is difficult to assess the precise extent of shortage or its duration in respect of movement of foodgrains on public account and fertilisers, it may be clarified that movement programmes of these commodities on Government account as also of other bulk commodities like cement, export ore & steel etc., are fixed in consultation with the concerned Ministries generally before the commencement of each financial year. The materialisation of traffic and the actual loading are watched on monthly basis and even in some cases on daily basis from each factory and from each region.

4.68. The figures of actual loading of foodgrains and fertilisers on Government account as well as on trade account during the last three years are indicated below:—

		(In 4-wheelers)			
		Broad Gauge		Metre Gauge	
		Govt. account	Trade account	Govt. account	Trade account
FOODGRAINS					
1969	. . . . .	3,00,165	1,41,296	1,13,894	1,07,596
1970	. . . . .	3,09,173	1,46,605	85,201	1,16,340
1971	. . . . .	3,21,319	1,29,064	76,982	1,18,654
FERTILISERS					
1969	. . . . .	1,04,276	30,084	45,636	23,136
1970	. . . . .	83,714	39,944	36,988	23,101
1971	. . . . .	1,00,283	45,933	46,504	18,243

4.69. The movement on Government account is generally met with in full on a preferential basis. As regards movement on trade account, it would not be correct to assess the performance on the basis of the gap between indent and supply loading in respect of these commodities, as there is a tendency on the part of the trade to inflate the demands particularly in the areas where there is a shortfall in wagon supply.

4.70. During evidence, the Committee enquired about the reasons for the Railways not being able to meet in full the requirement of covered wagons for movement of commodities like fertilisers and foodgrains. The representative of the Ministry stated that this observation was made on the basis of the situation prevailing in 1970-71, when they were in trouble. The wagons that got locked up in the Eastern region were to a large extent four-wheeler covered wagons. The other areas of the country to which these wagons would have been moved, consequently suffered. They had since been able to get them out. However, as these wagons had been punched and were in very bad condition, a massive programme of their repair had been undertaken. As a result, the position had improved during the last few months. Given normal conditions of working, there should now be no shortage of covered wagons.

4.71. The witness added that the green revolution had changed the entire pattern of movement. The import of foodgrains which had at one time reached a record level of 10 million tonnes in one year, was now insignificant. Now the Railways were called upon to move foodgrains from the North to different parts of the country. After some initial difficulties when they had to use open wagons, the Railways were now providing more and more covered wagons. The load of such traffic had also increased in so far as foodgrains from Punjab and Haryana had to be moved to the Southern most regions of the country. The representative of the Ministry stressed that for optimum utilisation of the available wagon capacity, the storage facilities in Punjab, Haryana, Western U.P. etc., should be augmented so that there could be more or less uniform movement throughout the year.

4.72. The Committee have in para 3.84 of their Third Report impressed the need for reviewing periodically the requirements of covered wagons for vulnerable commodities such as foodgrains so as to meet them to the maximum extent possible. They would, at the same time stress that for optimum utilisation of the available wagon fleet, it is necessary to augment the storage facilities in the surplus areas on an emergent basis.

4.73. Now that the Food Corporation of India—a public undertaking is the biggest procurer, warehouse and distributor of food grains in the country and has field offices all over India, it should be possible for the Railways to work out an integrated plan for the movement of foodgrains which would be consistent with the requirements. The Committee would like Government to take note of the fact that by and large India has already reached self-reliance. It

is, therefore, necessary that a perspective plan should be worked out for the movement of foodgrains. The Food Corporation of India should locate its buffer stock in consultation with the Railways so that there is minimum of movement to meet the requirements of needy areas. The Committee need hardly point out that if there is an integrated plan for procurement and distribution of foodgrains it should not be difficult to maintain a reasonable level of prices of foodgrains all over the country in the interest of public.

4.74. In para 3.86 of the above, Report, the Committee have urged that designs of a wagon with sliding roof should be finalised early so that it could be used both for carriage of coal as well as foodgrains. In this connection, they would also like the Ministry to examine the suggestion of the Food Corporation of India that a special type of wagon should be designed for carriage of fertilizers from ports to the interior areas, the same wagons to be utilised for carrying foodgrains from the surplus areas to deficit areas and that the design should be such that the wagon could be loaded or unloaded mechanically.

4.75. The Committee would also like the Ministry to accord priority to movement to fertilizers. They would also like the Ministry to examine the feasibility of the 'Own your wagon scheme' in respect of major users.

4.76. The suggestion of the Food Corporation of India that major statutory corporations should be represented on the National and Railway Users' Consultative Committees may also be examined.

(iv) Cement

4.77. The daily average number of wagons indented and actually provided for loading of cement during the last three years was as under:—

Year	Indent	Allotment	Loading
1969-70	1577	898	1390
1970-71	1781	..	1454
1971-72	2031	..	1472

4.78. Explaining the reasons for shortfall in loading, *vis-a-vis* the indent, the Ministry have stated that for movement of cement, the programme of each financial year is fixed before the commencement of the year by the Railways in consultation with the Ministry of Industrial Development, the Industry and the Planning Commission. While fixing the target, the anticipated production of each factory and its distribution pattern are taken into account.

The target thus fixed for 1969-70, 1970-71 and 1971-72 and the actual movement are indicated below:—

(In million tonnes)

Year	Target	Actual movement
1969-70	9.9	10.7
1970-71	10.7	11.1
1971-72	12.0	11.2

From these figures it may be seen that the Railways were fully able to meet the demands in respect of cement, till 1971-72 when there was a shortfall to the tune of 8 lakh tonnes or about 6 per cent of the target. This shortfall was due to a variety of adverse features, affecting the railway operations and causing serious hold up wagons. From the beginning of the year, unusually large number of covered wagons had to be deployed for movement of food-grains on a massive scale to the Eastern region for millions of refugees fleeing from East Pakistan. Operation in the Eastern sector was also affected by the unsatisfactory law and order situation almost throughout the year. This was followed by very heavy pressure on the Railways due to defence moves on a big scale from September upto the end of the year; extensive breaches on the North Eastern and N.F. Railways in August and September, 1971 also resulted in immobilisation of a large number of covered wagons.

4.79 The Railways are aware of the gap between indents and loading; this gap will be there even when the target for lifting of cement is fulfilled and can be explained by the fact that the quotas for each cement factory for wagon supply, on the basis of which they generally place indents, are fixed on a liberal scale and there is a cushion of 20 per cent to 30 per cent in each cement factory between the requirement of wagons to meet the railway's commitments and the quotas fixed for them. By supplying 70 to 80 per cent of the quotas of each cement factory, the Railways would be completely fulfilling their targets. This cushion is allowed, so as to provide a sufficiently wide margin to make up shortfalls, which arise for various reasons, sometimes due to failure of the railways, sometimes due to internal difficulties of the factories, difficulties affect production and their ability to load. Thus, if wagons were supplied in accordance with the quotas fixed for each cement factory throughout the year, it would have enabled loading over 19

million tonnes in 1971-72, whereas the target of cement production at the end of the 4th Plan is only 18 million tonnes. Apart from this fact that the quotas fixed for cement factories are themselves not strictly in accordance with the requirements, many factories also indent for wagons in excess of their quotas. This adds to the gap between indent and loading. The correct index of the railway performance in respect of cement would not therefore, be a comparison of loading with indents but of loading with the target.

4.80 In order to fulfil the target in respect of cement, various steps have been taken. A vigorous drive has been undertaken by the Indian Railways to rehabilitate as many covered wagons as possible by extensive repairs and panel patching. Condemnation of wagons has been postponed, so that some of the wagons which are due for condemnation are kept available for traffic on condition basis to tide over the present emergency. In addition, orders are now pending with the wagon manufacturers for about 40,000 wagons. Extensive repairs of covered wagons and postponing their condemnation have become necessary on account of very serious damage caused to covered wagons in some parts of the country by wilful damaging of wagon bodies for pilfering the contents.

4.89 Some other steps have also been taken for increasing the loading of cement like improving of wagon turn-round by increasing the extent of loading in block rakes, by creation of dumps at or near the major consuming centres, so as to permit again more movement in block rakes etc.

4.90 The Cement Corporation of India have, in their memorandum to the Committee has represented as under:—

“For cement supply the industry always prefers closed water tight wagons. Our experience shows that the railways are seldom in a position to supply requisite number of wagons i.e. the quota fixed by the Railways for each cement factory. Consequently, they get only about 75 per cent of the cement traffic. Balance is moved by road. The Railways can get at least 85 per cent of the traffic provided they are able to supply proper wagons.

In this connection we may suggest that as with the existing rolling stock of closed wagons the railways are not in a position to meet full demand, they should encourage the use of open wagons by offering incentives for the use of the same. The best incentive they can offer is to move this traffic at railway risk as being done in the case of

closed wagons. This way they would be able to get at least 10 per cent additional traffic by the use of existing rolling stock i.e. open wagons which they are in a position to supply."

4.91. The Committee note that according to the Ministry the Railways were able to meet the demand for wagons in respect of cement fully, except in 1971-72 when there was a shortfall of 8 lakh tonnes. On the other hand, they note that the Cement Corporation of India, a public undertaking have stated that the cement factories are able to get about 75 per cent of the quota fixed by the Railways for each cement factory with the result that the balance is moved by the Road. The Committee further note that the Railways have also admitted that there is a gap between the indents placed by cement factories and the loading as the quotas for each cement factory for wagon supply are fixed on a liberal scale and there is a cushion of 20 to 30 per cent in each cement factory between the requirement of wagons to meet the Railways' commitment and the quotas fixed for them. It has been explained by the Railways that this cushion is allowed to provide a sufficiently wide margin to make up shortfalls due to various reasons.

4.92. The Committee are not convinced by the reasons given by the Railways for the gap between the indents and loading of cement wagons. They feel that the quotas for cement wagons should be fixed with reference to the requirements of production of each cement factory so that there is no room for complaint of less supplies of wagons. Moreover, the supplies of wagons should be regular so that there are no shortages of cement in the market which leads to malpractices and for ensuring that the tempo of production is kept up. The Committee would, therefore, like the Railways to examine this matter in detail in consultation with the cement factories with a view to fix realistic quotas of wagons for them and ensure steady supply of wagons.

(v) Oil

4.93. The number and types of wagons indented for oil industry and actually provided during the last three years were as follows:-

Year	Daily Average indent (Tanks)	Daily average loading (Tanks)
1	2	3
<i>B.G.</i>		
1969-70	804	775
1970-71	894	789
1971-72	980	892

1	2	3
<i>MG.</i>		
1969-70	315	288
1970-71	318	285
1971-72	334	303

4.94. In reply to a question about the extent of shortage of tank wagons on the Zonal Railways the Ministry have stated that the requirements of tank wagons have been planned on the basis of uniform loading throughout the year. In the movement of petroleum traffic, there is a seasonality factor which results in the requirements peaking up during certain months. Except during such peak months when the oil companies have to supplement rail loading by Road Bridging, the requirements of the Industry have been met by and large satisfactorily. In Bombay area, however, owing to terminal restraints from the Oil Companies' side and capacity restraints from Railways' side, some short distance traffic is moving by road.

4.95. The Railways are working in close coordination with the Oil Industry and the Ministry of Petroleum & Chemicals to deploy the available fleet to maximise loading. Additional tank wagons to meet the anticipated requirements are being produced on a programmed basis.

4.96. Proposals are under consideration for a pipeline on Bombay-Poona section to get over the terminal and capacity limitations in Bombay. Special attention is being paid to secure an improvement in the turn round of the existing fleet of tank wagons.

4.97. To a question about the number of tank wagons rendered surplus due to petroleum being increasingly pumped through pipelines, the Ministry have stated that the movement of petroleum products through the pipelines has been taken into consideration while planning for tank wagons and as such, no tank wagons have been rendered surplus on this account.

4.98. During their tour to Secunderabad, the Committee were informed by the Oil Millers that they were facing great difficulties

in the supply of oil tank wagons to them and that Sholapur Division was getting more supplies of tank wagons compared to Secunderabad Division although the production in the Secunderabad Division was much more than that of Sholapur Division. The Committee understood that there was general shortage of oil wagons in that Zone.

4.100. The Committee would also like the Railways to assess the for a pipeline on Bombay-Poona Section for the movement of petroleum products. The Committee consider that POL will increasingly be moved through pipelines. The Committee would, therefore, like the Railways to keep in close touch with the Ministry of Petroleum and Chemicals and Planning Commission for assessing their future requirements of tank wagons, taking into consideration the movement of petroleum products through pipelines.

4.100. The Committee would also like the Railways to assess the requirements of tank wagons by the Oil Millers in each region with reference to the installed oil processing capacity, so that there are no shortages in the supply of oil tank wagons to them.

(vi) Tea

4.101. The number and types of wagons indented for tea industry and actually provided during the last three years were as under:

	Daily Average indent (Covereds)	Daily average loading (Covereds)
<i>B.G.—</i>		
1969-70	4	4
1970-71	5	5
1971-72	4	4
<i>M.G.—</i>		
1969-70	57	57
1970-71	49	49
1971-72	50	50

4.102. To a question about the reasons for tea traffic being diverted to road transport, the Ministry have replied that the share of tea traffic by rail has been gradually falling from 1950-51 upto the year 1964-65 and from the following year onwards an upward trend is generally maintained and fairly steady movement by rail can be

noticed during the period 1967-68 to 1969-70, but in the year 1970-71 the rail share has again come down as indicated in table 1:—

TABLE I
Production of tea and share of rail movement

Year	Production	Rail Movement	% share
1	2	3	4
1950	278	262	94.2
1955—56	307	262	85.3
1960—61	321	250	77.9
1961—62	354	243	68.6
1962—63	347	204	58.8
1963—64	346	219	63.3
1964—65	372	183	49.2
1965—66	366	203	55.5
1966—67	376	291	77.4
1967—68	385	255	66.2
1968—69	402	260	64.7
1969—70	396	272	68.7
1970—71	422	248	59.0
1971—72	433	280	65.0

Source : Production figures—Annual Reports of the Tea Board.

Rail Movement figures—Vol. II of Railway Board, Annual Report on Indian Railways.

4.103. The production of tea is mainly confined to two regions (i) Northeast region—consisting of North Bengal and Assam and (ii) Southern region, where tea is grown in the Nilgiris, Wynad and high range areas of Kerala. The Northeast region accounts for about 75 per cent of the total production and the Southern region another 24 per cent. Tea is also grown in small quantities in Tripura and Himachal Pradesh but for the purpose of transport study they are not important.

4.104. In order to get a competitive price for their produce, most of the tea planters send their produce to the auction centres. Calcutta is the main auction centre for tea produced in Northeast India. Of late, an auction centre at Gauhati has also started. Cochin is the main auction centre for South Indian tea and also for direct exports to London. Thus, there are two principal streams of tea traffic in the

country—one from North East Region to Calcutta and the other from the Nilgiris to Cochin. A third stream of tea traffic from Northeast region to Kandla has also come into picture lately. Apart from these main streams of tea traffic there is also another stream, namely, the movement of processed/blended tea from Calcutta to various places in the country—the Secondary movement of tea. For the purpose of present study, primary movements of tea to the auction centres from the two tea producing regions and the secondary movement of blended tea have been separately discussed with a view to having a better appreciation of the point in question.

Primary movement of tea

4.105. Table 2 shows the total production in the two main tea producing areas, i.e. North East and Southern regions and the originating traffic of tea carried on Northeast Frontier and Southern Railways which, taken together, is reckoned as primary movement of tea.

TABLE 2
Production of Tea and rail share of primary movement

Year	Production of tea in the Northeast and Southern regions	Primary rail movement i.e. from production area to auction centres/port vis. Calcutta, Kandla and Cochin	% share
1950—51	272	170	62.5
1955—56	302	181	60
1960—61	317	178	56
1961—62	350	181	52
1962—63	343	155	45
1963—64	342	157	46
1964—65	367	126	34
1965—66	362	130	36
1966—67	372	196	53
1967—68	380	183	48
1968—69	398	194	49
1969—70	391	199	51
1970—71	417	171	41
1971—72	426	211	50

Source : Production figures : Annual Report of the Tea Board.
Rail movement figures— : Vol. II of Annual Reports on Indian Railways.

4.106. The important feature is that about 62.5 per cent of the production of tea in the Northeast and Southern regions was the rail share of primary movement of tea, in 1950-51 (and not 94.2 per cent as shown in table 1 which includes secondary movement also). The balance of the primary movement was mostly taking place in those years by riverine route in the Northeast region. Otherwise, the same trend as explained in table 1 is noticed in this table also.

4.107. The decline in rail share of primary movement of tea has been studied in greater detail in the next table. Table 3 explains clearly the decline in the primary movement of tea traffic by rail is chiefly due to the rapid fall in rail share in the Southern Region.

TABLE 3

Primary movement of tea by rail in Northeast and Southern regions.

Year	(000 tonnes)					
	N.E. region Production in Assam & West Bengal	Tonnage originat- ing N.F. Railway	%age	Production in the South	Tonnage originat- ing South- ern Railway	%age
1	2	3	4	5	6	7
1950-51	228	129	57	44	41	93.2
1955-56	241	132	55	61	49	80.3
1960-61	239	143	60	78	35	44.9
1961-62	269	159	59	81	22	27.2
1962-63	259	138	53	84	17	20.2
1963-64	253	138	55	89	19	21.3
1964-65	285	112	39	82	14	17.1
1965-66	259	118	44	93	12	12.9
1966-67	276	184	67	96	12	12.5
1967-68	289	174	60	91	9	9.9
1968-69	301	185	61	97	9	9.3
1969-70	295	192	65	96	7	7.3
1970-71	315	165	52	102	6	5.9
1971-72	325	200	63	101	5	5.0

Note : Production of tea in other regions varied from 4 to 6 thousand tonnes only during the last 20 years.

Source : Col. 2 and 5 : Annual Reports of the Tea Board Col. 3 and 6 : Vol. II of Railway Board's Annual Reports on Indian Railways.

4.108. The main factors contributing to decline in rail borne traffic are:

- (i) break-of-gauge transshipment (Metre gauge to Broad Gauge) involved in rail movement at Mettupalayam on route to Cochin;
- (ii) situation of the gardens in hills at long distances from the rail heads; and
- (iii) unavoidable dependence on road transport for bringing the consignments to rail heads for despatch.

4.109. These factors render road transport more convenient and economical mode of transport particularly for such a short distance traffic. As against the steep decline in rail share in the South, the tea traffic in the North east region should be considered as more or less steady but for some decline during 1964 to 1966. In fifties the main competitor of railways for the movement of tea in the North-east region was inland water transport. By early sixties road transport also came into picture. As a consequence railways share dropped to 39 and 44 per cent in 1964-65 and 1965-66 respectively.

4.110. The riverine route through the then East Pakistan was closed in September, 1965. After the closure of the riverine route, the amount of tea traffic which used to move by river has been shared by rail and road (the former getting about 60 per cent and the latter 40 per cent approximately). The railways have thus regained its previous share in this region.

4.111. Tea being a high-rated and high valued commodity (Classification 95 for Wagon loads and 115 for Smalls) is susceptible to competition from other modes of transport. In the South, the chances of capturing this traffic by the Railways do not appear to be very bright. The total distribution cost per tonne of transporting tea by rail in the South taking into account the cost of movement from the tea garden to the rail-head, from the railhead to the warehouse, packing charges etc. comes to Rs. 82 to 92; the corresponding cost by road is about Rs. 60. Thus, the cost by Railways is about Rs. 22 to 32 more per tonne. Tea being a high-rated commodity, Railways have, no doubt, some margin over cost. But the margin of adjustability in rail rates i.e. the difference between the tariff rates and the costs to the Railways of movement of one tonne of tea in the South is not sufficient to neutralise the overall benefits of movement of tea by road.

4.112. It has been explained earlier that the overall decline in rail share of tea during the last 20 years is mainly attributed to the fall

in the railways' share of tea traffic in the South. But the fall in 1970-71 as compared to 1969-70 is primarily due to the loss of traffic in the Northeast region (vide Table 3). This is mainly due to the prolonged strike (for about 80 days in three spells) at the Calcutta Port during 1970-71, disturbed law and order conditions, illegal wild cat strikes and staff troubles in the Eastern, N.F. and N.E. Railways and frequent suspension of wagon ferry operations across the Ganga at Farakka due to heavy floods and consequent shifting of ghats.

Secondary movement of Tea

4.113. The secondary movement of tea by rail primarily takes place in the Eastern and South Eastern Railways. The quantum of rail share of secondary movement of tea during the last decades for Eastern and South Eastern region is shown in Table 4. The streams of primary movement (columns 3 and 6 in Table 3) along with the secondary movement explains about 95 per cent of the total originating tonnage carried by the Indian Railways (column 3 of Table 1) during the last decade.

TABLE 4

Secondary movement of tea from Eastern and South Eastern Railways

Year	Volume of rail traffic relating to secondary movement i.e. originating tonnage on Eastern & South Eastern Railways (in 000)
1961-62	41
1962-63	39
1963-64	48
1964-65	45
1965-66	63
1966-67	86
1967-68	63
1968-69	58
1969-70	64
1970-71	69
1971-72	59

Source : Vol. II of Railway Board's Annual Reports on Indian Railways.

As compared to the first half of the last decade i.e. from 1960—65, the second half has shown relatively more promising trends of secondary movement of tea by rail. Thus, the fall of rail share in the traffic cannot be attributed to loss of traffic in secondary movement of tea to loss of traffic in secondary movement during the sixties.

4.114. The drop in originating loading of tea in 1971-72 is partly due to direct movement from N.F. Railway to up-country distribution depots at Agra, Allahabad etc., and partly due to tea traffic in 'smalls' (i.e. less than wagon loads) being diverted to freight forwarders.

4.115. In reply to question about the measures taken by the Railway to attract back the tea traffic, the Ministry have stated:

Northeast region

(i) In order to minimise transit time, clearance of tea traffic from the areas served by the Northeast Frontier Railway is arranged by running tea specials to Calcutta and Kandla ports. These specials are escorted by security staff as a safeguard against thefts and pilferages. In case of Calcutta-bound traffic strict security measures are taken at New Bongaigaon where break-of-gauge transshipment is involved.

(ii) indents placed for wagons for loading of tea are exempted from the levy of wagon registration fee.

(iii) At the tea loading stations, free time for wharfage has been increased from 24 hours to 120 hours to facilitate cartage of tea from the interior and its loading into the wagons.

(iv) To prevent damage to tea consignments by wet, the Railway supply bamboo dunnage and gunny strips free of charge at the booking stations and transshipment points.

(v) Special attention is paid to the condition of wagons supplied for tea loading. It is ensured that wagons allotted for tea loading are watertight and clean. Arrangements are also made at the transshipment points for repairing and out-panels and patching of wagon bodies.

(vi) The concerned officers of the railway maintain close liaison with the Tea Associations and the individual business houses in regard to various matters connected with tea traffic. These include arrangements for movement, transit time, precautions against wet and pilferage, settlement of claims etc. All these matters are discussed in meetings as well as taken up with the individual business houses at different levels.

Results achieved

4.116. The above measures have produced encouraging results in that movement of tea has increased appreciably during the year 1971-72 in the Northeast region. The following table is indicative of the improvement achieved.

TABLE 5

Year	Production in Northeast region	(000 tonnes)	
		Originating loading of the N.F. Railway	Percentage of originating loading to production
1970-71	315	165	52
1971-72	325	206	63

Southern region

4.117. In the Southern region the efforts made by the Southern Railway to re-capture tea traffic diverted to road have not yielded any worthwhile results. This is because of superior competitive position of road transport *vis-a-vis* the railway in view of the short lead of traffic and other factors favourable to movement of traffic by road, as explained earlier.

4.118. The Committee observe that Railways' share of primary movement of tea in the Northeast region which accounts for bulk of the total tea production in the country has come down from 67 per cent in 1966-67 i.e. after the closure of the riverine route through the then East Pakistan in September 1965, to 52 per cent in 1970-71 and 63 per cent in 1971-72, the average during the last 5 years being 60 per cent.

4.119. The Committee further observe that the percentage of such movement in the Southern region which was as much as 92.2 in 1950-51 and 80.3 in 1955-56 has shown a sharp and consistent decline over subsequent years and has come down to as low as 5 per cent in 1971-72. This is stated to be due to the emergence of road transport which offers a quicker, more reliable and cheaper service. It is obvious that the Railways have more or less been displaced in the field by a more competitive road transport service in so far as Southern Zone is concerned.

4.120. The Committee note that the Railways have taken some steps to attract the tea traffic in the Eastern region. However, their

efforts in this direction do not appear to have borne appreciable results so far. If the Railways desire to improve their earnings they would have to attract tea and high-rated traffic by rendering more efficient, safe and dependable service. The Committee would like the Railways to examine this matter in depth and take concrete measures in this behalf.

C. Supply of defective Wagons to Customers

4.121. A retired Senior Railway Officer has informed the Committee that often, out of 10 empties placed in the Mill siding, 6 are rejected for being non-water-tight or for other defects. Due to indifferant yard working, available empties are not sorted out and defective wagons are not segregated and placed in sicklines. A large percentage of wagons placed in customers' sidings are noticed defective after they are placed. They are rejected and worked back to the sicklines in the yard from which the wagons were moved, the process entailing loss of many wagons days which would have been available for moving traffic, had the wagons been properly sorted out as unfit and placed for attention in the sicklines in the first instance.

4.122. The Cement Corporation of India, have also represented in their memorandum as under:

"Our experience shows that due to frequent supply of defective (non-water-tight) closed wagons, particularly during rainy season, on an average 10 per cent wagons are rejected. In individual cases, this rejection is sometimes as high as 50 per cent. This naturally results in unnecessary empty haulage to and from the factory. If the railways can arrange to have a strict check before the wagons are sent to the factory for loading, this rejection can be avoided and expenditure on haulage of empties saved."

4.123. They have further stated that:

"(i) It is seldom that the quota as fixed by the Railway Board is met in full and whatever supplies are made are generally made in haphazard way i.e. one day the supply is only 20 per cent to 25 per cent of the quota and the next day it is 200 per cent of the quota. Result is that factory suffers in both the cases. In the first instance the labour at the factory remains idle and in the second instance extra labour has to be employed and heavy demurrages have to be incurred. Not only this but sometimes whole working of the factory is upset."

4.124. To a question regarding the defective wagons supplied to the customers and later rejected by them, the Ministry have stated

that this information is not maintained. However, it may be pointed out that wagon supplies are made from:

- (i) Depot yard;
- (ii) Inward releases.

Whereas wagons supplied from depot yards are properly examined and repaired before supply, those obtained from inward releases cannot be so examined or repaired as Train Examining Staff are not available at all stations. The inward released empties, if found unsuitable, have to go back to nearest Carriage and Wagon Depot for necessary repairs. Railways have, however, developed extensive facilities for panel patching and other repairs to make wagons water-tight at a number of cement and fertilisers plants and yards supplying wagons for foodgrains loading.

4.125. On their attention being drawn to the representation of the Cement Corporation of India that the rejections during rainy season were sometimes as high as 50 per cent, the Ministry have stated that the Cement Corporation of India had only one factory at Mandhar on South Eastern Railway till very recently when another factory has been set up at Kurgunta on South Central Railway.

4.126. Monthwise figures of wagons supplies, rejections and proportion of rejections to supplies from Mandhar Cement Factory are given below for the year 1971-72. It will be observed from these figures that representation of Cement Corporation of India that "it is a common phenomenon that upto 50 per cent of the wagons supplied to the Cement Corporation of India are rejected as they are not water-tight", is not quite correct:

Month	Empties supplied	Total rejected	Rejection percentage
April'71	410½	12	3
May'71	714	52	7.3
June'71	596½	89	15
July'71	654	22	3.4
August'71	567	48	8.5
September'71	669	73	11.00
October'71	605	40	6.7
November'71	639½	40	6.3
December'71	557½	12	2.1
January'72	572½	2	0.3
February'72	50½	..	..
March'72	542	10	2

4.127. Rejections are usually higher during the monsoon months as the covered wagons supplied have to be water-tight.

4.128. The contention of the Cement Corporation of India in respect of rejection of empties does not hold good for any other cement factory either.

4.129. Covered wagons have been subjected to heavy vandalism by the miscreants who pierce the panels of wagons extensively to extract the contents. Railways have, however, made extensive arrangements for intensive examination of all wagons in the serving yards of cement plants and also inside the plants and provided equipment and staff for panel-patching of wagons and other repairs to make them fit for loading of cement even during the monsoon period. Similar repairs are also being done in all Carriage and Wagon Depots on the Indian Railway system whenever the wagons marked damaged are placed in these depots for repairs.

4.130. During evidence the Committee enquired, whether the number of defective wagons supplied to the customers and rejected by them was quite heavy. The representative of the Ministry stated that during the last three or four years, the wagons had been subjected to lot of vandalism. It had now become the common practice to take out the contents from the wagons wherever the train stopped for some time or at certain yards etc. In the case of wagons loaded with tea, it was happening frequently. Now they were trying to send sensitive commodities with armed escorts. They were trying to re-organise the RPF. Because of this vandalism, it must be admitted that there had been complaints about the supply of wagons because there had been leakages and wagon holes etc. In the case of cement and fertilizers, the complaints were genuine.

4.131. The Committee are concerned to note that there are complaints regarding the supply of defective wagons by the Railways to the cement factories and other mills resulting in an average rejection of about 10 per cent of wagons. This naturally results in unnecessary empty haulage to and from the factories by the Railways and loss of wagon capacity. The Committee consider that if strict supervision is exercised over working of yards and sorting out of unfit and sick wagons before supplies are made, the incidence of defective supplies could be greatly reduced. The Committee would like the Railways to take concerted measures to put the working of the yards on sound and efficient footing so as to ensure that water-tight wagons are provided to the industry particularly during rainy season so that unnecessary empty haulage or payment of claims due to wet is avoided. It might also help if a record of supplies of defective wagons and their rejection by the mills is kept yard-wise.

4.132. The Committee further note that the supplies of wagons are not made to the factories uniformly according to agreed quotas but in a haphazard manner. The irregular supply of wagons causes serious difficulties to the mills as it makes it difficult for them with their normal complement of staff to load all the wagons in the free time allowed. On such occasions the users have generally to pay demurrage charges for not loading the wagons in time. The Committee would like the Railways to examine the reasons for erratic and irregular supplies of wagons to the factories with a view to streamline the despatches of wagons regularly as far as possible. The Committee see no reason why, given normal conditions, the factories cannot be assured regular supplies of wagons according to their agreed quotas.

D. Over-requisitioning of Wagons by Trade and Industry

4.133. The Ministry have stated that no precise estimate of alleged wagon shortage due to over-requisitioning of wagons through spurious indents is possible. But heavy cancellation of indents whenever supply of wagons is stepped up definitely indicates a very large number of inflated spurious indents in the pending requisition for wagons. An idea of the same can be had from the following cases which are only illustrative and not exhaustive:—

- (i) At Belanganj (Agra) Goods Shed on Central Railway, indents for about 600 wagons had been pending for grains and pulses to destinations served *via* Balharshah as the route is at present saturated due to heavy movement of sponsored foodgrains and the other traffic *via* the same is being regulated by small quotas. On 28-8-72, when the quota was increased and a special train of 70 wagons was loaded, as many as 400 of these indents were either cancelled or withdrawn.
- (ii) On Izatnagar Division of North Eastern Railway, 9904 indents were cancelled or withdrawn in August, 1972 as the loading was stepped up from 257 wagons dally to 282 wagons and the outstanding registrations came down from 19,606 wagons at the end of July 1972 to 9,481 wagons at the end of August 1972.
- (iii) On Jabalpur Division of Central Railway, 6471 indents were cancelled or withdrawn in last 11 days of August, 1972 as soon as wagon supply was stepped up.
- (iv) On Western Railway, indents for 1842 B.G. and 3207 M.G. wagons for salt were cancelled during July and August

1972 as soon as supplies were stepped up. On the same Railway, indents for 5483 M.G. wagons for textiles were cancelled in August.

4.134. As a check against over-indenting, a system of changing registration fee of Rs. 35|- , Rs. 25|- and Rs. 12|- per B.G., M.G. and N.G. wagon respectively is already in force. This fee is forfeited, *inter-alia*, in the following circumstances:

- (a) when the wagon indent is cancelled after physical supply of the wagon;
- (b) when a wagon indent is cancelled by the indenter within 10 days from the date of registration;
- (c) when a wagon is supplied to the indenter but he does not load it before the expiry of the free time allowed for loading; and
- (d) When a wagon is supplied to an indenter and the wagon is detained at his request for loading beyond the free time, after which he cancels his indent.

4.135. Also under the existing rules, the registration fee is not transferable and fees collected for one indent cannot be adjusted against another nor a wagon allotted to one indenter can be used by another indenter.

4.136. But this has not curbed the speculative tendency of the trade and middlemen to place indents for a large number of wagons, much in excess of the goods available for despatch. A regular trade in the speculative indents has developed at various booking points. Whenever bulk supplies are made, they forfeit registration fees for a few wagons and cancel many others ahead of allotment. Simultaneously, they place more indents afresh and keep up the inflated demand. Due to the heavy demand for movement of committed traffic like sponsored foodgrains, zonal salt, fertilisers, cement, export ore, raw materials to and finished products from different industries, it is not always possible for the Railways to arrange bulk supplies of wagons to weed out these spurious indents.

4.137. During evidence, the Committee enquired about the steps taken to eliminate the incidence of spurious registration. The representative of the Ministry stated that while some cancellations might be due to delays in supply of wagons, some cancellations were also due to spurious demands and indents. The merchants sold their registration to another party. There was no doubt that supplies of the wagons had been delayed in many cases but if as a result of this

delayed supply they had moved the traffic already by road they should withdraw their registration. It was a fact that they were making spurious use of the registration. The Railways were, therefore, considering the question of increasing the registration fees in order to check this practice. In fact, from January, 1973 onwards they would double the registration fee.

4.138. Asked how this would act as a disincentive, the representative of the Ministry replied that it would be a disincentive in the sense that more money would have to be locked up by the trade.

4.139. The Committee note that according to Railways, there is over-regquisitioning of wagons by the trade and industry and that a regular trade in speculative indents has developed at various booking points. The Committee further note that the Railways have increased the rates of registration fee to check this mal-practice to a certain extent. The Committee are of the firm view that while the increase in the rates of registration fee may reduce the incidence of spurious registration to some extent, the solution to this problem lies in increased supply of wagons to trade and industry as this mal-practice is obviously due to short supplies or delayed supplies of wagons. The Committee hope that the Railways would seriously address themselves to the task of regular and adequate supplies of wagons so as to eliminate all such mal-practices.

(E) Coordination with Trade and Industry

4.140. In reply to a question how co-ordination and contact is maintained by Railway Officers with the Trade and Industry, the Ministry have stated that contact by Railway Officers with trade and industry is maintained through (i) National Railway Users' Consultative Council at Railway Boards' level, (ii) Zonal Railway Users' Consultative Committees at the Zonal Headquarters' level, (iii) Divisional Railway Users' Consultative Committees at the Divisional level and (iv) Station Consultative Committees at the station level.

4.141. Both Houses of Parliament, Economic Ministries of Government of India, 8 principal industries indicated by concerned Ministries, principal organisations of industry and trade, passenger associations, special interests and Zonal Consultative Committees are represented in the National Railway Users' Consultative Council. Minister of Railways presides over the meeting of this Committee and Members of the Board are *ex-officio* Members of the Committee.

4.142. The Zonal and Divisional level Committees consist of Members of Parliament, State Legislators and representatives of State Governments, trade and industry, passenger associations and special

interests. General Managers and Divisional Superintendents respectively are Chairman of the Zonal and Divisional Committees. In the Station Consultative Committees, representation is given to principal industries, trade, passenger associations and special interests in the area served by the station.

4.143. All these Committees have a tenure of two years and meet at least once a year in case of the Committee at the National Level, at least twice a year in case of Zonal Committees and 4 times a year in case of the Divisional Level Committees.

4.144. Apart from the forums mentioned above, Railway Officers at different levels, i.e., the General Manager, the Chief Operating Superintendent, the Chief Commercial Superintendent, the Marketing and Sales Superintendent, Divisional Supdt., Divisional Operating Supdts. and Divisional Commercial Supdts. etc. meet individual representatives of trade and industry and hold *ad hoc* meetings with groups of representatives to discuss matters of mutual interest.

4.145. The Marketing and Sales Organisations of Railways, officers and inspectors keep in touch with trade and industry in their respective areas, so as to ascertain their requirements and meet them to the extent possible.

4.146. A leading All India Manufacturers' Organisation in its memorandum submitted to the Committee has stated:

"We recommend that at least twice or thrice (preferably more) in a year responsible Railway Officers at the divisional and Board levels should get in touch with the local Chambers, Chambers of Commerce and trade associations: the objective is that they should get to know at first hand the various, genuine difficulties and hurdles the businessmen experience in their day-to-day transactions with the railway: they should listen carefully to the various suggestions the affected parties make and implement those that could be, without further thought or delay. Where a quick decision cannot be taken in favour of the business community by the local officers on their own, such matters should be taken up with a sense of urgency and priority at the General Manager's level or at the Railway Board level. In the formulation of policies, the business community too should have a hand in the matters concerning its interest. For this purpose, the Railways should give representations for important all-India bodies like the A.I.M.O. on the railway committees of all the

Zonal Railways. Such close association of business and trade should be of immense benefit to the railways since it would help the Railways to cut down on red tape, do away with infructuous rules and innovate; in effect, the association is bound to infuse dynamism in the Railways make it forward-looking and profit oriented.

The Goods Committees which have been in existence at all important stations are more or less moribund. In effect they are defunct bodies. The railway would prove itself of greater service to the business community if it pays attention to the suggestions, advice and recommendations made by these Committees."

4.147. A retired senior officer of the Railways in his memorandum to the Committee has stated:

"Co-ordination with the trade should be at all levels. The G.M. and C.C.S. and COPS should maintain touch at the level of Chambers of Commerce. The D.C.S. and his assistants should maintain contact with the local business community particularly in the goods sheds. The approach should be in a spirit of understanding and goodwill. The public should have easy access to senior officers to explain their difficulties."

4.148. During evidence before the Committee he added that he would support the proposal of setting up Goods Traffic Consultative Committee provided the set up of the entire consultative machinery was reviewed and rationalised so that such of the advisory committees which did not perform any useful function were dispensed with or amalgamated into a bigger unit.

4.149. Another retired senior officer of the Railways has stated, "Representatives of the public and the business community should have free access to the higher ranks in the Railway, who should deem such regular contacts as one of their important duties."

4.150. During evidence, the Committee enquired whether the Railways had set up consultative committees at all important stations giving sufficient representation to the trade and industry. The representative of the Ministry stated that cooperation of the trade and industry was sought in the matter of allotment of wagons by local individual contacts with various trading organisations, Chamber of Commerce etc. At certain important stations they had station consultative committees where the concerned interests met Railway officials and discussed matters of mutual interest. They had 400

stations where consultative committees were functioning. The constitution of such committees was left to the General Managers. Apart from this, they had regular committees like the Zonal and National Railway Users' Consultative Committees.

4.151. During the course of their tours on practically all Zonal Railways, the Committee hold informal discussions with the representatives of the local Chambers of Commerce & Industry in regard to their requirements of wagons, the procedure for registration of their demand, the adequacy and timely supply of wagons, their difficulties in the matter of booking and delivery of goods, settlement of claims etc. etc. It was represented to them that the Station Consultative Committees, which had been formed at selected important stations only, were not functioning effectively and that at the higher levels viz. at the divisional Zonal and national levels, the trading and business community were not adequately represented to make their voice felt very effectively. In fact, much of the time of these Users' Committees was spent in discussing problems affecting passenger traffic.

4.152. The need for close association at all levels between the trade and industry and the Railways has also been emphasised by some of the leading Chamber of Commerce and Industry in their memoranda submitted to the Committee.

4.153. The Committee have in para 5.162—5.165 of their Third Report pointed out that there is need for activating the Station Consultative Committees and for reorganising the consultative machinery at all levels with a view to rationalising the system and reducing the number of such committees to make them more effective.

4.154. The Committee consider that many of the problems affecting movement of goods can be sorted out and in fact the tendency on the part of the business community to divert their goods to road services, can be checked if the Railways could have an effective system of maintaining liaison with the trade and industry both in the public and private sectors. As the problems of goods movement are bound to increase with the increase in the traffic, the Committee consider that setting up of Goods Traffic Consultative Committees at the station, divisional, zonal and national levels representing all sections of users particularly the trading and business community and public sector undertakings would go a long way, in easing the difficulties faced by the affected interests.

It will also enable the Railways to render better and more efficient service to their customers and thereby wean away a large part

of the high rated traffic which is increasingly getting diverted to road.

4.155. The Committee would, therefore, recommend that the question of setting up Goods Traffic Consultative Committees at various levels giving due representation to the affected interests may be given serious consideration by the Ministry and an early decision taken in the matter. The Committee need hardly point out that this question will be viewed in the context of the overall issue of reorganisation of the consultative machinery suggested in the earlier Report.

CHAPTER V

A. Procedure of Booking of Goods

5.1 A knowledgeable ex. Railway official has informed the Committee that "so far as procedure of booking are concerned, the Railways have completely failed to move with the times. The same old rules obtain, for counting, labelling and marking as were made when the Railways came into existence over a 100 years ago. The country has progressed economically, and more modern means of loading and packing are being used particularly at big mills and factories. Where mechanical loading is done, it will be well-nigh impossible for any goods clerk to count, mark and label the bags. The labelling and marking is essentially for identification of the packages or a consignment. In each individual case where mechanical loading is effected, the rules for counting and marking need to be completely revised. So far as packing conditions are concerned, they have been made extremely difficult ever after the Railways undertook in 1962 what is known as "Carriers Liability". The rules in many cases are well-nigh impossible to comply with and the Railways are merrily following the policy of issuing qualified RR's instead of clear RR's thus losing the confidence of the customers."

5.2 Another knowledgeable retired senior Railway Officer has stated that "booking and delivery of goods at commercial centres is an ordeal, time consuming and cumbersome. In a competitive atmosphere, this has an important bearing, particularly in respect of casual customers. Established customers have their forwarding agents who are used to the prevalent conditions. Special arrangements should be made for those who have no recognised forwarding agent. At the same time continuous watch should be maintained by tightening the supervision with a view to facilitating the task of the customers and reviewing the procedures and practices with this objective. With the corruption so widely prevalent, almost endemic, the task of Railway authorities is no so simple. Continuous, purposeful vigilance, firm handling of complaints and appreciative contacts with the business community will inevitably have some result. A sustained endeavour, uninhibited by extraneous considerations is necessary."

5.3. When asked to give his views on the question of streamlining the procedure for booking and delivery of goods, he stated that there was need for providing additional booking clerks at major stations where the workload was heavy. Arrangements should also be made for despatching RR's to the consignee by post at the letter's

expense so that the time wasted by him in waiting for the RR was saved.

5.4. He further added that so far as the question of delivery of goods was concerned, it should be possible for the Railways to exhibit at large stations a list of the last invoices received from various stations so that the consignee may not have to keep on enquiring whether the goods had arrived or not. The list may also indicate the numbers of missing invoices. One week's list should be exhibited on the notice boards all the time.

5.4A. A leading Federation of Chambers of Commerce and industry in its memorandum submitted to the Committee has stated that minor Railway officials concerned with the booking and delivery of goods appear to be doing an obligation to the consigners and consignees rather than trying to attract more customers."

5.5. Asked about improvements effected in the procedure of bookings of goods, the Ministry have stated that there has been no need to change the basic procedure relating to the acceptance and booking of traffic. Mechanical loading covers a minor proportion of traffic and where it precludes counting, booking is done on the basis of weight.

5.6. Some of the refinements introduced in respect of labelling of wagons are enumerated below:

- (1) Wagon seal cards are required to have metal eyelets.
- (2) The name of the loading station is to be stamped on wagon labels.
- (3) Where the traffic between a pair of stations is sufficient, printed labels showing names of originating and destination stations are used.
- (4) Names of the forwarding and destination stations are to be written in full on the labels.
- (5) Printing of wagon labels with the help of Bradma Printing Machines has been started on an experimental basis.

5.7. As far as marking is concerned, senders are now required to mark their name and address, the consignees' name as also address, if known, and the full name of the booking and destination stations. This change has been made to reduce the hazard of mis-despatches and to ensure correct delivery.

The above changes were made in 1970 in pursuance of the recommendations of the One-Man Committee on Claims.

5.8. To a further question whether the procedure for booking of goods etc. is published by the Railways, the Ministry have stated that the procedure for the booking of goods and for the allotment and supply of wagons is published in the Indian Railways Conference Association Goods Tariff, which is a priced publication. In addition, Railway Administrations also publish their own tariffs which are also priced publications.

5.9. Where, under the provisions of the Indian Railways Act, Rules are required to be published in the Government Gazettes, these are invariably published as and when framed or revised.

5.10. As required under the provision of Section 60 of the Indian Railways Act, Rate Books and other connected documents are shown to rail users at every station, without payment of any fee, at all reasonable times.

5.11. In reply to a question whether the Railways have considered providing special facilities for booking and delivery of goods to casual customers, the Ministry have stated that no special facilities are extended by the Railways to Forwarding Agents/Dalals. The rules and procedures relating to booking and delivery apply equally to all customers, whether they deal directly with the Railways or through Forwarding Agents/Dalals.

5.12. Casual customers can obtain assistance from supervisory staff available at stations, Goods Sheds and Parcels Offices. They can also consult tariffs and rules books available at stations, goods sheds and parcel offices.

5.13. The Committee note that the Railways have brought about certain improvements in the procedure of bookings of goods in 1970 in pursuance of the recommendation of the one-man Expert Committee on Compensation Claims. They however regret that still there are complaints regarding the procedure of booking of goods at the railway stations. It is a matter of concern that even ex-Railway Officers find the procedures of booking and delivery of goods as "an ordeal time consuming and cumbersome". The Committee need hardly stress that Railways should make concerted efforts to provide customer satisfaction and that their outlook should be customer-oriented. All irksome delays and irritants in the booking of goods should be removed. The Committee trust that the Railways would take necessary steps to streamline and simplify their procedure of booking of goods and ensure, by purposeful supervision

that the instructions issued in this regard are implemented in actual practice.

5.14. The Committee would also like the Railways to provide necessary assistance to the casual customers who have no forwarding agents so that they have not to wait for long hours and are able to form a favourable impression about the working of the Railways.

5.15. The Committee would further suggest that the Railways should make arrangements to send Railway receipts to the consignees by post at the latter's expense to save their time in waiting for the same. Further at all large Railway stations, a list of last invoices received from various stations should be exhibited on Notice Boards for a week to help the consignees to know about the arrival of their goods. If need be, additional goods booking clerks may be provided at major stations after due scrutiny, from among the surplus staff on the Railways.

(B) Advice to Consignees about arrival of goods and parcels

5.16. The Committee enquired about the procedure adopted by the Railways regarding intimation to the consignee about the arrival of goods. The Ministry have stated that instructions are in force that the consignees may be advised by the station staff about the arrival of goods and parcels wherever the names and addresses of the consignees are known to the stations. They have stated that the consignees are advised by the station staff regarding arrival of consignments through:

- (i) telephone, if a telephone number is given on the Invoice/ Parcel Way Bill;
- (ii) post, if the address of the consignee is known;
- (iii) the merchant's agents who attend the station; and
- (iv) putting up a notice on the Goods Shed Notice Board giving particulars of consignments received on the previous day but not taken delivery of.

5.17. It has also been stated by the Ministry that the above arrangement, however, confers no obligation on the Railways to advise the consignees of the arrival of goods and absence of such advice does not absolve the consignees from the consequences, that may follow in the case of delay in taking delivery of the consignments, namely, payment of demurrage and wharfage charges.

5.18. During evidence the Committee enquired about the reasons for not implementing the scheme of advising big industries of the

arrival of trains, the representative of the Ministry stated that they had a system already. Generally at every goods-shed and at every siding, the representatives of the traders were always available waiting either to load the wagons or to unload them, and the information was conveyed to them. They could send intimations in the case of block rakes or certain particular types of traffic arising but not with regard to piece-meal wagons.

5.19. Asked about the method followed in other countries regarding advising the consignee about the arrival of goods, the Chairman, Railway Board stated that in other countries, they did not have self-booking and the number of customers served by the Railways was very much smaller.

5.20. To a question if it would be possible for the Railways to write a letter to the consignees about arrival of goods, the representative of the Ministry stated that in most cases, the addresses on R/R were not there; they did not have any other particulars and it became difficult to advise. They would try to advise the merchants to the extent possible and see whether they could simplify the existing procedure.

5.21. The Committee note that instructions are in force on the Railways to advise the consignees about the arrival of goods and parcels but they confer no obligation on the Railways to do so and that absence of such advice does not absolve the consignees from payment of demurrage and wharfage charges in case of delays in taking delivery. From the impression gathered by the Committee during their tour, they are of the opinion that these instructions are rarely observed by the Railway staff, in actual practice. The Committee agree that in the present conditions, the consignees may not be absolved from payment of demurrage etc. charges, in case the Railways fail to advise them of the arrivals of goods. Nevertheless they consider that as a commercial organisation it is not only proper but necessary for the Railways to advise the consignees of the arrival of their goods invariably in all cases. The Committee recommend that instructions should be issued by the Railway Board to the Railway Administrations to ensure that consignees are invariably informed about the arrival of goods in all cases, wherever their addresses etc., are available. They would also like the Railway Supervisory Officers to ensure that these instructions are actually implemented and do not remain mere paper instructions as hithertofore. The Committee have no doubt that such measures will go a long way in earning the goodwill of customers to the Railways, which is very necessary in view of the Rail Road competition.

5.22. In this connection, the Committee would further suggest that all stations may be instructed to exhibit everyday a chart showing the number of outstanding indents for wagons, the number of wagons received and allotted to various parties. This would also eliminate the chances of unscrupulous staff indulging in malpractices in the matter of allotment of wagons.

(C) Booking Restrictions

5.23. The Committee enquired about the booking restrictions placed by the various Zonal Railways during the year 1971-72. From the statements furnished by the Ministry giving information about important booking restrictions imposed by each Railway on public traffic during the year 1971-72, the Committee note that in a number of cases, the restrictions have been for quite a long periods and in most cases booking restrictions were imposed on general traffic.

5.24. The main reasons for placing booking restrictions are stated to be as under:—

- (i) Unforeseen events affecting railway operations, e.g., floods, breaches, accidents, hartals, bundhs, strikes, staff strikes, etc. etc.
- (ii) Sudden influx of traffic at a station or over a section or via a particular transshipment point much beyond the dealing capacity of the station, section or transshipment point, e.g. foodgrains, jute, timber traffic in season.
- (iii) Congestion at Ports due to non arrival or delayed arrival of ships.
- (iv) Poor release of wagons at destinations (a) either due to genuine difficulties such as bad weather and labour shortage, or (b) due to a deliberate attempt on the part of trade, for purposes of price effect, to delay taking delivery e.g., jute at Cossipore Road, Edible Oil at Sahib Bazar etc.
- (v) Melas or special moves necessitating curtailment of goods traffic in order to release capacity for additional Passenger trains or special trains.

High-rated traffic is generally exempted from operating restrictions. Moreover, these restrictions generally do not apply to selected Sheds recommended as "free loading points."

5.25. Asked about the specific steps taken by the Railways to keep the booking restrictions to the minimum, the Ministry have stated that booking is temporarily restricted due to unavoidable circumstances like seasonal bunching of traffic, slow clearance of goods by

the consignees at terminals, temporary stoppage or curtailment of movement due to accidents, breaches, floods, cyclones, civil disturbances, strikes, bundhs wild-cat strikes of staff etc. In such circumstances, if free booking is continued to be permitted, it would only aggravate the congestion in yards and at terminals, stabling or detention to trains in sections, thus affecting overall mobility of rolling stock and utilisation and availability of the same. As a backlash, the availability of rolling stock will get affected even in areas of free mobility. The main object of imposing operational restrictions is to prevent the effect of a sick section from spreading to healthy sections. By means of temporary restrictions further congestion is avoided and the sections affected are given a chance to restore normalcy. Wagons spare due to imposition of such restrictions are utilised for transport of traffic to other points and in other directions which can absorb the same.

5.26. Great restraint is exercised in the matter of imposing restrictions not only to keep them to the indispensable minimum but to keep them for the absolute minimum duration. Most of the factors leading to restrictions like breaches, accidents, civil disturbances, strikes etc. cannot be foreseen and hence cannot be provided for in advance. Others like transshipment difficulties, heavy accumulation at terminals etc. are watched regularly on the basis of actual performance and the stock approaching the vulnerable points from distant points and restrictions imposed in advance. Movement to such points are also regulated by quotas according to handling capacity possible to avoid imposition of prolonged restrictions.

5.27. Furthermore, restrictions are imposed in a very selective manner so that:—

- (i) Only that traffic is restricted which gives cause for restriction and booking is restricted only from those areas from which such traffic originates and to those areas which are affected by the traffic, e.g. if there is a congestion of food-grain loads, restriction is confined to foodgrain only.
- (ii) Essential commodities are generally exempted from the application of the restrictions unless they themselves are the cause of congestion or there is total interruption of communication.
- (iii) High rated traffic is also generally exempted like essential commodities.
- (iv) To ensure that duration is not unnecessarily prolonged, day to day clearance is watched and booking is opened

sufficiently in advance to keep a regular flow to these points and avoid idling of capacity.

- (v) Booking from a number of important trade centres (called free loading points) are generally exempted from day to day operating restrictions to maintain regularity of service to the trade.

5.28. Restrictions are imposed by Divisional Operating Officers after making a thorough assessment of the traffic materialising against the handling capacity. Such restrictions are reviewed by the Operating Officers in Zonal Headquarters as well. Inter-Railway restrictions are watched by all the concerned Railways and also by the Traffic Transportation Directorate of the Railway Board. Any restriction of long duration *exceeding 5 days* is within the knowledge of the Headquarter of the Railway who also reports the same to the Railway Board. Restrictions are, therefore, watched at various levels.

5.29. Whenever operational restrictions are to be imposed on account of inadequate transport capacity, Railways take steps to develop capacity to get over the bottlenecks. But this is a gradual process as the development of the facilities is time consuming. Where the restrictions are due to temporary spurts in traffic, Railways take special steps to deal with the traffic like providing extra shunting engine and staff, setting up temporary storage accommodation, making 2 or 3 placements in co-ordination with the consignees or increasing the strength of labour to unload wagons. But, unfortunately, the bulk of the restrictions imposed of late are for extraneous factors over which the Railways have very little control, like strikes, bundhs, civil disturbances, labour troubles, unsatisfactory law and order situation, deliberate slow unloading and removal by trade to create artificial scarcity etc. Nevertheless, the Railways follow up the matter vigorously with the State Governments and Chambers of Commerce to get over the situation.

5.30. To a question whether advance intimation regarding the placing of booking restrictions and lifting them is given to the trade and industry, the Ministry have stated that by their very nature, restrictions have generally to be imposed at short notice. Hence no advance intimation is ordinarily possible. However, they are invariably notified on Notice Boards at stations and important Goods sheds and, if necessary, in the newspapers. Moreover, they are made effective from the day following the day of receipt of the restriction message at the shed|station. Lifting of restriction is also similarly notified.

5.31. Booking restrictions have occasionally to be imposed in connection with large metas which necessitate the curtailment of goods traffic over certain sections in order to release capacity for running additional Passenger trains. In such cases, advance information is given to the trade, both through newspapers and by notifications at Sheds and stations.

5.32. An eminent retired Railway Official in his memorandum submitted to the Committee has stated:

"Frequent restrictions and in particular those of long duration are extremely disturbing to smooth marketing. Naturally, therefore, the business man resorts to road transport for steady movement even if it works out somewhat expensive. No one likes excessive stocking to provide for the freaks of Railway transport availability. These restrictions in respect of important trade links are extremely disturbing. A degree of care should be exercised in imposing such restrictions. They should be anticipated at the earliest and imposed for short durations. Contingencies which lead to restrictions should be looked after with some practical insight and imagination and energetic steps should be taken to obviate them by removing the bottlenecks."

5.33. Another retired senior Officer of the Railway in his evidence before the Committee has also stated that:

"There should be no booking restrictions except in case of emergencies like floods, civil commotion or the like. Railway Board should look into this matter. They should get to the bottom of these restrictions and take steps to eliminate them. They should not tolerate these restrictions year after year when there is spare capacity."

5.34. During evidence, the Committee enquired about the reasons for placing inter-Railway booking restrictions. The representative of the Ministry stated that all inter-Railway restrictions were imposed only with the approval of the Zonal Railway Headquarters and that too after a careful consideration of the factors necessitating such restrictions, when there was bunching etc. Prolonged restrictions, whenever they were imposed were due to continued congestion over certain sections or at transshipment points or terminals and they were always kept under review.

5.35. The Committee are concerned to note that frequent booking restrictions are placed by the Railways on the booking of goods.

They feel that such frequent restrictions, particularly, those of long duration are extremely disturbing to the trade and industry. Apart from resulting in the diversion of goods traffic to road transport, such restrictions lead to malpractices and other unsocial activities like creating of scarcity conditions, price rise etc. The Committee are of the view that in an efficient transport organisation there should be no room for placing booking restrictions except in the cases of emergency like floods, civil commotion, hartals etc. It has to be realised that booking restrictions particularly in respect of important trade links are very disturbing and extreme caution should be exercised in imposing them and that too, for very short durations only. The Committee have a feeling that most of these restrictions are due to the inadequacies of the Railway Administration and are imposed without full realisation of their consequences. The Committee would like the Railways to examine in depth the reasons for placing booking restrictions by the Railways other than those on account of floods, breaches, civil commotion etc. and to take effective remedial measures to curb their incidence to the minimum necessary.

CHAPTER VI

UTILISATION OF WAGONS

(A) Efficiency Indices

6.1. The following are the principal indices of efficiency of wagon utilisation during the years 1969-70 to 1972-73 (April-November, 1972):—

	(in terms of four-wheelers)			
	1969-70	1970-71	1971-72	1972-73 (April- November)
1. Wagon Kms. per wagon day				
BG	75.6	73.4	74.0	74.1
MG	60.1	58.4	58.5	60.9
2. Net tonne Kms. per wagon day				
BG	916	908	935	1075 (Pro- visional)
MG	522	524	540	585 (do)
3. Percentage of loaded wagon Kms. to total wagon Kms.				
BG	67.4	68.9	70.2	70.9
MG	72.2	72.8	72.6	73.2
4. Net tonne Kms. moved per annum per tonne of capacity				
BG	15,267	15,217	15,583	NA
MG	12,535	12,583	12,967	NA

(Source : Review of Performance, March 72—pp. 47 & 49

" " " Feb. 73—pp. 46 & 48)

6.2. The Committee are informed that the efficiency of wagon utilisation on a railway depends upon several factors, such as the composition of traffic, the pattern of traffic, the incidence of empty haulage, the load per wagon, the speed of transportation which is influenced by the type of traction, the track and signalling and telecommunication facilities, facilities at terminals, transshipment points and marshalling yards and above all, normalcy in railway working unfettered by anti-social activities. These, in turn, affect the turn-round of wagons and thus their availability, etc., apart from the

materialisation of traffic to the anticipated levels for which assets are created. The conditions of operation on the different railways vary widely. Even on the same railway, the conditions of operation may not be the same in different years, such as the variations in traffic levels caused by the industrial climate, the law and order situation, natural causes etc., over which the railways have no control. All these factors account for the variation in performance between the different Railways and also on the same Railway from year to year. Railways which have a greater proportion of cross traffic, like the Central, South Central and the Western Railways will naturally have a better utilisation than others as terminal detention will be less. Similarly, the performance of the terminal railways like the Southern and the Northeast Frontier cannot measure up to that of the others.

6.3. The wagon utilisation has been adversely affected on the Indian Railway since the end of the Third Plan on the broad gauge, for the first year because the materialisation of traffic, particularly under the programmed streams, has lagged behind the original anticipations for which assets had been created and thereafter due to immobilisation on account of heavy anti-social activities in certain parts of the country. Of late, the Railways have been gradually shifting to the use of special stock for specific traffic. For instance, the movement of traffic in coal, ores, petroleum products, raw materials for steel plants, special wagons such as BOX, BOBS, BOBX, tank wagons etc., are being increasingly used. More than 80 per cent of the total increase in wagons (in terms of four-wheelers) during the last seven years consists of special stock. Thus, while the augmented fleet of special stock aids bulk-movement when there is intensive demand from industries, it also increases empty haulage due to less return traffic and idling whenever the industries requiring, the use of such stock suffer a set-back in their production programmes for any reason. It will be seen that during the years 1968-69 and 1969-70, when there had been a revival in freight traffic demands, the indices of utilisation of wagons have improved, taking the Indian Railways as a whole. The indices dropped on Eastern and South Eastern Railways due to serious dislocations on account of various anti-social activities.

6.4. In reply to a question how the wagon utilisation on the Indian Railway compares with the Railways of the leading foreign countries, the Ministry have stated that utilisation of wagons on the Indian Railways is measured by the indicators, (i) wagon kilometres per wagon day, and (ii) net tonne kms. per wagon day. Of these two, net tonne kms. per wagon day is a more accurate

index of wagon utilisation. But, a straight comparison of this result as between Railway systems of different countries is not valid, because the capacity of a wagon varies from one Railway to another. Utilisation of wagons on different Railways can be compared by the figures of number of wagons utilised to move one million net tonne kms. per day, expressed in terms of four wheeler B.G. wagons of a common standard carrying capacity. For the purposes of comparison these have been expressed in terms of 4-wheeler B.G. wagons of 22 tonne capacity.

The comparative figures are given below:

Indian Government Railways (BG) (1971-72)	1,065
British Railways (1970)	4,716
Canadian Pacific Railways (1970)	1,133
Canadian National Railways (1970)	1,254
French National Railways (1970)	2,333
German Federal Railways (1970)	2,245
Italian State Railways (1970)	2,812
Japanese National Railways (1970)	821
U.S. Class I Railroads (1970)	1,589

6.5. It would be seen that the utilisation on Indian Government Railways compares favourably with other railways and is next only to that of the Japanese National Railways.

6.6. Another way of measuring utilisation of wagon capacity is to compare the net tonne kms. moved per annum per tonne of wagon capacity. The utilisation per tonne of wagon capacity on the Indian Railways compared to that on railways of the leading foreign railways is shown below:

Net tonne kilometres moved per annum per tonne of capacity

Indian Government Railways (BG) (1971-72)	15,583
British Railways (1970)	3,518
Canadian Pacific Railways (1970)	14,650
Canadian National Railways (1970)	13,229
French National Railways (1970)	7,111
German Federal Railways (1970)	7,389
Italian State Railways (1970)	5,900
Japanese National Railways (1970)	20,202
U.S. Class I Railroads (1970)	10,444

The above figures also indicate that intensive utilisation of wagon capacity on Indian Railways is better than all other Railways excepting the Japanese National Railways.

6.7. While comparing the utilisation results, it is necessary to bear in mind that the conditions of operation, composition and pattern of traffic, types of traction, degree of sophistication in signalling and tele-communication equipment, facilities of handling freight stock at the terminals, mechanisation and automation of operations, etc. vary widely from one Railway to another. The degree of sophistication, mechanisation, computerisation and automation is definitely of much higher order on Japanese National Railways.

6.8. In a further note on the subject, the Ministry have stated that no detailed study has been made of the working of the Japanese National Railways to find out the reasons for their higher efficiency of wagon utilisation. The analysis made in the "Review of Performance of Indian Government Railways" is based only on their published statistics.

6.9. A statistical study, however, brings out that the following factors contribute significantly towards better wagon utilisation by the Japanese National Railways:

(a) *Greater proportion of Diesel and Electric Traction and improved signalling techniques.*

	JAPAN				INDIA (BG)		
	Steam	Diesel	Electric	Total	Steam	Diesel	Electric
Tra in kms. (000's)	44206 (22.6%)	26422 (13.5%)	125404 (63.9%)	196032 (100.0%)	52981 (35.7%)	62896 (42.4%)	32461 (21.9%)
GTKMs (millions)	22924.70 (18.0%)	11792.45 (9.3%)	92526.56 (72.7%)	127243.71 (100.0%)	56487.38 (28.2%)	93901.32 (46.9%)	49717.1 (24.9%)
			Total :	200105.80 (100.0%)			

6.10. In 1970 out of a total track-Kms. of 41078 on JNR, 17027 Kms. or 41.5 per cent were electrified. On Indian Railways, the comparative figures are 9028 Kms. out of 98661 or 9.1 per cent. The track-Kms. of the Japanese National Railways equipped with automatic block signalling is 13879 (50.3 per cent of the total). On the Indian Railways the track Kms. equipped with automatic block signalling constitutes a negligible percentage (2.21 per cent).

(b) There is uni-gauge working on the Japanese National Railways to the extent of 97.21 per cent of their total track kilometrage, which accounts for far greater smoothness in traffic working compared to the Indian Railways who have to contend with three gauges with great multiplicity of break-of-gauge transshipment points.

(c) The Japanese National Railways are said to be using various computerised cybernetical techniques to improve their throughput, their computers being of the Third|Fourth generation capable of real-time operation. Exact details of the same are not readily available. Indian Railways are using only second generation computers and that only for data-processing. The Railway Convention Committee in Part I of their Report have recommended the use of the Third|Fourth Generation computers in Indian Railways also, clearance for which has to be obtained from Electronics Commission etc. The potential impact of the installation of Third|Fourth Generation of computers in Indian Railways on wagon utilisation has not yet been studied.

6.11. During evidence the Committee enquired about the position regarding utilisation of wagons during 1971-72 and 1972-73 and the measures taken to improve wagon utilisation. The representative of the Ministry stated that their performance should be gauged not only by originating tonnage lifted, but by the distance over which the tonnage was carried. Over the years, the lead of the traffic carried had been increasing. The total tonne Kms. as well as the earnings per wagon kilometre had also gone up. The originating tonnage plus the lead were almost equal to the target they had set for carrying the traffic. The figures in terms of net tonne Kms. per wagon day for 1971-72 were—broad gauge 935, and metre gauge 540. For the year 1972-73 the audited figures were not available.

6.12. Asked whether the Railways could carry 5 to 6 per cent additional traffic by more intensive utilisation of wagons, the representative of the Ministry stated that if they could utilise the existing assets better and freely, they would be able to carry about 2 million tonnes within their existing resources i.e. about 2 per cent additional traffic to start with. If the factor beyond their control were removed, they could go upto 3 to 5 per cent. However, this did not appear to be possible presently.

6.13. The Committee note that according to Railways the efficiency of wagon utilisation on Indian Railways, compares favourably with that of the Railways in some of the advanced foreign countries such as U.K., Canada, France, West Germany, Italy, Japan and U.S.A. In fact, in respect of the two principal indices of efficiency of utilisation, viz. the number of wagons utilised to move one million net tonne kilometres per day and net tonne kilometres moved

per annum per tonne of capacity, the Indian Railways are next only to the Japanese National Railways.

6.14. The Committee recognise that extension of diesel/electric traction and improved signalling techniques have an important bearing on the efficiency of wagon utilisation and that the efficiency could be further improved if mixed traction could be done away with at least on major trunk routes. The Committee observe in this connection that the percentage of net tonne kilometres of freight traffic operated by diesel and electric traction on all gauges has gone up from 10.08 in 1960-61 to 72.42 in 1971-72. The percentage figures of electric/diesel traction on the broad gauge which serves the principal trunk routes of the country are 11.66 and 77.40 respectively.

6.15. The Committee would like the Efficiency Bureau of the Railway Board to undertake a study of the efficiency of wagon utilisation (gauge-wise and Railway-wise) with a view to ascertain if the results achieved during the course of the last decade have been commensurate with the improved traction power, increased line capacity and better signalling and communication facilities provided during this period with a view to suggest areas where further improvement is possible and should be effected. They would like the results of this study and the action taken thereon to be brought to the notice of Parliament through the Annual Reports of the Ministry.

(B) Turn-round of Wagons

6.16. The Committee called for data regarding the turn-round of various types of wagons (gauge-wise) for the last five years. The Ministry have stated that data of turn-round of wagons are maintained only for all wagons taken together, and not for each type of wagons, excepting, in regard to certain special type stock such as BOX, BFR and POL Tank wagons. The available data, railway-wise and gauge-wise, for the last five years (1967-68 to 1971-72) are given in appendix V.

6.17. The overall position during the period 1967-68 to 1972-73 (up to August 1972) is as indicated below:

	BG	MG	NG
1967-68	12.6	9.54	NA
1968-69	12.7	9.69	NA
1969-70	12.6	9.47	NA
1970-71	13.3	10.1	NA
1971-72	13.5	10.6	NA

	BG	MG	
1972-73—			
April	13.3	10.4	NA
May	14.0	10.9	NA
June	14.5	11.4	NA
July	14.2	11.4	NA
August	13.8	10.9	NA

Reasons for variation

Broad Gauge

6.18. Turn-round which was more or less steady in three years up to 1969-70 showed deterioration in 1970-71 and 1971-72, mainly due to serious deterioration of the same on Eastern, N.F. and South Eastern, Railways on account of hold-ups due to dislocations to train services for various anti-social activities and heavy immobilisation of wagons due to slow release, thefts of wagon parts etc. Hold-up on N.F. Railway also increased due to poor ferry crossings at Farakka on account of unfavourable riverine condition, mainly due to narrowing of the channel as construction of barrage progressed. Some deterioration on Northern Railway was due to hold-up of wagons from Eastern Railway due to inability of the latter to accept the wagons freely on account of various dislocations. Deterioration on Western Railway in 1970-71 was due to extensive breaches on Bombay-Baroda section.

Metre Gauge

6.19. After a significant improvement in 1969-70, position deteriorated in 1970-71 and 1971-72 due to deterioration in N.E. Railway and N.F. Railway due to extensive breaches and in Southern and South Central Railways due to Telengana and anti-Telengana agitation, Mysore-Maharashtra border agitations, staff troubles on Southern Railway etc.

Box Wagons

6.20. Overall turn-round remained more or less constant with a trend of improvement in 1971-72. Turn-round has shown a steady improvement on Central Railway. Turn-round on Eastern Railway which was showing steady improvement showed deterioration

in 1970-71 and 1971-72 due to serious dislocations on account of various anti-social activities.

6.21. Set back in turn-round on Northern Railway in 1969-70 was due to heavy detention to BOX rakes with coal due to slow release. In 1970-71, position deteriorated due to hold-up of trains for Eastern Railway due to difficulties in acceptance by Eastern Railway on account of various dislocations. Position has improved significantly in 1971-72. Turn-round on Southern Railway increased from 1969-70 due to more loading of export ore from Bellary-Hospet area of Madras Port. Loaded rakes were often held up due to slow release on account of excessive stock in Port, labour troubles etc. Frequent staff troubles on Southern Railway also sometime slowed down movement.

6.22. Turn-round on South Central Railway increase mainly due to more coal loading from Singareni fields and dislocations on account of Telengana and anti-Telengana agitation. Breaches in 1969-70 also affected movement.

6.23. Turn-round on S.E. Railway in 1969-70 was slightly more due to some idling of BOX wagons for low demand, particularly iron ore from Bailadilla and hold up of loaded ore wagons for Visakhapatnam due to difficulties in handling there. Turn-round deteriorated further in 1970-71 due to dislocations on account of various anti-social activities. Turn-round has improved substantially in 1971-72.

6.24. Position on Western Railway deteriorated in 1969-70 and 1970-71 due to extensive breaches on Bombay-Baroda sector and hold-up of loaded BOX wagons with coal for transshipment at Viramgam due to breaches in Saurashtra area.

Pol Tank Wagons

6.25. Turn-round of B.G. has shown steady improvement. Turn-round on MG also has shown steady improvement except the set-back in 1970-71 due to extensive breaches in Saurashtra area and hold-up on N.F. and Southern Railways due to staff troubles and shortage of products.

BFR Wagons

6.26. Overall turn-round in B.G. which showed considerable improvement in 1968-69 and 1969-70 deteriorated in 1970-71 and 1971-72 mainly due to significant deterioration on Eastern, N.F. and South

Eastern Railways on account of serious hold-ups due to various anti-social activities. Detention to these wagons inside different Steel Plants also increase due to dislocations inside the Works for labour troubles etc. Detention to these wagons in Calcutta Port area and various industrial establishments also increased due to strikes, bundhs, labour troubles, etc.

6.27. Overall turn-round on the M.G. has shown improvement during last three years. So far as individual Railways are concerned, position deteriorated on N.F. Railway due to anti-social activities and labour troubles and on S.C. Railway due to Telengana and anti-Telengana agitation.

6.28. So far as the year 1972-73 is concerned, the Ministry have explained that railway operation was affected by several social disturbances during April to October, 1972. For example, in July the running staff of S.E. Railway slowed down operations by resorting to 'work to rule' campaign; in August the Loco and Carriage & Wagon staff of Eastern Railway adopted 'tools down' and Mughal-sarai Traffic staff followed 'Go-slow' policy; in September the loco running staff of Southern Railway and of Hubli Division of S.C. Railway went on strike. In October, first came the students' agitation in Punjab which immobilised 2000 B.G. wagons, then followed the language agitation in Assam which immobilised 1000 M.G. wagons immobilised at any time. This is besides the factor of power Andhra Pradesh, which is continuing rendering 3000 to 5000 BG wagons immobilised at any time. This is besides the factor of power shedding by D.V.C., which slowed down train running in electrified areas of Eastern and South Eastern Railway, particularly in the months of June, July and August, extraordinary heat affecting water supply on S.C. Railway in the months of May & June, and serious breaches on Bombay-Baroda section and on the East-coast during July, 1972.

6.29. Whereas wagons are being chased by increasing the level of supervision, any significant improvement would be possible only if the conditions of working are normalised.

6.30. During evidence, the Committee enquired about the reasons for deterioration in the turn-round of wagons. The representative of the Ministry replied that since the beginning of the Railways in 1853 and upto 1950 they moved about 100 million tonnes of traffic. The tonnage lifted during the next 20 years i.e. 1950 to 1970, was equivalent to the tonnage they had moved in 100 years of Railways' existence. Therefore, the routes and sections had become more and

more occupied, necessitating creation of more facilities and capacities. With dieselisation and electrification of certain sections, more trains were being run and more traffic moved, but congestion occurred and the speed had to be slowed down in certain sections. Consequently the average turn-round of wagons had deteriorated. They had been developing the capacity in certain routes but changes in the pattern of traffic had overtaken them and they were trying to cope with the problem.

6.31. The Committee observe that the turn-round of wagons has deteriorated on all gauges during the last five years. The position on BG and MG which was fairly constant till 1969-70 and had in fact shown some improvement on the MG, has taken a turn for the worse in subsequent years. The position on the Narrow Gauge has also worsened after 1967-68 (vide Appendix V).

6.32. The Committee note that apart from the disturbed law and order situation in the country particularly in the Eastern Region, one of the factors affecting the turn-round of special types of wagons such as BOX and BFR wagons is the heavy detentions due to labour troubles in Ports and Steel Plants, etc.

6.33. The Committee are not fully convinced if the above factors alone (and these have been prevalent earlier also albeit in varying measures), could be said to be entirely responsible for the deteriorating trend in the situation over the last three years. With the large scale programme of modernisation in all spheres, augmentation of hauling and line capacity, and more particularly the large scale movement of bulk commodities in full train loads between specified points, introduction of super fast express goods services, export specials etc., the Committee would have imagined that the turn-round of wagons would, on the other hand, show considerable improvement over the years. It is a matter of deep concern to the Committee that this has not come about so far.

6.34. The Committee trust that the study proposed in paragraph 6.15 earlier would cover this aspect of the matter in all its ramifications with a view to pinpoint the reasons why the massive investments have not yielded the desired results and in particular, to what extent the deterioration in this regard is due to laxity in management, slackening of standards and other factors within the control of the Railways.

6.35. The Committee would urge the Ministry to make concerted efforts to improve the wagon turn-round by more rational planning of requirements and its efficient implementation.

6.36. In this connection, the Committee regret to note that while developing the capacity in certain routes, the Railways have been "overtaken" with the problem of change in the pattern of traffic. The Committee consider this to be indicative of inadequate appreciation on the part of the planners of the development schemes of the Railways from the overall and long range point of view. As a very considerable portion of Railways' investment is on fixed assets which cannot be transferred elsewhere, it is of the utmost importance that the planning of necessary facilities is done most carefully keeping in view the likely changes in the pattern of traffic in foreseeable future.

(C) Empty Haulage

6.37. The percentage of empty wagon kilometres to total wagon kilometres during the years 1968-69 to 1971-72 was as under:

	B. G.	M. G.
1968-69	31.5	28.5
1969-70	32.6	27.8
1970-71	31.1	27.2
1971-72	29.6	27.4

6.38. To a question about the measures taken to reduce the haulage of empty wagons, the Ministry have stated that the proportion of empty wagon kilometres to total wagon kilometres depends basically on the pattern of traffic which varies from time to time. Proportion of empty wagon kilometres may go up when empty wagons are required to be hauled from distant points to particular areas where heavy traffic in commodities requiring covered wagons offer for loading while inward loaded wagons may be negligible or consist of open wagons. For example, in Punjab area, foodgrains offer in large quantities while inward traffic consisting mainly of coal, comes in open wagons. As a result, covered empty wagons have to be taken from Benaras area to Ferozepur Division for keeping up loading of sponsored foodgrain. To minimise the incidence of empty haulage arising from such a situation, two measures have been taken:—

- (1) Commodities which are generally loaded in covered wagons are, in fair weather, allowed to be loaded in open wagons also, covered with tarpaulins and escorted by Railway Protection Force staff. This expedient, which reduces the

empty haulage, however, depends on the acceptance by the trade.

- (ii) Loading of coal and minerals to area requiring covered wagons in large numbers for outward loading is maximised in covered wagons. The scope of this is also limited as the mechanical collieries cannot load in covered wagons. In order to make open BOX wagons universally useable for both mineral and bagged consignments a design of sliding roof is being experimented with BOX (bogie open) wagons. If this design proves successful, it will help to reduce the empty haulage.

6.39. The coupler incompatibility between conventional screw-coupler wagons and new centre buffer coupler wagons has also led to increase in empty haulage, because CBC wagons can move only in block rakes which cannot be split up for piecemeal supplies even if loadable traffic offers in areas of release of CBC wagon rakes. In order to get over this problem, a proposal to provide centre buffer coupler on all wagons on a time-bound programme is under consideration.

6.40. More and more special type wagons like Tanks, BFRs (flat trucks) etc., put into circulation has also increased empty haulage as such wagons are usually hauled empty in the return direction. The following figures of wagon holding in terms of four-wheelers will show how the proportion of special type wagons to other wagons has been on the increase.

(In four-wheelers)

Ordinaries	1-3-62	31-3-69	31-3-72
(a) Covereds	130675	164369.5	172842
(b) Opens	101707	168626.5	172478
TOTAL	232382	332996.0	345320
Special Type			
(i) Flat & Well, e.g. KF, KU etc.	34412.5	101152.0	109627.5
(ii) Tanks	8387.0	15168.0	15962.0
TOTAL	11790.5	116320.0	125589.5
%age of special stock to Ordinary Stock	5.5	34.9	36.4

6.41. The Committee regret to observe that as much as about 30 per cent of the available wagon capacity goes waste due to empty haulage in the return direction. One of the factors which has aggravated the situation is coupler incompatibility between the con-

ventional screw couplers and the new centre buffer couplers. The Committee note that the Ministry are considering a proposal to provide centre buffer couplers on all wagons on a time-bound programme. They would like the Railways to complete this programme by the end of the Fifth Plan.

6.42. The Committee feel that one of the reasons for empty haulage may well be the availability of special type of wagons in larger number. The Committee would like the Railways to examine the causes of empty haulage in detail and take concrete measures to reduce the incidence to the absolute minimum.

6.43. The Committee have in para 3.86 of their Third Report, referred to the experiments being made to design wagons with sliding roofs so that these could be utilised for carriage of coal as well as foodgrains. As such wagons would be of considerable help in reducing empty haulage and in augmenting Railway revenues, the Committee would like the matter to be given top priority.

D. Period of run of wagons in a day

6.44. To a question about the average period during which the wagons are on the run in a day, the Ministry have stated that no statistics in regard to the period for which wagons are on actual run in a day are maintained. This has now been derived by dividing the wagon kms. per wagon day by the average all-traction speed of goods trains. The results worked out on this basis by Railways and for B.G. and M.G. as a whole are given below:—

	<i>Wagons on run per day (Hours)</i>			
	Broad Gauge		Metre Gauge	
	1970-71	1971-72	1970-71	1971-72
Central	4.79	5.04	4.85	5.44
Eastern	2.76	2.56	—	—
Northern	4.40	4.48	4.25	3.88
N. E.	..	—	3.88	3.68
N. F.	2.66	2.21	3.41	3.58
Southern	3.71	3.92	3.38	3.39
S. C.	5.63	5.48	4.38	4.21
S. E.	4.00	4.04	..	..
Western	5.57	6.37	4.56	4.74
All Railways average	4.09	4.07	3.97	3.93.

6.45. In this connection it may be noted that the index of wagon kms. per wagon day is worked out on the total number of wagons 'on line', which includes ineffective stock and wagons immobilized and stabled as surplus.

6.46. It has also to be realised that wagons have to wait for unloading and backloading at terminals and transshipment points where this work is done only during limited hours of the day. Time is taken at terminal station yards for sorting out and placement of the wagons and also at intermediate yards for marshalling. Even when forming part of a train, which has left the originating yard, detentions take place en route at stations for crossing and precedence, and also for inability of the terminal yard to receive the train.

The figures quoted in the table above should hence be viewed in the context of all these factors for the sake of a correct perspective.

6.47. To a further question about the average period during which wagons are on the run in a day in other countries, the Ministry have stated that the average period during which wagons are on the run in a day is not compiled as such but is derived as a statistical construct by dividing the wagon-kilometres per wagon-day by the average speed of goods trains. The figures thus derived for the countries mentioned are as follows to the extent they are available in their Annual publications as well as in standard publications like International Railway Statistics and Jane's World Railways.

Railway	*Wagon-kms. per wagon day	Average speed of freight trains (kms per hour)	Hours per day wagon are on the run (hours) (2—3)
British Railways	NA	NA	NA
Canadian National Railway	85.6	37	2.31
Canadian Pacific Railway	88.9	33.7	2.64
German Federal Railway	61.6	39.9	1.54
Italian State Railway	43.8	45	0.97
Japanese National Railway (JNR)	96**	38.4	2.5
Australian Federal Railway	66.0	30	2.20
French National Railway (SNCF)	56.6	Fast trains 40 Slow trains 16	1.43 3.54
U.S.S.R. Railways	NA	33.9	NA
U.S. Class I Railways	89LL	32.3	2.76
Indian Railways—B.G. (1971-72)	74.0	18.2	4.07

N.A. Not available

* Source—International Railways Statistics—1970

L Source—Jane's World Railways—1968-69

** JNR Fact and Figures 1970 edition

LL Rail Road Facts—Association of American Railroads—1970 edition.

6.48. In reply to a question about the average number of hours in a day when the wagons were on the run, the representative of the Ministry stated in evidence that there were different facets of movement. After completing its run from the starting to the terminating station, the wagon had to be taken from the yard to the goods-shed. The consignee was given time for unloading and if it had to be backloaded at the same station, the consignor was given five day-light hours. If it happened to be evening, the wagon remained there overnight awaiting completion of loading within the free time allowed. If the wagon was not to be backloaded at the same station, it went back into the yard for onward movement. If it was free movement of 500 to 600 miles from one point to another, the number of hours spent on the run would be much more and if loading/unloading and attaching/detaching were involved, the time on the run would come down. Their experience was that the average time taken for a wagon to be again put on the run was of the range of 5 to 6 hours. It would, however, differ from section to section and upon the quantum of traffic.

6.49. From the data furnished by the Ministry, the Committee find that the average number of hours in a day when the wagons are on the run differs widely from Railway to Railway and from year to year even on the same Railway. While the Committee realise that the pattern of traffic, the number of break-of-gauge points, the type of gauge predominant on a particular Railway, the general law and order situation etc. affect the running time of wagons, there are a number of other factors within the control of the Railways particularly the efficiency of working of the staff in marshalling yards, at transshipment points and in the sidings which also affect the mobility of wagons to a considerable extent. Viewed in this context, the position on the North-east Frontier Railway where the average running time of wagons is only 2:21 hours on the B.G. and 3.58 hours on the M.G. as against the all India average of 4.07 hours and 3.93 hours respectively is poor and calls for close watch. The Committee consider that ways and means should be devised by the Railways to improve the working of this Railway so as to produce better results. They would also like the Efficiency Bureau of the Railways to study this problem on all Railways and suggest concrete measures to increase the average daily running hours of wagons so as to achieve the best results.

E. Speed of Goods Trains

6.50. The details of the average speed of goods trains on the B.G. and M.G. Sections of the Indian Government Railways where there has been an extension of Diesel and Electric services are given

Railway-wise and traction-wise for the last three years ending 1971-72 are at Appendix VI.

6.51. The percentage of the goods train kilometres operated by different tractions during the years 1969-71 to 1971-72 given below, will give an idea of the extension that has taken place in Diesel and Electric services during these three years.

Percentage of total goods train kms.

	B. G.			M. G.		
	69-70	70-71	71-72	69-70	70-71	71-72
Stream Traction	40.18	37.14	33.65	69.47	66.38	64.03
Diesel Traction	39.46	42.50	44.79	30.01	33.08	35.4
Electric Traction	20.36	20.36	21.56	0.52	0.54	0.56

The decrease in the speed of goods trains hauled by steam traction is due to their being replaced progressively by Diesel and Electric locomotives on all the heavier traffic routes.

6.52. It will be seen from Appendix VII that there has been a progressive increase in the overall speed of goods trains on the Broad Gauge due to the extension of Diesel and Electric services but on the M.G. the speed of all goods trains more or less remained stationary mainly due to marginal increase in dieselisation and also due to other extraneous factors like breaches etc.

6.53. To a question about the reasons that the average speed of goods trains have shown only marginal increase in respect of broad gauge and no change in respect of metre gauge during the last three years, the Ministry have stated that there has been a marginal increase in the extent of electrification on both the gauges during these years. The increase in diesel traction is of the order of about 5.3 per cent on the B.G. and 5.4 on the M.G. During the same years, the speed on the B.G. increased from 17.7 in 1969-70 to 18.2 in 1971-72, i.e. an increase of 2.8 per cent. On the M.G., the speed after a decline from 14.9 in 1969-70 to 14.7 in 1970-71 has again reached the figure of 14.9 in 1971-72. The following factors have to be borne in mind while assessing the overall speed of trains over the years:—

- (i) The maximum permissible speed of wagons has been the same in respect of all the tractions. With the change of traction from steam to either diesel or electric, there is only a marginal advantage in so far as speeds are concerned in regard to save in time for intermediate

watering required for steam trains, the maximum permissible speed under all the three modes of tractions remaining the same depending as it does on a number of other factors like track-conditions, the type and design of rolling stock etc. There are of course other important advantages from dieselisation/electrification, such as higher hauling capacity of diesel/electric engines and their availability to traffic for longer durations at a stretch and in a day. It would, therefore, be appreciated that dieselisation and electrification by themselves do not contribute appreciably to the improvement in speed, particularly under conditions of mixed traction, where the average speed tends to be depressed by the speed of the too lowest type of traction.

- (ii) Conditions in recent years have not been normal, particularly in the eastern sector where about 70 per cent of the traffic originates.
- (iii) Numerous works in progress on important and saturated trunk routes like the north-south G.T. route tend to slow down the movement of trains as a number of speed restrictions have to be imposed and blocks given for various engineering works. The full benefit of dieselisation|electrification cannot obviously be derived unless these works are completed and uninterrupted movement of trains is made possible.

6.54. Regarding the measures taken to derive full benefits of dieselisation and electrification, the Ministry have stated that the benefit of dieselisation/electrification cannot be related to the speed aspect only. Greater benefits of these types of tractions lie in the higher loads that can be hauled by these engines, which lead to considerable economies alround in reduction of the number of trains and consequent increase in section capacity. In order to derive full advantages of dieselisation/electrification, under which engines are able to maintain longer runs at a stretch, certain changes have been brought about in the pattern of movement. For instance, loading is being organised in such a way that goods trains are offered to run for longer distances without having to be re-marshalled in intermediate yards. The concept of long distance marshalling is also being developed more fully to take full advantage of the ability of these engines to cover long distances between two successive visits to the shed. Repair facilities and also facility for weekly and even fortnightly schedules for these engines are being created in increasing measure at stations other than their home sheds so that these engines can keep moving in the direction

of traffic without having to return to their home sheds for mechanical attention. In many major yards, particularly in the yards where through trains are dealt with, fueling facilities have been developed. As diesel and electric engines can haul heavier loads to take full advantage of their hauling capacity, the brake-power of trains is being improved gradually by better systems like provision of air-brakes on certain sections, provision of quick release valves, etc. Considerable amount of attention is also being paid to the maintenance of rolling stock and engines, so as to eliminate the need for attention in various intermediate points, which would retard the movement of diesel/electric engines. These are continuous processes, each of which is under constant attention.

§.55. The Ministry have added that the speed of trains is not dependent only on the mode of traction but also on the track, type and design of rolling stock and the load of trains. The maximum permissible speed of our wagons is the same irrespective of whether these are moved by steam, diesel or electric engine. In view of this, advantage of diesel or electric traction over steam traction, so far as speed is concerned, is marginal, as the only time which is saved on run is in regard to watering of steam locomotives. While it is true that high power diesel and electric engines can haul heavier loads than the steam engines, the track conditions in all cases and the conditions of rolling stock its type and design are not yet capable of taking higher speeds. The average speed attained by goods trains is dependent on the maximum permissible speed, which in turn is itself dependent on the various other factors—track and rolling stock playing an important part. Within these limitations, a number of steps have been taken to implement the suggestions made by the Study Team of ARC. In this context, it is relevant to point out that a number of extraneous factors, which are totally unconnected with railway working have had an adverse effect on the speed of goods trains during the past 3 years. Apart from the sporadic outbursts of lawlessness or political agitations in different parts of the country, there has been an increase in crime causing interference with through running of trains, such as running train thefts, pilferage of wagon parts causing sickness enroute and the harassment of and interference with railway staff, which have had a direct impact on the speed of trains. Besides, a number of engineering works on busy trunk routes, e.g. north-south route, which involve imposition of a large number of speed restrictions during the pendency of these works, have had to be taken in hand to increase the line capacity on the saturated routes. The full benefit of dieselisation/electrification cannot, therefore, be achieved until these works are over and uninterrupted train running is made possible.

6.56. On their attention being drawn to the improvements effected by Soviet Railways in the speeds of goods trains during the period 1950 to 1965, from 20.1 to 33.6 kms., the Ministry have stated that any one aspect of operating performance like speeds of trains in one country cannot be compared to that of any other country without reference to the conditions of working and facilities such as type of track, type of locomotives and wagons, signalling and communication facilities and the pattern and density of traffic. The speeds on Indian Railways did not go up primarily due to the increase in volume and density of traffic without correspondingly proportionate increase in capacity, which should be viewed route-wise and sections-wise. The net tonne Kms. per route kms, per annum on the B.G. increased from 1502 thousands in 1950-51 to 3404 thousands in 1965-66. On the metre gauge, during the same period the increase was from 245 thousands to 758 thousands. These show an increase of over 200 per cent on the B.G. and over 300 per cent on the M.G.

6.57. During the successive Five Year Plans, the Railways have undertaken a number of works for increasing the capacity. Additional facilities planned for do not, however, materialise until the works are completed. During the progress of the works, the existing capacity is in fact reduced on account of various speed restrictions, which have necessarily to be imposed and due to the blocks given for carrying out these engineering works. This slows down movement. It would, therefore, be correct to assess the extent of increase in speeds only after the additional capacity planned materialises and movement is rendered free from all these restrictions, which are imposed during the progress of the works.

6.58. No detailed information is available in regard to the speeds on the Soviet Railways for these years.

6.59. The average speeds of goods trains on the B. G. sections of Indian Railways during the subsequent years 1966-67 to 1971-72 show a progressive improvement as indicated by the following figures:

	Indian Railways (BG)
1966-67	16.5
1967-68	16.8
1968-69	17.5
1969-70	17.7
1970-71	17.9
1971-72	18.2

6.60. The above speeds represent the average for all tractions. In 1971-72, nearly 37 per cent of total B.G. train kilometrage, passenger and goods, was worked by steam traction whereas in USSR as far back as 1967, the percentage of total traction performed by steam locos was only 7.6 per cent. In 1971-72 presumably steam traction was no longer there in USSR. If we take only the Diesel and Electric traction speeds for goods trains on the B.G. of Indian Railways in 1971-72, they certainly look better as the following figures will show:

	Through Goods Trains	All Goods Trains
Diesel	23.0	22.8
Electric	24.3	24.2

6.61. To a question about the reasons why the average speed of goods trains powered by diesel and electric locomotives was lower than the speed in other countries, the representative of the Ministry stated that with increasing dieselisation and electrification, their speed would naturally be expected to go up and, in fact, it had gone up to some extent. They were now in a transitional phase as they still had three modes of traction, i.e. electric, diesel and steam. If a section was entirely electrified or entirely dieselised, the speed would be very good but when there was mixed traction in a section, the speed was bound to suffer because while the electric|diesel traction was fast, the steam traction was slow.

6.62. The Committee find that the average speeds of goods trains (BG) hauled by diesel/electric engines have shown a deteriorating trend on the Eastern, Northern, Southern, South Eastern and Western Railways during the last 3 years. A similar trend is visible on the MG sections of the North-eastern, North-east Frontier, Southern and South Central Railways. Consequently, the all India average of speeds of trains hauled by diesel and electric engines both on BG and MG has come down. The Committee are distressed to note that this should have occurred despite various measures stated to have been taken by the Ministry in pursuance of the recommendations of the Study Team of the Administrative Reforms Commission. The suggestion of the Study Team that the Railways should aim to achieve an average speed of 25 to 30 miles an hour for diesel and electric trains is therefore still a distant goal. The Committee would like the Ministry to examine in detail the reasons for the deterioration of the speeds of goods trains on the Zonal Railways mentioned above and take necessary steps for effecting improvement.

6.63. The Committee are surprised to note that maximum permissible speed of wagons on the Indian Railways is the same irrespective of whether these are moved by steam, diesel or electric engines. The Committee see no reason why the maximum speed in respect of wagons hauled by diesel or electric engines cannot be increased so as to take maximum advantage of better and high-powered locomotives.

6.64. The Committee regret to point out that Indian goods trains have not increased their speeds in recent years to commensurate with the increase in traction power, improvements in communications, line capacity etc. The improvements brought about by the Soviet railways demonstrate the technological potential of modern railway equipment when it is augmented by energetic operating procedures. The Committee feel that the Indian Railways can benefit from Soviet experience in regard to speeding up of trains, freight traffic densities and increasing the frequencies of goods trains.

6.65. The Committee would like the Railways to study the methods employed in foreign countries to increase the speeds of trains on account of progressive change in traction so that full benefit is obtained of the heavy investment made in improving track, line capacity and traction power on the Indian Railways. The Committee are of the view that there is enough scope for increasing the speed of trains particularly the goods trains, on the Indian Railways. They hope that necessary measures would be taken by the Railways in this regard. The Committee trust that higher speed would result in better wagon utilisation and movement of additional traffic.

6.66. The Committee note that the concept of long distance marshalling has yet to be fully developed to take advantage of longer hauls made possible by the introduction of diesel/electric engines. They would like greater attention to be paid to this very important aspect of traffic operation. Revised all India Marshalling Orders should be prepared by a specified date and given effect to without any delay.

F. Detention of wagons at Marshalling Yards and transshipment points

6.67. The targets for detention to wagons in the marshalling yards were fixed initially in 1952 and for Break-of-Gauge Transshipment points in 1958. These targets are revised from time to time and the last revision was effective from October 1969.

6.68. The new procedure for reckoning wagons in Marshalling Yards, Break-of-Gauge Transshipment Points etc. in terms of 4-wheelers instead of units was laid down in April, 1971 to be effective from July, 1971 as the old procedure of computing these

detentions in terms of wagon units could not reflect the position correctly due to progressive steep increase of bogie wagons in the wagon fleet. Moreover, a new proforma for reporting statistics relating to Break-of-Gauge Transshipment Points which had been targeted to tranship 100 or less wagons a day, was prescribed in February 1972 to be effective from April 1972. As a result thereof fresh fixation of detention targets for wagons in Marshalling Yards and Break-of Gauge Transshipment Points is under consideration.

6.69. The old targets of detention also need review on account of changed pattern of traffic, long distance marshalling, saturation of certain sections due to increased density of traffic etc.

6.70. Average detention in some of the yards on Eastern and South Eastern Railways showed deterioration in 1970-71 and 1971-72 due to heavy hold-up of wagons on account of serious dislocation to train-running due to various anti-social activities.

6.71. Detentions at transshipment points have shown a tendency to increase due to acute labour troubles and general increase in break-of-gauge transshipment traffic.

6.72. The Ministry have further stated that for all major transshipment points on the Indian Railways the average figures of detentions to wagons are compiled and watched at the level of the Division, the Zonal Headquarter. Apart from these periodical statements the actual control over the working of these transshipment points is enforced through a system of a daily watch over—

- (i) the number of wagons transhipped,
- (ii) the number of wagons awaiting transshipment at the end of each day,
- (iii) the number of wagons requiring transshipment at that point moving towards that point.

6.73. In the very nature of the operation involved at transshipment points some detention to wagons is unavoidable depending as it does on a number of factors such as availability of matching and suitable type of wagons of either gauge and availability of adequate and experienced labour to handle the different types of traffic materialisation etc. The sporadic labour troubles very often contribute to drop in efficiency indices of these transshipment points. This problem is further accentuated by the fact that there is a special skill needed for handling different types of commodities requiring transshipment.

6.74. The problem therefore is not merely of the adequacy of numbers but also of getting labour with the requisite skill.

Steps taken by the Railways to improve the position of performance of transshipment points and thereby to reduce the detention to wagons at these points may be summarised as follows:—

- (i) A careful watch on a daily basis of the performance at each of these points enables suitable remedial steps being taken to correct any deficiency like accumulation of wagons, non-arrival of matching stock, temporary short-falls in availability of labour etc.
- (ii) At points where the volume of traffic justifies such measures mechanical handling has been undertaken to deal with different types of traffic. Examples are the handling facilities provided at Manduadih, Tadepalli and at Ranchi for bauxite. It is, however, not possible to provide for large scale mechanisation in view firstly of the cost factor and secondly the change in pattern of traffic from time to time.
- (iii) Additional handling facilities have been provided at important transshipment sheds where wagons were subjected to unduly long detentions for want of either holding or transshipment facilities.
- (iv) In order to meet the problems arising out of frequent labour troubles an effort has been made to give handling contracts to Labour Cooperatives wherever possible.

6.75. The permanent solution to this problem however lies in avoiding transshipment altogether. This would obviously be a very long process on account of the large investment involved in converting Metre Gauge and Narrow Gauge sections. However, it has been accepted, as a matter of policy, to have only one gauge in the country and sections are being taken up for conversion on the basis of a phased programme.

6.76. Explaining the reasons for deterioration in the performance of most of the important yards, the Ministry has stated that there are fairly wide variations in detention to wagons in each yard from month to month. For instance, in respect of Mughalsarai yard, the detentions are varying from 26.8 hours in May, 1969 to 35.9 hours in October, 1969. Similar position is noticeable in respect of other yards. This would point out to the fact that detentions to wagons in a marshalling yard depend not only on the working of that yard but also on a variety of other factors like mobility of adjacent

sections, ability of adjacent yards to accept traffic offered, pattern of traffic, etc. During the last more than two years, the extraordinary law and order situation in the eastern sector affected the working of marshalling yard not only on that railway but also on adjacent railways on account of slow movement on Eastern and S.E. Railways and a large number of wagons have had to be held back on other Railways. Apart from this, holding-back in other yards had also to be authorised with a view to giving relief to the yards on the Eastern Railway, particularly Andal, Asansol, etc., which were in serious difficulties, so as to enable other railway yards to form trains which could bypass yards, which were in difficulty. This has had a chain reaction on the working of a number of major yards. Quite apart from this there have been anti-social agitations and political disturbances in different parts of the country affecting Railway operations.

6.77. Apart from this, in keeping with the general trend elsewhere, there has also been a noticeable slackening in discipline on the Railways, particularly in the marshalling yards, where various categories of staff like train examining staff, traffic shunting staff, loco shunting staff, etc. have to work in close coordination to produce the best results.

6.78. Among the various steps that have been taken for improving the performance of marshalling yards, the following are the most important:—

- (i) The level of supervision in most of the major yards has been increased. In some yards like Tatanagar, Bondamunda, Bhilai, etc., senior scale officers have been headquartered who are able to devote more time to supervise the working of these yards.
- (ii) Facilities for handling traffic are being progressively improved in all major yards. These facilities consist of installation of mechanical retarders, installation of better communication facilities like paging and talk-back arrangements, better lighting etc.
- (iii) Work study methods are being employed more and more to inculcate in the staff a greater sense of organised and scientific methods of working. A large number of officers and senior supervisors are being trained in work study methods on each Railway.
- (iv) In order to encourage good performance, the yards which have been performing well in relation to their targets and

in relation to their own past performance, are being rewarded suitably apart from individual staff, who contribute to outstanding performance, being rewarded personally.

6.79. About the revision of routing and marshalling orders, the Ministry have stated that it is not correct that routing and marshalling orders have not been modified with the commissioning of new marshalling yards or the expansion of the existing ones. Marshalling instructions have always been modified with the setting up or expansion of new Marshalling Yard to avoid multiple handling of wagons at intermediate yards and resort to more and more long distance marshalling.

6.80. For example, with the setting-up of the two new Marshalling Yards (Bondamunda and Bhilai) on South Eastern Railway, intermediate marshalling at stages at various intermediate small sorting yards like Raj-Kharswan, Chakradharpur, Manoharpur, Jharsuguda, Raigarh and Raipur have been eliminated and these two yards are giving long distance marshalled trains to terminals like Calcutta, Bombay and Madras and for distant yards on the adjoining Railways. The same is also being done by Tatanagar Marshalling Yard after expansion of the same.

6.81. On Central Railway, after the remodelling of Itarsi Yard, through trains are being formed for:—

- (i) Tughlakabad/Delhi yard of Northern Railway,
- (ii) Tondiarpet or Salt Cotaurs yard of Southern Railway, and
- (iii) Beyond Ratlam of Western Railway, in addition to forming block loads for Bombay area, *via* Dhond and *via* Balharshah.

6.82. North East Frontier Railway, after the introduction of direct rail link across Farakka and a new yard at Malda Town, is offering direct Chitpur|Naihati specials and POL Tank special for Eastern Railway. The Old Farakka Yard on Eastern Railway has been closed.

6.83. With the expansion of Mughalsarai Up yard, Eastern Railway is forming trains for Jullundur, Ludhiana and Ambala on Northern Railway in addition to trains for Tughlakabad, New Delhi etc. and also for distant yards on Central and Western Railways. On South Central Railway with the expansion of Kazipet yard, separate loads are being formed for Wadi, as well as for Itarsi and

Bhusawal yards on Central Railway. Waltair yard on South Eastern Railway forms train loads for different sections of Southern Railway like Madras area, Jolarpettai, Erode, Tiruchirapalli, via Shoranpur etc. On Western Railway, the expansion of Ratlam yard has made it possible for Ratlam to form trains direct for Kankaria, Asarva and Tank specials for Bajuwa Refinery as well as to despatch in separate hooks wagons for Tundla and Tughlakabad of Northern Railway, and Katni loads for Central Railway.

6.84. Baroda is forming loads for Viramgam and Dadar. Similarly, with the expansion of Phulera (M.G.) yard on Western Railway, it has been possible to form loads for Delhi Sarai Rohilla/Shakurbasti as well as *via* Hissar on Northern Railway and for Kasganj on North Eastern Railway, besides forming the long distance loads for Agra East Bank, Sawai Madhopur, Gandhidham and Sabarmati on the Western Railway itself. On N.E. Railway, the expansion of Garhara yard has made it possible to form East of Silliguri loads for N.F. Railway. The list is illustrative and not exhaustive.

6.85. The routing of traffic is not affected by new Marshalling yards or expansion of the same unless traffic was not being moved by the shortest route, due to limited capacity in any yard or section. With the progressive improvement of yard and section capacity such routing of traffic by longer route on Railway convenience has also been avoided. For example, with the development of Nimpura Yard and electrification, trains from S.E. Railway for Calcutta Port and Chitpur are no longer being diverted *via* Asansol but carried by the shortest route over S.E. Railway. With the commissioning of B.G. line across Farakka and new yard at Malda Town traffic between Eastern and N.F. Railways is no longer diverted by the longer route *via* Garhara on Railway convenience. With the expansion of Ratlam yard, the same is forming through loads for Ahmedabad area by passing Baroda yard.

6.86. All India Marshalling orders in force are being reviewed from time to time by the different Railways according to the changed pattern of traffic and additional facilities. These are being discussed in different coordination meetings held among the different Railways and sometimes in course of meetings held by the Railway Board officers. Several alterations to the marshalling orders in force have been made as a result of these meetings, like marshalling of wagons for N.F. Railway by Eastern Railway and *vice versa*, marshalling of wagons for Southern Railway by S.E. Railway at Waltair yard, marshalling to be done by Western Railway for traffic interchanged at Bhopal, Marshalling of traffic passing through

Moghalsarai yard by Northern Railway etc. This is a continuous process.

6.87. Regarding the capacity of interchanging wagons in the various marshalling yards, the Ministry have stated that the quota fixed for interchange of wagons at different important interchange points and also the actual interchange day to day during the last three years have been given at Appendix VII.

6.88. Interchange quota at different interchange points is fixed taking into account the pattern of traffic both-ways or either way, existing as also anticipated. Such interchange quotas are fixed at a sufficiently high level leaving sufficient cushion to allow for peak interchange on any particular day. Facilities available at different interchange points are limited and provision is made for clearance of traffic from the same in such a way as not to allow any stagnation of loads at these points effecting free reception of loads from either side.

6.89. The interchange quota so fixed may not apply to either direction to the full extent. According to the pattern of movement, certain Railways over-equalise with adjoining Railways at certain interchange points while under-equalise at other points to maintain overall balance in wagon holding over their system. The interchange quota is so fixed as to allow for this over-equalisation from one Railway to the other even though the quantum of traffic in the opposite direction may be less.

6.90. The interchange quota fixed at different interchange points is vitally linked with pattern of traffic passing through the same. The traffic passing through any interchange points are limited by the constraints further up at the terminals or transshipment points or over any particular route. If the pattern of traffic so changes as to increase the quantum of traffic to terminals or over the routes which are limited, movement of the latter has necessarily to be regulated causing depression in actual interchange. For example, the traffic interchanged at Gudur between South Central and Southern Railways will always be regulated by the quantum of traffic offering beyond Jalarpettai as the same route is saturated. Similarly, traffic interchanged at Farakka/Malda Town between Eastern and North East Frontier Railways will be limited by the traffic offering via the transshipment points at New Jalpaiguri and New Bongaigaon as also the traffic for destinations across Lumding-Badarpur Hill Section.

6.91. Actual interchange of traffic may also fall below the interchange quota due to less demand over any particular route or

temporary regulation of traffic to any particular areas due to slow release of inward wagons or due to temporary short availability of wagons over any particular Railway or congestion of loaded wagons over any particular Railway.

6.92. Due to the aforesaid limitations, interchange of traffic between two Railways at any particular interchange points may be less than the target but that does not necessarily mean that the interchange of traffic between different Railways is throttled.

6.93. At present, interchange between two Railways is fluid (subject of course to the constraints further up as mentioned above), at all points except Mughalsarai and Asansol. Working at Mughalsarai and Asansol has been affected off and on due to obstructing working of staff, wild cat strikes, frequent power-cuts by State Electricity Boards etc. These are being dealt with. The Down yard at Mughalsarai had also been a constraint due to limited capacity. Re-modelling of this yard and mechanisation of the same are on hand. Supervision over the yards has also been strengthened.

6.94. Interchange between two different Railways at different interchange points are being watched not only by the concerned Railways' Zonal Headquarters but also by the Traffic Transportation Directorate of the Railway Board daily. Any avoidable failure of interchange is taken up to avoid recurrence. Capacities are also being developed at different points, including terminals and sections, to get over the different constraints affecting day to day interchange.

6.95. In reply to a question about mechanisation of handling facilities at the transshipment points, the Ministry have stated that in order to get over the shortage of labour particularly at break-of gauge transshipment points during the busy season, gravity transshipment arrangements for handling bulk (loose) commodities like coal, ores, limestone are provided at some of the major break-of gauge transshipment points.

6.96. Introduction/expansion of mechanisation at the transshipment points has to be considered in the light of the following factors:—

- (a) Change in pattern of traffic on account of (i) gauge conversion schemes under contemplation, (ii) uncertainty about future pattern of transshipment traffic in bulk such as movement of gypsum or bamboos from Metre Gauge to Broad Gauge for fertilizer/cement factories and paper mills, and (iii) possibility of replacement of coal by furnace oil, electricity and gas as fuel power; and

(b) Impact of installation of mechanised devices on employment potential in the country.

6.97. In view of the aforesaid factors, the scope for introduction of mechanisation at the transshipment points is limited and the only proposals under consideration in this regard are for (i) gravity transshipment at Bayappanahalli (near Bangalore) and (ii) conveyor belts for coal transshipment at Korukkupet (near Madras) and bagged consignments at Arkonam.

6.98. The mechanised and semi-mechanised handling arrangements already installed at our transshipment points have been based on a similar arrangements in other developed countries, modified to suit our conditions.

6.99. During evidence the Committee enquired about the reasons for deterioration the performance of most of the yards. The representative of the Ministry stated that the targets prescribed were the maximum that they might expect to move in a year when there was no spurt of traffic and when conditions were not vitiated by wide fluctuations or other extraneous factors. The Railways laid down the targets and the number of trains which would be required to be run on those sections. Reasons for their inability to attain the targets were three-fold—(i) fluctuations in traffic; (ii) difficulties in handling in certain areas due to go slow tactics by the staff or social agitations, etc.; and (iii) lack of mechanical retarders in yards where provision had been made for hump shunting due to which considerable damage had been caused to wagons. This had consequently affected the throughput of these yards.

6.100. So far as transshipment points were concerned, there could be considerable improvement if it could be ensured that the minimum required labour was available for transshipment throughout the year. However, the only long term solution was gauge conversion covering at least six or seven major transshipment points which would ease the traffic movement along the major routes in the country.

6.101. Asked about the main reasons for heavy detentions in some yards and the measures taken to reduce the detention time of wagons, the representative of the Ministry stated that if the reference was to the yards in the Eastern and South Eastern Railways, their performance was completely vitiated by the difficulties they had to face in 1970-71 and 1971-72. The performance of these two Railways and also the Northeast Frontier Railway might not, therefore, be taken into consideration.

6.102. Regarding the Railway's experience of the working of mechanised yards, the representative of the Ministry stated that they had tried to mechanise such of the transshipment yards where the pattern of traffic remained the same. For coal and iron ore, they had got gravity transshipment whereby dependence on manual labour was reduced. The wagons when put on the high lines, opened out and the contents slid down. But where the pattern of traffic kept on changing, it might not be economical to go ahead with mechanisation because the equipment might remain idle. Wherever they had constructed new yards, they had provided humps. During the Fifth Plan, it was proposed to mechanise six yards so as to improve the performance as well as to reduce the damage due to hump shunting.

6.103. Asked if the Railways had prepared any plan for smooth flow of traffic at the inter-change points, the representative of the Ministry stated that this matter was under constant review. During the Third Plan they had developed capacity in coal and steel industry belt. Now the traffic pattern showed increasing pressure from the North to South.

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

6.105. The Committee note that apart from labour troubles which have adversely affected the working of the marshalling yards in recent years, "there is a noticeable slackening in discipline on the Railways, particularly in the marshalling yards where various categories of staff have to work in close co-ordination to produce best results."

6.106. The Committee cannot stress too strongly the need for Railways which are the very lifeline of the country, to enforce high standards of service and discipline, particularly in marshalling yards and transshipment points, where any hold up of wagons has far reaching implications. The Committee, therefore, expect the supervisory staff not only to tighten up supervision but also to set high standard of service for the lower staff to emulate.

6.107. The Committee would like the Ministry to evaluate the results of the working of mechanised yards in the country and their

economic viability etc. They may also study the working of mechanised yards of the Railways in some of the advanced countries. On the basis of such a study, the Ministry may see whether it would be economical to mechanise other important yards in the country keeping in view the trends of traffic and other relevant factors. The Committee would like to point out that in our country where gainful employment for the people is a pressing necessity, mechanisation may be introduced only where it is absolutely essential in the interests of operations and its advantages are manifest.

6.108. The Committee would like to point out that encouragement of labour cooperatives is an accepted policy of Government for a long time. They are surprised that labour cooperatives to undertake loading and unloading work at transshipment points have not come up in increasing numbers as they should have.

6.109. The Committee note that the Railways are now taking steps to encourage labour cooperatives to work at transshipment points. They would like the Ministry to render all possible assistance and encouragement to such cooperatives and extend the arrangement to other transshipment points. The Committee have no doubt that labour cooperatives would prove a success in solving the labour problems at transshipment points.

(G) Detention of Wagons by Steel Plants

6.110. A statement showing the normal free time allowed to Steel Plants and the extent of detention to wagons in each of the Steel Plants during the last two years is at Appendix—VIII. As may be noticed, the free time for different types of wagons is generally much more than is allowed to individual traders to allow detailed sorting and placement within the system of each plant; for example for ordinary four-wheeler wagons, the Steel Plants enjoy a free time of 24 hours against the normal of 5 hours at roadside stations. Similarly for BOX wagons they get a free time of about 15 hours whereas normally at loading/unloading points equipped with mechanical arrangements, the free time is generally of the order of 5 hours. This additional free time has been given on account of the nature and scale of operations inside the Steel Plants. In addition, the Steel Plants are allowed 3 hours extra in Exchange yards to draw the loaded wagons in and are given some allowance of additional detention for bunching of Incoming trains if they arrive in quick succession.

6.111. It may also be explained that for returning wagons from the Steel Plants in less than the prescribed free time, the Steel Plants earn credit. Thus for every wagon returned one hour ahead of the free time the Steel Plants can detain another wagon of the same type one hour extra over the free time, during the period of computation, without having to pay any demurrage.

6.112. Despite the above, wagons do suffer detention inside the Steel Plants in excess of the free time. To improve matter in this regard, coordination is being maintained with all the Steel Plants and excessive detentions are taken up promptly with the Steel Plant concerned. Every month a high-level coordination meeting is held between the Steel Plants and South Eastern and Eastern Railways. At this meeting, which is presided over by Chief Operating Superintendent, South Eastern Railway and is generally attended by the General Superintendents of the Steel Plants, detailed discussions are held regarding detention to wagons and remedial measures to be adopted for reducing the detention. Periodically these detentions are also brought to the notice of the Steel Ministry. Timely action is taken to curtail or restrict movement of wagons into the Steel Plants when continued difficulties leading to heavy hold-up of wagons occur. Various measures for improving the facilities inside the plants to reduce the detentions to wagons have been suggested from time to time and some of these have been implemented. Railways have assisted the Steel Plants with locomotives as required by them from time to time.

6.113. A time study has recently been conducted in all the Steel Plants by a High-Level Committee of Railway Officers assisted by representatives of the Plants. The Secretary, Ministry of Steel and Member (Traffic), Railway Board has recently made "on the spot" study of wagon detention in Rourkela and Bhilai Steel Plants and Railways have given some assistance of locomotives from their own holdings to get over the shortage of locomotives in these Steel Plants.

6.114. Like all other rail users, Steel Plants are also liable to pay demurrage for detention to wagons beyond free time. However, whenever the excessive detention is on account of factors beyond their control and they, like any other trader, make out a case for a partial or full waiver of the demurrage charged in such cases, Railways give due consideration to such requests, examine each case on merits and waive the amount as may be found justified. In the process, it is natural that some amounts of demurrage though billed for, remain outstanding for some time. The demurrage realised from the Steel Plants during the years 1970-71 and 1971-72 is given at Appendix IX. As the traffic booked to Steel Plants is handed over to them at the Exchange Yards and wagons are unloaded by them inside their work, wharfage charges do not accrue.

6.115. To a question about the measures the Railways had suggested to Steel Plants to reduce detention of wagons inside the plants, the representative of the Ministry replied in evidence that

the older steel plants i.e. TISCO and IISCO had a certain system of handling traffic and arrangement of free time, which was working satisfactorily. When HSL steel plants came up, the matter of handling of wagons inside the Steel Plants and of fixing norms and arrangement of free time was determined by a work study team which discussed the matter with representatives of the Steel Plants also. When the free time was fixed, it was realized that it would take the Steel Plants some time to stabilise operations. Over the years, the mode of handling the traffic had remained more or less the same, but there were fluctuations in the detention of wagons. It was, therefore, decided about a year and half back that a work study team should go into the matter and review the free time and norms fixed in the past taking into consideration the changes that might have come about and which would necessitate a review. The examination would be completed this month.

6.116. He added that the detentions in the Steel Plants upto 1969-70 were much less. Since 1969-70, the position had, however, worsened. One of their difficulties was the shortage of locomotive power. As a result, for the same volume of traffic, there was more detention than in the past. The question of augmenting the loco power was under their consideration.

6.117. The representative of the Ministry added that in Steel Plants it was a very complex operation. All the raw material was dealt with at different locations in the marshalling yard. After these wagons went beyond Railway marshalling yard to the Steel Plant yard, they had to be placed into different locations and that was a process which could not be completed within five hours.

6.118. On its being pointed out that the detentions in Steel Plants were as heavy as 149 hours against 24 hours allowed to them, the representative of the Ministry of Steel stated that the situation had changed from the time when certain norms were laid down and that the need for a re-examination of the same had been accepted by both the Ministries. A review was, therefore, going on in the light of the situation that was now prevailing.

6.119. The representative of the Railway Ministry stated that there would be two aspects to this review, viz. (i) whether there had been a permanent change in pattern necessitating increase in handling time and (ii) whether there was need for provision of more and better facilities for handling and improvements in working with a view to reduce detention to wagons.

6.120. The representative of Hindustan Steel Ltd. added that on their part they had analysed the reasons for heavy demurrages which was an unproductive expenditure. Firstly, the plants had not yet stabilised production, and there were day-to-day variations. Secondly, the handling equipments at the plants were of very sophisticated design and had to be mostly imported. The handling equipment did dual work. It handled raw material within the plant and at the same time also loaded the wagons. If the handling equipment broke down, wagons were detained and demurrage had to be paid. Thirdly, the raw material handling system had not been adequately planned for wide variations.

6.121. He added that sometimes the trains carrying similar commodities arrived in quick succession. On an average, the steel plants had a traffic of about 16 trains per day. Though there should be a gap of 1½ hours between the two trains, sometimes as many as three trains arrived within an hour and clearance got delayed. Secondly, in steel plants arrangements had been made to receive two or three types of trains like KO, BOX etc. and when they came in rakes combined with ordinary wagons, it created some problems. There were also sick wagons sometimes in the trains which resulted in detention. Thus, the receipt of wagons was neither commensurate with the daily requirements and their handling capacity nor it was according to a definite design and the agreed programme.

6.122. In regard to despatches also, there were certain problems as the finished products were sent to numerous customers in the country and loading had to be arranged as per the specified programme of priorities. The present distribution policy did not give sufficient weightage to the problems of the Steel Plants as well as the Railways in the matter of handling the goods and it was difficult to arrange for piecemeal despatches in small tonnage within the allotted time.

6.123. The Committee note that despite the fact that free time on a scale more liberal than that given to other customers is allowed to the Steel Plants, the detention of wagons is far in excess of the time allowed and that a sum of as much as Rs. 2 crores was paid as demurrage by the Steel Plants to the Railways in 1971-72 of which the Public Sector Steel Plants accounted for about Rs. 1.34 crores.

6.124. The Committee had called for a joint note on the subject from the two Ministries concerned outlining their difficulties and proposals to remedy the situation. The Committee regret to note that the same has not been furnished to them so far.

6.125. The Committee note that the whole question of free time allowed to the Steel Plants is under review by a work study team which would fix fresh norms, if necessary, in the light of present day conditions. The Committee would like the Ministry to report to the next Railway Convention Committee the action taken in pursuance of this study and the results achieved.

6.126. The Committee are surprised why the Study Team to go into the problems of detention of wagons by the Steel Plants was not constituted earlier when the problem is existing for a long time. The Committee would like that the results of the working of the suggestions made by the Study Team should be reviewed by a High-Powered Committee before the Mid-Term Appraisal of the Fifth Five Year Plan so that timely measures could be taken to remedy the situation.

6.127. The Committee were given to understand that one of the reasons for heavy detentions was the shortage of locomotive power available with the Steel Plants. The Committee see no reason why this shortcoming could not be rectified so far. With the expertise achieved by the Railways in manufacturing locos of all types, it should have been possible for Government to help the Steel Plants in meeting shortage of locomotive power. The Committee would like the Government to take necessary action in this direction without further delay.

6.128. The Committee would further suggest that for future steel plants and for expansion of the existing steel plants, the Railway Experts should be closely associated at the planning and ordering stage to obviate recurrence of such bottlenecks and difficulties.

6.129. The Committee consider that some of the difficulties faced by the Steel Plants in the matter of quick releases, are the creation of the Railways themselves. Bunching of trains at their own convenience without regard to the handling capacity of the Plants, undoubtedly causes considerable difficulty and results in hold-up of wagons.

6.130. The Committee have referred to the memorandum of the Hindustan Steel Ltd. on this subject in an earlier chapter. The Committee find some substance in the contention of the Hindustan Steel that just as demurrage is payable by the Steel Plants for detention of wagons beyond a specific time, the Railways should also suffer penalties for their default in keeping to their programme of supply of wagons. Although it may not be practicable for operational reasons and other factors beyond the control of the Railways to ensure

supplies according to the schedule programme at all times, the Committee would like the Railways to ensure that bunching of trains in quick succession does not occur save in very exceptional circumstances.

H. Detention of Wagons in Ports

6.132. The Ministry have in a note furnished the following reasons for detention of wagons in the Ports:

The major ports in India can be divided into two categories in respect of system of working of the railways inside the ports. The railway systems inside the ports of Madras, Calcutta, Bombay, Visakhapatnam and Mormugoa are managed by the port authorities. In other ports, the railway work is looked after by the main line railway, which serves these ports. Calcutta, Madras and Bombay Ports are, in fact, the members of the Indian Railways Conference Association like any other zonal railway system. At ports where the railway system is under the control of the port authorities, they have their own engines to do detailed shunting inside the different sidings and it is the Port authorities who register indents from the parties having transactions with the Railways, either for receiving inward cargo or for despatching outward cargo. For obtaining their requirements of different types of wagons, these port authorities maintain necessary liaison with the adjacent railway system.

6.133. Among the major ports, difficulty has been experienced by the railway in regard to excessive detention to wagons primarily in respect of Calcutta and Madras Ports. Brief comments in regard to working of these ports and the problems faced by them are summarised below:—

Calcutta Port

6.134. The Calcutta Port Commissioner's Railway was opened on 1st November, 1876 and functions within the ambit of section 16 of the Indian Railways Act. It has, at present, track kilometerage of 341.6 and route kilometerage of 37. It serves about 100 points for loading/unloading in the transit area and also caters to over 250 points of loading/unloading in the sidings leased to about 450 parties.

6.135. The C.P.C. Railway has certain inherent difficulties in its layout. Being compressed between the river and the city, railway

system has extended wherever it found space. Within its route kilometrage of 37, as many as five yards have been provided in order to cater to different sections serving the various points in the transit area and the sidings of private parties. It is situated within the heart of the metropolis and there are about 80 level crossings across public thoroughfares which also cause hinderance to the speed of operation considerably. Unlike other industrial units, the C.P.C. Railway has to meet the demand for a large number of industrial and commercial units over whom it has limited control. It handles about 1100 wagons of its own in addition to the Indian Railway wagons carrying import/export traffic to and from industrial and commercial sidings under agreements between the Port Commissioner and the adjoining trunk railways, viz. Eastern and South Eastern Railways.

6.136. The main commodities handled by the C.P.C. Railway are coal, iron and other ores, tea, jute, iron and steel materials, pig iron, scrap iron, mill scale, foodgrains, chemicals, fertilizers, non-ferrous metals, machinery parts, POL traffic etc.

6.137. Apart from this, it is not possible to link the arrival of ships and the arrival of railway wagons carrying export cargo for backshipping with a greater degree of precision. The only alternative to avoid detention to wagons would be to create additional stacking space for commodities like coal, etc. In view, however, of the restrictive nature of the layout and inadequacy of space for further development, it has not been possible to increase the stacking space for coal and other major commodities and consequently instances of wagons being detained for connecting a ship are not rare. Besides, quite often operations inside the ports are also affected by total or partial strike by some section of the loading/unloading labour or labour unrest in one of the innumerable points where wagons are dealt with. Apart from these two major reasons contributing to excessive detention to wagons, some other factors incidental to operation in any railway yard dealing with the size of the traffic as in Calcutta Port also obtain in this port. These are—late starts to trains on occasions for want of adequate C. & W. materials, occasional instances of receipt of wagons for a particular siding in excess of its handling capacity or receipt of wagons booked against restriction to individual siding, detentions for water tight examination and repairs during monsoon season, etc. etc.

6.138. To minimise the incidence of such cases, close coordination is maintained between the Mechanical and the Operating Officers of the Calcutta Port Commissioners and their counterparts on the Eastern and South Eastern Railways. In cases where wagons are received in excess of handling capacity of any particular siding, action is

taken as in any other goods shed of the railway to restrict further booking to that point. In cases where booking is done in disregard of operational restrictions, disciplinary action is taken against the staff concerned.

6.139. About 50 per cent of the loads received, other than coal and ore, are dealt with at the transit sheds. These wagons, therefore, have to be matched with arrival of ships before they can be unloaded. Receipt of wagons prior to arrival or after the departure of ships, therefore, leads to detention to wagons. In respect of coal also, all inward loaded wagons have to be matched with arrival of ships before they can be unloaded. Deferment or withdrawal of colliers results in hold up of wagons loaded with coal as they cannot be unloaded before the arrival of ships due to paucity of space. A statement showing detention to wagons loaded with shipment coal for put-back of vessels during the month of December, 1972 is given below. This factor normally increases the turnround of wagons but in the interest of export promotion and turn round of ships, this feature becomes unavoidable.

Detention to wagons loaded with shipment coal for put back of vessels at Calcutta in December, 1972

Name of ships	Date of commencement of work as per program:	Date of work actually commenced	No. of wagons involved in detention
(a) Samudra Usha	6-12-72	19-12-72	250
(b) Lok Sevak	15-12-72	20-12-72	275
(c) Samudra Daya	18-12-72	9-12-72	88
(d) Holly Trader	19-12-72	20-12-72	33
(e) A.P.J. Ambar	22-12-72	23-12-72	121
(f) Samudra Dham	25-12-72	29-12-72	102
(g) Jala Vijay	31-12-72	2-1-73	240

6.140. Since, as mentioned earlier, the Calcutta Port Commissioner's Railway caters, in addition to the shipment traffic, to the needs of more than 250 industrial and commercial sidings. Strikes, labour unrest, closures, etc. at those sidings result in the hold-up of wagons on siding holders account. During 1971 and in the first quarter of 1972, there was an increase in detention to wagons primarily due to the operating staff of the Traffic Department of the Calcutta Port Commissioners resorting to go slow and work to rule and also due

to the outbreak of Indo-Pak hostilities. In 1972, the situation again deteriorated during August to October primarily due to strikes, Go slow etc. by the port labour and thereafter by certain categories of supervisory and clerical staff of the traffic department.

6.141. With the commissioning of the Haldia Port and shifting of the work of handling of coal, iron ore and POL products to Haldia, which is being provided with much greater and more modern facilities, the workload of the Calcutta Port is bound to be reduced and it would thereafter be possible for this port to deal with the residuary traffic with greater efficiency and less cost in the shape of detention to weapons.

Madras Port

6.142. Loaded and empty wagons meant for the Madras Port are worked into the Harbour premises by the Southern Railway. They are dealt with thereafter by the Port Trust Locomotives by placing at unloading points in the case of inward loads and for placing at loading points in the case of empties.

6.143. The main traffic into Madras Port is iron ore conveyed in BOX wagons from Bellary-Hospet sector. In 1972, on an average about 3,500 BOX wagons a month had been dealt with against 900 General Service and Special Type wagons in a month. The Railways have been pressing the Port Trust for quicker turn-round of BOX wagons loaded with iron ore which forms the bulk of movement into Madras Harbour.

6.144. The following factors have contributed towards the delay in turn round of wagons:—

- (i) Strikes by different types of labour employed by various agencies of loading and unloading wagons.
- (ii) Rains, especially in October and November, have affected loading and unloading operations.
- (iii) Six closed Holidays in a year on which days there is no loading or unloading of wagons.
- (iv) Bunching of wagons beyond siding capacity resulting in retention of such excess arrivals until earlier wagons are released.
- (v) Late unloading by parties due to delay in receipt of documents and booking of labour.

- (vi) Difficulties in clearance of ore obstructing track caused by manual unloading of ore from wagons received with iron ore.

6.145. The following measures have been taken for improving the turn round of wagons:

- (i) The Port Trust has acquired four Diesel locos from the Chittaranjan Loco Works to improve Loco availability and capacity.
- (ii) BOX wagons with upward opening doors which created difficulties in track clearance after unloading have been eliminated from trains carrying ore from Bellary-Hospet sector to Madras by arrangement with the Southern Railway.
- (iii) Weekly review meeting are held by the Deputy Chief Operating Superintendent (G) of the Southern Railway attended by the Deputy Traffic Manager (Railways) of the Madras Port Trust and the M.M.T.C.'s officials. The performance of the previous week is reviewed and a need based programme for the ensuing week is drawn up.
- (iv) A monthly meeting is held by the Chairman, Madras Port Trust and attended by the Deputy Chief Operating Superintendent (G) as well as M.M.T.C. officials to review the programme and movement and shipment of ore. Besides, the Port Working Committee also meets every month when the entire working of the Port including its railway system is reviewed.
- (v) Action to acquire four new Pay Loaders of six tons capacity each has also been taken by the Port Trust and these are expected to arrive at the Port shortly.
- (vi) The M.M.T.C., through whom the export of ore is canalized, are also acquiring two more Pay Loaders of the same capacity.
- (vii) The M.M.T.C. are also planning to erect three new cranes of 13 tonnes capacity at Jawahar Dock (East) from where iron ore shipments are made at present in order to expedite the pace of shipment. This would increase the loading of ships from the present level of 7000 to 8000 tonnes, to 10,000 tonnes. Increased rate of shipping is bound to improve the turn-round time in respect of BOX wagons.

- (viii) The Ore Berth of the Outer Dock is under construction. This will enable a rated capacity of shipment of 8000 tonnes per hour and will be provided with equipment for mechanical loading of ore and wagons handling and tipping. The Ore Berth is expected to be commissioned in early 1975 and with the elimination of manual unloading of ore and the consequent difficulties, the turn-round of wagons with ore will improve considerably.

6.146. Asked whether the Railways had brought the question of held up of wagons inside the ports to the notice of port authorities, the representative of the Ministry of Railways stated in evidence that there was close liaison between the Railways and the port authorities. Their arrangements with the ports were slightly different in so far as there was no provision for demurrage or penal levy as in the case of Steel Plants. A hire charge of Rs. 7.30 was levied for each wagon held for 24 hours at the Calcutta port. A similar agreement had been concluded with the Bangladesh Railways. Whenever there was any difficulty in handling due to labour problems etc., the unloading of wagons was held up with the result that not only the wagons which had reached the port but also those which were in the pipeline were detained, with the result that the assets were locked up and they could not utilize them profitably.

6.147. The representative of the Ministry of Transport stated that there were frequent meetings at different levels between the Port and Railway authorities and the problems that arose frequently were sorted out. Problems which were beyond the capacity of the local administration were taken at a higher level. In Calcutta, the problem of detention of wagons was a little more difficult than elsewhere because the entire Railway system passed through the town. There were 80 level crossings across public thoroughfare affecting Railway operations. Further, in the dock area there were 100 operational points and 250 industrial and commercial sidings serving 400 parties with whom the port authorities had little concern. Government had made an analysis as to why the detention in Calcutta was more than in some other areas. There were a number of private parties operating there, who did not have godowns. He added that most of the problems would be sorted out with the commissioning of the Haldia Port in December, 1973.

6.148. While appreciating the reasons for detention of wagons in the Calcutta Port, the Committee would like to point out that with their long experience of working in close collaboration with each

other, it should be possible for the Railway authorities and the Calcutta Port Commissioners' Railway to ensure that wagons are not unnecessarily held up and that their movement synchronises with the arrival/departure of ships so that the detention are kept to the minimum. The Committee would like the Ministries of Transport and Shipping and Railways to review the matter periodically at a high level so that difficulties, if any, arising at any of the Ports are resolved without delay.

I. Wagons under repair

6.149. The average daily percentage of unserviceable wagons awaiting repairs in mechanical workshops, sick lines and transportation workshops to the total number of wagons on line (Zone-wise) during each of the last 3 years was as follows:

	BG				MG				NG			
	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72
Central	3.90	4.67	4.56	2.08	2.48	2.12	0.82	0.40	0.84	0.82	0.40	0.84
Eastern	4.51	5.99	5.41	..	..	..	9.40	13.2	6.52	9.40	13.2	6.52
Northern	3.96	5.32	4.15	3.98	4.03	3.96	1.37	1.48	2.99	1.37	1.48	2.99
North Eastern	..	..	..	3.96	4.08	3.69	..	..	..	..	..	..
Northeast Frontier	2.81	3.55	2.67	5.94	7.56	5.14	1.15	2.5	1.45	1.15	2.5	1.45
Southern	5.98	5.93	3.95	3.65	3.68	3.40	1.39	1.39	4.17	1.39	1.39	4.17
South Central	2.10	2.10	2.17	4.12	3.95	3.39	2.80	2.72	3.74	2.80	2.72	3.74
South Eastern	5.55	5.70	4.97	..	..	..	7.74	7.07	6.40	7.74	7.07	6.40
Western	4.01	3.61	4.07	3.53	3.98	3.52	2.58	3.99	3.33	2.58	3.99	3.33
Average for the Gauge	4.41	5.11	4.32	4.16	4.55	3.83	4.62	4.73	4.36	4.62	4.73	4.36
Average for all Gauges	..	..	..	..	..	..	4.36	4.97	5.20	4.36	4.97	5.20

(Source : Supplement to Annual Reports of the Railway Board for 1970-71 and 1971-72—pp. 181-189).

6.150. To a question about the reasons for wide fluctuations in the percentage of wagons under repairs in the Zonal Railways, the Ministry have stated that the law and order position has not particularly effected the South-Central Railway and, therefore, the figures have been uniformly low and moreover this Railway has generally to pass through traffic and, therefore, the overall holding is also not as high as other Railways and, therefore, the figures have been consistently low. Further this Railway does not have any B. G. wagon repair shops as yet and, therefore, wagons under or awaiting repairs in shops are not shown as ineffective on South-Central Railway and thereby reducing the overall figure.

6.151. As regards the figures for M. G. it is mentioned that Central Railway has very short M. G. sections and, therefore, overall holding are low and the ineffectives on these small sections can be adequately controlled near this low figure.

6.152. Similarly, the N. G. section of the Central Railway is extremely short and, therefore, similar remarks as given for M. G. holdings hold good.

6.153. As regards the figure of 6.52 ineffectives on the Eastern Railway it is mentioned that the N. G. section on Eastern are served only by B. G. wagon repair workshop and, therefore, the N. G. stock has to be transhipped on the B. G. wagons and moved to shops for repairs and returned in the same way after repairs. This results in a longer ineffective time for such N. G. stock for shop repair thereby increasing the overall ineffective percentage. On the South Eastern Railway the figure for N. G. stock is also 6.4 per cent. On this Railway there is one N. G. shop at Nagpur which serves the Satpora N. G. system. The other N. G. systems of S. E. Railway have, however, to depend on the B. G. shop for repairs and here too transhipment of wagons for repairs on to B. G. wagons for movement to and from shops is required.

6.154. There are fluctuations between Railway systems due to considerable varying utilisation of wagons and at present due to considerable variation in shop capacity. Every effort is, however, being made to rationalise shop capacity so as to reduce the imbalance in repair capacity between various regions and as indicated above additional shop capacity is also being set up. In spite of efforts for increased repair capacity certain variations between Railway systems is inevitable due to the considerable difference in operating conditions.

6.155. Asked what steps the Railways were taking to reduce the percentage of wagons awaiting repairs, the representative of the Ministry stated that the normal percentage of wagons under repair to the stock on line was 4 per cent. This was a realistic percentage

and they had been trying to work it from 1960-61. The shortage of wagons due to the large increase in traffic necessitated 1,40,000 wagons to be ordered in the Third Plan. They had even to suspend overhaul of wagons for a period of 8 months. Therefore, the number of wagons under repair was much less during the Third Plan period.

6.156. During the last 3 or 4 years, the normal percentage had been exceeded particularly on the Eastern, South-Eastern, Northern and Southern Railways. The reasons were two-fold—firstly, there was a tremendous amount of damage caused due to the deteriorating law and order situation in the eastern part of India when the thieves and miscreants resorted to bleeding the wagons by cutting panels. Secondly, during 1968-69 to 1970-71 there were large-scale thefts of parts of wagons particularly of brake beams. The thefts of brake beams from running wagons and in yards increased to 7000 in 1968-69 and still further to 19,000 in 1970-71. The Railways had, therefore, to gear themselves up to make good this deficiency because it was not a normal item.

6.157. By evolving an anti-pilferage device, they had been able to reduce the thefts of brake beams in 1972 (April to October) to 1,800 as against 9000 in the corresponding period of 1971. The number of thefts of brake beams during 1970 (whole year) was 8,821 and in 1971, which was the worst year, it shot up to 19,377.

6.158. In reply to a question if it was a fact that as many as 17,000 wagons which were lying in damaged condition on the Eastern Railway due to thefts had been cannibalised*, the representative of the Ministry stated that on the basis of an average of 4 per cent or thereabout, the number of wagons under repair would be around 13,500 to 15,000 on the whole Railway system. The figure of 17,000 mentioned for the Eastern Railway was perhaps a misrepresentation to the Committee as the number of DG wagons under repair on the Eastern Railway as on 30-11-1972 was 4000 only. The percentage of wagons under repair in 1971-72 in Eastern Railway was 5.41. The actual number of wagons awaiting repair for the year as a whole would, therefore, be of the order of 4000 to 4500 on an average daily. The wagons that were damaged due to thefts and became immobile were not recorded separately. A drive had been instituted 16 months back to see that no wagons excepting those awaiting repairs, were kept idle in the yards.

6.159. The Committee observe that the percentage of average daily number of wagons under or awaiting repair to the total number of wagons on line has risen from 4.36 in 1968-69 to 5.20 in 1971-72 as

* This matter came to the notice of the Committee during the course of evidence of a high ranking retired Railway official.

against the normal average of 4 per cent during the earlier seven years. While recognising that the unsatisfactory law and order situation and large scale vandalism by unsocial elements in the Eastern region resulted in immobilisation of a large number of wagons during the last two years, the Committee would like to point out that the position on the NG system of the Eastern Railway and both the BG and NG systems of the South Eastern Railway is very unsatisfactory. So far as NG stock is concerned, it has been stated to be due to the fact that such stock has to be transhipped on BG wagons for repairs. The Committee see no reason why inordinate delays should occur in this respect. Though the position has shown some improvement during 1971-72 as compared to the previous two years, the Committee would nevertheless like the Ministry to look into the matter and take necessary remedial measures.

6.160. The Committee consider that under the present conditions when there is a general shortage of wagons, it is necessary to ensure that damaged wagons are repaired expeditiously and properly. The Ministry should, therefore, make all out efforts to see that the previous position when not more than 4 per cent wagons on an average would be awaiting repairs at any point of time, is restored at the earliest and in fact improved upon. The position on S.E. Railway merits particular attention.

6.161. The Committee have elsewhere recommended rationalisation of workshop repair facilities. They hope that this will go a long way in improving the position in this regard. . .

CHAPTER VII

GENERAL MATTERS

(A) Publications for booking of goods, Allotment of Wagons etc.

7.1. The procedure for the booking of goods, allotment and supply of wagons, settlement of claims are published by the Railways in English in the following priced publications:

- (i) Indian Railways Conference Association Goods Traffic No. 33.
- (ii) Principal Rules and Procedure for preferment and disposal of claims on Railways.

7.2. During their tour to the Gorakhpur, Muzaffarpur etc. in November, 1972 the Committee were informed by a leading Chamber of Commerce and Industry that the above publications which were so useful to the trade and industry were not available. It was also stated that copies of General Orders for preferential movement of traffic, which were issued by the Railway Board six monthly, were not made available to the Chambers.

7.3. The Committee asked during evidence whether any complaint had been received regarding the non-availability of these publications. The representative of the Ministry stated that no such complaint had been received and these publications could be purchased.

7.4. The Committee then enquired whether the above publications were also available in Hindi and the regional languages. The representative of the Ministry stated that the publications were in English only. There had not been any demand for Hindi publications. They had also not considered the matter of publishing them in Hindi.

7.5. The Committee note that the Railways are bringing out some priced publications, giving the procedure for booking of goods, allotment in supply of wagons, settlement of claims etc. and that these publications are printed in English. The Committee regret to note that complaints were made to them regarding the non-availability of these publications to trade and industry, particularly, the General Order for Preferential Movement of Traffic which is issued six-monthly. The Committee consider that the procedures, rules and regulations regarding booking of goods etc., should be widely publicised by the Railways and made available to trade and industry as well as casual

railway users. For this purpose, the Railways could make use of the associations of trade and industry. The Railways should also ensure that these publications are readily available at major stations and important book shops.

7.6. The Committee would also like the Railways to consider the feasibility of publishing these publications in Hindi and other regional languages for the use of general public.

(B) Container Services

7.7. Container services have been introduced on the following nine routes from the date shown against each:

Service	Date of commencement
Bombay—Ahmedabad	15-1-1966
Bombay-New Delhi	20-11-1967
Madras-Bangalore	14-1-1969
Howrah-New Delhi	15-3-1969
Bombay-Madras	16-4-1969
Bombay-Secunderabad	23-5-1969
Bombay-Bangalore	11-11-1969
Calcutta-Madras	3-11-1970
Bombay-Calcutta	16-4-1971

7.8. In reply to a question whether the Railways had prepared any plan to expand the container service, the Ministry have stated that there are proposals to expand the existing container services and introduce new services on routes where these are not available. Additional equipment for the purpose is proposed to be procured. In the first phase it is proposed to introduce the services on the following routes:—

- (a) New Delhi-Madras/Bangalore.
- (b) Secunderabad-New Delhi.
- (c) Ernakulam-Bangalore

7.9. For the second phase, i.e. after the above noted services have been introduced, feasibility of introduction of container services on the following routes is under examination:—

- (a) Bombay-Kanpur
- (b) Bombay-Vijayawada.

- (c) Bombay-Kota;
- (d) Bombay-Baroda/Surat;
- (e) Bombay-Ajmer/Jaipur;
- (f) Secunderabad-Calcutta;
- (g) Secunderabad-Madras;
- (h) Ernakulam-Madras;
- (i) Pune-Kanpur
- (k) Pune-Secunderabad;
- (l) Pune-Calcutta;
- (m) Pune-Madras;
- (n) Chinchwad-Tatanagar;
- (o) Calcutta-Gauhati.

7.10. Besides, the Ministry of Transport and Shipping are also considering the possibility of introducing containers carrying our export/import traffic between the following inland depots and the ports of Bombay, Calcutta, Madras and Cochin;

- (a) Asansol;
- (b) New Jalpaiguri;
- (c) Ahmedabad;
- (d) Bangalore;
- (e) Kolhapur;
- (f) New Delhi;
- (g) Varanasi.

7.11. These inland depots will be treated as Customs Depots and are proposed to be run by autonomous bodies under the aegis of the Ministry of Transport & Shipping. The containers are expected to be owned by Shipping Companies and/or international transport operators.

7.12. To a further question whether there were any difficulties in extending this service on more sections, the Ministry have stated that some of the problems which have to be tackled for further expansion of container services by rail in the country are:—

- (i) Obtaining permission from road and local authorities for plying of road units for bigger capacity containers between rail terminals and promises of major industrial users

of these services. On account of congestion on roads, infringements etc., the Road Authorities are generally reluctant to permit use of large road units for this purpose. This matter is being pursued with the Union Ministry of Transport and Shipping, State Governments and Local authorities.

- (ii) Uncertainties arising out of frequent manipulation of rates by road transport operators particularly on routes where new container services are introduced.

The Railways are unable for obvious reasons to change their rates frequently and on many occasions do not find it possible to quote financially viable rates to compete with reduced rates offered by road transporters.

It has been observed, however that even when railway rates are the same or slightly higher than road transport rates, users prefer to patronise container services as this means considerable saving in packing costs, less chances of pilferage and damage enroute and assured availability of transport.

- (iii) Unforeseen changes in marketing and production patterns. In extreme cases, this can render the project completely non-viable.

7.18. The experience so far gained by the Railways in working container services suggests that the first 5 years of operation of a container service should be treated as a gestation period and its financial results should be assessed only after it has been in operation for more than five years as is the practice in case of productivity tests of works expected to be financially remunerative.

7.14. Since the traffic pattern from route to route changes very frequently and consequently equipment allotted to one service is also utilised frequently on other services, the Railways feel that financial remunerativeness should not be assessed separately for each particular container service but collectively for all container services.

7.15. A leading manufacturers' Organisation in its memorandum submitted to the Committee has stated that "Container Service has created quite an impact in the last few years. To make it more remunerative, common size containers both for the broad gauge and metre gauge should be designed and made more and more popular."

7.16. Another leading Federation of Association of Industries has stated in its memorandum that. "The Federation welcomes the introduction of Container Service by the Railways to the trade & industry by carrying Containers on Guarantee Schedule by fast Goods-Trains. The Federation strongly urges that this service should now be expanded to cover several important additional routes."

7.17. A retired senior officer of the Railways has stated, "Container service has had a very favourable impact. There appears to be some doubt as to the applicability of Section 28 of I.R.A. (undue preference), due to which the expansion of the service has perhaps, been slow. It would be best to clarify, by a suitable amendment, that such rates will not be subject of Section 28. The exemption could be to cover all "door-to-door" rates."

7.18. The Committee note that container service has already been introduced by the Railways on 9 routes and that there are proposals to extend it on three more routes in the first phase. The feasibility of introducing this service on 14 other routes during the 2nd phase is also under examination by the Railways. In this connection, the Committee would like to point out that container service has a great future for movement of commodities particularly high-rated commodities as it ensures not only door to door delivery but safe transit. Moreover, it largely obviates chances of thefts and pilferages, and consequential claims. Now that sufficient experience has been gained by the Railways in the running of container service, they should review the operation of this service critically in consultation with the users with a view to bring about improvements as well as increase its economic viability. The Committee would also like the Marketing and Sales Organisation to act as the eyes and ears of the Railways feed so as to back ideas contemporaneously to improve the service of the Railways. The Committee would also like the Railways to evolve financial and other criteria to enable the Railways to extend the service on rational and economic considerations. The Committee further suggest that the Railways should indicate the results of the operation of the container service in a special section of their Annual Report so that Parliament and public are fully informed about this.

(C) Export of Wagons

7.19. The Committee enquired about the number and value of wagons exported to various countries during each of the last five years. The Ministry have stated that Railway wagons for export are built in private sector industrial units and their export is handled by the Projects and Equipment Corporation of India Ltd.

As such, the Ministry of Railways are not concerned and the information is not available in this office. However, the information has been collected from the said Corporation and is as under:

(i) *Export Orders executed (Railway Wagons)*

Year	Quantity	Country	Approximate value (Rs. in lakhs).
1967-68.	145	Hungary	74
1968-69.	1405	S. Korea Hungary	945
1969-70	40	Ceylon	31
1970-71	Nil.	Nik.	—
1971-72	842	Sudan, Burma, Hungary, Poland & E. Africa	505

(ii) *Export orders in hand (Railway Wagons)*

1972-73	4950	Iran, Hungary, Poland, Yugoslavia.	Ra. 50 crores.
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7.20. Since the export of wagons is being dealt with by Projects and Equipment Corporation, they have advised that export of wagons are expected to increase progressively every year. They have also advised that some wagons have been exported by wagon builders direct and those figures are not included above.

7.21. During evidence the Committee enquired whether the export figures of the wagons had also been taken into account in building up capacity for wagon manufacture. The representative of the Ministry stated that they had not specifically taken export requirements into account for the purpose. This was of a very recent origin. Since the industry had very limited output, they had to develop capacity not only for their own requirements, but something for export, They had established a certain export market. They would allow it to remain and not curtail it as it was earning foreign exchange.

7.22. The Committee note that export of wagons is handled by the Projects and Equipment Corporation of India, a subsidiary of S.T.C. and that wagons for export are built in the private sector industrial units. The Committee gathered the impression that there is ample scope for the export of wagons from this country particularly to African and Middle Eastern countries. The Committee have already emphasised the need of continuity of orders for the wagon

building units to ensure their economic viability and efficient working. They would, therefore, suggest that there should be utmost coordination and cooperation between the Railways, the Projects and Equipment Corporation of India and Steel Plants to increase the exportable surplus of wagons to foreign countries as well as to regulate export orders and Railways orders in such a way that wagon building units have continuity of orders.

NEW DELHI;
April 25, 1973

Vaisakha 5, 1895 (S)

R. K. SINHA,
Chairman,
Railway Convention Committee.

APPENDICES

APPENDIX I

(vide para 1.64 and 3.4)

Type-wise holdings of public traffic wagons by different Railways as on 31-3-70, 31-3-71 and 31-3-72--B.G. and M.G.

As on 31-3-1970

As on 31-3-1972

Type of Stock	General	Eastern	Northern	M.F.	Southern	S.C.	S.E.	Western
All wagons	54213.5	7711.5	56994.5	5278	24220.5	20880	70566.5	32323.5
Open wagons	20371.5	34909.5	27853.5	1329	8986	9412	48496	11825
Covered Wagons.	33842	42611.5	29341	3949	15234.5	11463	24070.5	20500.5
BOXs	3625	6087	3364	7	1732	1958	9289	2395
BFRs BFDs	1401	1274	968	105	506	369	2484	511
BFTs	685	243	1128	--	188	400	378	279
Tanks	3244	2822	2104	325	1454	967	1765	2880
Brake Vans	1068	1219	956	47	535	353	821	649

Type of Stock	Central	Eastern	Northern	N.F.	Southern	S.C.	S.E.	Wester
	As on 31-3-1971							
All Wagons	48552	88501	53322.5	3806	23306.5	23602	74404	31385
Open Wagons	19273.5	41117.5	21357	959	7986.5	10542	48752	12032
Covered Wagons	28878.5	47383.5	31995.5	2847	15320	13060	25652	19355
BOXs	3731	7011	3318	16	1725	2354	9204	2277
BFRs/BFTs	1069	1653	897	93	428	518	2322	494
HFTs	441	587	580	92	235	61	445	276
Tanks	2291	3036	2524	225	1624	964	2001	2900
Brake Vans	980	1383	1061	73	504	410	772	634
	As on 31-3-1972							
All Wagons	48785.5	89113.5	59628	5635	23331.5	23662	75116	27373
Open Wagons	20018	40352	22377.5	1753	8530.5	11824	48375	11035
Covered Wagons	25717.5	46761.5	37250.5	3882	14801	11838	26741	16843
BOXs	3869	7531	3710	272	1830	2194	9587	2249
BFRs/BFTs	992	1868	944	113	455	450	2291	460
BFTs	290	321	799	143	130	52	399	421
Tanks	2853	2830	2404	212	1443	1188	2041	2463
Brake Vans	1101	1171	985	119	470	380	849	621

Note :—(1) All wagons are in terms of 4 wheelers.
(2) BOX, BFR/BFT wagons are in terms of Units.
(3) Other types of wagons are in terms of 4 wheelers.

As on 31-3-1976

Type of stock	Central Rly.	Northern Rly.	N.E. Rly.	N.F. Rly.	Southern Railway	S.C. Rly.	Western
All wagons	581	8761	32279	19163	14938	12884	25392
Open wagons	183	2255	11554	4642	3571	3938	7162
Covered wagons	398	6506	20725	14521	11367	8946	18230
E.F.T's	41	49	536	438	96	175	671
BFRs/BFTs	12	177	887	524	298	125	946
Brake Vans	26	244	560	339	433	373	404
Tanks	44	798	1791	2223	884	293	3154
All wagons	766	8100	31518	18967	19914	14139	23997
Open wagons	149	2343	11425	4518	3884	4091	6009
Covered wagons	617	5757	20093	14449	12030	10048	17988
BFTs	23	96	373	525	122	63	659
BFRs	4	249	935	692	250	183	731
Tanks	21	1019	1995	2136	820	348	2767
Brake Vans	29	168	537	366	458	403	496
	M.C.		As on 31-3-1972				
All wagons	645	8363	30251	20831	16049	12093	23612
Open wagons	108	2077	10732	5097	3703	3475	6536
Covered wagons	537	6286	19529	15734	12346	8618	17076
BFTs	2	233	535	363	90	5	547
BFRs	3	222	369	601	277	132	445
Brake Vans	19	189	509	359	455	382	446
Tanks	—	883	1786	2186	899	279	3175

Note :—(1) All wagons are in terms of 4 wheelers.

(2) BFR/BFT wagons are in terms of Units.

(3) Other types of wagons are in terms of 4 wheelers.

APPENDIX—II (A)

(Vide para 2.5)

Type-wise and firm-wise production of wagons in the private sector and the Railway Workshops during the year 1967-68 to 1971-72

Name of the Wagon Builder	BCX	BOX	BOB	CR	TFR	TORX	MBTPX	MBC	MBOC	M.C.M	Total		
											Units	4	w heeler
	2	3	4	5	6	7	8	9	10	11	12	13	
Arthur Butler								107	61		168	336	
Bridge & Roof	182										182	435	
Brathwaite	375	240			183	228					1026	1248.5	
Burns	197										197	492.5	
Britannia							89			444	533	622	
CIMMCO	347							908			1255	2683.5	
I.S.W.			61								61	152.5	
Jessop	380	128		30	62	273					873	1635	
H.G.I.				306							306	306	
K.T. Steel		162							84		246	573	

	1	2	3	4	5	6	7	8	9	10	11	12	13
Mckenzies		73	12		604							689	816
Modern Industries		148			439							587	809
Raymon					57							377	357
S. Structural			93		298							391	530
Singh Bagg					38							38	38
Texmaco		822					146					968	2201

Total in Units		2524	635	61	2072	245	647	89	1015	145	444	7877	
Total in FWs.		6310	1587	1521	2072	245	647	178	2030	290	444	..	13956

APPENDIX II (B)

Actual wagon production in the private sector during 1968-69

Name of the firm	BOB	BRH	BCX	CR	TORX	BOX	MBOC	MBTPX	MBC	Total	
										Units	4-wheelers
Arthur Butler									71	71	142
Burn		169	304							473	1182.5
Bridge & Roof			287							287	717.5
Fraithwaite			144	985	119					1248	1464
Britannia			195					11		206	509.5
Cimmco			235						713	948	2013.5
H.G.I.			111	258						369	535.5
I.S.W.	366		25							391	977.5
Jessop				630	516	300				1446	1896
K.T. Steel			1			8	115			124	252.5
McKenzie's			76	408						484	598
Modern Industries			192	320						512	800
S. Structurals				173		93			9	275	423.5
Singh Engg.				52						52	52
Texmaco			348		214				375	937	1834
Total in Units	366	169	1918	2826	849	401	115	11	1168	7833	
Total in F.W.s.	915	422.5	4795	2826	849	1002.5	230	22	2336		13398

APPENDIX II (c)

Actual wagon production in the Private Sector during 1969-70.

Name of the firm	BOX	BOX	CR	TORX	BOB	MBOC	MBC	Total	
								Units	4-wheelers
Arthur Butler	.	.	.	.	.	.	445	445	890
Bridge & Roof	.	.	.	.	.	.	169	169	422.5
Britannia	71	98	.	.	.	.	158	158	395
Braithwaite	135	23	.	.	.	.	928	928	1499.5
Burns	381	381	55	492	.	.	671	671	1031
Cimenco	240	240	431	.	.	.	737	737	2021.5
H.G.I.	3	216	175	.	.	.	257	257	380
I.S.W.	82	.	.	.	36	.	390	390	875
Jesop	314	.	.	191	.	.	796	796	796
K.T. Steel	136	.	.	.	.	139	275	275	618
McKenzie	21	5	220	.	.	.	246	246	285
Modern Industries	48	183	73	.	.	.	304	304	690.5
S. Structural	.	.	57	.	.	.	42	42	141
Singh Engg.	.	.	54	.	.	.	54	54	54
Termaco	75	138	.	.	.	.	725	725	1982.5
Total in Units	1125	1044	1690	683	36	139	1949	6606	
Total in F.Ws.	2812.5	2610	1690	683	90	278	3898		12001.5

APPENDIX II (D)

Actual production in the private sector during 1970-71.

Name of the firm	CR	BOX	BOX	MBC	Total	
					Units	4-wheeled
Arthur Baller				291	291	582
Bridge & Roof	98	95			193	482.5
Britannia		71			71	177.5
Braithwaite		224	11		235	587.5
Burn	276	136			412	616
Camco		37	455	501	993	2232
H.G.I.			117		117	298.5
I.S.W.	517		261		778	1169.5
Jessop	135	68			203	305
K.T. Steel			63		63	157.5
McKenzie		3			3	7.5
Modern		41	114		155	387.5
Termaco		366	421		787	1987.5
Total in Units :	928	1044	1537	792	4301	8964.5
Total in F.Ws.	928	2610	3842.5	1584		

APPENDIX II (E)
Actual wagon production in the private sector during 1971-72

Name of the firm	BOX	BCX	BVG T	CR	BWT A Deposit Work	MBWZ Deposit Work	MBC	MBOB	Total	
									Units	4-wheeled
Arthur Butler	.	.	.	.	.	.	83	21	104	208
Burn	33	67	.	.	.	.	.	.	100	290
Bridge & Roof	187	21	.	.	16	.	.	.	208	520
									16	48*
Breithwaite	.	254	.	.	.	.	.	.	254	635
Britannia	76	.	.	.	.	.	.	.	76	190
Cimmco	321	62	302	41	.	.	6	.	691	1271.5
									41*	123*
H.G.I.	111	.	.	.	.	.	.	.	111	277.5
I.S.W.	67	.	590	.	.	.	.	.	657	757.5
Jesop	181	.	.	.	.	.	.	.	181	452.5
Modern	102	5	.	.	.	.	.	.	107	267.5
S. Structurals	.	.	.	7	.	.	43	.	50	93
Teamaco	480	.	421	.	.	.	.	.	901	1621
Total in Units :	1558	409	302	1018	41	16	132	21	3440	
Total in FWA :	3895	1022.5	302	1018	123	48	284	42	57*	6543.5
										171

* Deposit work.

APPENDIX

Actual Wagon Production in Railway

Name of the Railway Workshops	BCX	BOI	BHS	CR	BVG	THA	O	TOH	TAL	TPGL	
Matunga	198	12	22	..	..	..	..
Jhansi	32	..	60	..	..	..
Kanchrapara	..	138	40	..	..	..	..	..	..	..
Liluah	114	..	30	..	2	14	
Jamalpur	55	..	..
Amritsar	..	133	..	2	..	4	..	..	..	..
Jagadhri	36	..	30	..	..	..
Jodhpur	
Alambagh	
Gorakhpur	
Bikaner	
Samastipur	
Golden Rock	..	264	..	..	295	13	..	51	..	..
Lalaguda	14	..	..	..	..
Mahalaxmi	347	31	..	..	..	..	..
Junagadh	
Ajmer	
Kharagpur	35	..	..
TOTAL IN UNITS	..	535	40	2	840	256	22	120	141	2	14
TOTAL in FWS	..	1337.5	100	10	840	256	22	120	141	2	14

II (F)

Workshops during 1967-68

TM	BOX	TBT	Flats	MCE	MBR	MBOC	Bogie W.T.	MBVG	Hop- per	Water Tank	Total Units	FWs.
..	39	..	..	..	..	..	..	..	271	271
..	92	92
..	178	445
..	160	160
..	55	55
4	143	350.5
..	66	66
..	7	4	20	..	..	..	31	62
37	37	37
..	73	7	..	80	80
..	1	1	1
..	35	..	159	..	..	..	..	194	353
..	623	1019
..	23	..	..	..	..	..	..	3	..	..	40	74.5
..	378	378
..	32	..	..	32	32
..	6	64	..	..	..	..	70	140
..	..	27	..	..	..	..	..	..	..	..	62	62
41	23	27	39	35	13	227	20	108	7	1	2913	..
41	57.5	27	39	35	26	454	40	108	7	1	..	3678

APPENDIX II(G)

Actual Wagon production in the Railway Workshops during 1968-69.

Name of the Railway Workshop	Units 4-wheelers										TOTAL			
	CR	THA	BVG	TFR	TOH	BHS	OZ.	TM	MBOC	MBVG		MBOM	MBC	BCX
Matunga	289	3											292	292
Kanchrapara												177	177	443.5
Lituba			180											180
Jamalpur				108	1									109
Amritsar				19		1	1					119	119	140
Jagadhari			5											5
Alambagh							7							7
Jodhpur								36						36
Gorakhpur									11					11
Samastipur								198			19			217
Golden Rock			81								114	144	339	669
Lallaguda			19											19
Mahalakshmi			297											305
Junaghadh											30			30
Ajmer										90				90
Total	586	3	312	108	1	1	7	324	41	19	114	440	1957	..
4-Wheelers	586	3	312	108	1	5	7	648	41	38	228	1100	3078.0	..

APPENDIX II(H)

Actual Wagon production in the Railway Workshops during 1969-70.

Name of the Railway Workshops	BHS	BCX	BOX	BOZ	CR	BVG	CE	TPR	TBT	TCS	CMR	MB- VG	MB- OC	MB- CM	MBC	NOL	TOTAL		
																	Units	4- wheel- cars	
Matunga	128	75	40	..	..	..	..	..	..	..	..	..	243	243	
Kanchurepara	.	.	74	35	..	..	..	..	..	..	..	..	..	..	..	..	109	272.5
Lihath	120	..	..	..	..	..	..	..	..	..	..	120	120	
Jamalpur	87	..	..	..	..	..	..	..	..	87	87	
Amritsar	.	1	132	..	1	62	..	..	..	..	..	..	..	..	..	..	196	399.5
Jodhpur	4	4	
Gorakhpur	60	..	..	..	..	60	60	
Sarnatiapur	188	22	..	..	..	210	420	
Golden Rock	.	.	184	10	..	..	..	7	151	252	..	..	..	..	130	..	734	1155
Junagadh	22	..	..	..	..	22	22	
Ajmer	65	..	..	..	65	130	
Total	Units	1	390	45	1	128	257	40	87	7	151	252	82	253	22	130	4	1850	..
	FW's	5	975	112.5	2.5	128	257	40	87	7	151	252	82	506	44	260	8	..	2917

APPENDIX II (D)

Actual wagon production in the Railway Workshops during 1970-71

Name of the Railway Workshop	BOX	BCX	CR	BVG	CE	TPR	TM	TCS	TPGL	WT	CMR	MBVG	MBCM	MBOC	MBC	NOL	Total	
	Units 4-wheeled																	
Matunga	..	..	21	109	34	..	..	..	..	..	..	..	..	..	..	..	164	164
Kanchrapara	66	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	66	165
Lihuba	..	..	..	84	..	..	..	..	..	..	..	..	..	..	..	..	84	84
Jamalpur	..	..	..	..	..	80	..	..	..	..	..	..	..	..	..	..	80	80
Amritsar	12	67	..	82	..	..	..	..	..	..	..	..	..	..	..	..	161	279.5
Alambagh	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	1	1
Jodhpur	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	18	18	36
Gorekhpur	..	..	..	..	..	..	..	..	..	..	..	54	..	..	..	..	54	54
Sansarpur	..	..	..	..	..	..	..	..	..	..	..	..	..	89	..	53	142	284
Golden Rock	69	115	..	..	..	..	9	3	20	211	..	..	..	..	113	..	540	929
Junagadh	..	..	..	..	..	..	..	..	..	..	..	18	..	..	..	..	18	18
Ajmer	..	..	..	..	..	..	..	..	..	..	..	..	..	33	..	..	33	66
TOTAL—Units	147	102	21	275	34	80	1	9	3	20	211	72	89	33	166	18	1361	..
4-wheeleders	367.5	455	21	275	34	80	1	9	3	20	211	72	178	66	332	36	..	2160.5

APPENDIX II(J)

Actual wagon production in the Railway workshops during 1971-72.

Name of the Rly. Workshop	CR	BV-GT	BOX	BCX	BVG	TRP	BRH	TP	CMR	MB-CM	MBC	MB-OC	MB-VG	NOL	NCL	Total
	Units 4wheel rs															
Matunga	22	48	..	..	..	..	..	..	..	..	..	..	..	..	..	70
Kanchrapara	..	..	19	35	..	..	..	..	..	..	..	..	..	..	..	54
Ljhush	..	..	..	..	46	..	..	..	..	..	..	..	..	..	..	46
Jamshpur	..	..	..	..	..	23	..	..	..	..	..	..	..	..	..	23
Amritsar	..	..	144	..	51	..	..	..	..	..	..	..	..	..	..	195
Jodhpur	..	..	..	..	..	..	..	..	..	..	..	..	..	9	1	10
Sansarpur	..	..	..	..	..	..	..	..	..	27	185	..	..	..	..	..
Golden Rock	15	1	22	35	..	..	91	12	80	163	..	..	..	..	..	419
Ajmer	(W.T.)	(V.T.)	(T.M)	..	..	..	..	..	..	34	10	..	..	..	..	44
Junagadh	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	1
Total in Units	22	48	163	70	97	23	91	12	80	27	382	10	1	9	1	1074
	W.T.	VT	22	..	..	..	..	..	..	..	..	..	..	..	..	..
	15	1	(T.M)	..	..	..	..	..	..	..	..	..	..	..	..	..
Total in FWs.	22	48	407.5	175	97	23	227.5	12	80	54	764	20	1	18	2	1989
	W.T.	VT	1	..	..	..	..	..	..	..	..	..	..	..	..	..
	15	1	(T.M)	..	..	..	..	..	..	..	..	..	..	..	..	..

Year as on	Southern				South Central			
	Dr		Cr		Dr		Cr	
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
31-3-68	47,98,906.88	2,05,44,412.49	..	..
31-3-69	162,18,914.75	5,44,45,277.75	..	..
31-3-70	224,92,62.50	5,96,11,780.75	..	..
31-3-71	200,38,109.00	6,02,74,387.25	..	..
31-3-72	217,34,691.75	6,36,59,081.75	..	..

Year as on	South Eastern				Western				P.E. (E.R.)				P.E. (N.F.)			
	Dr		Cr		Dr		Cr		Dr		Cr		Dr		Cr	
	Rs.	P.	Rs.	P.]	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
31-3-68	53,43,030.62	..	45,09,452.50	7,12,320.00	..	..	..	3,32,500.00	..	..	..	..
31-3-69	39,62,360.97	..	139,26,414.63	3,73,398.75	..	..	..	..	..	..	44,156.25	..
31-3-70	19,51,080.10	..	172,88,249.25	4,08,088.75	..	..	..	4,19,935.00	..	..	..	..
31-3-71	14,097,646.40	..	20,837,991.00	6,05,605.00	..	..	..	..	..	..	31,367.50	..
31-3-72	75,43,329.37	..	371,00,702.50	7,25,532.50	..	..	..	..	..	..	18,831.25	..

Rate of hire charges per wagon per day

Year as on	P.W.		Rate of hire charges per wagon per day
	Dr	Cr	
	Ra. P.	Ra. P.-	
31-3-68	1,42,540.00	..	Ra. 2/50 P per wagon
31-3-69	2,230.00	..	Ra. 7 per wagon with Indian Rlys. Ra. 2.50P. per wagon with Pakistan Rlys.
31-3-70	8,73,487.50	..	Do. -
31-3-71	13,03,238.75	..	Do. -
31-3-72	16,05,431.25	..	Ra. 7/50P per wagon with Indian Rly. & Ra. 2/50P per wagon with Pakistan Rlys.

METRE GAUGE

Year as on	Central		Northern		N.E.		N.B.	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
	Ra. P.	Ra. P.	Ra. P.	Ra. P.	Ra. P.	Ra. P.	Ra. P.	Ra. P.
31-3-68	..	[6,98,653.96	21,364.66	..	18,77,966.08	21,82,615.58	..	..
31-3-69	9,49,009.96	..	17,65,224.25	..	96,35,042.14	80,05,068.45	..	..
31-3-70	10,97,004.00	..	5,19,846.32	..	56,64,104.06	55,32,487.03	..	..
31-3-71	10,86,789.42	..	..	96,545.99	25,04,084.49	84,44,208.03	..	..
31-3-72	11,63,008.00	..	2,00,813.08	..	65,31,824.00	81,50,868.50	..	..

Year as on	Southern			South Central			Western		
	Dr.	Cr.		Dr.	Cr.		Dr.	Cr.	
	Rs. P.	Rs. P.		Rs. P.	Rs. P.		Rs. P.	Rs. P.	
31-3-68	..	50,68,327.39	53,75,677.59	..	..	2,26,213.10		
31-3-69	59,01,958.84	..	54,16,864.79	19,26,836.26	..	..	..	..
31-3-70	52,73,486.00	..	54,27,724.96	18,80,956.70	..	..	..	..
31-3-71	71,30,730.89	..	86,43,243.17	48,62,063.44	..	..	..	..
31-3-72	76,71,100.00	..	76,03,432.00	44,79,672.00	..	..	..	..

METRE GAUGE

Year as on	P.E.			P.W.			Rate of hire charges per wagon.
	Dr.	Cr.		Dr.	Cr.		
	Rs. P.	Rs. P.		Rs. P.	Rs. P.		
31-3-68	2,73,437.09	..	18,677.21	..	..	Ra. 1.37 P per wagon
31-3-69	2,77,490.73	..	79,991.56	..	..	Ra. 4/- per wagon with Indian Rlys. & Ra. 1/37 P per wagon with Pak. Rly.
31-3-70	43,10,695.46	..	39,266.95	..	..	Do.
31-3-71	..	4,72,925.18	..	..	64,866.07	Do.
31-3-72	4,97,103.50	..	31,894.98	..	..	Do.

APPENDIX IV

(Vide para 4.19)

Particulars of outstanding indentis Zone-wise and gauge-wise for B. G. M. G. and N.G.

Date and Description	Central	Eastern	Northern	N.F.	Southern	S.C.	S.E.	Western
B.G.								
<i>As on 31-3-70</i>								
Free destinations	1363 (10-3-70)	2418 (28-3-70)	1027 (Current)	95 (8-3-70)	955 (23-3-70)	848 (22-3-70)	3106 (1-3-70)	2189 (19-3-70)
Quota regulated	1252 (9-2-70)	381 (4-2-70)	2 (Current)	9 (30-3-70)	188 (12-3-70)	12 (29-3-70)	3505 (28-1-70)	203 (25-3-70)
Restricted Route	79 (21-2-70)	330 (28-2-70)		Nil	89 (28-2-70)	..	672 (17-2-70)	5 (28-3-70)
Spl. type stock	285 (4-3-70)	371 (26-1-70)	190 (12-3-70)	6 (30-3-70)	204 (16-2-70)	114 (22-3-70)	119 (21-1-70)	61 (9-3-70)
<i>As on 31-3-71</i>								
Free destinations	6850 (1-2-71)	1408 (5-1-71)	3057 (10-3-71)	195 (5-3-71)	1132 (10-3-71)	1761 (3-3-71)	8029 (30-12-70)	10977 (31-12-70)
Quota regulated	5365 (8-1-71)	793 (20-12-70)	588 (10-3-71)	126 (24-3-71)	293 (10-2-71)	425 (3-3-71)	5119 (16-11-70)	727 (28-12-70)

Date & description	Central	Eastern	Northern	N.F.	Southern	S.C.	S.E.	Western
Restricted route	• • • 3900 (7-1-71)	21497 (7-8-70)	571 (1-12-70)	1 (20-3-71)	174 (19-1-71)	76 (20-3-71)	5634 (16-12-70)	250 (19-1-71)
Special stock	• • • 204 (8-2-71)	498 (11-3-71)	230 (12-1-71)	6 (5-3-71)	182 (26-2-71)	105 (7-3-71)	3110 (31-12-70)	148 (13-3-71)
<i>As on 31-3-72</i>								
Free destinations	• • • 30396 (25-7-71)	6776 (7-11-71)	7502 (5-1-72)	2099 (8-11-71)	1834 (26-3-72)	9464 (18-12-71)	17962 (10-7-71)	36833 (15-9-71)
Quota regulated	• • • 17814 (9-3-71)	1151 (9-6-71)	4358 (29-7-71)	12 (25-3-72)	2972 (17-8-71)	1550 (23-12-71)	14517 (11-9-71)	39092 (26-11-71)
Restricted route	• • • 10749 (12-2-71)	36292 (15-10-70)	1958 (19-7-71)	675 (16-7-71)	983 (18-7-71)	218 (24-1-72)	8164 (25-5-71)	1539 (29-4-71)
Special Stock M.G.	• • • 464 (4-2-71)	758 (28-3-72)	389 (1-2-72)	240 (24-12-71)	366 (28-11-71)	333 (7-1-72)	4104 (16-9-71)	213 (20-2-72)
<i>As on 31-3-70</i>								
Free destinations	• • • • 9 (30-3-70)	• • • • 9 (30-3-70)	679 (30-3-70)	1649 (20-3-70)	470 (24-3-70)	952 (20-3-70)	565 (20-3-70)	1806 (4-3-72)
Quota regulated	• • • • • 5 (17-3-70)	• • • • • 5 (17-3-70)	Nil	89 (24-3-70)	67 (20-3-70)	187 (19-3-70)	5 (26-3-70)	175 (8-3-70)

Restricted route	.	.	.	.	.	Nil	2 (29-3-70)	14 (20-3-70)	49 (8-3-70)	54 (26-3-70)	26 (23-2-70)
Special type stock	.	.	.	.	Nil	97 (27-3-70)	273 (17-3-70)	366 (28-3-70)	77 (5-3-70)	Nil	79 (23-3-70)
<i>As on 31-3-71</i>											
Free destinations	.	.	.	.	5 (28-3-71)	669 (31-3-71)	5069 (2-1-71)	734 (9-3-71)	992 (7-3-71)	1848 (1-2-71)	31966 (28-11-70)
Quota regulated	.	.	.	.	45 (5-3-71)	172 (7-12-70)	274 (15-2-71)	586 (1-3-71)	463 (19-3-71)	13 (24-3-71)	2997 (28-11-70)
Restricted route	.	.	.	.	.	2747 (21-11-70)	5366 (17-1-71)	43 (16-3-71)	73 (5-3-71)	283 (2-2-71)	377 (1-2-71)
Special type stock	.	.	.	.	Nil	14 (22-3-71)	339 (30-1-71)	696 (7-2-71)	50 (18-3-71)	10 (26-2-71)	283 (4-3-71)
<i>As on 31-3-72</i>											
Free destinations	.	.	.	.	339 (16-2-72)	11609 (7-11-71)	21322 (23-7-71)	1509 (9-10-71)	645 (2-3-72)	1079 (24-2-72)	23820 (2-7-71)
Quota regulated	.	.	.	.	286 (28-5-71)	12378 (17-5-71)	5915 (9-8-71)	10239 (35-6-71)	1333 (20-1-72)	902 (17-1-72)	69932 (26-12-70)
Restricted route	.	.	.	.	.	1662 (7-11-71)	4732 (5-7-71)	1965 (25-6-71)	2656 (15-5-71)	1183 (3-2-72)	14372 (29-11-70)
Special type stock	.	.	.	.	113 (20-1-72)	14 (31-3-72)	1995 (8-12-71)	3027 (24-7-71)	79 (16-2-72)	9 (5-2-72)	394 (26-1-72)

Date and description		Central	Northern	S.C. Rly.	S.E. Rly.	Western
N.G.						
31-3-70						
Free	. . . . .	182	16	Nil	6365	Nil
		<u>17-3-70</u>	<u>30-3-70</u>		<u>20-1-70</u>	
Quota	. . . . .	Nil	Nil	Nil	956	983
					<u>15-1-70</u>	<u>15-2-70</u>
Restricted	. . . . .	25	Nil	Nil	Nil	..
		<u>9-3-70</u>				
Spl. type	. . . . .	Nil	Nil	Nil	Nil	..
31-3-71						
Free	. . . . .	805	8	Nil	6686	Nil
		<u>13-1-71</u>	<u>31-3-71</u>		<u>16-12-70</u>	
Quota	. . . . .	73	Nil	Nil	6469	166
		<u>14-1-71</u>			<u>11-12-70</u>	<u>12-2-71</u>
Restricted	. . . . .	Nil	Nil	Nil	301	
					<u>16-12-70</u>	
Spl. type	. . . . .	Nil	Nil	Nil	Nil	Nil

APPENDIX V

(Vide para 6.16)

The available data of Wagon Turn-round Railwaywise and gauge-wise for 1967-68 to 1971-72

Railway	Box Wagons					BFR type wagons				
	1967-68	1968-69	1969-70	1970-71	1971-72	1967-68	1968-69	1969-70	1970-71	1971-72
Central	8.86	8.95	7.65	6.87	5.74	11.9	11.7	10.9	10.0	9.37
Eastern	5.22	5.47	4.93	5.85	6.29	15.8	12.7	11.1	14.2	19.9
Northern	6.41	6.55	6.85	7.32	6.32	12.0	12.5	13.6	15.0	14.0
N.F.	..	..	..	..	..	13.6	21.1	19.8	18.2	22.6
Southern	8.78	7.81	7.88	7.97	8.25	14.9	13.9	18.3	16.8	15.7
South Central	4.86	5.78	7.89	7.70	7.56	N.A.	10.1	10.2	10.4	10.7
South Eastern	7.22	6.59	6.99	7.25	6.34	16.0	13.8	13.4	16.4	15.2
Western	6.86	6.95	7.55	8.23	6.53	9.7	10.7	11.8	14.8	10.4
All Railways	11.8	11.0	11.0	11.2	10.8	28.8	25.7	25.7	29.2	30.5

<i>Metric gauge</i>								
Central	.	.	There are no BOX type wagons on the Metric gauge	61.1	34.9	62.2	12.98	6.9
Northern	.	.		6.56	7.76	6.64	5.07	6.27
North Eastern	.	.		31.3	28.2	34.7	23.8	23.1
N. F.	.	.		27.0	23.3	21.8	25.8	25.9
Southern	.	.		24.2	23.8	28.1	27.8	28.0
South Central	.	.		17.8	18.8	25.5	52.0	65.3
Western	.	.		12.98	11.7	14.3	15.6	13.4
All Railways	.	.		22.1	20.8	23.8	23.2	22.9
<i>Narrow gauge :</i>								
Central	.	.						
Northern	.	.						
N. F.	.	.						
Southern	.	.						
South Central	.	.						
South Eastern	.	.						
Western	.	.						

Not available separately of each type of wagons.

N. A.—Not available.

APPENDIX V—Contd.

(Vide para 6.16)

The available data of Wagon Turn-round Railway-wise and gauge-wise for 1967-68 to 1971-72.

POL Tank wagons **All wagons**

Railways	POL Tank wagons					All wagons				
	1967-68	1968-69	1969-70	1970-71	1971-72	1967-68	1968-69	1969-70	1970-71	1971-72
Central	7.84	8.13	7.58	7.10	6.35
Eastern	7.04	7.31	7.55	8.83	10.3
Northern	7.53	7.59	7.25	7.40	7.83
N. F.	6.70	8.10	7.70	8.40	10.2
Southern	10.1	9.92	9.05	9.29	8.62
South-Central	6.80	6.50	6.44	6.23	6.06
South Eastern	7.20	7.02	7.14	7.84	7.72
Western	6.59	7.02	6.92	7.27	6.17
All Railways	.	13.1	14.4	14.3	13.2	12.4	12.7	12.6	13.3	13.5

Broad gauge :

Main gauge

Central	. . . Turn-round of POL Tank wagons is not maintained Railway, Wise	3.54	3.81	3.68	3.38
Northern	. . .	4.54	4.24	4.43	4.67
North Eastern	. . .	9.39	9.39	9.30	10.2
N. F.	. . .	10.5	10.5	11.3	12.3
Southern	. . .	7.43	7.33	7.71	7.72
South Central	. . .	6.60	6.66	6.76	7.20
Western	. . .	6.27	6.34	6.92	6.85
All Railways	15.6 14.7 13.9 13.8 15.0	9.54	9.41	10.1	10.6
<i>Narrow gauge</i>					
Central	. . .	5.44	5.38	5.13	5.28
Northern	. . .	2.83	2.39	3.47	3.31
N.F.	. . .	10.3	24.3	15.3	N.A.
Southern	. . .	10.4	10.4	8.60	7.80
South Central	. . .	4.47	7.47	4.48	N.A.
South Eastern	. . .	6.73	6.33	7.01	6.89
Western	. . .	9.96	11.4	14.4	13.2

N.A.—Not available.

APPENDIX VI

(Vide para 6.50)

Average speed of 'all goods trains'

BROAD GAUGE

		1969-70	1970-71	1971-72	
CENTRAL	Steam	13.1	13.2	13.2	
	Diesel Elec.	23.1	23.7	24.4	
	Diesel Hyd. & Mech.	9.61	7.92	8.86	
	Elec.	15.9	17.7	20.4	
	<div style="display: flex; align-items: center;"> <div style="font-size: 2em; margin-right: 5px;">{</div> <div style="margin-right: 5px;">D.C.</div> </div>		27.0	28.1	30.0
		A. C.			
All traction	17.4		18.3	19.3	
EASTERN	Steam	10.0	9.85	9.47	
	Diesel Elec.	25.3	24.7	23.7	
	Diesel Hyd. & Mech.	..	..	20.6
	Electric	28.9	27.7	26.5	
	All traction	19.8	18.8	17.9	
NORTHERN	Steam	10.6	10.2	9.97	
	Diesel Elec.	24.0	24.1	23.3	
	Diesel Hyd. & Mech.	11.4	10.8	7.86	
	Electric	25.7	26.6	24.4	
	All traction	16.7	17.2	17.2	
NORTH EASTERN		12.2	13.3	11.8	
NORTHEAST FRONTIER		15.1	15.7	14.0	
SOUTHERN	Steam	11.4	11.6	12.7	
	Diesel Elec.	20.1	19.9	20.8	
	Diesel Hyd. & Mech.	..	..	21.0
	All Traction	16.2	16.4	17.6	
SOUTH CENTRAL	Steam	11.9	12.7	12.5	
	Diesel Elec.	20.0	20.5	20.2	
	All Traction	15.5	16.6	16.7	
SOUTH EASTERN	Steam	12.4	12.5	12.6	
	Diesel Elec.	24.1	24.6	24.6	
	Electric	23.8	23.1	22.0	
	All Traction	19.8	20.1	20.0	
WESTERN	Steam	13.9	13.5	13.4	
	Diesel Elec.	22.6	21.7	22.2	
	All traction	16.2	16.1	16.8	
Average for B. G.	Steam	12.1	12.0	11.9	
	Diesel Elec.	22.9	22.9	22.8	
	Electric	25.5	25.2	24.2	
	All traction	17.7	17.9	18.2	

METRE GAUGE

		1969-70	1970-71	1971-72
CENTRAL		16.1	15.9	16.1
NORTHERN	Steam	15.5	15.8	15.8
	Diesel	23.5	24.5	25.5
	All Traction	16.4	17.8	18.0
NORTH EASTERN	Steam	12.9	12.1	12.6
	Diesel Elec.	17.8	20.0	20.0
	All Traction	12.9	12.2	12.8
NORTHEAST FRONTIER	Steam	9.68	9.65	14.0
	Diesel Elec.	18.2	18.6	17.5
	All Traction	14.5	14.5	14.1
SOUTHERN	Steam	14.4	14.2	14.4
	Diesel Elec.	19.0	18.1	17.9
	Electric	19.4	18.9	18.5
	All Traction	15.6	15.6	15.7
SOUTH CENTRAL	Steam	12.3	12.4	12.3
	Diesel Elec.	14.9	14.0	12.4
	All Traction	13.0	12.9	12.3
WESTERN	Steam	14.4	14.5	14.8
	Diesel Elec.	20.5	20.6	20.7
	Diesel Hyd. & Mech.	14.0	12.9	15.3
	All Traction	16.8	16.9	17.3
Average for Metre Gauge	Steam	13.5	13.1	13.4
	Diesel	18.8	18.7	18.2
	Electric	19.4	18.9	18.5
	All Traction	14.9	14.7	14.9

APPENDIX VII

(Vide para 6.87)

The quotas fixed for interchange of wagons at different important interchange points and also the actual interchange day to day from 1969 to 1972.

INTERCHANGE POINT	Average No. wagons to be interchanged each way daily		Average No. of wagons actually interchanged daily							
	DAILY QUOTA		ACTUAL PERFORMANCE							
	1969-70	1970-71	1971-72	1969-70	1970-71	1971-72	1971-72	E-N	E-N	
				N-E	E-N	N-E	E-N	N-E	E-N	E-N
<i>Broad Gauge</i>										
1. Mughalsarai	3525	31525	3525	3073	3025	2726	2644	2724	2663	
				N-C	C-N	N-C	C-N	N-C	C-N	C-N
				647	744	664	773	680	849	
2. Tughlakabad	900	950	950	163	121	148	105	138	92	
	250	250	250	208	227	186	218	164	217	
3. Agra Cantt.	300	300	300	454	456	410	430	362	394	
4. Kanpur (GMC)	550	600	600	W-N	N-W	W-N	N-W	W-N	N-W	
				358	293	296	270	234	250	
5. Chheoki										
6. Agra East Bank	550	450	450							

INTERCHANGE POINT	Average No. of Wagons to be interchanged each way daily		Average No. of wagons actually interchanged daily										
	DAILY QUOTA		ACTUAL PERFORMANCE										
	1969-70	1970-71	1971-72	1969-70		1970-71		1971-72		1970-71		1971-72	
<i>Broad Gauge</i>													
20. Poona	450	450	450	381	343	389	343	476	409	SE-E	E-SE	SE-E	E-SE
21. Between Eastern & S.E. Ryys.	Free	Free	Free	1505	1599	1359	1443	1334	1476	SC-C	C-SC	SC-C	C-SC
22. Ballharshah	375	375	370	255	268	278	300	290	305	B-NF	NF-E	E-NF	NF-E
23. Malda Malda (Farakka)	FKK	FKK	600	356	351	282	289	295	299	NF-NE	NE-NF	NF-NE	NE-NF
<i>Metre Gauge</i>													
1. Karilbar	550	550	550	430	430	390	388	413	416	W-N	N-W	W-N	N-W
2. Bihaldi	250	300	300	90	105	136	86	130	128	90	105	136	86
3. Marwar Jn.	100	100	100	100	105	65	70	71	48	100	105	65	70
4. Pimlora	280	350	350	206	200	138	197	125	194	206	200	138	197
5. Loharu	40	40	40	16	24	18	22	18	19	16	24	18	22
6. Rewari	360	360	450	316	302	347	330	389	349	316	302	347	330

7. Churu .	20	20	20	8	11	9	9	7	3
				W-C	C-W	W-C	C-W	W-C	C-W
8. Khandwa	70	120	150	75	71	96	84	95	104
				W-NE	NE-W	W-NE	NE-W	W-NE	NE-W
9. Adnera	300	300	300	195	197	227	230	233	227
				C-SC	SC-C	C-SC	SC-C	C-SC	SC-C
10. Purna .	Free	Free	150	77	81	86	97	101	92
				S-SC	SC-S	S-SC	SC-S	S-SC	SC-S
11. Hubli .	120	120	120	88	67	84	75	77	57
12. Guntabal	400	450	450	362	383	372	392	413	410

(b) Average detention involved during	1970-71	77.48	35.53	134.08	15.37	12.54	20.10	173.43
	1971-72	100.37	40.39	139.30	15.53	14.13	24.54	216.23

4. BHILAI (a) Free time allowed		Single operation	24	15	24	15	10	NA	24
		Double operation	48	30	48	NA	NA	NA	∞
(b) Average detention involved during	1970-71		111.14	46.17	43.50	32.38	11.07	NA	142.33
	1971-72		95.16	35.50	41.25	29.08	11.00	NA	111.23

5. Durgapur (a) Free time allowed		Single operation	24	16	24	15	16	15	24
		Double operation	48	30	48	NA	NA	NA	∞
(b) Average detention involved during	1970-71		88.27	37.48	45.06	25.47	NA	61.23	116.15
	1971-72		149.56	55.30	71.08	26.22	NA	97.52	113.35

APPENDIX IX*(Vide para 6. 114)**Total Amount of Demurrage Realised from the Steel Plants during 1970-71 and 1971-72*

Railway	Steel Plant	Demurrage charges collected during	
		1970-71	1971-72
		Rs.	Rs.
SOUTH EASTERN	(1) Rourkela	35,72,889	40,16,674
	(2) Bhilai	54,03,084	39,72,869
	(3) Tata Iron & Steel Co. .	35,71,152	42,87,265
	(4) Indian Iron & Steel Co.	2,92,898	2,34,372
EASTERN	(5) Indian Iron & Steel Co.	22,91,417	28,31,611
	(6) Durgapur	39,08,934	54,39,318
	TOTAL	1,90,40,374	2,07,82,109

APPENDIX X

(Vide para 3 of Introduction)

List of individuals|organisations who have furnished memoranda to the Railway Convention Committee.

(1) *Members of Parliament*

1. Shri D. D. Desai
2. Shri D. C. Goswami
3. Shri S. Jaipuria
4. Shri Kalyan Chand
5. Shri E. R. Krishnan
6. Shri N. N. Pandey
7. Shri Ramavatar Shastri

(2) *State Governments*

1. Government of Andhra Pradesh
2. Government of Gujarat
3. Government of Kerala
4. Government of Madhya Pradesh
5. Government of Manipur
6. Government of Orissa
7. Government of Pondicherry
8. Government of Tripura
9. Government of Uttar Pradesh
10. Delhi Administration.

(3) *Railwaymen's Unions*

1. National Federation of Indian Railwaymen, New Delhi.
2. National Railway Mazdoor Union, Bombay.
3. Northern Railwaymen's Union, New Delhi.
4. N. E. Railway Mazdoor Union, Gorakhpur.
5. South Eastern Railwaymen's Union Kharagpur.
6. S.E. Railway Class II Officers Association Calcutta.

7. Western Railway Employees' Union, Bombay.

(4) *Chambers of Commerce and Industry, etc.*

1. The Ahmedabad Mill Owners' Association, Ahmedabad.
2. The All India Federation of Transport Users' Association, Bombay.
3. The All India Manufacturers' Organisation, Bombay.
4. The Associated Chambers of Commerce and Industry of India, Calcutta.
5. Belgo-Indian Chamber of Commerce and Industry, Bombay.
6. Bharat Jute Sellers Association, Calcutta.
7. Bombay Commuters Council, Bombay.
8. Eastern Bihar Divisional Chamber of Commerce and Industries, Bhagalpur.
9. Federation of Indian Chamber of Commerce and Industry, New Delhi.
10. Federation of Associations of Small Industries, New Delhi.
11. The Hyderabad Karnatak Chamber of Commerce and Industry, Gulbarga.
12. Indian Chamber of Commerce, Calcutta.
13. The Indian Chamber of Commerce, Cochin.
14. Karnatak Chamber of Commerce and Industry, Hubli.
15. The Madras Chamber of Commerce and Industry, Madras.
16. North Bihar Chambers of Commerce and Industry, Muzaffarpur.
17. Northern India Chamber of Commerce and Industry, Chandigarh.
18. Punjab, Haryana and Delhi Chamber of Commerce and Industry, New Delhi.
19. The Southern Gujarat Chamber of Commerce and Industry, Surat.

(5) *Professional Organisations*

1. Indian Institute of Management, Calcutta.
2. Indian Institute of Public Opinion (P) Ltd., New Delhi.
3. Indian Railways Electrical Engineers Association, Calcutta.
4. National Institute for Training in Industrial Engineering, Bombay.

(6) Retired Railway Officers

1. Shri D. N. Chopra, Ex. General Manager, S.C. Railway.
2. Shri G. D. Khandelwal, Chairman, Railway Board (Retd.).
3. Shri K. B. Mathur, Ex. Chairman, Railway Board.
4. Shri K. K. Mukerjee, Ex. General Manager, Eastern Railway.
5. Shri P. N. Murthy, Ex. General Manager, Railway Electrification, Calcutta.
6. Shri V. T. Narayanan, Ex. General Manager, Southern Railway.
7. Shri L. A. Natesan, Economic Adviser (Retd.), Ministry of Railways.
8. Shri J. B. Rao, Ex. General Manager, North Eastern Railway.
9. Shri D. V. Reddy, Ex. General Manager, North East Frontier Railway.
10. Shri N. S. Swaminathan, Ex. Member (Traffic) Railway Board.
11. Shri S. P. Tonse, Ex. Director, Electrical Engineering.

(7) Public Undertakings

1. Bureau of Public Enterprises, New Delhi.
2. Cement Corporation of India, Ltd., New Delhi.
3. Fertilizer Corporation of India, Ltd., New Delhi.
4. Food Corporation of India Ltd., New Delhi.
5. Hindustan Salts Ltd., Jaipur.
6. Hindustan Steel Ltd., Ranchi.
7. The Minerals and metals Trading Corporation of India Ltd., New Delhi.
8. National Mineral Development Corporation Ltd., New Delhi.
9. Oil India Ltd., New Delhi.

(8) Other Individuals

1. Shri Rishab Das Jain, Sri Ganga Nagar, Rajasthan.
 2. Shri R. P. Srivastava, 7/179 Swarup Nagar, Kanpur.
 3. Shri B. L. Joshi C/o. Dharmyug, Weekly, Bombay.
 4. Shri Rajendra Pal Sharma, P.O. Mohakampur, Distt. Etah.
- 176 LS—15.

APPENDIX XI

(Vide Para—6 of Introduction)

S. No.	Reference to Para. No. of the Report	Summary of	Recommendations|conclusions
1	2	3	
1	1.21	<p>The Committee note that wagon requirements are related to freight traffic which is assessed for a Five Year Plan period. They regret to note that there have been persistent shortfalls in the materialisation of traffic compared to the assessed forecast. During the Third Plan, originating freight traffic of 245 million tonnes was anticipated for the last year of the Third Plan (1965-66). Against this, the actual traffic moved by the Railways was 203 million tonnes. The originating freight traffic during the last year of the Fourth Plan (1973-74) was estimated at 264.7 million tonnes which was reduced to 240.5 million tonnes at the time of Mid-term Appraisal. Against this, the present indications are that not more than 215 million tonnes of traffic will be moved.</p>	
2	1.22	<p>The Committee are disturbed to note that during the Fourth Plan while the originating freight traffic fell from an estimated figure of 265 million tonnes to about 215 million tonnes, the Plan provision for the Railways has been reduced from Rs. 1,525 crores to Rs. 1,400 crores only. The Committee regret to observe that heavy capital expenditure has been incurred by the Railways in creating traffic capacity which has been far in excess of the requirements of traffic actually moved. Thus scarce resources</p>	

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which could have been used in other sectors of the economy more purposefully, have been spent by the Railways, resulting in over-capitalisation.

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1.23

The Committee are also concerned to note that there have been shortfalls in the movement of traffic of major commodity groups like steel plants traffic, coal, general goods etc. both during the 3rd Plan period and the 4th Plan period. In this connection, the Committee would like to invite attention to the 22nd and 49th Reports of the Public Accounts Committee (Fourth Lok Sabha) in which that Committee had commented upon inaccurate forecasting of freight traffic during the Third Plan and the persistent tendency of the Railway Board to over-estimate traffic requirements, particularly in respect of major commodities—coal, steel plants traffic and general goods traffic and had emphasised the need for planning for rail capacity on a more realistic basis. The Committee note that inspite of the recommendations made by the Public Accounts Committee the forecast of freight traffic in respect of those very commodity groups viz. coal, steel plants traffic and general goods traffic again proved inaccurate during the Fourth Plan.

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1.24

The Committee regret to point out that the lessons underlined by these shortfalls have not been learnt by Government; otherwise they can see no reason why the estimates continue to be grossly inflated. In the Fourth Plan Mid-term Appraisal it has been admitted that "inaccurate forecasting has..... led to inadequate facilities in some areas and under-utilisation of capacity in others. In some cases, the original linkages (particular collieries to particular washeries, washeries to steel plants, iron ore mines to ports and coalfields to thermal plants)

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which form the basis of planning for railway facilities have had to be revised by major users....”

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The Committee would like Government to exercise extreme caution in planning for the movement of major commodities by Railways so that the traffic forecasts for the Fifth Plan are realistic and there are not wide divergencies between forecasts and actual materialisation of freight traffic. The Committee would also like to point out that as the production of steel is mainly in the public sector and a Holding Company has been set up for the purpose, it should be possible for Government to forecast more realistically the traffic requirements for the movement of steel traffic—both raw materials and finished products, particularly, when the Hindustan Steel has a well-organised and integrated Sales Organisation to regulate the movement of finished steel.

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1.26

The Committee need hardly point out that the raw material particularly iron ore is now being increasingly supplied to the Steel Plants either by captive mines or by National Mineral Development Corporation, a public sector undertaking. There should, therefore, be no difficulty in realistically determining the movement of iron ore to steel plants. Similarly for export of iron ore, it should be possible to determine in detail and well in advance the traffic requirements in this regard, as Metals and Mineral Trading Corporation and National Mineral Development Corporation—both public undertakings—occupy a dominant role.

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1.27

As admitted by Government, the difficulties in respect of coal have been due to non-linking of raw material producing units like coal mines, washeries, ore mines to consuming units like

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steel plants, thermal plants, etc. Since the coal mines have also been largely nationalised and steel plants and thermal stations would be major consumers of coal in future, it should be possible for Government to determine this linkage more realistically. The Committee would like to draw pointed attention to the fact that the Thermal Stations would become chief consumers of coal in the Fifth Plan and a careful and detailed planning should therefore be done to ensure that the supply of coal to thermal stations flows smoothly as per requirements.

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1.28

The Committee trust that Government would gain from past experience and taking the present realities into account, would be able to assess freight traffic particularly in regard to major commodities, realistically for the Fifth Plan. In particular, Government should ensure that investment is not made in creating facilities which later on are not put to operational use.

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1.30

The representatives of the Ministry of Railways, in their evidence before the Committee, have urged that the main criterion for seeing whether or not the Railways have fulfilled the traffic requirements, should be in terms of net tonne kilometres, rather than merely originating traffic. It has been claimed that against the target of 152 billion tonne kilometres to be carried in the last year of the Plan, the Railways hope to carry 150 billion tonne kilometres, thus very nearly fulfilling the target.

As far as the Committee are aware, in all the successive plans, the emphasis has been on originating traffic, though lately, in various reviews particularly Annual Reports of the Railways, more and more emphasis is being laid on tonne kilometres carried, rather than on mere originating tonnage. The Committee would like

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this matter to be examined in all its aspects by the Planning Commission and Government, in order to come to a definite decision whether the target should be laid down in terms of originating traffic tonnage, or in terms of both the load and the distance carried, viz. tonne kilometres. If the latter criterion is accepted by Government as the rational method for determining the investment etc., the Committee have no doubt that the Planning Commission, Ministry of Railways in consultation with the Ministry of Finance, would also evolve suitable criterion for determining the number of wagons, locomotives etc., which would be required for the movement of anticipated traffic. The Committee would also like Government to settle this matter with utmost expedition so as to leave no room for ambiguity in this behalf in the Fifth Plan.

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The Committee note that for the Fifth Plan the originating freight traffic has been estimated by the various Ministries at 340 million tonnes but the Railways' own assessment is 280 million tonnes by 1978-79.

The Committee note that assessment of traffic requirements is done by the Working Group which includes representatives of various Economic Ministries, Public Sector Undertakings and the Planning Commission. The main working group is headed by the Chairman, Railway Board while the other working group is headed by the Director of Planning (Railways). It is surprising that in spite of the Railways having the main say in assessing the traffic requirements over a plan period, there have been such wide variations in estimated and actual materialisation of freight traffic. The Committee cannot help feeling that the Railways are

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largely to blame for the faulty estimates of freight traffic. It appears that Railway Officers in the field i.e., Zonal and Divisional Railway Officers, are not fully associated with the assessment of freight traffic in their areas and that the estimates of freight traffic indicated by the Central Ministries and project authorities are not got reviewed in detail taking advantage of the actual field conditions which are well known to the Zonal Managers|Divisional Superintendents who are fully aware of actual progress of the projects and requirements. The Committee consider that this should be done invariably on a continuous basis.

- 11 1.33 The Committee note that the Industrial and business community is also not actively associated with assessing the long term traffic requirements for the plan period. The Committee consider that each zonal railway should also make detailed studies of the long term freight traffic requirements of the main trading and manufacturing interests and centres served by them in association and coordination with the industrial and business interests taking into account the new industries etc., likely to come up in the area.
- 12 1.34 The Committee hope that on the basis of experience gained during the four plan periods, Government would examine in depth the main reasons for faulty estimates of freight traffic and take effective remedial measures to ensure that the requirements of freight traffic are assessed realistically for the Fifth and subsequent plan periods.
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 1.49 The Committee note that the Railways procured a total of 1,44,789 wagons during the Third Plan. During the 4th Plan, against the original provision of 1,01,532 wagons (in terms
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of 4-wheelers) both on additional and replacement account, the Railways reduced their requirements to 71,776 wagons at the time of Mid-term Appraisal. In addition, provision has also been made for 15,000 additional wagons which would be adjusted against the 5th Plan.

The Committee have already referred to the shortfall in freight traffic both during the Third Plan and the Fourth Plan periods. Against the estimated goods traffic of 245 million tonnes during the Third Plan, the actual goods traffic amounted only to 203 million tonnes in 1965-66. Similarly, against the estimated 265 million tonnes of goods traffic for the Fourth Plan, only 215 million tonnes of freight traffic is likely to materialise in 1973-74. The Railways have themselves admitted that they had surplus rail capacity at the end of the Third Plan. Although substantial accretion has been made to the wagon fleet since then, the freight traffic has been less than even 203 million tonnes, which was reached in 1965-66, except during 1968-69 and 1969-70, when it was 204 and 207.9 million tonnes respectively. Even allowing for the increase in load of freight traffic, it would appear that the Railways have sufficient surplus line and wagon capacity to handle additional traffic. The constraints would appear to be mainly the law and order problem, thefts of parts, labour troubles and operational inefficiency etc.

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The Committee note that the Railways have estimated their requirements of wagons during the 5th Plan between one lakh wagons for 280 million tonnes of traffic and about 2 lakh wagons for 340 million tonnes of traffic. They further note the anxiety of the Railways that wagon availability should be ahead of demand. While the Committee fully share the view of the

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Ministry of Railways that the wagon capacity should be ahead of the demand and should not act as a bottleneck, they would like the Railways to keep in mind the surplus wagon capacity already with them. According to their own admission, the Railways could move upto 5 per cent additional traffic if factors beyond their control were removed. The Committee further feel that with the increased introduction of electric and diesel traction for hauling goods traffic, the existing wagons can move substantial additional freight traffic. The Committee have also referred in subsequent chapters to the scope for better and more efficient utilisation of wagons than at present. The Committee hope that with more efficient utilisation of wagons and reduction in the detention of wagons by trade, for which various steps have been taken by Government the availability of existing wagons for movement of traffic would improve considerably.

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The Committee would, therefore, like to stress that while assessing the requirements of wagons for the Fifth Plan, all these aspects should be taken into account. Further, norms should also be laid down for each type of wagon for movement of freight traffic.

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The Committee have no doubt that with a well-knit operational organisation with over hundred years' experience and the existence of Efficiency Bureau, the Railways would be able to lay down scientific criteria for assessing the requirements of various types of wagons for the movement of freight traffic. The Committee see no reason why the criteria should not take into account normal increase in the lead of freight traffic and increase in Net Tonne kilometres.

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The Committee would also like the Government to ensure that the cushion for movement of

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freight traffic, if created, should be specifically indicated as a percentage of the total wagon fleet and kept separate from the normal complement of wagons. The financial and operational implications of the creation of the cushion should also be clearly indicated and reviewed from time to time and published in the Annual Report of the Railways. The Committee would like to point out that the justification for the extra cushion would lie in fully satisfying the day to day demand of the Trade and Industry for the movement of goods so that there are no complaints from any quarter in this regard.

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The Committee further suggest that the reserve fleet of wagons—i.e. cushion—should be utilised only after approval by the Railway Board so that a constant watch is kept on the efficient utilisation of the normal fleet of wagons and the reserve fleet is used, where absolutely necessary. In this connection the Committee would also like to invite the attention of the Railways to the observations made in the Report of the Study Team and the main Report of the Administrative Reforms Commission on the Railways wherein they have not favoured a large cushion of wagons and had observed that excessive stocks of wagons lead to slackness in utilisation and poor outturn.

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1.55

The Committee feel that chronic under-utilisation of wagon capacity leads to slackening of standards. It appears that over-cautious procedures adopted by the Indian Railways have adversely affected wagon utilisation. To get the maximum advantage from the heavy capital expenditure incurred over four Plan periods, it is necessary that there is intensive utilisation of the equipment so that increased traffic can be handled with the existing resources.

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- 20** **1.71** The Committee note that more than 6 types of wagons are available on the Railways for public traffic and that no norms have been laid down to determine type-wise requirements of wagons. As stated by a senior retired Railway Officer, the Railways have concentrated on the construction of wagons with heavier capacity which can only be used for bulk transport of goods. Since there have been general complaints regarding the inadequacy of covered wagons, 4-wheeler wagons and tank wagons, it is necessary for the Railways to assess the requirements of various types of wagons scientifically and in a detailed manner so as to fully meet the demand for the movement of traffic both on trade account and Govt. account. The Committee recommend that the Railways should assess their requirements of all types of wagons with reference to the demand for each type of wagon and should also fix norms for each type.
- 21** **1.72** The Committee would also like to point out that the types of wagons used by the Railways should be suited to the freight traffic and types of commodities that are moved. For this purpose the Railways should take full advantage of the design and research facilities available with them and evolve the most suitable types of wagons which would give the best results. The Committee have, no doubt, that the Railways would take note of the development in the designs and types of wagons taking place all over the world in order to evolve the best type for their own use. It is necessary that manufacturing facilities too are synchronised for the production of new designs of wagons so as to meet the requirements thereof.
- 22** **1.73** The Committee would also like the Railways to maintain a record of the demand and utilisation of each type of wagon as well as its idle
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time so that a check is kept on the real requirement for each type of wagon and imbalances, if any, in the availability of wagons of various types are remedied at the earliest and wagons are made available to the indentors without delay.

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2.24

The Committee note that there are 16 wagon building units in the private sector, with a licenced capacity of 40,869 wagons per year and installed capacity of 31,059 wagons per year in terms of four-wheelers. Of these, 3 firms are stated to have been closed while two others have not been producing wagons against Railways' orders. There are thus only 11 firms in the private sector for manufacture of wagons with licenced capacity of 30,125 and installed capacity of 26,575 wagons in terms of four-wheelers.

The Committee are constrained to note that the production of the wagon builders in the private sector has been coming down from 13,956 in 1967-68 to 6,543 in 1971-72. According to the Railways, the best achievement of private wagon builders was in 1964-65 when they produced 27,000 wagons. The existing decline in wagon production in the private sector is stated to be due to severe cut in wagon requirements by the Railways and consequential cutting down of orders on the wagon builders for two years. Since July 1972, the Railways have, however, placed substantial orders on the wagon building industry.

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The Committee note that 18 Railway Workshops were partly engaged in wagon building activity during the last five years but on account of increase in overhaul load, those workshops are now used for repair work. At present, manufacture of wagons has been restricted

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to three Railway Workshops only, namely, Amritsar Workshop, Golden Rock Workshop and Samastipur Workshop whose capacity in the current year is 2,860 wagons but will be increased to 4,000 wagons from next year onwards.

The Committee note that the Railways are in the process of formulating their wagon requirements for the Fifth Plan which are placed at 1.09 lakh wagons for 280 million tonnes of traffic and at 2.3 lakh wagons for 347 million tonnes of traffic.

The Committee are of the firm view that the Railways can meet all their wagon requirements for the Fifth Plan from the existing manufacturing units. The Railways' three Workshops have a capacity of 4,000 wagons. According to the Railways themselves, the 11 wagon manufacturing units in the private sector have a licenced capacity of 30,125 wagons and installed capacity of 26,575 wagons. In addition, about 5,000 wagons can be manufactured in the 5 units which are closed or are not producing wagons at present. Thus the total available capacity for wagon manufacture in the country is about 35,000 wagons per year, which is sufficient to meet the requirements.

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2.28

The Committee note that the Railways have now restricted the manufacture of wagons to the three Railway Workshops at Amritsar, Golden Rock and Samastipur Workshops. The Committee feel that with the increasing electrification and dieselisation of the Railways, the requirements of maintenance workshops on the Railways are bound to be greatly reduced. It is, therefore, imperative for the Railways to prepare a long term plan for the rationalisation of maintenance workshops on a functional basis and utilise the surplus workshop capacity for the building of wagons and passenger coaches by installing balancing plant and machinery, where necessary. The Committee have no doubt

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that this would not only enable the reactivation of the existing railway workshops which are languishing for want of adequate work but would also go a long way in meeting the growing railway requirements for wagons and coaches. The Committee desire that Railways should also consider the question of expanding the manufacturing capacity in the existing three Railway Workshops as also other workshops which in the past were undertaking wagon manufacture.

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2.29

The Committee note that wagon building industry is extremely vulnerable and is unable to withstand wide fluctuations of orders. The Committee would like the Government to prepare a long term plan with a view to ensure that regular orders are placed on these manufacturing units so as to ensure continuity of work in them. They may also be given other necessary assistance as in the past to put them on sound working footing.

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2.30

The Committee would further suggest that the Railways should approach the Ministry of Industrial Development to see whether the three units (M|s. Rayman Engineering Works, Calcutta, M|s. Mackenzie of Bombay and M|s. Singh Engineering Co. Kanpur) which have been closed, could be restarted as valuable equipment and machinery is installed in them. Government should also see whether M|s. Arthur Butler which has been closed due to the differences among the partners, could be taken over by the Government with a view to commence production of wagons as machinery and skilled manpower is available there.

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2.31

For ensuring continuity of work to the wagon manufacturers, the Committee would like the Government to explore the possibilities of export of wagons to the maximum extent possible after meeting Railway requirements and to synchronise export orders and Railway orders in such a way that the wagon manufacturing units have continuity in getting orders. The Commit-

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		tee need hardly emphasise that adequate assistance in the matter of provision of steel and other inputs may also be ensured to them to the extent possible.
29	2.44 & 2.45	The Committee note that the Ministry of Railways are considering a proposal for setting up of a modern wagon manufacturing unit in the Railway sector with an annual rated capacity of 4,000 broad gauge wagons. The estimated cost of the unit is Rs. 3.4 crores, exclusive of the cost of the colony.
		The Committee have in para 2.27 stressed that the existing wagon building capacity in the country, both in the private and Railway sector, is sufficient to meet the full wagon requirements of the Railways during the Fifth Plan. Moreover, they have already recommended the rationalisation of the existing Railway Workshops and utilisation of spare capacity in them to augment the wagon and coach building capacity in the Railway sector as well as the reactivation of the closed wagon manufacturing units in the country. The Committee would like to stress that the Railways should meet their future requirements of wagons from the existing units in the country particularly the existing Railway Workshops which in the past were undertaking wagon manufacture. They see no justification whatsoever for the setting up of a new unit for the purpose of wagon manufacture. The Committee note that for the present the Railways are not going ahead with their proposal for the setting up of the new wagon manufacturing unit.
30	2.61 & 2.66	The Committee note that the wheel and axle are at present produced at Durgapur Steel Plant sets for meeting the requirements of Railways and the Tata Iron and Steel Co. (TISCO). The capacity of the Durgapur Plant is about 45,000 wheel sets per year while that of TISCO is about

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3000 wheel sets per year. At Durgapur, additional machinery has been obtained to step up production to 70,000 to 72,000 wheel sets per year. Against this, the maximum output of Durgapur Plant has been 14,470 wheel sets in 1967-68. This production also has been coming down since then and last year they produced only 7500 wheel sets. Recently, they have indicated that they could supply only 7200 wheel sets per year. TISCO have also indicated that they could supply only 2160 wheel sets per year. To meet the shortfall of wheel sets the Railways have been importing them from year to year and the imports amounted to about Rs. 8 crores in 1972-73.

The Committee note that the Railways have decided to set up an additional Wheel and Axle Plant to supplement available capacity in the country at an estimated cost of about Rs. 17 crores, with a foreign exchange component of Rs. 5 crores for plant and machinery. In addition there would be foreign collaboration in the manufacture. The capacity of the proposed plant is expected to be 22,000 wheel sets per year. The Ministry of Steel have also agreed to the proposal to set up the Plant in the Railway sector.

The Committee are greatly disturbed to note that the Railways are setting up a Wheel and Axle Plant costing about Rs. 17 crores with a foreign exchange component of Rs. 5 crores and involving foreign collaboration, when, besides a capacity of about 3,000 wheel sets in the Tata Iron and Steel Co., Jamshedpur, the Durgapur Steel Plant has a capacity of 45,000 wheel sets. In addition, the Durgapur Steel Plant had also obtained machinery to increase the capacity to 72,000 wheel sets per year. It is a matter of great concern that against an installed capacity of about 75,000 wheel sets per year in the country, the actual supplies are below 10,000 wheel

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sets, resulting in an import of about Rs. 8 crores during the current year. Taking into account the requirements of Railways for wheel sets during the Fifth Five Year Plan at about 76,000, it is evident that the existing capacity in the country is sufficient to meet them.

The Committee are not aware whether any inquiry has been made into the dismally poor production of wheel sets by the Durgapur Steel Plant and whether the same could not be geared to produce upto its rated capacity by taking adequate remedial measures.

The Committee are unable to appreciate the statement of the Ministry of Steel that the maximum that could be produced in the Durgapur Steel Plant would be 30,000 wheel sets per year, when the capacity has been increased upto 72,000 wheel sets per year. While the Committee would like the requirements of the Railways for wheel sets to be met in full, they would strongly stress that a high powered technical committee should go into the production capacity of wheel sets at the Durgapur Steel Plant and examine whether the same could not be geared to reach the maximum capacity to meet the full Railway requirements. It has to be recognised that apart from non-utilisation of the installed capacity of the Durgapur Steel Plant for the production of wheel sets on which heavy capital expenditure has been incurred, the setting up of a new wheel set plant in the Railway sector would also cost over Rs. 17 crores and would take a long time to grow up. The Committee are of the opinion that it would be far more economical if the Durgapur Plant could be put on its feet and brought to its rated capacity by making necessary readjustments.

The Committee therefore recommend that before planning for the Fifth Plan demand, the

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whole matter regarding increasing the capacity of the Durgapur Steel Plant to its rated capacity should be gone into by the high-powered technical committee suggested above.

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2.67

The Committee recommend that it is finally decided to set up the wheel and axle plant in the Railway sector, the matter should be placed before Parliament to enable Members to consider the matter fully.

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2.68
to
2.69

The Committee note that while the ownership of wagons among the different Zonal Railways fixed according to the workshop capacity on each Railway for periodical overhaul of wagons, the wagon holdings of each Railway are fixed on the basis of traffic requirement. Each Zonal Railway is given a credit balance for the ownership in excess of requirements or debit balance for the requirement in excess of ownership. The Committee note that under this system while some Railways are regularly credited with hire and penalty charges, others are continuously debited with these charges. In some cases, the credit and debit charges range between Rs. 3 to 5 crores annually. The Committee note that such financial adjustments in the transactions of different Railways are necessary to have a complete self-contained account for each Zonal Railway. According to the Railways, the capacity for periodical overhaul of wagons could never be equal to the traffic necessities of the Zonal Railway and thus these heavy adjustments would continue to be carried out.

While the Committee appreciate the need for having self-contained financial accounts for each Zonal Railway to ascertain their operational efficiency and the profit and loss incurred by them

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during each year, they are unable to agree that the ownership of the wagons should be related to the workshop capacity for periodical overhaul in that zone as under the existing set up this capacity could never equal the wagon requirements. The Committee feel that ownership of wagons should not be related to workshop capacity for periodical overhaul and that ownership and holdings of wagons in each Zone should coincide to the largest extent possible.

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3.13

The Committee have already suggested rationalisation of workshop capacity on functional basis on the Railways. They feel that while each zonal Railway may have self-sufficiency in respect of minor repairs and overhauls, major repairs and large scale overhauls should be carried out in special major workshops having the necessary facilities which should be centrally controlled. This has become all the more necessary on account of increasing dieselisation and electrification of Railways which would need reorganisation of workshop capacity on the Railways on functional basis. The Committee find that a similar recommendation was made by the Administrative Reforms Commission and also by their Study Team on Railways, in their Reports. Moreover such a system exists on the British Railways too.

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3.14

The Committee further recommend that the whole matter regarding the ownership and holdings of wagons by each zonal railway should be reviewed in detail so as to ensure that there are no major differences in the holdings and ownership of wagons by each Railway, necessitating large scale adjustments on account of hire charges etc.

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35	4.31 to 4.35	<p>The Committee note that till the end of 1969-70, there was adequate capacity on the Indian Railways to meet the centre demand of trade and industry. The mobility of wagons was thereafter seriously affected due to the unsatisfactory law and order situation in Eastern region and also due to the massive scale movements in connection with Indo-Pak hostilities.</p> <p>The Committee find that the Railways are now able to meet currently only the indents falling under priorities 'A' and 'B'. The traffic under other categories is affected in varying degrees but the worst affected traffic is priority 'E' traffic like non-sponsored coal, stones, bamboo and salt etc.</p> <p>While the Committee recognise that the abnormal conditions prevailing during 1970-71 and 1971-72 have seriously affected Railway operations, they would like to point out that during their tours over various Zonal Railways, the Chambers of Commerce and other public organisations have voiced a general complaint that wagons are even now not available in adequate numbers and even the limited supplies are not made in time which is indicative of the fact that the position has not shown any appreciable improvement so far.</p> <p>The Committee would, in this connection, further like to point out that the three non-plan years which preceded the launching of the Fourth Plan were a period of recession and the availability of wagons at that time was consequently easy. Even so, they observe that as against a total originating traffic of 207.9 million tonnes lifted by the Railways during 1969-70, the traffic during 1972-73 is estimated to be only of the order of 203.4 million tonnes. The Railways have, therefore, to examine in some depth the reasons for their inability to satisfy fully and in time the</p>

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requirements of their customers with the existing wagon fleet. In fact, it was admitted by the representative of the Ministry during evidence that with better utilisation they could carry upto 5 per cent additional traffic with the existing resources. Moreover, the various steps taken by the Railways recently *viz.*, increase in the rate of demurrage and wharfage, reduction in the liability of the Railways as a bailee from 30 days to 7 days, speedy repair of damaged wagons etc., would also enable them to make more wagons available for the movement of freight traffic.

The Committee consider that timely and regular supply of wagons is very essential for the industrial progress of the country and also for keeping the prices under check under the present inflationary conditions. The Committee would, therefore, like the Government to take concerted measures to bring about distinct improvement in supplying wagons to trade and industry and move the traffic offered to it.

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4.36

While the Railways are justified in taking all possible measures for ensuring that the wagons are released without undue detentions, they, on their part, are also duty-bound to streamline their operations so that the users who have at present to undergo numerous hardships and avoidable harassment, could be given an efficient and reliable service. It should also be ensured by the Railways that there is no undue time lag between the allotment of wagons and the supply thereof to the trade.

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4.37

The Committee have in paragraphs 5.163 and 5.165 of their Third Report pointed out that there is need for activating the Station Committees for taking into confidence the trading and business community who are at present impelled to patronise road services for want of efficient, re-

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		<p>liable and quick rail services. There is a widespread feeling in the public mind that the booking staff indulge in a variety of malpractices which not only results in loss of public goodwill for the Railways but also affects their earning potential. It is, therefore, of utmost importance that responsible officers are easily accessible to the trade and industry so that their genuine difficulties in getting wagons for movement of goods are rectified without delay.</p>
38	4.38	<p>The Committee need hardly point out that if any field official is found recalcitrant or unresponsive, to the needs of trade and industry or indulging in malpractices, he should be strictly dealt so as to have deterrent effect on others.</p>
39	4.51 to 4.53	<p>The Committee note that the daily average number of wagons loaded in the West Bengal and Bihar coalfields during 1971-72 was 5647 while during the first ten months of the current year (1972-73), there was a marginal improvement, the figure being 5683. It is, however, still considerably short of the daily average loading target of 6600 wagons and the actual daily loading of 6,242 wagons during 1969-70 which was a "normal year".</p> <p>While the Committee realise that coal movement may have suffered during 1970-71 and 1971-72 due to certain reasons beyond the control of the Railways, they are constrained to observe that the position has not shown any appreciable improvement during the current year in so far as the daily average loading is short of the target by as much as 900 wagons. It is no surprise, therefore, that there has been a general complaint by the industry and public about shortage of coal which in certain cases has seriously affected production. This is also re-</p>

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		<p>lected in the memorandum submitted to the Committee by Chambers of Commerce etc.</p> <p>The Committee cannot emphasise too strongly the imperative need on the part of the Railways to step up coal movement particularly in the above Moghulsarai direction in their own as well as larger national interest.</p>
40	4.54	<p>The Committee are surprised to note that while the Railways have been emphasising on the producers and the industries the need to mechanise or otherwise speed up the loading unloading operations, they have themselves done precious little to mechanise these operations at the transshipment points. While the Committee trust that the nationalisation of coal mines will help the Railways to improve the turnround of wagons through quicker releases, and rationalisation of movement of coal, they would like the Ministry to examine the feasibility of mechanising the operations where necessary in the interest of economy and efficiency of operations since the Railways will be required, as per tentative estimates, to carry nearly 125 million tonnes of coal in the Fifth Plan.</p>
41	4.55	<p>The Committee would further like the Ministry to prepare a detailed plan for rationalisation of coal movement to ensure that the available wagon capacity is put to the maximum use.</p>
42	4.56	<p>The Committee are distressed to find that the shortage of coal has particularly hit the brick kiln industry and other small users. They would like the Ministry to implement without further delay the proposal to set up coal dumps at central places by maximum utilisation of the spare transport capacity during slack season.</p>
43	4.62 & 4.63	<p>M/s Hindustan Steel Ltd., have in their</p>

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memorandum to the Committee given a number of suggestions for streamlining and stepping up the supply of wagons to the Steel Plants. The Committee would, in particular, like to draw attention to the following:—

- (i) Need for assuring un-interrupted supply of wagons for movement of materials like granulated slag, coke etc.
- (ii) Introduction of Quick Transit Services for closed circuit traffic like coal, iron-ore, lime-stone, dolomite etc;
- (iii) Provision of specially designed covered wagons for sophisticated products.
- (iv) Stepping up supply of BFR|BRH type wagons for carrying long length materials;
- (v) Need for avoiding bunching of incoming trains of raw materials.

As the Steel Plants, both in public and private sectors, are the principal bulk users of Railway transport in the country, the Committee would like the Ministry of Railways to give serious consideration to the above suggestions of M/s. Hindustan Steel Ltd., in the overall national interest. It is also necessary that a scheme of effective and close coordination between the Steel Plants and the Zonal Railways is devised so that the day-to-day difficulties of both could be speedily resolved through mutual discussion.

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4.64

The Committee have already in Paras 1.23 to 1.25 stressed the imperative need to forecast realistically the traffic requirements for the movement of steel traffic both raw materials and finished products and provide for their smooth movements during the Fifth Plan. They have also dealt with the question of detention of wagons by the steel plants which adversely

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affects movements in Paragraph 6.123 of this Report.

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4.72

The Committee have in para 3.84 of their Third Report impressed the need for reviewing periodically the requirements of covered wagons for vulnerable commodities such as foodgrains so as to meet them to the maximum extent possible. They would, at the same time stress that for optimum utilisation of the available wagon fleet, it is necessary to augment the storage facilities in the surplus areas on an emergent basis.

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4.73

Now that the Food Corporation of India—a public undertaking is the biggest procurer, where-houser and distributor of foodgrains in the country and has field offices all over India, it should be possible for the Railways to work out an integrated plan for the movement of foodgrains which would be consistent with the requirements. The Committee would like Govt. to take note of the fact that by and large India has already reached self-reliance. It is, therefore, necessary that a perspective plan should be worked out for the movement of foodgrains. The Food Corporation of India should locate its buffer stock in consultation with the Railways so that there is minimum of movement to meet the requirements of needy areas. The Committee need hardly point out that if there is an integrated plan for procurement and distribution of foodgrains it should not be difficult to maintain a reasonable level of prices of foodgrains all over the country in the interest of public.

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4.74

In para 3.86 of the above Report, the Committee have urged that designs of a wagon with sliding roof should be finalised early so that it could be used both for carriage of coal as well as foodgrains. In this connection, they would

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also like the Ministry to examine the suggestion of the Food Corporation of India that a special type of wagon should be designed for carriage of fertilizers from ports to the interior areas, the same wagons to be utilised for carrying food-grains from the surplus areas to deficit areas and that the design should be such that the wagon could be loaded or unloaded mechanically.

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4.75

The Committee would also like the Ministry to accord priority of movement of fertilizers. They would also like the Ministry to examine the feasibility of the own your wagon scheme in respect of major users.

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The suggestion of the Food Corporation of India that major statutory corporations should be represented on the National and Railway Users' Consultative Committees may also be examined.

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4.91

4.92

The Committee note that according to the Ministry, the Railways were able to meet the demand for wagons in respect of cement fully, except in 1971-72 when there was a shortfall of 8 lakh tonnes. On the other hand, they note that the Cement Corporation of India, a public undertaking have stated that the cement factories are able to get about 75 per cent of the quota fixed by the Railways for each cement factory with the result that the balance is moved by the road. The Committee further note that the Railways have also admitted that there is a gap between the indents placed by cement factories and the loading as the quotas for each cement factory for wagon supply are fixed on a liberal scale and there is a cushion of 20 to 30 per cent in each cement factory between the requirement of wagons to meet the Railways' commitment and the quotas fixed for them. It has been explained by the Railways that this cushion is

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allowed to provide a sufficiently wide margin to make up shortfalls due to various reasons.

The Committee are not convinced by the reasons given by the Railways for the gap between the indents and loading of cement wagons. They feel that the quotas for cement wagons should be fixed with reference to the requirements of production of each cement factory so that there is no room for complaint of less supplies of wagons. Moreover, the supplies of wagons should be regular so that there are no shortages of cement in the market which leads to malpractices and for ensuring that the tempo of production is kept up. The Committee would, therefore, like the Railways to examine this matter in detail in consultation with the cement factories with a view to fix realistic quotas of wagons for them and ensure steady supply of wagons.

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4.99

The Committee note that proposals are under consideration for a pipeline on Bombay-Poona Section for the movement of petroleum products. The Committee consider that POL will increasingly be moved through pipelines. The Committee would, therefore, like the Railways to keep in close touch with the Ministry of Petroleum and Chemicals and Planning Commission for assessing their future requirements of tank wagons, taking into consideration the movement of petroleum products through pipelines.

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4.100

The Committee would also like the Railways to assess the requirements of tank wagons by the Oil Millers in each region with reference to the installed oil processing capacity, so that there are no shortages in the supply of oil tank wagons to them.

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4.118
to
4.120

The Committee observe that Railways' share of primary movement of tea in the Northeast region which accounts for bulk of the total tea

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production in the country has come down from 67 per cent in 1966-67 i.e. after the closure of the riverine route through the then East Pakistan in September 1965, to 52 per cent in 1970-71 and 63 per cent in 1971-72, the average during the last 5 years being 60 per cent.

The Committee further observe that the percentage of such movement in the Southern region which was as much as 93.2 in 1950-51 and 80.3 in 1955-56 has shown a sharp and consistent decline over subsequent years and has come down to as low as 5 per cent in 1971-72. This is stated to be due to the emergence of road transport which offers a quicker, more reliable and cheaper service. It is obvious that the Railways have more or less been displaced in the field by a more competitive road transport service in so far as Southern Zone is concerned.

The Committee note that the Railways have taken some steps to attract the tea traffic in the Eastern region. However, their efforts in this direction do not appear to have borne appreciable results so far. If the Railways desire to improve their earnings they would have to attract tea and high-rated traffic by rendering mode efficient, safe and dependable service. The Committee would like the Railways to examine this matter in depth and take concrete measures in this behalf.

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4.131

The Committee are concerned to note that there are complaints regarding the supply of defective wagons by the Railways to the cement factories and other mills resulting in an average rejection of about 10 per cent of wagons. This naturally results in unnecessary empty haulage to and from the factories by the Railways and loss of wagon capacity. The Committee consider that if strict supervision is expected over

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working of yards and sorting out of unfit and sick wagons before supplies are made, the incidence of defective supplies could be greatly reduced. The Committee would like the Railways to take concerted measures to put the working of the yards on sound and efficient footing so as to ensure that water-tight wagons are provided to the industry particularly during rainy season so that unnecessary empty haulage or payment of claims due to wet is avoided. It might also help if a record of supplies of defective wagons and their rejection by the mills is kept yard-wise.

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4.132

The Committee further note that the supplies of wagons are not made to the factories uniformly according to agreed quotas but in a haphazard manner. The irregular supply of wagons causes serious difficulties to the mills as it makes it difficult for them with their normal complement of staff to load all the wagons in the free time allowed. On such occasions the users have generally to pay demurrage charges for not loading the wagons in time. The Committee would like the Railways to examine the reasons for erratic and irregular supplies of wagons to the factories with a view to streamline the despatches of wagons regularly as far as possible. The Committee see no reason why, given normal conditions, the factories cannot be assured regular supplies of wagons according to their agreed quotas.

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4.139

The Committee note that according to Railways, there is over-requisitioning of wagons by the trade and industry and that a regular trade in speculative indents has developed at various booking points. The Committee further note that the Railways have increased the rates of registration fee to check this mal-practice to a certain extent. The Committee are of the firm view that while the increase in the rates of re-

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gistration fee may reduce the incidence of spurious registration to some extent, the solution to this problem lies in increased supply of wagons to trade and industry as this malpractice is obviously due to short supplies or delayed supplies of wagons. The Committee hope that the Railways would seriously address themselves to the task of regular and adequate supplies of wagons so as to eliminate all such malpractices.

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During the course of their tours on practically all Zonal Railways, the Committee held informal discussions with the representatives of the local Chambers of Commerce & Industry in regard to their requirements of wagons, the procedure for registration of their demand, the adequacy and timely supply of wagons, their difficulties in the matter of booking and delivery of goods, settlement of claims etc. etc. It was represented to them that the Station Consultative Committees, which had been formed at selected important stations only, were not functioning effectively and that at the higher levels viz. at the Divisional, Zonal and national levels, the trading and business community were not adequately represented to make their voice felt very effectively. In fact, much of the time of these Users' Committees was spent in discussing problems affecting passenger traffic.

The need for close association at all levels between the trade and industry and the Railways has also been emphasised by some of the leading Chambers of Commerce and Industry in their memoranda submitted to the Committee.

The Committee have in paras 5.162—5.165 of their Third Report point out that there is need for activating the Station Consultative Committees and for reorganising the consultative machinery at all levels with a view to rationalising the system and reducing the number of such committees to make them more effective.

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The Committee consider that many of the problems affecting movement of goods can be sorted out and in fact the tendency on the part of the business community to divert their goods to road services, can be checked if the Railways could have an effective system of maintaining liaison with the trade and industry both in the public and private sectors. As the problems of goods movement are bound to increase with the increase in the traffic, the Committee consider that setting up of Goods Traffic Consultative Committees at the station, divisional, zonal and national levels representing all sections of users particularly the trading and business community and public sector undertakings would go a long way in easing the difficulties faced by the affected interests.

It will also enable the Railways to render better and more efficient service to their customers and thereby wean away a large part of the high rated traffic which is increasingly getting diverted to road.

The Committee would therefore, recommend that the question of setting up Goods Traffic Consultative Committees at various levels giving due representation to the affected interests may be given serious consideration by the Ministry and an early decision taken in the matter. The Committee need hardly point out that this question will be viewed in the context of the overall issue of reorganisation of the consultative machinery suggested in the earlier Report.

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5.13

The Committee note that the Railways have brought about certain improvements in the procedure of booking of goods in 1970 in pursuance of the recommendation of the one-man Expert Committee on Compensation Claims. They however regret that still there are complaints regarding the procedure of booking of goods at the

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railway stations. It is a matter of concern that even ex-Railway Officers find the procedures of booking and delivery of goods as "an ordeal time consuming and cumbersome". The Committee need hardly stress that Railways should make concerted efforts to provide customer satisfaction and that their outlook should be customer-oriented. All irksome delays and irritants in the booking of goods should be removed. The Committee trust that the Railways would take necessary steps to streamline and simplify their procedure of booking of goods and ensure, by purposeful supervision that the instructions issued in this regard are implemented in actual practice.

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The Committee would also like the Railways to provide necessary assistance to the casual customers who have no forwarding agents so that they have not to wait for long hours and are able to form a favourable impression about the working of the Railways.

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5.15

The Committee would further suggest that the Railways should make arrangements to send Railway receipts to the consigners by post at the latter's expense to save their time in waiting for the same. Further at all large Railway stations, a list of last invoices received from various stations should be exhibited on Notice Boards for a week to help the consignees to know about the arrival of their goods. If need be, additional goods booking clerks may be provided at major stations after due scrutiny, from among the surplus staff on the Railways.

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5.21

The Committee note that instructions are in force on the Railways to advise the consignees about the arrival of goods and parcels but they confer no obligation on the Railways to do so and that absence of such advice does not absolve the consignees from payment of demurrage and

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wharfage charges in case of delays in taking delivery. From the impression gathered by the Committee during their tour, they are of the opinion that these instructions are rarely observed by the Railway staff, in actual practice. The Committee agree that in the present conditions, the consignees may not be absolved from payment of demurrage etc. charges, in case the Railways fail to advise them of the arrivals of goods. Nevertheless they consider that as a commercial organisation it is not only proper but necessary for the Railways to advise the consignees of the arrival of their goods invariably in all cases. The Committee recommend that instructions should be issued by the Railway Board to the Railway Administrations to ensure that consignees are invariably informed about the arrival of goods in all cases, wherever their addresses etc., are available. They would also like the Railway Supervisory Officers to ensure that these instructions are actually implemented and do not remain mere paper instructions as hitherto. The Committee have no doubt that such measures will go a long way in earning the goodwill of customers to the Railways, which is very necessary in view of the Rail Road competition.

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In this connection, the Committee would further suggest that all stations may be instructed to exhibit everyday a chart showing the number outstanding indents, the number of wagons received and allotted to various parties. This would also eliminate the chances of unscrupulous staff indulging in malpractices in the matter of allotment of wagons.

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5.35

The Committee are concerned to note that frequent booking restrictions are placed by the Railways on the booking of goods. They feel that such frequent restrictions, particularly, those of long duration are extremely disturbing to

the trade and industry. Apart from resulting in the diversion of goods traffic to road transport, such restrictions lead to malpractices and other unsocial activities like creating of scarcity conditions, price rise etc. The Committee are of the view that in an efficient transport organisation there should be no room for placing booking restrictions except in the cases of emergency like floods, civil commotion, hartals etc. It has to be realised that booking restrictions particularly in respect of important trade links are very disturbing and extreme caution should be exercised in imposing them and that too, for very short durations only. The Committee have a feeling that most of these restrictions are due to the inadequacies of the Railway Administration and are imposed without full realisation of their consequences. The Committee would like the Railways to examine in depth the reasons for placing booking restrictions by the Railways other than those on account of floods, breaches, civil commotion etc. and to take effective remedial measures to curb their incidence to the minimum necessary.

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The Committee note that according to Railways the efficiency of wagon utilisation on Indian Railways compares favourably with that of the Railways in some of the advanced foreign countries such as U.K., Canada, France, West Germany, Italy, Japan and U.S.A. In fact, in respect of the two principal indices of efficiency of utilisation, viz. the number of wagons utilised to move one million net tonne kilometres per day and net tonne kilometres moved per annum per tonne of capacity, the Indian Railways are next only to the Japanese National Railways.

The Committee recognise that extension of diesel|electric traction and improved signalling techniques have an important bearing on the efficiency of wagon utilisation and that the efficiency could be further improved if mixed traction could be done away with at least on major

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trunk routes. The Committee observe in this connection that the percentage of net tonne kilometres of freight traffic operated by diesel and electric traction on all gauges has gone up from 10.08 in 1960-61 to 72.42 in 1971-72. The percentage figures of electric/diesel traction on the broad gauge which serves the principal trunk routes of the country are 11.66 and 77.40 respectively.

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6.15

The Committee would like the Efficiency Bureau of the Railway Board to undertake a study of the efficiency of wagon utilisation (gauge-wise and Railway-wise) with a view to ascertain if the results achieved during the course of the last decade have been commensurate with the improved traction power, increased line capacity and better signalling and communication facilities provided during this period with a view to suggest areas where further improvement is possible and should be effected. They would like the results of this study and the action taken thereon to be brought to the notice of Parliament through the Annual Reports of the Ministry.

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The Committee observe that the turn-round of wagons has deteriorated on all gauges during the last five years. The position on BG and MG which was fairly constant till 1969-70 and had in fact shown some improvement on the MG, has taken a turn for the worse in subsequent years. The position on the Narrow Gauge has also worsened after 1967-68.

The Committee note that apart from the disturbed law and order situation in the country particularly in the Eastern Region, one of the factors affecting the turn-round of special types of wagons such as BOX and BFR wagons is the heavy detentions due to labour troubles in Ports and Steel Plants, etc.

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The Committee are not fully convinced if the above factors alone (and these have been prevalent earlier also albeit in varying measure), could be said to be entirely responsible for the deteriorating trend in the situation over the last three years. With the large scale programme of modernisation in all spheres, augmentation of hauling and line capacity, and more particularly the large scale movement of bulk commodities in full train loads between specified points, introduction of super fast express goods services, export specials etc., the Committee would have imagined that the turn round of wagons would, on the other hand, show considerable improvement over the years. It is a matter of deep concern to the Committee that this has not come about so far.

- 67** **6.34** The Committee trust that the study proposed in paragraph 6.15 earlier would cover this aspect of the matter in all its ramifications with a view to pinpoint the reasons why the massive investments have not yielded the desired results and in particular, to what extent the deterioration in this regard is due to laxity in management, slackening of standards and other factors within the control of the Railways.
- 68** **6.35** The Committee urge the Ministry to make concerted efforts to improve the wagon turn-round by more rational planning of requirements and its efficient implementation.
- 69** **6.36** In this connection, the Committee regret to note that while developing the capacity in certain routes, the Railways have been "overtaken" with the problem of change in the pattern of traffic. The Committee consider this to be indicative of inadequate appreciation on the part of the planners of the development schemes of the Railways from the overall and long range point of view. As a very considerable portion of
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		<p>Railways' investment is on fixed assets which cannot be transferred elsewhere, it is of the utmost importance that the Planning of necessary facilities is done most carefully keeping in view the likely changes in the pattern of traffic in foreseeable future.</p>
70	6.41	<p>The Committee regret to observe that as much as about 30 per cent of the available wagon capacity goes waste due to empty haulage in the return direction. One of the factors which has aggravated the situation is coupler incompatibility between the conventional screw couplers and the new centre buffer couplers. The Committee note that the Ministry are considering a proposal to provide centre buffer couplers on all wagons on a time-bound programme. They would like the Railways to complete this programme by the end of the Fifth Plan.</p>
71	6.42	<p>The Committee feel that one of the reasons for empty haulage may well be the availability of special type of wagons in larger number. The Committee would like the Railways to examine the causes of empty haulage in detail and take concrete measures to reduce the incidence to the absolute minimum.</p>
72	6.43	<p>The Committee have in para 3.86 of their Third Report, referred to the experiments being made to design wagons with sliding roofs so that these could be utilised for carriage of coal as well as foodgrains. As such wagons would be of considerable help in reducing empty haulage and in augmenting Railway revenues, the Committee would like the matter to be given top priority.</p>
73	6.49	<p>From the data furnished by the Ministry, the Committee find that the average number of hours in a day when the wagons are on the run differs widely from Railway to Railway and</p>

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from year to year even on the same Railway. While the Committee realise that the pattern of traffic, the number of break-of-gauge points, the type of gauge predominant on a particular Railway, the general law and order situation etc. affect the running time of wagons, there are a number of other factors within the control of the Railways particularly the efficiency of working of the staff in marshalling yards, at transhipment points and in the sidings which also affect the mobility of wagons to a considerable extent. Viewed in this context, the position on the Northeast Frontier Railway where the average running time of wagons is only 2.21 hours on the B.G. and 3.50 hours on the M.G. as against the all India average of 4.07 hours and 3.93 hours respectively is poor and calls for close watch. The Committee consider that ways and means should be devised by the Railways to improve the working of this Railway so as to produce better results. They would also like the Efficiency Bureau of the Railways to study this problem on all Railways and suggest concrete measures to increase the average daily running hours of wagons so as to achieve the best results.

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The Committee find that the average speeds of goods trains (BG) hauled by diesel|electric engines have shown a deteriorating trend on the Eastern, Northern, Southern, South Eastern and Western Railways during the last 3 years. A similar trend is visible on the MG sections of the North-eastern, Northeast Frontier, Southern and South Central Railways. Consequently, the all India average of speeds of trains hauled by diesel and electric engines both on BG and MG has come down. The Committee are distressed to note that this should have occurred despite various measures stated to have been taken by the Ministry in pursuance of the recommendations of the Study Team of the Administrative

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Reforms Commission. The suggestion of the Study Team that the Railways should aim to achieve an average speed of 25 to 30 miles an hour for diesel and electric trains is therefore still a distant goal. The Committee would like the Ministry to examine in detail the reasons for the deterioration of the speeds of goods trains on the Zonal Railways mentioned above and take necessary steps for effecting improvement.

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6.63

The Committee are surprised to note that maximum permissible speed of wagons on the Indian Railways is the same irrespective of whether these are moved by steam, diesel or electric engines. The Committee see no reason why the maximum speed in respect of wagons hauled by diesel or electric engines cannot be increased so as to take maximum advantage of better and high-powered locomotives.

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6.64

The Committee regret to point out that Indian goods trains have not increased their speeds in recent years to commensurate with the increase in traction power, improvements in communications, line capacity etc. The improvements brought about by the Soviet railways demonstrate the technological potential of modern railway equipment when it is augmented by energetic operating procedures. The Committee feel that the Indian Railways can benefit from Soviet experience in regard to speeding up of trains, freight traffic densities and increasing the frequencies of goods trains.

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The Committee would like the Railways to study the methods employed in foreign countries to increase the speeds of trains on account of progressive change in traction so that full benefit is obtained of the heavy investment made in improving track, line capacity and traction power on the Indian Railways. The Committee are of

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the view that there is enough scope for increasing the speed of trains particularly the goods trains, on the Indian Railways. They hope that necessary measures would be taken by the Railways in this regard. The Committee trust that higher speed would result in better wagon utilisation and movement of additional traffic.

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6.66

The Committee note that the concept of long distance marshalling has yet to be fully developed to take advantage of longer hauls made possible by the introduction of diesel electric engines. They would like greater attention to be paid to this very important aspect of traffic operation. Revised all India Marshalling Orders should be prepared by a specified date and given effect to without any delay.

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

The Committee note that apart from labour troubles which have adversely affected the working of the marshalling yards in recent years, "there is a noticeable slackening in discipline on the Railways, particularly in the marshalling yards where various categories of staff... have to work in close co-ordination to produce best results."

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The Committee cannot stress too strongly the need for Railways which are the very lifeline of the country, to enforce high standards of service and discipline, particularly in marshalling yards and transshipment points, where any hold up of wagons has far reaching implications. The Committee, therefore, expect the supervisory staff not only to tighten up supervision but also to set high standards of service for the lower staff to emulate.

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6.107

The Committee would like the Ministry to evaluate the results of the working of mechanised yards in the country and their economic viability etc. They may also study the working of mechanised yards of the Railways in some of the advanced countries. On the basis of such a study, the Ministry may see whether it would be economical to mechanise other important yards in the country keeping in view the trends of traffic and other relevant factors. The Committee would like to point out that in our country where gainful employment for the people is a pressing necessity, mechanisation may be introduced only where it is absolutely essential in the interests of operations and its advantages are manifest.

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The Committee would like to point out that cepted policy of Government for a long time. encouragement of labour cooperatives is an ac- They are surprised that labour cooperatives to undertake loading and unloading work at transshipment points have not come up in increasing numbers as they should have.

The Committee note that the Railways are now taking steps to encourage labour cooperatives to work at transshipment points. They would like the Ministry to render all possible assistance and encouragement to such cooperatives and extend the arrangement to other

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		transhipment points. The Committee have no doubt that labour cooperatives would have a success in solving the labour problems at transhipment points.
82	6.123	The Committee note that despite the fact that free time on a scale more liberal than that given to other customers is allowed to the Steel Plants, the detentions of wagons is far in excess of the time allowed and that a sum of as much as Rs. 2 crores was paid as demurrage by the Steel Plants to the Railways in 1971-72 of which the Public Sector Steel Plants accounted for about Rs. 1.34 crores.
83	6.124	The Committee had called for a joint note on the subject from the two Ministries concerned outlining their difficulties and proposals to remedy the situation. The Committee regret to note that the same has not been furnished to them so far.
84	6.125	The Committee note that the whole question of free time allowed to the Steel Plants is under review by a work study team which would fix fresh norms, if necessary, in the light of present day conditions. The Committee would like the Ministry to report to the next Railway Convention Committee the action taken in pursuance of this study and the results achieved.
85	6.126	The Committee are surprised why the Study Team to go into the problems of detention of wagons by the Steel Plants was not constituted earlier when the problem is existing for a long time. The Committee would like that the results of the working of the suggestions made by the Study Team should be reviewed by a High-Powered Committee before the Mid-Term Appraisal of the Fifth Five Year Plan so that timely measures could be taken to remedy the situation.
86	6.127	The Committee were given to understand that one of the reasons for heavy detentions was the shortage of locomotive power available with the Steel Plants. The Committee see no reason

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why this shortcoming could not be rectified so far. With the expertise achieved by the Railways in manufacturing locos of all types, it should have been possible for Government to help the Steel Plants in meeting shortage of locomotive power. The Committee would like the Government to take necessary action in this direction without further delay.

87 6.128 The Committee would further suggest that for future steel plants and for expansion of the existing steel plants, the Railway Experts should be closely associated at the planning and ordering stage to obviate recurrence of such bottlenecks and difficulties.

88 6.129 The Committee consider that some of the
& difficulties faced by the Steel Plants in the mat-
6.130 ter of quick releases, are the creation of the Rail-
ways themselves. Bunching of trains at their
own convenience without regard to the handling
capacity of the Plants, undoubtedly causes con-
siderable difficulty and results in hold-up of
wagons. The Committee have referred to the
memorandum of the Hindustan Steel Ltd. on this
subject in an earlier chapter. The Committee
find some substance in the contention of the
Hindustan Steel that just as demurrage is payable
by the Steel Plants for detention of wagons be-
yond a specific time, the Railways should also
suffer penalties for their default in keeping to
their programme of supply of wagons. Although
it may not be practicable for operational reasons
and other factors beyond the control of the Rail-
ways to ensure supplies according to the schedule
programme at all times, the Committee would
like the Railways to ensure that bunching of
trains in quick succession does not occur save in
very exceptional circumstances.

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89	6.148	<p>While appreciating the reasons for detention of wagons in the Calcutta Port, the Committee would like to point out that with their long experience of working in close collaboration with each other, it should be possible for the Railway authorities and the Calcutta Port Commissioners' Railway to ensure that wagons are not unnecessarily held up and that their movement synchronises with the arrival departure of ships so that the detentions are kept to the minimum. The Committee would like the Minisries of Transport and Shipping and Railways to review the matter periodically at a high level so that difficulties, if any, arising at any of the Ports are resolved without delay.</p>
90	6.159 & 6.160	<p>The Committee observe that the percentage of average daily number of wagons under or awaiting repair to the total number of wagons on line has risen from 4.36 in 1968-69 to 5.20 in 1971-72 as against the normal average of 4 per cent during the earlier seven years.</p> <p>While recognising that the unsatisfactory law and order situation and large scale vandalism by unsocial elements in the Eastern region resulted in immobilisation of a large number of wagons during the last two years, the Committee would like to point out that the position on the NG system of the Eastern Railway and both the BG and NG systems of the South Eastern Railway is very unsatisfactory. So far as NG stock is concerned, it has been stated to be due to the fact that such stock has to transhipped on BG wagons for repairs. The Committee see no reason why inordinate delays should occur in this respect. Though the position has shown some improvement during 1971-72 as compared to the previous two years, the Committee would nevertheless like the Ministry to look into the matter and take necessary remedial measures.</p>

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91	6.161	The Committee consider that under the present conditions when there is a general shortage of wagons, it is necessary to ensure that damaged wagons are repaired expeditiously and properly. The Ministry should, therefore, make all out efforts to see that the previous position when not more than 4 per cent wagons on an average would be awaiting repairs at any point of time, is restored at the earliest and in fact improved upon. The position on S.E. Railway merits particular attention.
92	6.162	The Committee have elsewhere recommended rationalisation of workshop repair facilities. They hope that this will go a long way in improving the position in this regard.
93	7.5	The Committee note that the Railways are bringing out some priced publications, giving the procedure for booking of goods, allotment in supply of wagons, settlement of claims etc. and that these publications are printed in English. The Committee regret to note that complaints were made to them regarding the non-availability of these publications to trade and industry, particularly, the General Order for Preferential Movement of Traffic which is issued six-monthly. The Committee consider that the procedures, rules and regulations regarding booking of goods etc., should be widely published by the Railways and made available to trade and industry as well as casual railway users. For this purpose, the Railways could make use of the associations of trade and industry. The Railways should also ensure that these publications are readily available at major stations and important book shops.
94	7.6	The Committee would also like the Railways to consider the feasibility of publishing these publications in Hindi and other regional languages for the use of general public.

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The Committee note that container service has already been introduced by the Railways on 9 routes and that there are proposals to extend it on three more routes in the first phase. The feasibility of introducing this service on 14 other routes during the second phase is also under examination by the Railways. In this connection, the Committee would like to point out that container service has a great future for movement of commodities particularly high-rated commodities as it ensures not only door to door delivery but safe transit. Moreover, it largely obviates chances of thefts and pilferages and consequential claims. Now that sufficient experience has been gained by the Railways in the running of container service, they should review the operation of this service critically in consultation with the users with a view to bring about improvements as well as increase its economic viability. The Committee would also like the Marketing and Sales Organisation to act as the eyes and ears of the Railways so as to feed back ideas contemporaneously to improve the service of the Railways. The Committee would also like the Railways to evolve financial and other criteria to enable the Railways to extend the service on rational and economic considerations. The Committee further suggest that the Railways should indicate the results of the operation of the container service in special section of their Annual Report so that Parliament and public are fully informed about this.

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The Committee note that export of wagons is handled by the Projects and Equipment Corporation of India, a subsidiary of S.T.C. and that wagons for export are built in the private sector industrial units. The Committee gathered the impression that there is ample scope for the export of wagons from this country particularly

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to African and Middle Eastern countries. The Committee have already emphasised the need of continuity of orders for the wagon building units to ensure their economic viability and efficient working. They would, therefore, suggest that there should be utmost coordination and cooperation between the Railways, the Projects and Equipment Corporation of India and Steel Plants to increase the exportable surplus of wagons to foreign countries as well as to regulate export orders and Railways orders in such a way that wagon building units have continuity of orders.

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