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FREIGHT AND WAGON MANAGEMENT ON INDIAN RAILWAYS

[Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Nineteenth Report (15th Lok Sabha)]

MINISTRY OF RAILWAYS

PUBLIC ACCOUNTS COMMITTEE 2011-2012

FIFTY-FIRST REPORT

FIFTEENTH LOK SABHA

LOK SABHA SECRETARIAT
NEW DELHI

FIFTY-FIRST REPORT

PUBLIC ACCOUNTS COMMITTEE
(2011-12)

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MINISTRY OF RAILWAYS

Presented to Lok Sabha on 28 *December,* 2011
Laid in Rajya Sabha on 28 *December,* 2011

LOK SABHA SECRETARIAT
NEW DELHI

December, 2011/*Pausa* 1933 *(Saka)*

PAC No. 1960

Price: ₹ 90.00

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and Printed by the General Manager, Government of India Press, Minto Road, New Delhi 110 002.

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE
(2011-12)

Dr. Murli Manohar Joshi — *Chairman*

MEMBERS

Lok Sabha

2. Shri Anandrao Vithoba Adsul
3. Dr. Baliram
4. Shri Sandeep Dikshit
5. Shri Anant Kumar Hegde
6. Shri Bhartruhari Mahtab
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19. Shri Prakash Javadekar
20. Shri Satish Chandra Misra
*21. Shri J.D. Seelam
22. Prof. Saif-ud-Din Soz

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*Elected *w.e.f.* 29th August, 2011 *vide,* the vacancy occurred *vice* Smt. Jayanti Natarajan appointed Minister *w.e.f.* 12th July, 2011.

SECRETARIAT

1. Shri Devender Singh	—	*Joint Secretary*
2. Shri Abhijit Kumar	—	*Director*
3. Shri H.R. Kamboj	—	*Additional Director*
4. Shri S.L. Singh	—	*Committee Officer*

INTRODUCTION

I, the Chairman, Public Accounts Committee (2011-12), having been authorised by the Committee, do present this Fifty-first Report (Fifteenth Lok Sabha) on Action Taken by the Government on the Observations/Recommendations of the Committee contained in their Nineteenth Report (Fifteenth Lok Sabha) on'Freight and Wagon Management on Indian Railways'.

2. The Nineteenth Report was presented to Lok Sabha/laid in Rajya Sabha on 29th April, 2010. Replies of the Government to the Observations/Recommendations contained in the Report were received on 7th July, 2011. The Public Accounts Committee considered and adopted this Report at their sitting held on 21st December, 2011. Minutes of the sitting are given at *Appendix-I.*

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in thick type in the body of the Report.

4. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the Comptroller and Auditor General of India.

5. An analysis of the action taken by the Government on the Observations/ Recommendations contained in the Nineteenth Report (Fifteenth Lok Sabha) is given at *Appendix-II.*

NEW DELHI;
23 *December*, 2011
2 *Pausa,* 1933 *(Saka)*

DR. MURLI MANOHAR JOSHI
Chairman,
Public Accounts Committee.

CHAPTER I

REPORT

This Report of the Committee deals with the Action Taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in their Nineteenth Report (15th Lok Sabha) on "Freight and Wagon Management on Indian Railways".

2. The Nineteenth Report (15th Lok Sabha), which was presented to Lok Sabha and laid in Rajya Sabha on 29th April 2010, contained 21 Observations/ Recommendations. Action Taken Notes on all the Observations/Recommendations have been received from the Ministry of Railways and are categorized as under:

(i) Observations/Recommendations which have been accepted by the Government:

Paragraph Nos. 1-3, 8-15 and 17-20

Total: 15
Chapter II

(ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from the Government:

Paragraph No. -Nil-

Total: Nil
Chapter III

(iii) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration:

Paragraph Nos. 4-7, 16 and 21

Total: 6
Chapter IV

(iv) Observations/Recommendations in respect of which the Government have furnished interim replies:

Paragraph No. -Nil-

Total: Nil
Chapter V

3. The Action Taken Notes furnished by the Ministry of Railways on the Observations/Recommendations of the Committee contained in the Nineteenth Report (15th Lok Sabha) have been reproduced in the relevant Chapters of this Report. In the succeeding paragraphs, the Committee have dealt with the action taken by the

Government on their Observations/Recommendations made in the Original Report which merit reiteration.

I. Enhancement of Carrying Capacity of Wagons

[Observation/Recommendation Paragraph No. 4 of the Nineteenth Report (15th Lok Sabha)]

4. In their Nineteenth Report, the Committee had noted that the carrying capacity (CC) of a wagon is based upon the load that the axles of the wagon can carry. Prior to November 2004, the wagons were allowed to be loaded up to CC+2 tonne where the permissible axle load was taken as 20.32 tonne. From November 2004 onwards, the loading was permitted up to CC+4+2 tonne. In May 2005, as a pilot project, the Railway Board permitted running of these wagons loaded up to CC+8+2 tonne on sixteen identified iron ore router in order to increase throughput. Subsequently, wagons loaded with coal up to CC+6+2 tonne were also allowed to run on nominated coal routes. However, no detailed scientific and engineering study on the technical feasibility of the enhanced wagon loading was carried out through any independent accredited agency and this important decision of increasing wagon carrying capacity beyond the prescribed limits *i.e.* upto CC+8+2T was taken solely based on the field experience gained after running freight wagons for years and in-house research and development work done by the Research Design and Standards Organization (RDSO). This questionable decision of the Ministry of Railways challenged the conventional/ prevailing system of assessing weight bearing limit of tracks and had led to large scale premature damages to tracks, bridges and rolling stock belying the Railway Board's contention that no appreciable adverse effect has been noticed. The Railway Board themselves admitted that actual consequences of the enhanced loading on tracks and wagons would be clearer when more results become available in due course which may span over 30 years. The Committee had observed that until the Railway Board complete their ongoing impact analysis of enhanced loading on rail infrastructure and the results prove beyond doubt that their venture is risk free, the decision of enhanced loading remains a risky venture fraught with latent physical damage to rail infrastructure which even poses rail safety concerns. Pointing out that this decision of the Ministry of Railways to enhance the carrying capacity of wagons was aimed at short-term revenue gains at the post of long-term damages to the railway infrastructure, the Committee had expressed the view that CC of wagons should have ideally been enhanced only after undertaking a proper scientific evaluation and detailed feasibility study. They had also cautioned the Railway Board to desist from taking indiscreet action which may cause harm to rail infrastructure in future.

5. In their Action Taken Note, the Ministry of Railways have stated as under:—

"The main issues pointed out in the above paragraph are:

(a) No detailed scientific and engineering study on the technical feasibility of the enhanced wagon loading was carried out through any independent accredited agency and this important decision of increasing wagon carrying capacity beyond the prescribed limits *i.e.* up to CC+8+2T was taken solely based on the field experience gained after running freight wagons for years

and in-house research and development work done by the Research Design and Standards Organization (RDSO).

(b) The Committee are, therefore, constrained to observe that until the Railway Board complete their ongoing impact analysis of enhanced loading on rail infrastructure and the results prove beyond doubt that their venture is risk free, the decision of enhanced loading remains a risky venture fraught with latent physical damage to rail infrastructure which even poses rail safety concerns.

(c) The Committee feel that CC of wagons should have ideally been enhanced only after undertaking a proper scientific evaluation and detailed feasibility study. They would also like to caution the Railway Board to desist from taking indiscreet actions which may cause injudicious harm to rail infrastructure in future.

With regard to (a) above, it is to be pointed out that RDSO has been involved in the design and development of rolling stock since its establishment way back in the fifties. All the wagons plying on the Indian Railway system have been designed/approved by RDSO. To enhance the carrying capacity of these wagons, RDSO did not need to consult any independent accredited agency as the technical know-how of these wagons was already available with RDSO.

With regard to (b) and (c), it is to be pointed out that running of trains loaded with enhanced quantity was done based on field experience after running freight trains for years and in-house research by RDSO. Additional springs are being provided in suspension to contain the effect of enhanced loading. The provision of additional springs is almost completed.

Earlier BOY and BOBS wagons with an axle load of 22.9 metric tonne have been introduced on Indian Railways. These wagons are running for a considerable time and no adverse effect has been noticed on the track.

Over the years, not only the track structure has improved but maintenance standard has also improved considerably, 90R rails have been replaced with 52 kg. and 60 kg. rails. In addition to improvement in rail section, rail metallurgy has also improved considerably. Ultimate Tensile Strength (UTS) of rail has been improved from 72 UTS to 90 UTS. Bhilai Steel Plant is now using RH degasser for restricting the hydrogen content to avoid rail fractures on this account. Rails are being tested on-line with Ultra Sonic Flaw Detection (USFD) System and Eddy Current testing machines for detecting any internal flaw and surface defects.

Use of longer rail panels has resulted in reduction of nos. of in-plant and in-situ welded joints which are normally considered relatively weaker zones in track. This has resulted in reduced maintenance cost and longer life of track components.

Similarly, sleeper technology has also changed completely. Metal sleepers have been replaced with PSC (Pre Stressed Concrete) sleepers. These sleepers are provided with the state-of-the-art track machines. With the introduction

of 52 kg.60 kg. rails on PSC sleepers, track modulus, has improved considerably and axle load capacity of the track has improved.

Keeping in view the above developments, a corporate decision was taken by Railway Board to permit CC+8+2T on iron ore routes in May, 2005 as a Pilot project. The issue has been examined in-house by the experts in the field and in RDSO. RDSO has also conducted a number of studies on the effect of enhanced loading on track and bridges and working with Wheel Impact Load Detectors (WILD) instruments. With enhancement of Carrying Capacity (CC) of railway wagons, the assets are subjected to more intensive use and their earlier renewal is on accepted lines.

While permitting higher axle load, greater emphasis on monitoring of in service behaviour of infrastructure, both fixed and rolling stock is being kept in mind. Higher axle load may decrease life of rail but with greater emphasis on having zero tolerance for overloading, USFD examination of rails, monitoring of in service defects of wagons with help of WILD, instrumentation of bridges etc., effects of higher axle loads on track will get reduced. Rail grinding have been envisaged to long life of rails.

The project is being monitored by Multi-disciplinary Core Group comprising of Heads of Departments from Civil, Mechanical, Electrical and Operating departments and the same is being reviewed by General Managers of Zonal Railways. Quarterly review reports are also being submitted to Railway Board. A number of instructions have been issued by Railway Board to control overloading. To effectively monitor and control overloading, Zonal Railways were advised to implement unified Joint Procedure Orders (JPO) issued from Board. Speed restrictions are being imposed on overloaded wagons. Evidently, Railways are taking sufficient measures to nullify/minimize adverse impact of Higher Axle Load running over fixed infrastructure."

6. Having observed that the enhanced loading of railway wagons causes large scale premature damages to tracks, bridges and rolling stock, the Committee in their original report had recommended that carrying capacity of wagons should have ideally been enhanced only after undertaking a proper scientific evaluation and detailed feasibility study. The Ministry, in their action taken reply has stated that to enhance the carrying capacity of wagons, RDSO did not need to consult any independent accredited agency as the technical know-how of these wagons was already available with RDSO. The Ministry has also stated that in addition to various safety measures, a number of instructions have been issued by the Railway Board to control overloading and to nullify/minimize adverse impact of Higher Axle Load running over fixed infrastructure. Surprisingly, most of the safety measures are, admittedly, in the nature of advisories and have not been implemented throughout the length and breadth of the Indian Railways. Taking note of the frequency of accidents, the Committee note that weak spots are widespread in the railway network marked by aged/distressed bridges and worn-out/debilitated tracks. The Committee are apprehensive that until the Railways complete their on-going impact analysis of enhanced loading on rail infrastructure and the results prove beyond doubt that their venture is risk free, the decision to enhance carrying capacity of wagons remains a

dangerously risky venture fraught with latent physical damage to rail infrastructure. The Committee, therefore, reiterate their earlier recommendations that the Railway Board desist from taking indiscreet action which may cause avoidable harm to rail infrastructure in future. Further, the Committee would like to be apprised about the outcome of the safety measures taken to nullify the adverse impact of overloading of wagons.

II. Expansion of Enhanced CC Routes

[Observation/Recommendation Paragraph No. 5 of the Nineteenth Report (15th Lok Sabha)]

7. In their Nineteenth Report, the Committee had found that initially, the Railway Board permitted running of freight trains loaded up to CC+8 tonne with an additional loading tolerance of 3 tonne on certain specified routes mostly dedicated freight routes as a pilot project for one year effective from 15.05.2005. The commodities permitted to be loaded under this arrangement were ores, gypsum, limestone, dolomite, etc. Later, some CC+6 routes were also notified for loading of E&F grade coal, inferior grade coal, washed coal, and washery middling in addition to ores, gypsum, limestone and dolomite up to CC+6 tonne. The Pilot Project was gradually enhanced and more routes have been included in the project and in addition to BOXN wagons, other wagons were also included in the project. Cement, grain, sugar etc. were also included in permitted commodities list in addition to iron ore, coal and other heavy minerals. Subsequently, CC+6 routes have been universalized and all BG routes of Indian Railways except a few have been notified as CC+6 routes. In defence of such questionable and risky decisions, the Railway Board pleaded that as capacity additions in the Indian Railways have long gestation periods, the quantum increase in the freight loading could be made possible only through a major strategy of increasing the axle load. The Committee had expressed that they were not convinced by this approach of the Ministry of Railways particularly when the enhanced loading was effected without the matter being subjected to a thorough scientific and engineering study and more routes were arbitrarily brought under the pilot project without any assessment of their impacts. Against this backdrop, the Committee did not consider the decision to enhance carrying capacity of wagons much above the originally permissible carrying capacity as a prudent, safe and technically sound way of augmenting earning capacity of the Railways. While expressing serious concern over this uncertain step, the Committee had desired that the Railway Board should avoid pursuing a reckless policy of expanding enhanced CC routes until favourable impacts of the existing pilot project are established.

8. In their Action Taken Note, the Ministry of Railways have stated as under:—

> "The Committee has basically pointed out that the decision of enhanced loading was effected without the matter being subjected to a thorough scientific and engineering study and more routes were brought in the ambit of enhanced loading without any assessment of their impact. Thus, the Committee does not find this decision to be prudent, safe and technically sound.
>
> .....The Ministry of Railways is of the opinion that adequate experience has been gained for enhanced axle load and adequate measures to ensure safety

have also been taken. Thus the Committee's observation above is not right keeping in view the better technological inputs being provided on a continuous basis."

9. The reply of the Ministry that adequate experience has been gained for enhanced axle load and that adequate measures to ensure safety have also been taken, is not acceptable as the concern raised by the Committee about 'safety' has not been addressed. The enhanced loading of railway wagons has led to large scale premature damages to tracks, bridges and rolling stock and by their own admission the actual consequences of enhanced loading on tracks and wagons would be clearer when more results become available in due course which may span over an abnormal long period of 30 years. The Committee, therefore, do not consider bringing more routes arbitrarily under pilot project of enhanced loading as a prudent, safe and technically sound way of augmenting the earnings of the Railways. Apprehensive of the serious consequences, the Committee reiterate that the Railway Board should avoid reckless expansion of enhanced CC routes until favourable impacts of the existing pilot project are empirically established.

III. Non-fulfilment of Pre-requisite Conditions of the Enhanced Loading

[Observation/Recommendation Paragraph Nos. 6 and 7 of the Nineteenth Report (15th Lok Sabha)]

10. In their Nineteenth Report, the Committee had noted that in terms of Research Design and Standards Organisation's (RDSO's) conditions and the clarifications issued by the Railway Board in March and May 2005 in the matter of permitting enhanced loading, installation of Wheel Impact Load Detectors (WILDs) and in-motion weigh-bridges are considered essential for monitoring the impact of enhanced loading. However, in almost all the Railway Zones, the pilot projects of permitting the wagons loaded up to CC+8+2 tonne and CC+6+2 tonne were commenced even without fulfilling the prescribed conditions of installation of in-motion weigh-bridges and provision of Wheel Impact Load Detectors. Even though eleven in-motion weigh-bridges were slated to be installed on East Coast Railway, only one was installed as of September 2006. Similarly, on South Central Railway only five out of the stipulated nine weigh-bridges could be installed. Worse still, not a single Wheel Impact Load Detector was provided on any of the Railway during the same period. Considering the failure of the Railway Board in fulfilling the pre-requisite conditions before permitting enhanced loading as a major systemic failure/lapse, the Committee had asked the Railway Board to look into the entire issue afresh and take immediate corrective measures. The Committee had also urged upon the Railway Board to accord the highest priority of fulfilling the pre-requisite conditions of wagon CC enhancement *i.e.* installation of all the requisite devices/instruments like WILDs, weigh-bridges, other essential mechanical devices/instruments etc.

11. Further, the Committee had noticed that by December 2008, a total of 9 WILDs had been installed and tender for procurement of further seven systems was under finalization by Central Organisation for Modernisation of Workshops (COFMOW). Besides, the Railway Board also planned to incorporate WILD in Online Monitoring of Rolling Stock (OMRS) system and another indent for procurement of 25 Nos. Of Acoustic Bearing Detector and WILDs for Online Monitoring of Rolling Stock was

under finalization. However, this position remained unchanged till December 2009, obviously indicating that no specific action plan had been implemented for expeditious installation of WILD on all identified vulnerable routes. Subsequently, the Railway Board constituted a Committee during 2008-09 to draw up a blue print indicating all the locations on Indian Railways where electronic in-motion weigh-bridges were needed. Inspite of this, the position of installation of weigh-bridges remained dismal as against 84 and 68 weigh-bridges planned for installation during 2008 and 2009 respectively, only 11 and 8 weigh-bridges could be commissioned. Surprisingly, as a remedial measure, the Railway Board had merely reissued a set of old instructions asking all Zonal Railways to commission entire planned/proposed weigh-bridges within the next six months besides mandating provision of in-motion weigh-bridges in all new private sidings having outward traffic. The same instructions were issued in 2008 by the Railway Board without yielding any tangible results. The Committee had regretted that even after 5 years of enhanced loading, the Railways miserably failed to commission the requisite numbers of WILDs and in-motion weigh-bridges despite their importance in monitoring the impact of enhanced loading to the rail infrastructure. In order to protect costly and vulnerable rail infrastructure from damages, the Committee had recommended that it should be made obligatory for all the Zonal Railways to install and commission all the pending WILDs and weigh-bridges on priority basis and any laxity in the matters should be dealt with sternly.

12. In their Action Taken Note, the Ministry of Railways (Railway Board) have stated as under:—

> "Almost all the wagons have been strengthened by the provision of additional springs as per the recommendations of Research Design and Standards Organisation. Close monitoring of CC+8+2 operation is being done so that the date so obtained can be an instrument of decision-making regarding inputs in key areas, like upgradation of technology, maintenance etc. so that the investments can be prioritized accordingly.

Wheel Impact Load Detectors (WILDs) have been installed at the following locations:

Sl. No.	Location	Division	Railway	Date of Installation
1.	Mahalimarup	Chakradharpur	SER	18.07.2007
2.	Hospet	Hubli	SWR	22.07.2007
3.	Bhilai	Raipur	SECR	28.11.2007
4.	Arakkonam	Chennai	SR	31.01.2008
5.	Mughalsarai	Mughalsarai	ECR	10.04.2008
6.	Mughalsarai	Mughalsarai	ECR	10.04.2008
7.	Guntakal	Guntakal	SCR	25.02.2008
8.	Asansol	Asansol	ER	24.04.2008
9.	Vishakhapatnam	Waltair	ECoR	30.05.2008

WILD is a new technology on the Indian Railways. We are still on the initial part of the learning curve. Some time is required for the technology to be absorbed completely. The focus through WILD is on isolation of defective wagons in order to minimize harm to both the wagon and the track. However, the primary objective is still the prevention of defects through inputs in technology, quality control in manufacture and improved maintenance.

Significant progress has been made in terms of understanding the use of this new technology and using it for benefit of IR. Based on the experience of first lot of 09 WILDs installed, certain improvements have been made in the second lot of six orders for which have been placed for:

Sl.No.	Location	Division	Railway
1.	Nagpur	Nagpur	SECR
2.	Ajni	Nagpur	CR
3.	Bina	Bhopal	WCR
4.	Itarsi	Bhopal	WCR
5.	New Katni	Jabalpur	WCR
6.	Barwadih	Dhanbad	ECR

The above 6 WILD equipments are planned to be installed in 2010.

The pilot implementation of the Acoustic Bearing Monitor has been done at Bakkas (Northern Railway). The system has been commissioned in January 2010. The system validation process is in hand as this system requires correlation of field data with the associated examination results. This is a complex imported technology requiring critical initial process as the standards pertaining to IR systems need to be developed."

13. The Ministry of Railways further submitted statements detailing year-wise and Railway-wise status of installation of in-motion weigh-bridges. As shown in these statements as of 20 February, 2010, 147 electronic in-motion weigh-bridges have been commissioned, 25 were under commissioning and 46 were planned for commissioning.

14. The Committee regret to note that while the action taken replies were furnished by the Ministry of Railways in July, 2011, the figures regarding installation of Wheel Impact Load Detectors (WILDs) pertain to the years 2007 and 2008. Apparently, after 2008, no WILD was installed in any Railway Zones and no concrete action was taken by the Ministry to fulfil the pre-requisite conditions before permitting enhanced loading of wagons *i.e.* installation of Wheel Impact Load Detectors and electronic in motion weigh-bridges. As per the information furnished to the Committee, the position of the installed Wheel Impact Load Detectors as well as of electronic in-motion weigh bridges, remains more or less, the same. Worse, the reply of the Ministry does not indicate any follow-up action taken by them to speed up installation of Wheel Impact Load Detectors and electronic in-motion weigh bridges pursuant to the Committee's recommendation. The Committee are unhappy to note that the Railways have failed to commission requisite number of WILDs and in-motion weigh-

bridges despite the dire need of these equipments/installations in monitoring the impact of enhanced loading to the rail infrastructure. The Committee would like to be apprised of the status of the six WILD equipments which were scheduled to be installed in 2010 and the target for such installations in the succeeding 5 years. The Committee further recommend that the Railway Board make it obligatory for all the Zonal Railways to install and commission all the pending WILDs and weigh-bridges without further delay. The specific steps taken in the regard may be informed to the Committee within 3 months of the presentation of the Report.

IV. Inadequate Investment on Infrastructure for Regaining the Lost Rail Traffic Share

[Observation/Recommendation Paragraph No. 16 of the Nineteenth Report (15th Lok Sabha)]

15. In their Nineteenth Report, the Committee had noted that the investment under major plan heads aimed at creating infrastructure for improving freight and passenger services over the years was not commensurate with the buoyancy level of the Railways' earnings. As a result, capacity augmentation over the existing facilities was very poor and was marked by fluctuations of marginal declines and increases continually from the years 2002-03 to 2006-07. The Committee had observed that this lack of growth in the Railways infrastructure had perhaps a causative role in the reduction of the Railways share of the total transport share from 53 per cent in the IV Five Year Plan to 37 per cent in the IX Five Year Plan. Considering that such an inadequate investment on Rail infrastructure was a serious handicap on the part of the Railway Board, which may deprive them of achieving the required pace of acceleration both in passenger and freight operations and earnings thereof, the Committee had expressed the view that the Railways need to invest heavily on their infrastructure development for furthering their performance and achievement and more especially in the post freight rationalization and carrying capacity enhancement phase marked by deterioration in railway infrastructure. The Committee had, therefore, urged the Railways to pool their resources and infuse adequate funds for infrastructural renewal/up gradation to enable the Railways in creating the required rail infrastructure for scalling further heights in their performance. The Committee had also recommended that the upgradation of physical infrastructure should be complemented by a series of innovative and competitive marketing strategies to further consolidate the Railways' performance and achievement in freight operations.

16. In their Action Taken Note, the Ministry of Railways have stated as follows:—

"Noted.

A number of marketing strategies have been adopted to consolidate Railway's performance and achievements in freight operations from time to time.

In order to encourage public-private partnership in procurement of wagons to meet the anticipated incremental freight traffic, Wagon Investment Scheme (WIS) was launched on 28.11.2005. Approvals of 140 rakes were accorded by IR during the period from 2005-08, out of which 103 rakes have been inducted on IR system.

Similarly, Liberalized Wagon Investment Scheme (LWIS) was launched in 2008 to encourage private investment in special purpose and high capacity wagons for transportation of bulk commodities where Railway's share is low. Approval for procurement of 12 rakes has been given till June, 2010.

To further facilitate private investment in wagons, new schemes namely Special Freight Train Operator (SFTO) Scheme and Automobile Freight Train Operator (AFTO) Scheme have been launched recently to facilitate increase in IR's market share in non-traditional low, medium and high density traffic like automobile, vegetable oil, molasses, chemicals and petrochemicals and bulk traffic like fly ash/bulk cement etc.

Private investment has also been encouraged in the area of terminal development on private land through Terminal Development Scheme (TDS) launched in 2008 and Private Freight Terminal Scheme launched on 31.05.2010 for handling rail borne traffic. To compliment AFTO scheme, a policy on development of automobile and ancillary hub on railway land through public private partnership mode has been issued to facilitate bulk transportation of automobile traffic from production centers to consumption centers."

17. The Committee in their original report had recommended for heavy investment of Railway's funds for infrastructural renewal/upgradation to meet the emerging challenges in the post freight rationalization and wagon carrying capacity enhancement phase. In their action taken reply, the Ministry, while noting the recommendation of the Committee, have stated that they have initiated a large number of marketing strategies for private participation and investment in wagons and terminal development on private land. The reply of the Ministry is, however, silent on action taken/proposed to be taken on infrastructural renewal/upgradation such as Gauge conversion, Doubling, Traffic Facilities, Track renewals, Bridge Works, Signalling and Telecommunications, electrification projects etc. The Committee, therefore, reiterate that the Railways pool their resources and infuse adequate funds for infrastructural renewal/upgradation to enable the Railways to create the required rail infrastructure for scaling new heights in their performance. The Committee desire a detailed and specific action taken statement from the Ministry.

V. Wagon Management

[Observation/Recommendation Paragraph No. 21 of Nineteenth Report (15th Lok Sabha)]

18. The Committee had noted that there were arrears in the periodical overhauling of BG Wagons and MG Wagons. During six months period from October, 2005 to March, 2006 alone, 30,344 wagons which were due for periodical overhauling were stabled in the years and sent to workshops after a total delay of 1,34,591 days resulting in loss of possible earning capacity of Rs. 27.39 crore. Even after receipt of Wagons in the workshops, they could not be taken up for periodical overhauling due to capacity constraints and bunched supply. It was also found that most of the wagons undertaken for periodical overhauling were not turned out within the prescribed period due to shortage of material and staff, prevalence of serious damages requiring major repairing/

modifications, denting and painting etc. Further, the repaired wagons were also not sent for use immediately after overhauling resulting in a loss of a total of 81,434 days with possible earning capacity of Rs. 16.57 crore. The Committee had also found that as many as 9,748 wagons were lying sick as on 09.11.2008. Observing that the existing arrangement was not conducive for preserving operational readiness of the Indian Railways' Wagon fleet, the Committee had recommended that the Railway Board should take effective steps for ensuring periodic inspection of their wagons with a purpose of identifying/categorizing them into different types of repairing/periodical overhauling job. further, there were instances of movement of trains on invalid brake Power Certificate in violation of Boards instruction and in August, 2008, 795 trains were reported to be running with invalid Brake Power Certificate. Observing that scarcity of wagon spare parts had gravely affected wagon overhauling job, the Committee had asked the Railways to enter into an effective arrangement with their spare parts suppliers/ maintenance providers for ensuring availability of necessry spare parts so that timely, smooth and speedy overhauling of damaged wagons was achieved and delays obviated.

19. In their Action Taken Note, the Ministry of Railways have stated as follows:—

> "Noted. The instructions for dealing with invalid BPCs are very clearly laid down. Cases of invalid BPCs arise primarily due to unforeseen delays in transit. In such case, the driver and the guard are supposed to check the train for adequate safety and move to the nearest train examining point wherein the train will be examined. The Railways also have a system of inspections wherein such deviations are found out and remedial action is also taken."

20. The Committee are dissatisfied that the various measures recommended by them for wagon management have been merely 'noted' by the Ministry without spelling the action initiated by them for implementing the recommendations. The Committee would like to be informed of the action taken on each of their recommendations for better wagon management. The Committee would like to make it clear to the Ministry of Railways that while recommending the measures for wagon management in their original report, the Committee were aware about the instructions for dealing with invalid Brake Power Certificates. Therefore, the reply of the Ministry which is restricted to merely 'noted' and informing about the system of inspection, is unfortunate, to say the least. The Committee expected a detailed reply indicating the effective remedial measures taken to ensure periodic inspection of wagons, categorizing them into different types for repair/overhauling and the arrangements made for ensuring availability of necessary spare parts for timely and speedy overhauling of damaged wagons. The Committee, therefore, reiterate their recommendations and desire the Ministry of Railways to inform about the precise action taken in this regard.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Observation/Recommendation No. 1

Indian Railways with a vast network of 63,465 route kilometres, are the principal mode of transportation for long haul freight movement in bulk and they play a crucial role in the socio-economic development of the nation. During the year 2004-05, the Railways carried around 600 million tonne of freight comprising 64 per cent of the total revenues earned by them. Being a derived demand, Railway transportation is directly dependent on the growth of six major infrastructure industries in the country *viz.* electricity, coal, steel, crude petroleum, petroleum refinery products and cement to which the majority of railway customers belong. However, the Railways' share of the total transport share had come down from 53 per cent in the Fourth Five-Year Plan to 37 per cent in the Ninth Five-Year Plan. The Report of the Working Group on Railway Programmes for the Tenth Five-Year Plan lays down detailed freight operational and marketing strategies for achievement of projected freight targets. The achievement of these targets largely depend on the manner in which the Railways reshape their policies and strategies not only to regain the lost share in freight traffic but also to provide value for money to customers in terms of better facilities and improved services.

[Sl. No. 1 Part II, Para No. 1 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The target of freight loading as per the X Five Year Plan and the achievement therein are tabulated below:

	X Five Year Plan target	Actual	%age over target
Freight loading	624 Million Tonnes	727.75 Million Tonnes	16.63%
NTKM	396 Billion	480.993 Billion	21.46%

It can be seen that the Indian Railways exceeded the projected freight targets of loading and NTKMs substantially.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP, dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP, dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciated that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weight bridges,

strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the X as well XI Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e.* Net Tonne Kilometres. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8-0.9. The table below depicts this:

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
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2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort, the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last

9 years. Thus, keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-

(Rashmi Kapoor)
Adviser (Finance)

[Ministry of Railways' case No.2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 2

Since certain anomalies had crept into the freight structure over the years, due to *ad-hoc* changes in the freight rates, the Ministry of Railways felt the need for rationalization of the freight structure. In order to bring transparency in tariffs and rules by removing these anomalies/ambiguities and to simplify and make rail traffic more competitive with other modes of transport, the Railways have initiated the process of rationalization of the freight structure in 2002-03. According to the Ministry of Railways, the rationalization of freight structure is an ongoing process and is being carried out as and when the need is felt. The Railway Board have claimed that the replacement of the erstwhile voluminous Goods Tariff with a simple Goods Tariff has been appreciated by customers as well as field staff and the Indian Railways have registered unprecedented growth in freight loadings and earning as against total freight loading of 3,81,241 million tones and earning of Rs. 27,617.96 crore in 2003-04, the Railways loaded 538226 million tones and earned Rs. 53433.40 crore during 2008-09.

[Sl. No. 2, Part II, Para No. 2 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Ministry of Railways are of the view that above observations are factual in nature explaining the Ministry of Railways' position. No follow-up action is necessary so far as these observations are concerned.

Audit *vide* their U.O.I. No. 170-RA-II/8-I/2006/Freight (MIP) dated 06.6.2011 have vetted the ATN.

Sd/-

(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 7.7.2011]

Observation/Recommendation No. 3

The Committee's examination of the Freight and Wagon Management policy effected by the Railway Board since 2002-03 and other relevant issues has revealed several deficiencies/shortcomings. These *inter-alia* include permitting running of trains loaded with enhanced quantity without complying with the conditions laid down for protecting track and rolling stock; continued trend of illegal overloading even after permitting enhanced loading of wagons, as a result of which, there have been

increased incidences of rail fractures, weld fractures and defects in wagons and locomotives; while rationalizing the freight structure, the transportation charges for eleven commodities were reduced by 3 to 54 per cent and in respect of three such commodities—Edible Oils, Motorcars and Tea—even the haulage cost could not be recovered due to reduction in the rates. The Committee's examination has also revealed that non-provision of wagonload class for commodities placed in the highest class has abolished the provision of charging higher freight in case of non-compliance with conditions laid down for availing the benefit of concessional trainload rates. As a result, while the parties get the benefit of concessional rates even without compliance of all conditions, the Railways have lost the operational benefits gained through bulk movement. Further, lowering of class of Petroleum products has not resulted in achieving the intended benefit of increasing the Railways' share of petroleum traffic and instead, such earnings had decreased by 15 per cent in the year 2003-04 and 2.62 per cent in year 2004-05. It was also noticed that though wagon supply by the Public Sector Undertakings was not as per target and schedule, further orders for sizeable quantities were placed on them resulting in huge backlog of supplies and in the process, hampering Railways; freight operations. In addition to this, many fit wagons were detained at stations/sidings/exchange points/yards for want of adequate handling capacity thus denying the Railways from their optimal utilization. Consequently, the Railways suffered, as per Audit estimates, a total loss of earning of Rs. 168.48 crore during the six month period from October 2005 to March 2006. Further, Broad Gauge wagons were underutilized during transshipment resulting in loss of Rs. 5.63 crore. It was also found that wagons due for periodical overhauling underwent prolong detention at various stages resulting in loss of earning capacity to the tune of Rs. 65.26 crore. These shortcomings/deficiencies are dealt with at length in the succeeding paragraphs.

[Sl. No. 3, Part II, Para No. 3 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Detailed comments are provided for each topic in subsequent points.

Audit's comments have been brought out in replies to Recommendation Nos. 4 and 5.

Sd/-

(Rashmi Kapoor)
Adviser (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24.2.2011]

Observation/Recommendation No. 8

The Committee are constrained to observe that illegal and clandestine overloading beyond the permitted enhanced limits is rampant on Indian Railways and in fact such illegal overloading was found to the extent of 1 tonne to 5.70 tonne on an average. This means that the wagons are loaded to the extent of 24.49 tonne per axle as against the permitted axle load of 22.82. The Committee's examination has revealed that the

widespread illegal overloading has not only led to increased axle damages but also had serious implications on the maintenance of track and rolling stock thereby threatening safe running of trains specially in the cases of wagons carrying loose and moisture sensitive commodities whose weight tend to get increased due to rain, moisture, etc. In facing this grave challenge, the Committee to their utter surprise found that the Railway Board have been relying upon visual examinations of wagons as a means of checking overloading. This is an over simplistic and unreliable method of preventing illegal overloading. The Committee are afraid that the Railways have failed to pursue installation of weighbridges on the designated routes on urgent basis thereby making detection of clandestine overloading even harder. The Committee feel that a much improved performance in the prevention of wagon overloading can be achieved if the Railway Board emphasize on taking a more focussed action for augmenting their technical surveillance through weighing instruments. They desire that the Railway Board should take urgent measures in this direction to prevent all forms of illegal and clandestine overloading at least now. In this context, the Committee urge the Railway Board to ensure complete computerization and networking of their weighing and freight collection operations to help prevent overloading and leakage of freight charges. Since moisture sensitive goods carried in open wagons tend to gain undesirable weight due to natural precipitation or otherwise, the Committee desire that the Railways may explore taking steps like putting moisture proof covers on these railway wagons to minimize such risk during transit.

[Sl. No. 8, Part II, Para No. 8 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Due to levy of punitive charges for overloading of wagons at a maximum of five times the highest class rate, incidences of overloading has been coming down. As per the existing system, Railway Receipts are being issued and the freight charges are collected at the originating stations only after the rake has been weighed at in-motion weighbridges and punitive charges are collected for overloading, at the stage of issue of RR itself. This has discouraged customers from resorting to clandestine overloading.

Details of overloading and punitive charges levied/recovered for the period 01.10.2008 to 31.7.2009 received from Zonal Railways are as follows:

Railway	No. of wagons weighed	No. of wagons found overloaded	Overloaded quantity (in tonnes)	Average overloaded quantity per overloaded wagon (in tonnes)	Punitive charges levied (Rs. in thousands)
1	2	3	4	5	6
CR	360122	17797	51228	2.87	46833
ER	413688	78172	52120	0.66	55081

1	2	3	4	5	6
ECR	919906	44019	132956	3.02	309281
E. Coast	908996	50174	290085	5.78	457643
NR	6818	1660	7290	4.39	45070
NCR	8505	1588	2826	1.78	1861
NER	2242	299	571	1.90	376
NFR	59626	12864	19563	1.52	8284
NWR	34227	6061	4906	0.80	55
SR	134922	13488	33776	2.50	6428
SCR	510116	11811	21575	1.82	9541
SER	792577	149283	457571	3.06	232078
SECR	1507726	46396	119749	2.58	156773
SWR	404065	26080	60805	2.33	252000
WR	204940	11807	18839	1.59	33905
WCR	49816	14612	29871	2.04	31353
Total	6318292	486111	1303731	2.68	1646562

Though overloading can not be eliminated, the instances of overloading have, however, come down. For the period April 2008 to September 2008, the percentage of overloaded wagons to total weighed wagons was 9.88. For the period October, 2008 to July 2009, this percentage has come down to 6.79.

Transportation charges of eleven commodities were reduced because in the earlier system of rating, these commodities had a minimum weight for charge which was much less than the carrying capacity of the wagon. Once the chargeable weight for all these commodities were increased and made uniform as per the carrying capacity of the wagon, the class rate had to be reduced since otherwise the total freight for all these commodities would have increased substantially and the traffic would have got diverted to road. Nevertheless, the total freight per rake even after reduction in the class rate was more than the freight per rake before reduction because of increased chargeable weight.

Wagon load rate has since been introduced for the highest class rate of class 200.

Class rate for petroleum products were reduced in order to retain the traffic and discourage Oil companies from going in for pipelines for transportation of petroleum products.

Instructions have been issued to the Railways *vide* Railway Board's letter No. 2007/CE-II/TS/8 dated 02.04.2009 wherein it is mentioned that CC+8+2 loading is not permitted during monsoon period for those commodities which absorb water such as coal, gypsum etc.

Moisture-proof covers in the form of waterproof sheets are already being given especially during the wet season by customers themselves, since it would not only involve penal freight condition but also would lead to loss in quality of commodity being carried.

Indian Railways has already planned to integrate the weighbridge systems to FOIS and use the information provided by these weighbridges for calculation of freight charges in FOIS. Interface application linking the output of weighbridges to FOIS has been developed. Infrastructure work of connecting these weighbridges with FOIS is being taken up.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weighbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/ sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/ marketing strategies in the X as well XI Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM

i.e. Net Tonne Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8-0.9. The table below depicts this:

Year	GDP Growth in % age	NTKM Growth in % age
2001-02	5.60	3.48
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However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-

(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24-02-2011]

Observation/Recommendation No. 9

The Committee note that punitive charges are imposed by the Railways as a deterrent for illegal overloading of wagons. For collecting such charges, two types of situation 'A' and 'B' have been categorized in the Railways (Punitive charges for overloading of wagon) Rules, 2006. In situation 'A' where the aggregated payload in a rake does not exceed the combined Permissible Carrying Capacity (PCC) of the rake, it is assumed that there is no *mala fide* intention on the part of rail user. However, on the ground that overloading of individual wagon endangers the safety, lenient punitive charges have been prescribed. This is 2 times of the applicable freight class. Even in this situation, if overloading exceeds more than a limit, punitive charges levied is 3 times of the highest freight class. In situation 'B' where the aggregated payload in a rake exceeds the combined Permissible Carrying Capacity (PCC) of the rake, it is assumed that rail user may have *mala fide* intention. Considering that overloading of wagons in this case not only endangers the safety but causes leakage of revenue also, stringent punitive charges have been prescribed, which is up to 5 times the highest freight class. However, no separate data for punitive charges collected in respect of situations 'A' and 'B' and the route-wise statistics of

such punitive charges collected are being maintained by the Railway Board. The Committee are of the view that lack of clarity in data collection in respect of these situations hampers impact analysis and cost benefit assessment of overloading rampant in the Railways. In order to analyse and understand better all the causes and attended risks of illegal overloading, the Committee desire that the Railway Board should maintain a comprehensive data clearly indicating route wise, loading station-wise and situation-wise case of overloading noticed and the amount of punitive charges so collected.

[Sl. No. 9, Part II, Para No. 9 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Data regarding punitive charges for overloading that are collected at the time of issuance of RRs after weighment of rakes are available in the Terminal Management System (TMS) of Freight Operations Information System (FOIS).

However, since only Phase-I of TMS have been implemented and Phase-II is under implementation, the availability of data is not comprehensive. After Phase-II of TMS is implemented, most of the sidings/goods sheds would be covered by TMS and thereafter comprehensive data pertaining to overloading would be available.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weighbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the X as well XI Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means

that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e.* Net Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in ratio of 0.8—0.9. The table below depicts this:—

Year	GDP Growth in % age	NTKM Growth in % age
2001-02	5.60	3.48
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2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-

(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24-02-2011]

Observation/Recommendation No. 10

The Committee's examination has revealed that out of 34,29,869 wagons weighed during April to September 2008, as many as 3,38,966 wagons were found illegally overloaded with an average overloaded weight of 1.49 to 4.18 tonnes, which translates into a total punitive charge of Rs. 159.75 crore. The Committee also noticed that there was no let up in the prevalence of overloading as can be gauged from the fact that out of 63,18,292 wagons weighed during the period—1st October 2008 to 31st July 2009, a large number of 4,86,111 wagons were found carrying 13,03,731 tonnes of overloaded commodities at an average of 2.82 tonnes per wagon with a combined

punitive charge of Rs. 164.66 crore. This situation proves beyond doubt that despite collecting punitive charges as a deterrent for illegal overloading of wagons, the problem is still persisting on a large scale on the Indian Railways. In view of these facts, the Committee are skeptical of the Railway Board's claim that the levy of punitive charges is the most effective tool to discourage overloading. The Committee are of the opinion that overloading of wagons on the Indian Railways is a mammoth and complex problem, which cannot be effectively tackled by mere levying of punitive charges and fines. Moreover, in such a scenario, the income earned through penalties or fines would not be able to compensate for the huge infrastructure losses caused to the Railways due to overloading. The Committee, therefore, desire that the Railway Board should strive more to take preventive steps rather than collecting punitive charges as a deterrent to overloading. In this direction, the Committee would urge the Railway Board to follow a policy of zero tolerance and should take stern action against unscrupulous elements behind illegal overloading of Railway wagons. The Committee would like to be informed about the precise steps taken by the Railway Board in the matter.

[Sl. No. 10, Part II, Para No. 10 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The figures given indicate that the extent of overloading has come down from 9.9% to 7.7% thereby registering a 22% drop. Further efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Details of overloaded wagons and punitive charges recovered during the period from 01.10.2009 to 31.7.2010 are at Annexure D.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

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Sd/-

(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24.2.2011]

Observation/Recommendation No. 11

The Committee note that as a consequence of CC enhancement of wagons, a plethora of adverse impacts like increase in rail fractures and weld fractures had severely hit railway tracks on Central and South Eastern Railways. Large scale glued joint failures, switch expansion joints and points and crossing failures were seen on almost all the routes and there has also been increase in cases of spring failures, Centre Buffer Couplers (CBC) failures and body damages to wagons. While the increase in spring failure on South Eastern Railway was 9.65 per cent, the same was 76.84 per cent on South Western Railway. Similarly, the increase in CBC failure was to the extent of 11.87 per cent and 16.49 per cent on South Eastern and Southeast Central Railways respectively. Further, there was also increase in reports of cases of stalling of trains, serious failure of certain locomotive components such as Cylinder Heads, Brake Blocks, Dynamic Grid Separator and Element, Power Contactor Tip and CBC Knuckles. To compound this grim scenario, there had been 45.6 per cent increase in train parting cases, 7.7 per cent increase in hot axles, 11.32 per cent increase in the body under frame damage and 11 and 23 per cent increase in bogie and spring defects respectively following running of wagons with increased axle load during 2005-06 as compared with those of 2004-05. The Railway Board, however, allayed these findings stating that no appreciable adverse impacts have been noticed during periodical reviews till date. Besides, they informed the Committee that impact assessments of the enhanced loading are underway though they may take another 30 years. In this regard, the Member (Engineering), the Railway Board during evidence stated that the deterioration of tracks with the heavier axle loads would be a little faster. The Committee further note that as a consequence of enhanced loading, the Ministry of Railways placed speed restriction of 30 kms. per hour on 90R rail track structure to ensure safety even though the maximum permitted speed for goods train running on such tracks is 60 kmph on Central and South Eastern Railways. This unwittingly may create more traffic congestion thereby nullifying the so-called advantages of the enhanced loading. The Committee apprehend that the aforementioned physical and infrastructural damages caused by the enhanced loading to the Railways' core assets would eventually suckout a large portion of the increased freight earnings. The Committee, therefore, express their reservations that the enhancement of carrying capacity of wagons is certain to prove costly to the Railways and the claims for having achieved a quantum jump in freight earnings, from an amount of Rs. 26,231.45 crore during 2002-03 to Rs. 53,433.40 crore in 2008-09 may simply turn out to be a case of unrealistic projection. The Committee would urge upon the Railway Board to be more vigilant, farsighted and realistic in their vision and approach and take due note of the adverse impacts of the enhanced loading with a view to ensuring expeditious solutions to any crises that may emerge therefrom.

[Sl. No. 11, Part II, Para No. 11 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The total equipment failure cases over IR for freight wagons have decreased from 6108 in 2004-05 to 3073 in 2009-10, while those for traction have decreased from 4181 in 2006-07 to 3505 in 2009-10. Thus, the equipment failures are under control. The problem

of increased wear and tear and damage of various components like CBCs, wagon body etc. is being tackled through replacement in scheduled maintenance *i.e.,* ROH and POH.

While there has been slight increase in arisings on certain mechanical components of electric locos, no major/serious failures have been reported by Zonal Railways due to working of CC+8+2t trains. Since these trains are normally right powered, no serious impact of increased loading has been observed on electric locos.

The Indian Railways has a formalized system of maintenance wherein both wagons and locomotives are maintained and checked at specific periodicity. These checks ensure that safety conditions are compiled with. There are a variety of reasons for which train partings, stallings, hot axles take place. It would be wrong to attribute all of them on one factor only-enhanced loading. After all, even during 20.32t axle load running such cases used to occur.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 5.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24.2.2011]

Observation/Recommendation No. 12

The Committee note that while Special Railway Safety Fund (SRSF) amounting to Rs. 464.48 crore and Rs. 227.06 crore remained unutilized during the financial years 2005-06 and 2006-07 respectively, unspent SRSF to the tune of Rs. 597.78 crore accumulated during the financial years 2001-02 to 2007-08, was surrendered in 2008-09 by the Railway Board. In the light of the adverse impacts of enhanced loading like rail and weld fractures, damages to wagons and other rolling stock as well as the ongoing track renewal projects and other rail safety issues, the Committee feel that this fund ought to have been fully and more productively utilized, which would not only take care of adverse impacts but also help in maximising the overall operational performance and freight earnings of the Railways. The Committee, therefore, desire that the Railways should come up with a concrete perspective plan accompanied by matching follow up action to ensure proper and judicious utilization of SRSF with the core idea of augmenting/strengthening the infrastructure of the Indian Railways.

[Sl. No. 12, Part II, Para No. 12 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

All the work planned under SRSF have been completed by 31.03.2008. An amount of Rs. 16,318 crores have been spent out of total projected amount of Rs. 17,000 crores under SRSF. To complete the ongoing works spilled over in the year

2008-09, Rs. 590.36 crores has been credited in Depreciation Reserve Fund. The SRSF has already expired on 31.03.2008. The annual arising of replacement works such as Track Renewals, Bridge works, S&T and Rolling Stock works would be cleared through normal Depreciation Reserve Fund of the Railways. The emphasis would be to clear the annual arising within the year itself so that there is no spill over of such replacements to the following years. Efforts will be made to appropriate sufficient amount to the Depreciation Reserve Fund for this purpose.

Every department defines its own parameters for safety, legislates procedures and checks to be followed in the implementation of working systems, as also in routine, regular and special maintenance.

Electrical

Fund allotted under Special Railway Safety Fund (SRSF) for Electrical Dte were fully utilized and work completed well within the target of March 2008.

Signalling

Replacement/renewal of Signalling Assets is a continuous process and is always made part of the annual plan. Signalling works are normally funded through Depreciation Reserve Fund (DRF) and Development Fund (DF). Works for renewal of Signal Assets are proposed based on age-cum-condition and are sanctioned regularly in the Works Programmes and funds are being made available accordingly.

On account of limitation of funds under DRF, the entire accrual of replacement works does not get materialized. This leads to increasing backlog of replacement. In the past, this has led to the creation of SRSF.

Funds (SRSF and DRF) utilized for replacement works and track circuiting has been used productively to improve the safety and operational performance.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 05.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24.2.2011]

Observation/Recommendation No. 13

The Indian Railways network comprises about 1,27,768 bridges and out this, 42 per cent of bridges were more than 100 years old as on 1st April 2007. As per the Railways' policy, rehabilitation/rebuilding/strengthening of bridges, which takes about 3 to 4 years time, is undertaken on the basis of their physical condition as ascertained during regular inspections carried out in the field. Certain bridges, which may show signs of deterioration of physical condition indicating need for rehabilitation etc., are classified as distressed bridges and each year, targets are fixed for rebuilding/rehabilitation of distressed bridges depending on the number of

bridges available for rebuilding/strengthening on Railways. The Ministry of Railways have stated that they accord the highest priority to completion of distressed bridges for which instrumentation work constitutes a crucial component. The Committee, however, find that the Railway Zones were rather slow in carrying out instrumentation/ identification and rehabilitation of the distressed bridges resulting in huge accumulation of distressed bridges needing rehabilitation. The Ministry of Railways have informed the Committee that the task of instrumentation has been assigned to such specialized agencies as Structural Engineering Research Centre, Chennai, Indian Institute of Science, Bangalore and Central Road Research Institute, New Delhi. Notwithstanding these measures, the Committee note with concern that the progress is rather slow and only 59 numbers of bridges have been instrumented in the first round. The Committee also note that though distressed bridges numbering 122, 88, 75 and 69 were identified and sanctioned for rehabilitation on zonal railways during the years 2005-06, 2006-07, 2007-08 and 2008-09 respectively, the numbers of these bridges actually rehabilitated during the corresponding periods were only 38, 34, 29 and 36. The main contributory reasons advanced by the Railway Board for the slow pace in rehabilitating the distressed bridges are non-availability of engineering restrictions/traffic blocks/access road, difficult working conditions, non-availability of good agencies to take up isolated or difficult works. The Committee do not find the reasons given by the Ministry of Railways convincing and would like the Railways to make an honest introspection to diagnose the factors that contributed to this malady. The Committee also find that even after a lapse of four years subsequent to the formulation of Corporate Safety Plan, the Railways have only managed to award pilot projects for carrying out capacity assessment and condition monitoring of bridges, fatigue testing and residual life of bridges although proper maintenance of bridges has become imperative in the aftermath of enhanced loading of wagons. Thus, the duration of 3 to 4 years to complete rehabilitation of the identified distressed bridges has proved to be too long to give the desired results. The Committee, therefore, recommend that the Railways should make earnest efforts to complete proper instrumentation and identification of all the identified distressed bridges within a fixed time frame and ensure their timely rehabilitation to prevent any possible collateral damage. Further, the maximum period of rehabilitating a distressed bridge may be reduced from the current period of 4 years from the date of identification to 2 years.

[Sl. No. 13, Part II, Para No. 13 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Safety of Bridges is accorded high priority on Indian Railways. Rehabilitation/ rebuilding/strengthening of Bridges is an ongoing process on Indian Railways. A well laid down system of multi-tier inspection of Bridges is followed on Indian Railways. Railways undertake rehabilitation/rebuilding/strengthening of Bridges on the basis of their physical condition as ascertained during regular inspections carried out in the field.

To monitor the effects of Higher Axle Load (HAL) and Longitudinal Loads on bridge components and also to confirm the theoretical values with practical results, Indian Railways have taken up instrumentation of few selected bridges as part of pilot

projects of running of Heavy Axle Loads (HAL). Instrumentation work has been assigned to specialized agencies such as Structural Engineering Research Centre (SERC)—Chennai, Indian Institute of Science (IISc)—Bangalore, Central Road Research Institute (CRRI)—New Delhi etc. Progress of instrumentation work is satisfactory on IR. 71 Nos. of bridges have been instrumented in lst round, 58 Nos. of bridges have been instrumented in 2nd round, 49 Nos. of bridges have been instrumented in 3rd round. Instrumentation has helped in experimentally assessing the stress levels in various bridge components.

Figures of 122, 88, 75 and 69 Nos. of distressed bridges are the balance number of distressed bridges at the beginning of financial year of 2005-06, 2006-07, 2007-08 and 2008-09 respectively. Above figures indicate that every year the number of balance distressed bridges is continuously in decline on Indian Railways. No. of distressed bridges actually rehabilitated during 2005-06, 2006-07, 2007-08 and 2008-09 are 38, 34, 29 and 36 respectively. During 2009-10, 21 Nos. of distressed bridges have been rehabilitated. As on 01.04.2010, there are 34 Nos. of bridges under the list of distressed bridges in Indian Railways. It is true that constraints in rehabilitating the distressed bridges are mainly non-availability of engineering restrictions/traffic blocks, difficult working conditions in many cases, non-availability of goods agencies to take up works which are isolated and in many cases, have difficult or no access by road etc. In spite of that, Zonal Railways make all out efforts to complete the work of distressed bridges on priority.

Following pilot projects were undertaken with foreign experts in which officers and staff from various railways have been trained in modern bridge techniques:—

(a) A Pilot project on "underwater inspection of bridges" has been completed by Central Railway with M/s L&T RAMBOLL, Denmark.

(b) A Pilot project on "Determination of unknown bridge foundations and integrity assessment of foundations and condition assessment of brick masonry structures by NDT methods" has been completed by Northern Railway from M/s OLSON, USA with their local representative Ultra Technologies.

(c) A Pilot project on "Acoustic Emission Testing" has been completed by Northern Railway from M/s TISEC, Canada and Western Railway from M/s Dunegan Engineering Company, USA.

(d) A Pilot project on "Fatigue testing and remaining life analysis of steel bridges" has been completed by North Western Railway from M/s Sharma and Associates, Chicago, USA and Western Railway from M/s TTCI, Pueblo, Colorado, USA.

(e) A Pilot project on "Strain gauging instrumentation and load rating of bridges" has been completed by Western Railway from M/s Bridge Diagnostics, USA.

(f) As a pilot project "Rail-cum-Road Bridge testing laboratories equipped with state-of-the-art NDT equipments" have been procured for each of 9 parent Railways.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 05.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24.2.2011]

Observation/Recommendation No. 14

The Committee note that post rationalization of the freight structure, the Railways have been incurring operational losses in transportation of eleven commodities *i.e.* Motor Car, Onion, De-oiled cake, Edible Oil, Timber, Paper, Tea, Milk Powder, Dry chilies, Turmeric and Cotton (full pressed). The estimated losses on these commodities worked out to Rs. 21.93 crore in the year 2005-06 alone. In respect of three commodities *i.e.* Edible Oils, Motorcars and Tea, the Railways were incurring losses ranging from 13 per cent (for a distance of 500 kms.) to 24 per cent (for a distance of 2,000 kms.) Consequently, the freight rates for these three commodities did not even cover the haulage cost. The Ministry of Railways informed the Committee that these goods were carried below their operational cost with the intention of containing the market prices of essential commodities of mass consumption, which is one of their social obligations. The Committee, however, feel that classification of 'motorcar' as an essential commodity is erroneous on the part of the Railways in view of its nature and utilization and thus it is not acceptable that the Government have to shoulder transportation cost. Further, the Committee's examination has revealed that the cause for the loss incurred in respect of transporting these three commodities had its roots in the abolition of charging freight at Minimum Weight condition and subsequent introduction of a system whereby all commodities were to be charged on the carrying capacity of the wagon used. Under this system, the classification of certain commodities was lowered in order to compensate for the increase in freight due to charging for weight not actually loaded in a wagon. This allowed certain traders to carry higher quantity within a fixed freight load by loading the wagons with more quantity than the minimum weight condition prescribed earlier and in the process the Railways' earnings per wagon were reduced by 54 per cent (in the case of turmeric) to 3 per cent (in the case of de-oiled cake) as compared with the freight that was realised at the pre-revised class. Since the Railways, notwithstanding their social obligation, have to be economically viable in the face of stiff competition from other modes of transportation, the Committee urge upon the Ministry of Railways to remove the aforesaid anomally in the freight structure emanating from abolition of charging freight at Minimum Weight Condition. They further desire that while transporting any commodity/goods by the Railways, the transportation and haulage cost incurred should invariably be recovered at least.

[Sl. No. 14, Part II, Para No. 14 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

With reference to the above observations/recommendations of the Committee, it may be submitted that abolition of Minimum Weight Condition and charging the freight on the basis of permissible carrying capacity of the wagon was a very important major decision taken for rationalization of freight structure. The earlier system of charging the freight on the basis of loadability prescribed for four-wheelers had become redundant with the phasing out of four-wheelers and the loadability of eight wheelers could not be easily prescribed without adequate field reports. Further 4000 goods were short-listed and classified into broad Main Commodity Heads. Because of these steps taken for rationalization of freight, certain adjustments in the classification of goods became inevitable. The classification of 11 commodities mentioned by the Committee was lowered in order to compensate for the increase in the chargeable weight of these commodities. Except automobiles, the other commodities are meant for mass consumption. These commodities were also classified into various Main Commodity Heads. The classification of these commodities had to match with the Class of Main Commodity Head in which they were placed. However, all these commodities are light weight commodities generating very meagre revenue for the Railways.

With the passage of time, the anomalies which resulted into lowering the freight charges for these commodities had been taken care of. A statement showing the comparison of freight rates in respect of these commodities prevailing before 01.04.2005 and those as on 01.04.2011 is attached (Annexure-E). It may be seen from this statement except cotton pressed and turmeric, the freight rates now being charged are on the high side ranging from 11% (Timber) to 95% (Motor cars) in respect of other nine commodities. In view of this, there is little justification for revision of class of nine commodities. In the year 2010, the loading of turmeric was only 321 tonnes with earning of Rs. 2,42,661/-. In view of this low tonnage and earnings, there is little justification for revision of freight class for turmeric. Besides, turmeric has been classified into the Main Commodity Head of grocery. Until and unless the freight class of grocery is revised, it is not possible to revise the class of turmeric.

Audit *vide* their U.O.I. No. 170-RA-II/8-1/2006/Freight (MIP) dated 6.6.2011 have observed the following and desired that comments on these observations may be directly communicated to PAC with a copy to Audit:—

Ministry of Railways may also indicate the haulage cost as on date for kind appreciation of PAC. Tonnage carried and earnings realized annually in respect of commodity-Cotton full pressed may also be indicated.

Ministry's Comments

The average haulage cost of a goods unit per tonne per kilometre for 2009-10 is 64.03 paise. The tonnage and earnings of Cotton-Pressed and Unpressed are as follows:—

Year	Tonnage (Million)	Earnings (Rs. cr.)
2007-08	0.127	8.18
2008-09	0.130	9.93
2009-10	0.127	7.80

Sd/-
(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways', Case No. 2010-BC-PAC/XV/19, dated 7.7.2011]

Observation/Recommendation No. 15

With a view to achieving savings in operational costs, the Railway Board introduced lower class for movement of traffic in trainloads instead of piece meal wagonloads in January 1982. Prior to 1 April 2005, all commodities were assigned separate classes when booked as trainloads and wagonloads but with effect from 1 April 2005, commodities were assigned only trainload class with the stipulation that when such commodities were to be booked as wagonloads the freight would be charged at the next higher class. As per this arrangement, the classification of certain Petroleum products was lowered from class 280 to class 250 from 1 April 2003 and further to class 240 from 1 April 2005, resulting in an approximate reduction in freight rates by 10.7 per cent and 4 per cent respectively. Further, no distinction has been maintained between wagonload and trainload class for commodities placed in the highest class *viz.* Acids, Alcohols and POL products. This resulted in an undue advantage to the consignors in that they were not required to pay higher freight charge even for not loading all the wagons supplied to them. As a result of this anomaly, freight in respect of rakes comprising 30,666 wagons, where all the wagons were not loaded, was charged at trainload rates on eight zonal railways. Similarly, when the commodities placed in the highest class were booked from stations/sidings not notified for handling rake load traffic, the Railways were forced to charge only trainload rates as wagon load class rates were not prescribed. The number of wagonsloaded with commodities placed in the highest class by seven stations alone was 22,148 during 2005-06. In this regard, the Committee have been informed by the Ministry of Railways that due to high freight rates, transportation of the commodities placed in the highest class 240 (200 at present) *viz.* Acids, Alcohols and POL products is being constantly diverted to pipelines and roadways which are more consumer friendly in nature and the arrangement was done for lowering the classification of POL products to retain the Railways' traffic share. However, despite effecting such significant reduction in freight charges for POL products, the Railways' traffic share in respect of these commodities has plummeted over the years, from 31 per cent in 2002-03 to

25 per cent in 2005-06 while that of roadways increased from 14 per cent in 2002-03 to 23 per cent in 2005-06. Similarly, transportation of POL products through pipelines registered a significant increase, first in 2003-04 and then in 2006-07 and 2007-08. Correspondingly, the quantum of Petroleum products traffic moved by rail decreased by 14.08 and 6.03 per cent during 2003-04 and 2004-05 respectively as compared to the traffic carried in 2002-03. The consequent decrease in earnings was to the extent of 15.21 and 2.62 per cent respectively, which led to decline in the Railways overall earnings by Rs. 419.10 crore and Rs. 72.06 crore during 2003-04 and 2004-05 respectively as compared with that of the immediate preceding year *i.e.* 2002-03. These factors have primarily caused a decline in Rail Co-efficient of POL products with the possibility of mounting losses in future. Keeping in view such stiff and escalating competition faced by the Indian Railways in their freight operations, the Committee desire that the Railways should go for a paradigm and strategic shift in their freight management in such a way that either better and economical means and ways of transporting POL products are evolved or the Railways' freight operation is focused on their core and more remunerative areas/commodities.

[Sl. No. 15, Part II, Para No. 15 of 19th Report of PAC, (15th Lok Sabha)]

Action Taken

For commodities chargeable at the highest class (class 200) including Petroleum products, wagonload class has been reintroduced at base freight for class 200+5%. Hence, the anomaly that existed earlier has been removed.

Decline in rail co-efficient has been brought about as a result of Oil companies switching over to pipelines for transportation of their products on their high density sectors. As more and more routes get covered by pipelines, rail co-efficient on these routes would correspondingly reduce.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 5.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Advisor (Finance)

[Ministry of Railways', Case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 17

Wagons play an important role in the Railways' day-to-day freight operations especially in the post CC enhancement phase. As a policy matter, the Indian Railways placed 60 per cent of their tendered orders to public sector undertakings and remaining 40 per cent to private sector units. The Committee are, however, concerned to note that procurement of wagon fleet by the Indian Railways has been severely crippled by the failure of both the public sector and private sector wagon manufacturers/suppliers in adhering to their delivery schedules. It is a matter of concern that wagons numbering as many as 2,922.5 and 2,060 were pending delivery by 6 public sector undertakings and private manufacturing units respectively as on the 1st April 2002. Despite this, orders for another 28,122.5 and 39,397.5 wagons were placed on the public sector undertakings and the private manufacturers during

2002-03 to 2005-06. Subsequently, the PSUs failed to deliver as many as 11,327.5 wagons whereas the private sector manufacturers have delivered all the wagons due from them. The Committee have been informed that all the Public Sector units, which were performing well in the past, turned sick and their productivity declined which created shortage of wagons on Indian Railways in the year 2003-04. Under revival package for sick PSUs, certain steps are reportedly taken with some positive results, which raised the wagon production by 47 per cent in 2006-07 as compared with that of the corresponding period in 2005-06. However, the Committee find that PSUs are still lagging behind in wagon production and they could supply only 755 wagons as against 3,264 wagons supplied by private sector in 2008-09. Though the Railways have an obligation to support the Government owned PSUs for their revival by infusing investments and placing orders, delay in delivery of ordered wagons by these suppliers seriously affects the operational performance of the Railways not only in terms of quantity of freight and passenger carried but also in terms of quality of service provided. The Committee are, therefore, of the view that the Indian Railways, as a commercial entity, is duty bound to maintain their commercial interests and operational readiness lest their performance would dip further. The Committee would, therefore, like the Railway Board to enter into special arrangements with the Ministry of Heavy Industries and the concerned PSUs to progressively clear the pending wagon orders within a reasonable time frame failing which the Railways should not shy away from adopting a strict policy of placing wagon procurement orders only on those companies/ manufacturers which have a proven track record of timely fulfilling/honouring wagon delivery schedule. The Committee trust that proactive steps would be taken by the Railway Board to coordinate with the PSUs for not only achieving faster wagon production but also for ensuring timely delivery of wagon as per the operational needs of the Railways.

[Sl. No. 17, Part II, Para No. 17 of 19th Report of PAC, (15th Lok Sabha)]

Action Taken

The Committee has recommended that Railway Board should enter into special arrangements with the Ministry of Heavy Industry and the PSUs concerned to progressively clear the pending wagon orders within a reasonable time frame and adopting measures for placing wagon orders on those companies/manufacturers which have a proven track record of timely fulfilling/honouring wagon delivery schedule.

In this connection, it is informed that despite the sluggish performance of PSUs, Ministry of Railways have been placing orders on them with a view to give them continued support for their revival and to enable them to improve their performance. In addition, Ministry of Heavy Industry had suggested certain steps to revive sick PSUs which *inter alia*, contained the request for cancellation of old orders, release of fresh orders and adjustment of advance at the rate of 20% of the payment due to M/s BWEL against fresh supply of wagons etc. These suggestions were favourably considered by Ministry of Railways and accordingly old orders were frozen and fresh orders were released, outstanding advance was adjusted and LD charges were waived. At the same time, Ministry of Railways have refined the wagon distribution formula and revised formula takes care of outstanding load on a particular unit while allocating fresh wagon orders as a pro-active step to meet the operational needs of the Railways.

These measures are yielding results and the performance of the PSUs in 2008-09 has shown improvement over their performance of 2007-08. Against the wagon production of 1378 Nos. in 2007-08 PSUs have manufactured 2130 wagons in 2008-09.

Audit *vide* their U.O. No. 309-RA-II/8-1/2006/Freight dated 05.10.2010 have observed the following:—

"Performance of PSUs as well as Private Sector wagon builders during the year 2009-10 may be indicated duly indicating the firm wise details".

Ministry's Comments

A statement indicating the firm-wise wagon production of PSUs and Private sector wagon builders against RSP during the year 2009-10 is at **Annexure F**

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 9.2.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weight bridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the 10th as well 11th Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement.''

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e.* Net Tonne Kilometer. The rate of growth of NTKM and the rate of growth of the

economy have moved in a ratio of 0.8.09. The table below depicts this:—

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways, Case No. 2010-BC-PAC/XV/19, dated 7.7.2011]

Observation/Recommendation No. 18

The Committee note that on account of injudicious notification of stations/ sidings for handling full rake traffic and absence of appropriate action taken by zonal railways for implementation of the relevant directions issued by the Railway Board in October 2004, 71 goods sheds were notified for handling full rakes even though they did not have adequate facilities for the task. Eventually, this injudicious notification caused protracted detention of as many as 18,37,483 wagons/rakes handled on these stations during October 2005 to March 2006 resulting in a loss of 5,67,026 wagons days with possible earning capacity of Rs. 114.72 crore. This gives as unmistakable impression that the Railway Board had failed to speed up development/creation of terminal facility and other traffic facility works in tune with the increasing demand

arising from wagon CC enhancement or otherwise. The Committee have been informed by the Ministry of Railways that top priority is now given for development of terminal facility and other traffic facility works and the same are being monitored by zonal railways. However, the Committee note that nothing concrete has been achieved as yet as out of total number of 792 traffic facility works appearing in Pink Book 2008-09, as many as 614 works (including 304 on high density routes) were still in progress as on 31st March 2008. Further, against the 335 (165 number in high density routes) targeted, works for completion during the year, only 48, which include 20 on high-density routes, could be completed till 31st August 2008. The Committee regret to observe that the main contributory reason for the slow completion of the works is non-adherence by zonal railways to the directions issued by the Railway Board in October 2004 regarding capacity augmentation of sidings. Wonderstruck as to how the Railway Board allowed the zonal railways to violate or ignore instructions issued by them without any censure, the Committee desire that the Railway Board should put in place henceforth a strict policy for ensuring scrupulous enforcement of directives issued by them. The Committee would also like the Railway Board to augment their efforts for speedy and proper upgradation of terminal facilities and half rake terminals as per the requirement level so that they do not cause further revenue loss and instead catalyse railways' infrastructure growth for meeting emerging needs of the Railway Traffic.

[Sl. No. 18, Part II, Para No. 18 of 19th Report of PAC, (15th Lok Sabha)]

Action Taken

The comments of the Committee are noted. A large number of traffic facility works which include provision of loop lines at stations, creation of crossing stations, electrification of sidings, provision of IBS, development of freight terminal facilities, upgradation of freight terminal facilities, development of coaching facilities, automatic signaling etc. are being continuously taken up to improve operations and terminal capacity. Of the 792 works which appear in the Pink Book 2008-09, 210 works were completed as on 31.03.2008. Constant monitoring and follow up with the Zonal Railways is being taken up to ensure speedy completion of traffic facility works. A special focus since 2007 is being make to upgrade the facilities at freight terminals like provision of additional loops, better loading/unloading platforms, improvement to lighting, yard drainage, approach road and goods shed facilities. During the past 3 years, as many as 91 goods sheds have been taken up for upgradation. It is felt that with the focus on upgradation of facilities at goods sheds the loading/unloading process would become smoother and faster thereby facilitating improved freight loading in future.

Audit *vide* their U.O. No. 309-RA-II/8-1/2006/Freight dated 05.10.2010 have observed the following:—

> "Ministry of Railways may kindly furnish the position as on 31.3.2010 in respect of traffic facility works completed out of the 792 appearing in Pink Book 2008-09."

Ministry's Comments

Out of the 792 works appearing as per Pink Book/2008-09, 94 works were completed during 2008-09 and 87 works were completed during 2009-10 making a total of 181 works completed within 2 years before 31.3.2010.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 8-RA-II/8-1/2006/ Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> ''Audit appreciates that Ministry of Railways is keeping a watch on the Long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz*. installation of WILD, electronic in motion weigh bridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the X as well XI Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement.''

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation

output is NTKM i.e. Net Tonne Kilometer. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8-0.9. The table below depicts this:

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways', Case No. 2010-BC-PAC/XV/19 , dated 7.7.2011]

Observation/Recommendation No. 19

The Committee are dismayed to note that one hundred per cent of the rakes underwent detention before being taken for loading on Northern, South Central, North Central, South Western, Central, Eastern, North Western, North-East Frontier and Central Railways. Audit test check at 29 station yards/exchange points of different sidings has revealed that out of 13,613 rakes loaded and placed at the exchange points for onward dispatch, 11,704 rakes (86 per cent) were detained on various accounts such as non-availability of power, section clearance, non-availability of crew and delay in train examination etc. thereby denying possible freight earnings of Rs. 53.76 crore during a six-month period of October 2005 to March 2006. The Committee feel that this loss could have been prevented had the Zonal Railways displayed better managerial skills and the Railway Board exercised adequate monitoring. The Committee have been informed by the Ministry of Railways that it is only during the last 3-4 years that steps have been taken to increase the capital investment required in the Railways and railway operations at present are run on a scarcity resource scenario. The Committee do not accept the plea that resource crunch is the cause for

detention of Railway wagons given the fact that huge unspent funds are lying with them under SRSF and DRF. As the lack of additional facilities in sidings/goods sheds for berthing of rakes, loading/unloading of rakes had an adverse effect on early/ timely release of wagons that had led to unnecessary detentions and loss in earning potential of wagons, the Committee recommend that adequate number of loading and unloading points complete with other facilities and amenities required primarily for increasing load handling and wagon removing capacity of the sidings/exchange points/ yards should be set up and operationalised with a view to enhancing generation of freight traffic by avoiding detention of wagons.

[(Sl. No. 19 Part II, Para No. 19 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The comments of the Committee are noted. A large number of traffic facility works which include provision of loop lines at stations, creation of crossing stations, electrification of sidings, provision of IBS, development of freight terminal facilities, upgradation of freight terminal facilities, development of coaching facilities, automatic signaling etc. are being continuously taken up to improve operations and terminal capacity. Of the 792 works which appear in the Pink Book 2008-09, 210 works were completed as on 31.03.2008. Constant monitoring and follow up with the Zonal Railways is being taken up to ensure speedy completion of traffic facility works. A special focus since 2007 is being made to upgrade the facilities at freight terminals like provision of additional loops, better loading/unloading platforms, improvement to lighting, yard drainage, approach road and goods shed facilities. During the past 3 years, as many as 91 goods sheds have been taken up for upgradation. It is felt that with the focus on upgradation of facilities at goods sheds the loading/unloading process would become smoother and faster thereby facilitating improved freight loading in future.

With reference to the Committee's contention that huge unspent funds are lying with the Railways under SRSF and DRF, it is stated that the non-lapsable SRSF was created for renewal of over aged assets that had accumulated over the years. The fund was in operation during 2001-02 to 2007-08. As far as DRF is concerned, work in the nature of renewal/replacement of worn out assets are financed out of this Fund. Every year appropriation to this fund is done based on availability of surplus internal resources and the projected requirement for renewal/replacement of assets. In 2010-11 (BE), appropriation to DRF has been kept at Rs.7600 cr. based on provisional Actuals 2009-10, projected balance under DRF to end of 2010-11 is Rs. 109 cr.

To facilitate rapid development of a network of freight terminals with private investment to provide efficient and cost effective logistics services to end users including door to door services and to create additional terminals to handle incremental traffic, a new scheme namely Private Freight Terminal (PFT) has been launched. PFT can be green field facilities *i.e*., underutilized/unutilized existing private sidings/container terminals on private land which can be permitted to be converted to private freight terminals under the provisions of the Scheme.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 9.2.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz*. installation of WILD, electronic in motion weigh bridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in work-shops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the 10th as well 11th plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e*. Net Tonne Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8-0.9. The table below depicts this:

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
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However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 7.7.2011]

Observation/Recommendation No. 20

Audit scrutiny of records at four transshipment points over Western, Southern and Northeast Frontier Railways has revealed that contents of Meter Gauge (MG) wagons were transshipped into Broad Gauge (BG) wagons in such a manner that each BG wagon was underutilised to the extent of 5 tonne to 23 tonne. As a result, 3.516 BG wagons were under-loaded to the extent of 64,465.3 tonne resulting in loss of possible earning capacity of Rs. 5.63 crore on account of underutilisation of full capacity of the wagons. The Committee have been informed that actual carrying capacity of 4 MG BC wagons is 138 tonnes (actual CC of MG BC wagon is 32 tonnes) while that of 3 BG BCN wagons is 135 tonnes (actual CC of MG BCN wagon is 32 tonne) in case of Food Grain. Accordingly, to get the optimum utilization of loading space in BG wagons for transshipping from MG to BG wagons, the ratio of MG wagons to BG BCN wagons is fixed as 4:3. Whilst acknowledging that under utilization of 7 tonnes in one BG BCN wagon in a lot of 3 BCN wagons is inevitable due to technical restrictions, the Committee are of the opinion that the prevailing method of transshipment on a multi-gauge rail network in different railway zones across the country has proved to be an ineffective system of rail transportation besides being inimical to the Railways' objective of augmenting smooth freight operation for enhancing freight earnings. In this regard, the Committee welcome the Railways' decision to undertake Project Unigauge, which aims to convert the entire Railway network into a single gauge system across the country for removing the problems of transshipment etc. currently affecting the Railways' freight operations. The Committee would encourage the Railway Board to pursue the Project Unigauge with a pragmatic approach and complete its implementation within a specified time frame. As for the cost, while a major portion of this expenditure can be financed from the enhanced profit earned by the Indian Railway in the recent years, the Committee would urge the Railway Board to take necessary steps for optimizing revenue generation from their huge assets including land and other resources/infrastructure spread across the country. Till the completion of the project, the Committee desire that certain operational arrangements may be explored for eliminating/minimizing underutilization of wagons during transshipment.

[(Sl. No. 20 Part II, Para No. 20 of 19th Report of PAC (15th Lok Sabha)]

Action taken

Although, broadly, the ratio of MG wagons to BG BCN wagons are fixed as 4:3, there are various scenarios in which this ratio does not hold true. The transshipment done on N.F. Railway from MG wagons to BG wagons and from BG wagons to MG wagons with different commodities is illustrated below:—

(A) MG to BG

Commodity	Carrying Capacity of MG wagons	Carrying Capacity of BG wagons	Utilized	Remarks
Cement	35.4 tonnes	60.0 tonnes	1MG=1BG	Most of the RRs are issued for individual wagons only and consignees are also different. In case of clubbed consignment: 3MG=2BG when RR is issued for more than one wagon and MG loads are placed in one hook.
Paper (Reel/ bundle paper)	35.4 tonnes	60.0 tonnes	1MG=1BG	In case of reel/bundle paper, if RR is issued for more than one wagon, clubbing is done for 3MG=2BG wagons and if MG loads are placed in one hook.
Timber	35.4 tonnes	60.0 tonnes	1MG=1BG	Loading in 1x1 is being done as per advice of Forest Department. Forest Department does not want fixing up of different qualities of timber in one wagon.

(B) BG to MG

Commodity	CC of BG wagons	CC of MG wagons	Utilised
Cement & Rice	60.0 tonnes	35.4 tonnes	Rangia: 4BG=7MG Lumding: 5BG=9MG
Wheat & Urea	60.0 tonnes	35.4 tonnes	1 BG=2 MG

IT is seen that from BG to MG, the wagon space is utilized to the optimum capacity. All Divisions of N.F. Railway have been advised to ensure proper utilization of the BG wagons by clubbing consignments. For example, in Rangia consignments of 4 BGs are transshipped into 7 MGs. Capacity of 4 BGs is 4870 nos. of bags. Capacity of 7MG is 4900 nos. bags. The chargeable weight of BG covered (BCN) wagon is 62 tonnes. N.F. Railway has been charging accordingly. However, loadability may differ from commodity to commodity. But despite that, N.F. Railway has utilized the capacity of BG and MG wagons to the full as explained below:

1BC(MG)=35.4 tonnes
7BC(MG)=247.8 tonnes

1BCN(BG)=62 tonnes (61+1 tonne loading tolerance)
4 BCNs (BG)=62x4=248 tonnes.

From MG to BG, there is less utilization of capacity due to circumstances as explained in the table given above. This is more apparent in timber due to condition imposed by Forest Department.

In view of the above, it is not possible to lay down any general ratio for transshipment from MG wagons to BG wagons and *vice versa*.

The Committee's observation on pursuing Project Unigauge with a pragmatic approach and within a specified time frame of implementation is being done by the Ministry of Railways.

Indian Railways introduced policy of Unigauge in 1992 to convert selected routes for conversion as per the following:—

(i) To take up conversion of lines to develop alternative BG routes obviating the need for doubling of existing BG lines on these routes.

(ii) To establish BG connections to ports, industrial centres and locations having potential for growth.

(iii) To take up conversion of lines required on strategic considerations.

(iv) To minimize transshipment and to improve wagon turn around by avoiding delays at transshipment points.

(v) To carry out the conversion of lines as per the above policy at least cost yet provide a standard of service not lower than what rail users were getting.

As per this policy, 17754 kms have been converted so far. Progress of conversion during various plan periods is as under:—

S.No.	Plan Period	Progress achieved in kms
1.	8th Plan (1992-97)	6897 kms
2.	9th Plan (1997-2002)	2103 kms
3.	10th Plan (2002-2007)	4289 kms
4.	11th Plan (1st four years)	4465 kms
	Total	17754 kms

A target of 1075 kms has been set for the year 2011-12.

At present 45 gauge conversion covering a length of 10499 kms are under various stages of execution. Anticipated cost of these projects is Rs. 13536 crore and an outlay of Rs. 1382.5 crore has been provided during 2011-12.

3220 kms of MG/NG network is yet to sanctioned. Besides, there exist 229 kms of heritage lines.

Audit *vide* their U.O.I. No. 170-RA-II/8-1/2006/Freight (MIP) dated 6.6.2011 have observed the following and desired that comments on these observations may be directly communicated to PAC with a copy to Audit:—

> "17754 kms of track has been converted to BG so far. Ministry may, however, bring out the comparative position on number of transshipment points (*viz* MG to BG existing as on 1.4.2006 and those still existing on date) for kind appreciation of PAC."

Ministry's Comments

The position of number of transshipment points on IR as on 1.4.2006 and as on date is shown in Annexure-G.

Sd/-
(Ravi Prabhat)
Exe. Director (Accounts)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 7.7.2011.]

ANNEXURE D

Details of overloaded wagons & punitive charges recovered
(Period from 1.10.2009 to 31.7.2010)

Sl. No.	Railway	No. of wagons overloaded	Punitive charges recovered (Rs. in crores)	Total No. of wagons loaded	%age of overloaded wagons
1.	CR	7469	2.42	894054	0.84
2.	ER	28595	8.09	736686	3.88
3.	ECR	72600	48.91	1079689	6.72
4.	ECOR	66141	64.75	1384955	4.78
5.	NR	28202	24.77	853640	3.30
6.	NCR	2505	0.37	176710	1.42
7.	NER	0	0	14950	0.00
8.	NFR	16958	1.3	179741	9.43
9.	NWR	1488	0.22	299219	0.50
10.	SR	4699	1.56	508584	0.92
11.	SCR	5091	5.52	1164628	0.44
12.	SER	101384	6.55	1551522	6.53
13.	SWR	15466	17.91	1738081	0.89
14.	SECR	24811	9.39	524708	4.73
15.	WR	32803	1.5	868772	3.78
16.	WCR	32280	12.21	421929	7.65
	Total	440492	205.47	12397868	3.55

ANNEXURE E

Comparison of Freight Rates for Selected Commodities

Commodity	Distance	Class		MWC/r 8 wheeled wagon		Rate/Tonne		Freight/wagon		Difference	%age
		Prior to 1.4.05	As on 1.4.11	Prior to 1.4.05	As on 1.4.11	Prior to 1.4.05	As on 1.4.11	Prior to 1.4.05	As on 1.4.11		
1	2	3	4	5	6	7	8	9	10	11	12
	(Kms)			(Tonne)	(Tonne)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	
Cotton full pressed	500	175	LR 4	34	61	531.00	289.77	18054	17676	-378	-2%
	1000			34	61	1012.20	483.16	34415	29473	-4942	-14%
	1500			34	61	1493.50	675.14	50779	41184	-9595	-19%
	2000			34	61	1852.20	826.74	62975	50431	-12544	-20%
De Oiled Cake	500	120	120	50	61	364.10	499.64	18205	30478	12273	67%
	1000			50	61	694.10	886.22	34705	54059	19354	56%
	1500			50	61	1024.10	1270.28	51205	77487	26282	51%
	2000			50	61	1270.10	1573.47	63505	95982	32477	51%
Dry Chillies	500	160	LR 4	26	61	485.40	289.77	12620	17676	5055	40%
	1000			26	61	925.40	483.16	24060	29473	5413	22%
	1500			26	61	1365.40	675.14	35500	41184	5683	16%
	2000			26	61	1693.40	826.74	44028	50431	6402	15%
Edible Oils	500	115	LR 4	32	61	348.90	289.77	11165	17676	6511	58%
	1000			32	61	665.20	483.16	21286	29473	8187	38%

	1500			32	61	981.40	675.14	31405	41184	9779	31%
	2000			32	61	1217.20	826.74	38950	50431	11480	29%
Milk Powder	500	160	LR 1	36	61	485.40	394.76	17474	24080	6606	38%
	1000			36	61	925.40	684.64	33314	41763	8448	25%
	1500			36	61	1365.40	972.66	49154	59332	10178	21%
	2000			36	61	1693.40	1200.10	60962	73206	12244	20%
Motor Cars	500	240	LR 4	12	58.8	728.20	289.77	8738	17038	8300	95%
(in BCACN wagons)	1000			12	58.8	1388.20	483.16	16658	28410	11752	71%
	1500			12	58.8	2048.20	675.14	24578	39698	15120	62%
	2000			12	58.8	2540.20	826.74	30482	48612	18130	59%
Onion	500	90	LR 4	46.30	61	273.10	289.77	12645	17676	5031	40%
	1000			46.30	61	520.60	483.16	24104	29473	5369	22%
	1500			46.30	61	768.10	675.14	35563	41184	5621	16%
	2000			46.30	61	952.60	826.74	44105	50431	6326	14%
Paper	500	130	LR 3	34	58	394.40	324.80	13410	18838	5429	40%
	1000			34	58	751.90	520.82	25565	30207	4643	18%
	1500			34	58	1109.40	774.35	37720	44912	7193	19%
	2000			34	58	1375.90	951.16	46781	55167	8386	18%
Tea	500	140	LR 4	27	61	424.80	289.77	11470	17676	6206	54%
	1000			27	61	809.80	483.16	21865	29473	7608	35%

1	2	3	4	5	6	7	8	9	10	11	12
	1500			27	61	1194.80	675.14	32260	41184	8924	28%
	2000			27	61	1481.81	826.74	40009	50431	10422	26%
Timber	500	135	LR 1	46.25	61	409.60	394.76	18944	24080	5136	27%
	1000			46.25	61	780.80	684.64	36112	41763	5651	16%
	1500			46.25	61	1152.10	972.66	53285	59332	6047	11%
	2000			46.25	61	1428.80	1200.10	66082	73206	7124	11%
Turmeric	500	140	LR 4	53.8	58	424.80	289.77	22854	16806	-6048	-26%
	1000			53.8	58	809.80	483.16	43567	28023	-15544	-36%
	1500			53.8	58	1194.80	675.14	64280	39158	-25122	-39%
	2000			53.8	58	1481.80	826.74	79721	47951	-31770	-40%

*Includes Busy Season Charge @ 7%, Development Charge @ of 2% on NTR and Terminal Charge @ of Rs. 40 per terminal charge.

Wagon Production during 2009-10

ANNEXURE F

Fig. in Vus

Wagon Builders	Type of wagon	O/s as on 1.4.09	Fresh order 09-10	Total orders 09-10	Apr. '09	May '09	June '09	July '09	Aug. '09	Sept. '09	Oct. '09	Nov. '09	Dec. '09	Jan. '10	Feb. '10	Mar. '10	Cum Pdn.	O/s as on 1.4.10
PUBLIC SECTOR																		
M/s. BWEL/MFP	BOXNHL	90	50	140					2		5	18	17	5	13	15	75	65
	BOSTHS			0													0	0
	BRNAHS	8		71	8		7	23	20	13							71	
	TOTAL	98	50	211	8	0	7	23	22	13	5	18	17	5	13	15	146	65
M/s. BEWL MKA	BOXNHL	64	50	132									2		3	10	15	17
	BOSTHS			0													0	0
	BRNAHS	56		93	6	5	11	10	10	10	4	15	8	11	3		93	0
	TOTAL	120	50	225	6	5	11	10	10	10	4	15	10	11	6	10	108	117
M/s. Braithwaite	BTPN	30		30	15	10	5										30	0
	BOXNHL	164	50	479					8	10	32	50	64		45	90	299	180
	BOSTHS	24	394	418	24			33	33	44	45	46	33	52	10	70	390	28
	BOXNLW	130		130		10	25	29	35	11	20						130	0
	BOBYN	15	75	90		8	7						5	25	10	35	90	0
	TOTAL	363	519	1147	39	28	37	62	76	65	97	96	102	77	65	195	939	208
M/s. Burn/BP	BOBRN	290		290	22	15	15	31	32	16	34	37	32	30	20	6	290	0
	BOBYN	93		93													0	93
	BOXNHL	114		114													0	114
	BOSTHS	117		117												6	6	111
	TOTAL	614	0	614	22	15	15	31	32	16	34	37	32	30	20	12	296	318

Fig. in Vus

Wagon Builders	Type of wagon	O/s as on 1.4.09	Fresh order 09-10	Total orders 09-10	Apr. '09	May '09	June '09	July '09	Aug. '09	Sept. '09	Oct. '09	Nov. '09	Dec. '09	Jan. '10	Feb. '10	Mar. '10	Cum Pdn.	O/s as on 1.4.10
M/s. Burn/HWH	BOXNHL	368		218						1	1		1	6	8	12	29	189
	BRNAHS	22		22	15	7											22	0
	BOSTHS	603		731	35	30	28	30	42	42	25	10	35	40	35	60	412	319
	TOTAL	993	0	971	50	37	28	30	42	43	26	10	36	46	43	72	463	508
M/s. BR	BPTN	32		32													0	32
	BOBYN	275		275	5	10	10		20	12	16	19	20	20	22	21	175	100
	BOSTHS	128		0													0	0
	BOXNHL	100		100								1			2		3	97
	TOTAL	535	0	407	5	10	10	0	20	12	16	20	20	20	24	21	178	229
PRIVATE SECTOR		2723	619	3575	130	95	108	156	202	159	182	196	217	189	171	325	2130	1445
M/s. Texmaco	BOXNAL	96		96													0	96
	BOXNHL	162	160	1084	220	55	227	232	190	26	134						1084	0
	BCNHL	484	1908	2392	35	28	75	84	98	80	124	140	175	190	157	235	1421	971
	BOSTHS	340		340		3	12	56	50	50	50	80	39				340	0
	BVZI	259		259		14	11	24	18	17	20	27	55	33	23	14	256	3
	TOTAL	1341	2068	4171	255	100	325	396	356	173	328	247	269	223	180	249	3101	1070
M/s. Modern	BOXNHL	517	150	1002	137	125	53	30	6	3	54	99	126	141	92	136	1002	0
	BCNHL	0	1432	1432												5	5	1427
	BCFC		125	125													0	125

	BTPGLN	151		151													0	151
	BTPN	310		310								6	25	19	48	49	147	163
	TOTAL	978	1707	3020	137	125	53	30	6	3	54	105	151	160	140	190	1154	1866
M/s. HEI	BOXNHL	92		356	39	53				35	50	67	65	47			356	0
	BOSTHS	129	221	350	63	35	55	55	46	40	34	22					350	0
	BCNHL	400	365	765				1	15	25	25		7	31	50	80	234	531
	BOBRNHS	200		200			24	62	72	42							200	0
	TOTAL	821	586	1671	102	88	79	118	133	142	109	89	72	78	50	80	1140	531
M/s. BESCO	BOBRNAL	60		60													0	60
	BOBRNHS	236		236													0	236
	BOXNAL	144		144													0	144
	BOXNHL	347	130	941	96	50	65	67	69	55	88	99	79	143	11	119	941	0
	BCNHL	299	500	799			2	3	8	7	5	25	51	85	45	55	286	513
	BTPN	150		150		50	34	34	32								150	0
	BOBYN	220	44	264	20	34	50	62	54	35	9						264	0
	BOSTHS	200	447	647		1	18	34	30	40	48	29	50	40	34	55	380	267
	TOTAL	1656	1121	3241	116	135	169	200	193	137	150	153	180	268	91	229	2021	1220
M/s. Titagarh	BOSTHS	215	240	455	100		100	51	100	61	43						455	0
	BOXNHL	482		482	130	70	148	134									482	0
	BCNHL	1273		1715					11	60	5158	95	150	230	231	236	1122	593

Fig. in Vus

Wagon Builders	Type of wagon	O/s as on 1.4.09	Fresh order 09-10	Total orders 09-10	Apr. '09	May '09	June '09	July '09	Aug. '09	Sept. '09	Oct. '09	Nov. '09	Dec. '09	Jan. '10	Feb. '10	Mar. '10	Cum Pdn.	O/s as on 1.4.10
	BVZI	153		153				5	7	6			4	10	1	12	45	108
	TOTAL	2123	240	2805	230	70	248	201	167	118	101	95	154	240	232	248	2104	701
M/s. Jessop	BOBSN	76		76	5	10	21	11	29								76	0
	BOSTHS	100		100							14	35	37	14			100	0
	BOXNHL		200	200													0	200
	BCNHL		565	565													0	565
	BOBRNHS	200		200											17	5	22	178
	BVZI	167		167			5										5	162
	TOTAL	543	765	1308	5	10	26	11	29	0	14	35	37	14	17	5	203	1105
Jupiter wagon	BOXNHL	28	190	305	26	2	23	7	16	37	40	31	33	33	23	34	305	0
	Total	28	190	305	26	2	23	7	16	37	40	31	33	33	23	34	305	0
TOTAL Pvt. Sector		7490	6677	16521	871	530	923	963	900	610	796	755	896	1016	733	1035	10028	6493
TOTAL Industry		10213	7296	20096	1001	625	1031	1119	1102	769	978	951	1113	1205	904	1360	12158	7938

ANNEXURE G

Trans shipment Points (MG to BG) existing on Indian Railways

Sl.No.	Railways	As on 01.04.2006	As on date (June/2011)
1.	CR	Nil	Nil
2.	ER	Nil	Nil
3.	ECR	Nil	Nil
		(Narkatiaganj for Railway materials only)	(Narkatiaganj for Railway materials only)
4.	ECoR	Nil	Nil
5.	NR	Nil	Nil
6.	NCR	Nil	Nil
7.	NER	Gonda	Gonda
8.	NFR	Lumding and Rangiya	Lumding and Rangiya
9.	NWR	Nil	Nil
10.	SR	Nil	Nil
11.	SCR	Nil	Nil
12.	SER	Nil	Nil
13.	SECR	Nil	Nil
14.	SWR	Nil	Nil
15.	WR	Sabarmati (BG to MG)	Nil
16.	WCR	Nil	Nil

CHAPTER III

OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE REPLIES RECEIVED FROM THE GOVERNMENT

—Nil—

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Observation/Recommendation No. 4

The Committee note that the Carrying Capacity (CC) of a wagon is based upon the load that the axles of the wagon can carry. Prior to November 2004, the wagons were allowed to be loaded up to CC+2 tonne where the permissible axle load was taken as 20.32 tonne. From November 2004 onwards, the loading was permitted up to CC+4+2 tonne. In May 2005, as a pilot project, the Railway Board permitted running of these wagons loaded up to CC+8+2 tonne on sixteen identified iron ore routes in order to increase throughput. Subsequently, wagons loaded with coal up to CC+6+2 tonne were also allowed to run on nominated coal routes. However, no detailed scientific and engineering study on the technical feasibility of the enhanced wagon loading was carried out through any independent accredited agency and this important decision of increasing wagon carrying capacity beyond the prescribed limits *i.e.* upto CC+8+2T was taken solely based on the field experience gained after running freight wagons for years and in-house research and development work done by the Research Design and Standards Organization (RDSO). The Committee's examination has revealed that this questionable decision of the Ministry of Railways challenges the conventional/ prevaling system of assessing weight bearing limit of tracks and had led to large scale premature damages to tracks, bridges and rolling stock belying the Railway Board's contention that no appreciable adverse effect has been noticed. Though the Railway Board admitted that actual consequences of the enhanced loading on tracks and wagons would be clearer when more results become available in due course which may span over 30 years, the Committee are of the considered view that for any impact assessment of such nature and duration, it is not always easy to arrive at any reliable result as various external issues or stimuli are certain to affect the process. The Committee are, therefore, constrained to observe that until the Railway Board complete their ongoing impact analysis of enhanced loading on rail infrastructure and the results prove beyond doubt that their venture is risk free, the decision of enhanced loading remains a risky venture fraught with latent physical damage to rail infrastructure which even poses rail safety concerns. The Committee cannot but conclude that this decision of the Ministry of Railways to enhance the carrying capacity of wagons is aimed at short-term revenue gains at the cost of long-term damages to the railway infrastructure. The Committee feel that CC of wagons should have ideally been enhanced only after undertaking a proper scientific evaluation and detailed feasibility study. They would also like to caution the Railway Board to desist from taking indiscreet actions which may cause injudicious harm to rail infrastructure in future.

[Sl. No. 4, PART II, Para No. 4 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The main issues pointed out in the above paragraph are:—

(a) No detailed scientific and engineering study on the technical feasibility of the enhanced wagon loading was carried out through any independent

accredited agency and this important decision of increasing wagon carrying capacity beyond the prescribed limits *i.e.* up to CC+8+2T was taken solely based on the field experience gained after running freight wagons for years and in-house research and development work done by the Research Design and Standards Organization (RDSO).

(b) The Committee are, therefore, constrained to observe that until the Railway Board complete their ongoing impact analysis of enhanced loading on rail infrastructure and the results prove beyond doubt that their venture is risk free, the decision of enhanced loading remains a risky venture fraught with latent physical damage to rail infrastructure which even poses rail safety concerns.

(c) The Committee feel that CC of wagons should have ideally been enhanced only after undertaking a proper scientific evaluation and detailed feasibility study. They would also like to caution the Railway Board to desist from taking indiscreet actions which may cause injudicious harm to rail infrastructure in future.

With regard to (a) above, it is to be pointed out that RDSO has been involved in the design and development of rolling stock since its establishment way back in the fifties. All the wagons plying on the Indian Railway System have been designed/ approved by RDSO. To enhance the carrying capacity of these wagons, RDSO did not need to consult any independent accredited agency as the technical know-how of these wagons was already available with RDSO.

With regard to (b) and (c), it is to be pointed out that running of trains loaded with enhanced quantity was done based on field experience after running freight trains for years and in-house research by RDSO. Additional springs are being provided in suspension to contain the effect of enhanced loading. The provision of additional springs is almost completed.

Earlier BOY and BOBS wagons with an axle load of 22.9 metric tonne have been introduced on Indian Railways. These wagons are running for a considerable time and no adverse effect has been noticed on the track.

Over the years, not only the track structure has improved but maintenance standard has also improved considerably, 90R rails have been replaced with 52 kg. and 60 kg. rails. In addition to improvement in rail section, rail metallurgy has also improved considerably. Ultimate Tensile Strength (UTS) of rail has been improved from 72 UTS to 90 UTS. Bhilai Steel Plant is now using RH degasser of restricting the hydrogen content to avoid rail fractures on this account. Rails are being tested on line with Ultrasonic Flaw Detection (USFD) System and Eddy Current testing machines for detecting any internal flaw and surface defects.

Use of longer rail panels has resulted in reduction of nos. of in-plant and *in situ* welded joints which are normally considered relatively weaker zones in track. This has resulted in reduced maintenance cost and longer life of track components.

Similarly, sleeper technology has also changed completely. Metal sleepers have been replaced with PSC (Pre-stressed concrete) sleepers. These sleepers are provided with the state-of-the-art track machines. With the introduction of 52 kg./60 kg. rails on PSC sleepers, track modulus has improved considerably and axle load capacity of the track has improved.

Keeping in view the above developments, a corporate decision was taken by Railway Board to permit CC+8+2T on iron ore routes in May, 2005 as a Pilot Project. The issue has been examined in house by the experts in the field and in RDSO. RDSO has also conducted a number of studies on the effect of enhanced loading on track and bridges and working with WILD instruments. With enhancement of Carrying Capacity (CC) of railway wagons, the assets are subjected to more intensive use and their earlier renewal is on accepted lines.

While permitting higher axle load, greater emphasis on monitoring of in service behaviour of infrastructure, both fixed and rolling stock is being kept in mind. Higher axle load may decrease life of rail but with greater emphasis on having zero tolerance for overloading, USFD examination of rails, monitoring of in service defects of wagons with help of WILD, instrumentation of bridges etc., effects of higher axle loads on track will get reduced. Rail grinding have been envisaged to long life of rails.

The project is being monitored by Multi-disciplinary Core Group comprising of Heads of Departments from Civil, Mechanical, Electrical and Operating departments and the same is being reviewed by General Managers of Zonal Railways. Quarterly review reports are also being submitted to Railway Board. A number of instructions have been issued by Railway Board to control overloading. To effectively monitor and control overloading, zonal Railways were advised to implement Unified Joint Procedure Orders (JPO) issued from Board. Speed restructions are being imposed on overloaded wagons. Evidently, Railways are taking sufficient measures to nullify/minimize adverse impact of Higher Axle Load running over fixed infrastructure.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below that ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weighbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also need to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the 10th as well 11th Plan for setting up a trend reversal in the market share of Indian Railways which registered a

continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is depedent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e.* Net Tonne Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8: 0.9. The table below depicts this:—

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-

(Rashmi Kapoor)
Adviser (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 5

The Railway Board implemented a pilot project on enhanced loading with the objective of carrying more tonnes per wagon thereby increasing the throughput on

congested routes and reducing the unit cost of operations to effect saving on locomotives, additional wagons, staff and paths to move additional trains. However, the Committee find that in a series of *ad hoc* decisions that were taken in haste, the Railway Board permitted enhanced loading on more routes in several stages. Initially, the Railway Board permitted running of freight trains loaded up to CC+8 tonne with an additional loading tolerance of 3 tonne on certain specified routes mostly dedicated freight routes as a pilot project for one year effective from 15.05.2005. The commodities permitted to be loaded under this arrangement were ores, gypsum, limestone, dolomite, etc. Later, some CC+6 routes were also notified for loading of E&F grade coal, inferior grade coal, washed coal, and washery middling in addition to ores, gypsum, limestone and dolomite up to CC+6 tonne. The Pilot Project was gradually enhanced and more routes have been included in the project and in addition to BOXN wagons, other wagons were also included in the project. Cement, grain, sugar etc. were also included in permitted commodities list in addition to iron ore, coal and other heavy minerals. Subsequently, CC+6 routes have been universalized and all BG routes of Indian Railways except a few have been notified as CC+6 routes. In defence of such questionable and risky decisions, the Railway Board pleaded that as capacity additions in the Indian Railways have long gestation periods, the quantum increase in the freight loading could be made possible only through a major strategy of increasing the axle load. The Committee are not convinced by this approach of the Ministry of Railways particularly when the enhanced loading was effected without the matter being subjected to a thorough scientific and engineering study and more routes were arbitrarily brought under the pilot project without any assessment of their impacts. Against this backdrop, the Committee do not consider the decision to enhance carrying capacity of wagons much above the originally permissible carrying capacity as a prudent, safe and technically sound way of augmenting earning capacity of the Railways. While expressing serious concern over this uncertain step, the Committee desire that the Railway Board should avoid pursuing a reckless policy of expanding enhanced CC routes until favourable impacts of the existing pilot project are established.

[Sl. No. 5 PART II, Para No. 5 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

The Committee has basically pointed out that the decision of enhanced loading was effected without the matter being subjected to a thorough scientific and engineering study and more routes were brought in the ambit of enhanced loading without any assessment of their impact. Thus, the Committee does not find this decision to be prudent, safe and technically sound.

With regard to scientific and engineering studies, replies have been furnished for item No. 4. The Ministry of Railways is of the opinion that adequate experience has been gained for enhanced axle load and adequate measures to ensure safety have also been taken. Thus, the Committee's observation above is not right keeping in view the better technological inputs being provided on a continuous basis.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight

MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's Comments:—

"Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in motion weighbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the 10th as well 11th Plan for setting up a trend reversal in the market share of Indian Railways wthich registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e.* Net Tonne Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8: 0.9. The table below depicts this:—

Year	GDP Growth in %age	NTKM Growth in % age
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2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the

growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus keeping in mind the demands for freight in the economy, Railways have tried to maximize their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Rashmi Kapoor)
Adviser (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 6

The Committee note that while giving their green signal for enhancing wagon load, the RDSO had, based on their studies, called for greater control on overloading and increasing number of Wheel Impact Load Detectors (WILD) instruments along with other factors to increase the track life. RDSO had also recommended for providing additional springs in suspension and Association of American Railways (AAR) approved grease in axle box bearings of wagons. In addition, the Railway Board in March and May 2005 also clarified that the enhanced loading may be permitted subject to the fulfilment of certain conditions. However, Audit review of eleven and six selected routes, where enhanced loading of iron ore and coal was permitted respectively, had revealed that in almost all the Railway Zones, the pilot projects of permitting the wagons loaded up to CC+8+2 tonne and CC+6+2 tonne were commenced even without fulfilling the prescribed conditions of installation of in-motion weighbridges and provision of Wheel Impact Load Detectors. Even though eleven in-motion weighbridges the were slated to be installed on East Coast Railway, only one was installed as of September 2006. Similarly, on South Central Railway only five out of the stipulated nine weighbridges could be installed. Worse still, not a single Wheel Impact Load Detector was provided on any of the railways during the same period. In this regard, the Railway Board contended that the installation of Wheel Impact Load Detectors (WILD), instrumentation of bridges, installation of in-motion weighbridge was not a prerequisite for starting the Pilot Project. The Committee do not agree with the Railway Board's view in the matter as it is contradictory to the recommendations of the RDSO for greater control on overloading and increasing the number of WILD instruments. The Committee cannot but deplore the failure of the Railway Board in fulfilling the prerequisite conditions before permitting enhanced loading which is a major systemic failure/lapse. They, therefore, would like the entire issue be looked into afresh and take immediate corrective measures. The Committee also urge upon the Railway Board to accord the highest priority henceforth on fulfilling the prerequisite conditions of wagon CC enhancement *i.e.* installation of all the requisite devices/instruments like WILDs, weighbridges, other essential mechanical devices/ instruments etc.

[Sl.No. 6, PART II, Para No. 6 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Almost all the wagons have been strengthened by the provision of additional springs as per the recommendations of RDSO. Close monitoring of CC+8+2 operation

is being done so that the data so obtained can be an instrument of decision-making regarding inputs in key areas, like upgradation of technology, maintenance etc. so that the investments can be prioritised accordingly.

Wheel Impact Load Detectors (WILD) have been installed at the following locations:—

S.No.	Location	Division	Railway	Date of Installation
1.	Mahalimarup	Chakradharpur	SER	18.07.2007
2.	Hospet	Hubli	SWR	22.07.2007
3.	Bhilai	Raipur	SECR	28.11.2007
4.	Arkkonam	Chennai	SR	31.01.2008
5.	Mughalsarai	Mughalsarai	ECR	10.04.2008
6.	Mughalsarai	Mughalsarai	ECR	10.04.2008
7.	Guntakal	Guntakal	SCR	25.02.2008
8.	Asansol	Asansol	ER	24.04.2008
9.	Vishakhapatnam	Waltair	ECoR	30.05.2008

WILD is a new technology on the Indian Railways. We are still on the initial part of the learning curve. Some time is required for the technology to be absorbed completely. The focus through WILD is on isolation of defective wagons in order to minimise harm to both the wagon and the track. However, the primary objective is still the prevention of defects through inputs in technology, quality control in manufacture and improved maintenance.

Significant progress has been made in terms of understanding the use of this new technology and using it for benefit of IR. Based on the experience of first lot of 09 WILDs installed, certain improvements have been made in the second lot of six, orders for which have been placed for:—

S.No.	Location	Division	Railway
1.	Nagpur	Nagpur	SECR
2.	Ajni	Nagpur	CR
3.	Bina	Bhopal	WCR
4.	Itarsi	Bhopal	WCR
5.	New Katni	Jabalpur	WCR
6.	Barwadih	Dhanbad	ECR

The above 6 WILD equipments are planned to be installed in 2010.

The pilot implementation of the Acoustic Bearing Monitor has been done at Bakkas (Northern Railway). The system has been commissioned in January 2010. The system validation process is in hand as this system requires correlation of field data with the associated examination results. This is a complex imported technology requiring critical initial process as the standards pertaining to IR systems need to be developed.

With regard to installation of weighbridges, details have been provided in reply at Item No. 7.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz.* installation of WILD, electronic in-motion weightbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures marketing strategies in the 10th as well 11th Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

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Year	GDP Growth in % age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus, keeping in mind the demands for freight in the economy, Railways have tried to maximise their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Rashmi Kapoor)
Adviser (Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19 dated 24-2-2011]

Observation/Recommendation No. 7

In terms of RDSO's conditions and the clarifications issued by the Railway Board in March and May 2005 in the matter of permitting enhanced loading, installation of Wheel Impact Load Detectors and in-motion weighbridges are considered essential for monitoring the impact of enhanced loading. By December 2008, a total of 9 WILDs have been installed and tender for procurement of further seven systems was under finalisation by Central Organisation for Modernisation of Workshops (COFMOW). Besides, the Railway Board also planned to incorporate WILD in Online Monitoring of Rolling Stock (OMRS) system and another indent for procurement of 25 Nos. of Acoustic Bearing Detector and WILD for Online Monitoring of Rolling Stock was under finalisation. The Committee are distressed to find that this position remained unchanged till December 2009, obviously indicating that no specific action plan has been implemented for expeditious installation of WILD on all identified vulnerable routes. Further, the Committee's examination has revealed that since 2004 greater emphasis has been given on checking overloading after surprise checks detected overloading to a great extent. Accordingly, power was delegated to General Managers to sanction expenditure up to Rs. 15 lakh on installation of weighbridges. In the same year, all Zonal Railways were directed to review the availability of weighbridges and chalk out an action plan for providing electronic in-motion weighbridges at originating points as also at other convenient locations where weighment was operationally feasible. As a result, 42 weighbridges were made available by 2005 and another 48 and 24 weighbridges were commissioned during 2006 and 2007 respectively. Subsequently, the Railway Board constituted a Committee during 2008-09 to draw up a blueprint indicating all the locations on Indian Railways where electronic in-motion weighbridges need to be provided. In spite of this, the position of installation of weighbridges remained dismal till date as against 84 and 69 weighbridges planned for installation during 2008 and 2009 respectively, only 11 and 8 weighbridges could be commissioned and surprisingly, as a remedial measure, the Railway Board have merely reissued a set of old instructions recently asking all Zonal Railways to commission entire planned/proposed weighbridges within the next six months besides mandating provision of in-motion weighbridges in all new private sidings having outward traffic. What disturbs the Committee most is the fact that the same instructions were issued in 2008 by the Railway Board without yielding any tangible results. The Committee note that even after 5 years of enhanced loading, the Railways have miserably failed to commission the requisite numbers of WILDs and in-motion

weighbridges despite their importance in monitoring the impact of enhanced loading to the rail infrastructure, which is anything but regrettable. In order to protect costly and vulnerable rail infrastructure from damages, the Committee recommend that it should be made obligatory for all the Zonal Railways to install and commission all the pending WILDs and weighbridges on priority basis and any laxity in the matter should be dealt with sternly. The Committee would like to be apprised of the details of precise action taken, year-wise and zone-wise, in this regard.

[Sl. No. 7 Part II, Para No. 7 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Year-wise and Railway-wise status of installation of in-motion weighbridges is given in **Annexures-A, B and C.**

Year-wise and Railway-wise status of installation of WILD is given at reply to item No. 6.

Audit *vide* their U.O. No. 38-RA-II/8-1/2006/Freight MIP dated 09.02.2011 have desired that their comments communicated *vide* U.O. No. 08-RA-II/8-1/2006/Freight MIP dated 05.01.2011 may be appended below the ATN followed by Ministry's comments:—

> "Audit appreciates that Ministry of Railways is keeping a watch on the long term behaviour of the rolling stock and is also taking care of implementing safety measures *viz*. installation of WILD, electronic in-motion weighbridges, strengthening of bridges etc. Indian Railways, however, needs to vigorously pursue the implementation of these safety measures to sustain the prevalent growth trend in its services. Besides, it is also required to keep a watch on the damage to track as a result of running of heavier freight trains. Further, imposing punitive charges for overloading is not a sufficient deterrent to safeguard the condition of track as traders may get away by paying penalty which may constitute a small portion of the value of the goods carried. IR also needs to ensure the adequate flow of funds for speedier completion of various traffic facility works in sheds/terminals/sidings as well as in workshops as this will help in avoiding detentions of rolling stock. Though Ministry of Railways have initiated measures/marketing strategies in the 10th as well 11th Plan for setting up a trend reversal in the market share of Indian Railways which registered a continuous decline in the past two decades, the record made available by Ministry does not indicate any improvement."

Ministry's Comments

Efforts are being made for limiting the adverse impact of overloading by detaching wagons overloaded beyond certain limits and making the customers to unload the excess consignment. The policy of having weighbridges at each new siding means that overloading, would be detected at the loading point itself and necessary adjustments would be done. At the same time, the Railways have embarked on a policy that for loose/bulk consignments, 100% weighment will be ensured before RRs are issued. These two steps by itself will go a long way in eliminating the problem of overloading. Freight transportation is a derived demand and is dependent on the

growth of the economy, especially in the core sector. The index of transportation output is NTKM *i.e*. Net Tonne Kilometre. The rate of growth of NTKM and the rate of growth of the economy have moved in a ratio of 0.8-0.9. The table below depicts this:—

Year	GDP Growth in %age	NTKM Growth in %age
2001-02	5.60	3.48
2002-03	4.30	5.99
2003-04	8.50	7.94
2004-05	7.50	6.86
2005-06	9.00	7.90
2006-07	9.60	8.11
2007-08	9.00	7.70
2008-09	6.70	5.16
2009-10	7.20	8.65

However, as a conscious effort the Railways tried to focus further on improving the growth of NTKMs by trying to capture long lead traffic. This resulted in the growth of NTKMs being more than the growth in GDP for the first time in the last 9 years. Thus, keeping in mind the demands for freight in the economy, Railways have tried to maximise their output which is reflected by more than proportionate growth in NTKMs.

Sd/-
(Rashmi Kapoor)
Adviser(Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 16

The Committee note that in the rapidly growing and developing economy like ours, the Railways' share of the total transport share is bound to register a declining trend due to its operational limitations and increasing availability of other easier and competitive modes of transportation like roadways, pipelines, etc. For regaining their lost traffic share, the Railway Board have been taking various measures by way of investment aimed at creating infrastructure for improved freight and passenger services. At present, large number of activities such as introduction of new lines, gauge conversion, track renewals, track doubling, bridge works, electrification projects, signalling and telecommunications works, etc. are underway on the Indian Railways, which directly or indirectly aim at improving various aspects of freight operations and freight carrying capacity so as to provide a safe, sound and efficient modern infrastructure, which ensures smooth passenger and freight operations. Further the Railways have targeted augmentation of Broad Gauge track capacity by 15,500 kms. during the 11th Five Year Plan. However, the Committee are constrained

to note that the investment under major plan heads aimed at creating infrastructure for improving freight and passenger services over the years is not commensurate with the buoyancy level of Railways' earnings. To illustrate, the Railways reportedly achieved a jump in their freight earnings from an amount of Rs. 26,231.45 crore during 2002-03 to Rs. 53,433.40 in 2008-09 but no proportionate amount has been invested for railway infrastructure development as the actual expenditure incurred under the various plan-heads meant for increasing the freight haulage capacity like Gauge Conversion, Track Doubling, Traffic Facilities, Rolling Stock Programme, etc. remained almost static during 2004-05 to 2005-06. As a result, capacity augmentation over the existing facilities was very poor and was marked by fluctuations of marginal declines and increases continually from the years 2002-03 to 2006-07. This lack of growth in the Railways' infrastructure had perhaps a causative role in the reduction of the Railways' share of the total transport share from 53 percent in the 4th Five Year plan to 37 per cent in the 9th Five-Year plan. The Committee consider such an inadequate investment on Rail infrastructure to be a serious handicap on the part of the Railway Board, which may deprive them of achieving the required pace of acceleration both in passenger and freight operations and earnings thereof. In such a scenario, the Railways need to invest heavily on their infrastructure development for furthering their performance and achievement and more especially in the post freight rationalization and CC enhancement phase marked by deterioration in railway infrastructure. The Committee, therefore, urge the Railways to pool their resources and infuse adequate funds for infrastructure renewal/upgradation to enable the Railways in creating the required rail infrastructure for scaling further heights in their performance. It is needless to mention that the upgradation of physical infrastructure should be adequately complemented by a series of innovative and competitive marketing strategies to further consolidate the Railway's performance and achievements in freight operations.

[Sl. No. 16, PART II, Para No. 16 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Noted.

A number of marketing strategies have been adopted to consolidate Railway's performance and achievements in freight operations from time to time.

In order to encourage public-private partnership in procurement of wagons to meet the anticipated incremental freight traffic, Wagon Investment Scheme (WIS) was launched on 28.11.2005. Approvals of 140 rakes were accorded by IR during the period from 2005-08, out of which 103 rakes have been inducted on IR system.

Similarly, Liberalized Wagon Investment Scheme (LWIS) was launched in 2008 to encourage private investment in special purpose and high capacity wagons for transportation of bulk commodities where Railway's share is low. Approval for procurement of 12 rakes has been given till June, 2010.

To further facilitate private investment in wagons, new schemes namely Special Freight Train Operator (SFTO) Scheme and Automobile Freight Train Operator (AFTO) Scheme have been launched recently to facilitate increase in IR's market share in

non-traditional low, medium and high density traffic like automobile, vegetable oil, molasses, chemicals and petrochemicals and bulk traffic like fly ash/bulk cement, etc.

Private investment has also been encouraged in the area of terminal development on private land through Terminal Development Scheme (TDS) launched in 2008 and Private Freight Terminal scheme launched on 31.05.2010 for handling rail borne traffic. To compliment AFTO scheme, a policy on development of automobile and ancillary hub on railway land through public private partnership mode has been issued to facilitate bulk transportation of automobile traffic from production centres to consumption centers.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 05.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Adviser(Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

Observation/Recommendation No. 21

The Committee note that as per the Indian Railway Yearbook (2004-05) there were arrears in the periodical overhauling of BG wagons (5.8 per cent) and MG wagons (7.9 per cent) and further during six-months period from October, 2005 to March, 2006 alone, 30,344 wagons which were due for periodical overhauling were stabled in the yards and sent to Workshops after a total delay of 1,34,591 days with an earning capacity of Rs. 27.39 crore. The Committee find that even after receipt of wagons in the workshops, they could not be taken up for POH immediately due to capacity constraints and bunched supply. Besides, most of the wagons undertaken for periodical overhauling were not turned out within the prescribed period. The Ministry of Railways have attributed the reasons for delays in this regard to shortage of material and staff, prevalence of serious damages requiring major repairing/ modifications, denting and painting, etc. The Committee regret to note that the Ministry of Railways have not taken any effective steps to minimise the time taken in periodical overhauling by ensuring timely supply of requisite material and staff, etc. Further, the repaired wagons were also not sent for use immediately after overhauling resulting in loss of a total of 81,434 days with possible earning capacity of Rs. 16.57 crore. The Committee also note that there was prolonged detention of wagons due for POH in yards for abnormally long periods of as many as 1,34,591 days, which adversely affected the operational capability of the Indian Railways. In this regard, the Committee have been informed by the Railway Board that there is no prescribed period as such for periodic overhauling of wagons and the Railways have been attempting to achieve within a period of 5 to 8 days in their workshops. In the Committee's view, this is nothing short of a serious lapse on the part of the Railway Board especially when their records depict losses attributable to this account. The Committee also find that as against the total number of 2,01,933 fit wagons on the Indian Railways, as many as 9,748 wagons are lying sick as on 09.11.2008 and during the year 2009-10, the ineffective percentage of wagons is around 2.65 per cent, which is numerically more than 56,095 wagons. This makes it clear that the existing arrangement needs to be

improved in so far as ensuring availability of a speedy and transparent system of repairing and maintaining Railway wagons is concerned. The Committee do not consider this practice conducive for preserving operational readiness of the Indian Railways' wagons fleet and, therefore, recommend that the Railway Board should take effective steps for ensuring periodic inspection of their wagons with a purpose of identifying/categorizing them into different types of repairing/periodic overhauling job. The Committee also note that reports of movement of trains on invalid Brake Power Certificate in violation of Board's instruction continue to pour in from zonal railways and in August, 2008, 795 trains were reported to be running with invalid BPC. From this scenario, it is evident that scarcity of wagon spare parts has gravely affected wagon-overhauling job. The Committee would like the Railways to enter into an effective arrangement with their spare part suppliers/maintenance providers for ensuring availability of necessary spare parts so that timely, smooth and speedy overhauling of damaged wagons is positively achieved and delays obviated.

[Sl.No. 21, PART II, Para No. 21 of 19th Report of PAC (15th Lok Sabha)]

Action Taken

Noted.

The instructions for dealing with invalid BPCs are very clearly laid down. Cases of invalid BPCs arise primarily due to unforeseen delays in transit. In such case, the driver and the guard are supposed to check the train for adequate safety and move to the nearest train examining point wherein the train will be examined. The Railways also have a system of inspections wherein such deviations are found out and remedial action is also taken.

Audit *vide* their U.O.I. No. 309-RA-II/8-1/2006 MIP/Freight dated 05.10.2010 have vetted the ATN.

Sd/-
(Rashmi Kapoor)
Adviser(Finance)

[Ministry of Railways' case No. 2010-BC-PAC/XV/19, dated 24.2.2011]

ANNEXURE A

Electronic in-motion Weighbridges Commissioned

Sl. No.	Rly.	Division	Location	Date of Commissioning
1	2	3	4	5
1.	CR	SUR	Hotgi	18-Feb-2000
2.	CR	BB	Kalamboli	5-May-2006
3.	CR	NGP	Wani	17-Jun-2006
4.	CR	NGP	Tadali	22-Nov-2009
5.	ECoR	WAT	Simhachalam (Line No. 7)	9-Aug-2002
6.	ECoR	KUR	Paradeep (Dn. Line)	25-Jan-2006
7.	ECoR	KUR	Sukinda Road	18-Mar-2006
8.	ECoR	VSKP	OEC ROH Depot/VSKP	29-Apr-2006
9.	ECoR	KUR	Hindol Road	9-May-2006
10.	ECoR	SBP	Titlagarh	22-Dec-2006
11.	ECoR	WAT	Bhansi	29-Dec-2006
12.	ECoR	KUR	Paradeep (Up Line)	21-Apr-2007
13.	ECoR	SBP	Mandir Hasud	24-Aug-2007
14.	ECoR	KUR	Kendujhargarh	15-Oct-2007
15.	ECoR	SBP	Hiradud	22-Nov-2008
16.	ECoR	WAT	Simhachalam (Line No. 10)	10-Sep-2009
17.	ECR	DHN	Latehar	20-Oct-2004
18.	ECR	DHN	Gomoh-1	16-Oct-2005
19.	ECR	DHN	Renukut	11-May-2007
20.	ECR	DHN	Singrauli	26-May-2007
21.	ECR	DHN	Chainpur	16-Apr-2009
22.	ECR	MGS	Mughalsarai	28-Jan-2010
23.	ER	ASN	Andal (SA) Yard	16-Aug-1994
24.	ER	ASN	Andal (NA) Yard	20-Apr-1996
25.	ER	MALDA	Jamalpur W/S	25-Sep-2001
26.	ER	ASN	Asansol	19-Mar-2004
27.	ER	HWH	Pakur	21-Jan-2006
28.	ER	HWH	Rajgram	22-Jan-2006
29.	ER	HWH	Dankuni	22-Jan-2006
30.	ER	MALDA	Sahibganj	3-Mar-2006
31.	ER	SADH	Naihati	14-Oct-2006
32.	ER	MALDA	Malada Town	18-Oct-2006
33.	ER	ASN	Barakar	31-Oct-2006

1	2	3	4	5
34.	ER	ASN	Waria	15-Dec-2006
35.	ER	HWH	Howrah Parcel	19-Mar-2007
36.	ER	HWH	Liluah (W/S)	1-Jun-2007
37.	ER	HWH	Howrah Goods Shed	5-Mar-2009
38.	KRC	KR	UDUPI	18-Feb-2006
39.	NCR	JHANSI	Jhansi (W/S)	8-Oct-1999
40.	NCR	JHANSI	Jhansi (New Yard)	19-Mar-2002
41.	NCR	ALD	Juhi	10-Jul-2002
42.	NER	LJN	Gorakhpur Cantt.	31-Mar-2006
43.	NER	IZN	Chamarua	10-May-2006
44.	NF	RNY	Jogigopha	27-Feb-2000
45.	NF	KIR	Rangapani	15-Nov-2000
46.	NF	RNY	New Bongoigam	22-Nov-2004
47.	NF	KIR	Adina	10-Sep-2005
48.	NF	APDJ	Kamakhyaguri	6-Oct-2005
49.	NR	MB	Chanethi	14-Mar-2001
50.	NR	UMB	Jagadhari (W/S)	25-May-2002
51.	NR	UMB	Bathinda	29-Oct-2003
52.	NR	DLI	New Delhi	27-Apr-2006
53.	NR	DLI	Tughlakabad	21-Jan-2006
54.	NR	LKO	Vyas Nagar	1-Aug-2006
55.	NR	FZR	Amritsar (W/S)	14-Aug-2007
56.	NWR	JU	Merta Road	6-Jan-2004
57.	NWR	JU	Jaisalmer	2-Oct-2008
58.	NWR	JU	Jawa City	19-Jan-2010
59.	NWR	JU	Thayat Hamira	20-Feb-2010
60.	SCR	GTL	Guntakal	1-Apr-1997
61.	SCR	GTL	Guntapalli (W/S)	23-Jun-2000
62.	SCR	GTL	Nandalur	30-Jan-2006
63.	SCR	GTL	Settigunta	10-Apr-2006
64.	SCR	GNT	Nallapdu	1-May-2006
65.	SCR	BZA	Bitragunta	21-May-2006
66.	SCR	BZA	Rajmundri	14-Jun-2006
67.	SCR	GNT	Nandyal	21-Aug-2006
68.	SCR	SC	Chitpur	17-Jan-2007
69.	SCR	SC	Kazipet	30-Oct-2007
70.	SCR	SC	Manikgarh	7-Apr-2008

1	2	3	4	5
71.	SCR	GNT	Hagari	9-Jan-2009
72.	SCR	GNT	Malikapuram	28-Feb-2009
73.	SCR	BZA	Kakinada Port (Ravikampadu)	31-Oct-2009
74.	SCR	BZA	Venkatachalam Road (Surareddypalem)	15-Dec-2009
75.	SCR	SC	Karimnagar	6-Feb-2010
76.	SECR	BSL	Champa	9-Jun-2000
77.	SECR	RAIPUR	Raipur (W/S)	21-May-2001
78.	SECR	RAIPUR	Marauda	24-Jan-2003
79.	SECR	RAIPUR	P-Cabin Bhilai	15-May-2006
80.	SECR	BSL	Belphar	28-Dec-2006
81.	SECR	NGP	Tumsar Road	3-Apr-2007
82.	SECR	BSL	Singhpur	19-Aug-2007
83.	SECR	RAIPUR	General Stores Depot/Raipur	30-Sep-2009
84.	SECR	RAIPUR	RSD Siding	15-Dec-2009
85.	SECR	RAIPUR	Dadhapara Siding	22-Jan-2010
86.	SER	KGP	Kharagpur (W/S)	24-Aug-2000
87.	SER	CKP	Bimalgarh	28-Mar-2001
88.	SER	RNC	Muri	28-Aug-2003
89.	SER	CKP	Dongaposi	5-Aug-2005
90.	SER	ADA	Ramkanali	5-May-2006
91.	SER	CKP	Joruli	26-Jun-2006
92.	SER	KGP	Durgachak	11-Jul-2006
93.	SER	CKP	Padmapukur	11-Jul-2006
94.	SER	CKP	Bondamunda	8-Aug-2006
95.	SER	ADA	Wagon Repair Shop/Adra	20-Sep-2006
96.	SER	CKP	Bondamunda	17-Mar-2007
97.	SER	KGP	Dalbhungarh	14-May-2007
98.	SER	CKP	Barajamda	22-Aug-2007
99.	SER	CKP	Jaruli	15-Dec-2009
100.	SER	KGP	Markona	15-Dec-2009
101.	SER	ADRA	Santaldih	10-Mar-2008
102.	SR	MAS	Perambur (W/S)	18-Dec-1999
103.	SR	MAS	Royapuram	15-Feb-2001
104.	SR	MAS	Chengalpattu	18-Dec-2002
105.	SR	TVC	Idapally	27-Dec-2002

1	2	3	4	5
106.	SR	MAS	Attipattu	26-Nov-2004
107.	SR	SA	Erode	15-Jun-2006
108.	SR	TPJ	Golden Rock (W/S)	6-Jul-2007
109.	SR	TVC	Coachin Harbour	3-Aug-2007
110.	SWR	UBL	TV Dam	21-Dec-2005
111.	SWR	UBL	Dharwar	24-Dec-2005
112.	SWR	UBL	Gingeria	24-Dec-2006
113.	SWR	UBL	Bellary	10-Jan-2006
114.	SWR	MYS	Sesalu	27-Jun-2006
115.	SWR	UBL	Banasandars	27-Aug-2006
116.	SWR	UBL	Sanvordam	19-Jun-2008
117.	SWR	UBL	Bannihatti	11-Aug-2008
118.	SWR	UBL	Duroji	30-Oct-2009
119.	WCR	KOTA	Sawai Madhopur	15-Jun-2001
120.	WCR	JBP	New Katni Junction	2-May-2008
121.	WCR	JBP	Khanna Banjari	11-May-2008
122.	WCR	JBP	Satna	3-Jul-2008
123.	WCR	KOTA	Kota	24-Sep-2008
124.	WCR	JBP	Kachpura	17-Nov-2008
125.	WCR	JBP	Jukehi	7-Jan-2009
126.	WCR	BPL	Itarsi	25-Apr-2009
127.	WCR	JBP	Beohari	1-Nov-2009
128.	WCR	JBP	Gosalpur	4-Jan-2010
129.	WR	ADI	Viramgam	1-Jul-1995
130.	WR	RJT	Navlaki	2-Jul-2002
131.	WR	BCT	Udhna	31-Jul-2003
132.	WR	ADI	Gandhidham	23-Jun-2004
133.	WR	ADI	Kankaria	13-Jan-2006
134.	WR	ADI	Paldi	27-Apr-2006
135.	WR	ADI	Kharaghoda	27-Apr-2006
136.	WR	ADI	Maliya Miyana	29-May-2006
137.	WR	ADI	Halvad	8-Sep-2006
138.	WR	RJT	Bhatuya	29-Nov-2006
139.	WR	RJT	Hapa	15-Dec-2006
140.	WR	BCT	Chalthan	4-Jan-2007
141.	WR	RJT	Lavanpur	11-Jan-2007
142.	WR	RJT	Vavaniya	11-Jan-2007

1	2	3	4	5
143.	WR	ADI	Dharagadra	14-Feb-2007
144.	WR	RTM	Chanderiya	16-Mar-2007
145.	WR	ADI	Kandla Port	4-Jul-2007
146.	WR	RTM	Mangaliagaon	4-Jul-2007
147.	WR	RJT	Windmill	12-Mar-2009

ANNEXURE B

Electronic in-motion Weighbridges under Commissioning

Sl. No.	Rly.	Division	Location
1.	CR	Solapur	Wadi
2.	ER	HWH	Chalra
3.	ER	SADH	Sealdah Parcel
4.	ER	MALDA	Sakrigali
5.	ER	MALDA	Barharwa
6.	ECR	MGS	Gaya
7.	ECR	DHN	Meralgram
8.	ECR	SEE	Semaria
9.	ECR	SEE	Semapur
10.	ECR	DHN	Dugda
11.	ECoR	JJKR	Sambalpur city shifted to Jajpur Keonjhar Road
12.	NCR	ALD	(GMC) DN Line/ALD
13.	NCR	JHS	Jhansi (Up Line)
14.	NWR	Ajmer	Debari
15.	NWR	BKN	Jamsar
16.	NWR	BKN	Hanumangarh
17.	SER	CKP	Bimalgarh
18.	SER	CKP	Chaibasa
19.	SER	CKP	Jharsuguda
20.	SER	ADA	Adra
21.	SER	ADA	Tupkadih
22.	SER	KGP	ANDUL
23.	SWR	MYS	Hasan
24.	SWR	MYS	Chikkajajuru
25.	WR	BVP	Ranavav

ANNEXURE C

Planned locations for Electronic in-motion Weighbridges

Sl. No.	Rly.	Division	Location
1	2	3	4
1.	CR	MBPT	Wadalaroad
2.	CR	BB	Mumbai Port
3.	ER	ASN	Durgapur
4.	ER	ASN	Tapashi
5.	ER	ASN	Surli
6.	ER	ASN	Raniganj
7.	ER	HWH	Bandel
8.	ER	HWH	Talit
9.	ER	HWH	Bhadreswarghat
10.	ER	HWH	Tarakeshwar
11.	ER	Malda	Rajmohal
12.	ER	Malda	Bakudih
13.	ER	Malda	Dhulianganga
14.	ER	Malda	Maharajpur
15.	ER	Malda	Jamalpur
16.	ER	SADH	Cassipore Road
17.	ER	SADH	Chitpur
18.	ER	SADH	Titapur
19.	ER	SADH	Sodepur
20.	ER	SADH	Budge Budge
21.	SR	MAS	Thiruvalangadu
22.	SR	TVC	Irumpanam
23.	SR	MDU	Milavittan
24.	SR	PGT	Panambur
25.	SR	PGT	Chennai Beach (Shoranur)
26.	SR	PGT	Kankanadi
27.	SR	SA	Salem

1	2	3	4
28.	SR	TPJ	Villupuram
29.	SER	CKP	Rourkela
30.	SER	CKP	Rajkharsuan
31.	ECR	SPJ	Bagaha
32.	ECR	SEE	Sonepuree
33.	ECR	SEE	Nayagaon
34.	ECoR	WAT	VSKP-1
35.	ECoR	WAT	VSKP-2
36.	ECoR	WAT	VSKP-3
37.	ECoR	SBP	Lapanga
38.	SWR	UBL	Yashwantnagar
39.	SWR	UBL	Kariganuru
40.	SWR	UBL	Tornagallu
41.	WR	ADI	Chirai
42.	WR	ADI	New Bhuj Adesar
43.	WR	ADI	Santalpur
44.	WR	RTM	Shambhupura
45.	WR	BVP	Adri Road
46.	WR	BRC	Bharuch Goods Yard

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH THE GOVERNMENT HAVE FURNISHED INTERIM REPLIES

—NIL—

NEW DELHI;
23 *December,* 2011
02 *Pausa,* 1933 *(Saka)*

DR. MURLI MANOHAR JOSHI,
Chairman,
Public Accounts Committee.

APPENDIX I

MINUTES OF THE TWELFTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2011-12) HELD ON 21ST DECEMBER, 2011

The Committee sat on Wednesday, the 21st December, 2011 from 1500 hrs. to 1545 hrs. in Chairman's Room (No. 51), Parliament House, New Delhi.

PRESENT

Dr. Murli Manohar Joshi— *Chairman*

MEMBERS

Lok Sabha

2. Shri Anandrao Vithoba Adsul
3. Shri Sandeep Dikshit
4. Shri Anant Kumar Hegde
5. Shri Bhartruhari Mahtab
6. Shri Shripad Yesso Naik
7. Shri Sanjay Nirupam
8. Dr. Kavuru Sambasiva Rao
9. Dr. M. Thambidurai
10. Dr. Girija Vyas

Rajya Sabha

11. Shri Tariq Anwar
12. Shri Prasanta Chatterjee
13. Shri Prakash Javadekar
14. Prof. Saif-ud-Din Soz

SECRETARIAT

1.	Shri Devender Singh	—	*Joint Secretary*
2.	Shri Abhijit Kumar	—	*Director*
3.	Shri H.R. Kamboj	—	*Additional Director*
4.	Smt. A. Jyothirmayi	—	*Deputy Secretary*
5.	Ms. Miranda Ingudam	—	*Under Secretary*

Representatives of the office of the Comptroller and Auditor General of India

1.	Shri Gautam Guha	—	Director General (Defence Services)
2.	Ms. Divya Malhotra	—	Principal Director (Railway Audit Board)
3.	Shri V. Patwardhan	—	Director (Defence)

2. At the outset, the Chairman welcomed the Members and the representatives of the Office of the C&AG to the sitting of the Committee convened to consider and adopt the following Draft Reports.

3. The Committee, thereafter, took up for consideration the following Draft Reports, one by one and adopted the same without any modifications:—

(i) * * * * * *

(ii) * * * * * *

(iii) * * * * * *

(iv) * * * * * *

(v) Draft Report on Action Taken on 19th Report (15th Lok Sabha) of PAC on 'Freight and Wagon Management on Indian Railways' (Ministry of Railways);

4. Thereafter, the Committee authorized the Chairman to finalise these Reports in the light of factual verification done by the Audit and present the same to both the Houses of Parliament.

The Committee then adjourned.

APPENDIX II

(*Vide* Para 5 of Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR NINETEENTH REPORT (FIFTEENTH LOK SABHA)

i	Total No. of Observations/Recommendations:	21
ii	Observations/Recommendations of the Committee which have been accepted by Government:	Total : 15 Percentage —
	Para Nos. 1-3, 8-15 and 17-20	71.43%
iii	Observations/Recommendations which the Committee do not desire to pursue in view of the replies received from Government:	Total : Nil Percentage—0%
	Para No. Nil	
iv	Observations/Recommendations in respect of which replies of Government have not been accepted by the Committee and which require reiteration:	Total: 6 Percentage—28.57%
	Para Nos. 4-7, 16 and 21	
v.	Observations/Recommendations in respect of which Government have furnished interim replies	Total : Nil Percentage—0%
	Para No. Nil	

GMGIPMRND—3739LS—28-02-2012.