

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

STARRED QUESTION NO:17

ANSWERED ON:05.12.2013

IRREGULARITIES IN TRANSPORTATION OF IRON ORE AND MINERALS

Ray Shri Rudramadhab ;Shekhar Shri Neeraj

Will the Minister of RAILWAYS be pleased to state:

- (a) whether the Railways have lost sizeable amount of revenue because of their dual policy for charging separate prices for transporting iron ore, pellets and other minerals meant for exports and domestic use;
- (b) if so, the details thereof along with the reasons for such a dual policy;
- (c) the present status of the progress made in the ongoing investigation by the Central Bureau of Investigation (CBI) in the matter;
- (d) whether the Railways propose to recover the said losses from the companies found responsible and if so, the details thereof; and
- (e) the steps taken/being taken by the Railways to check such cases in future?

Answer

MINISTER OF RAILWAYS (SHRI MALLIKARJUN KHARGE)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 17 BY SHRI NEERAJ SHEKHAR AND SHRI RUDRA MADHAB RAY TO BE ANSWERED IN LOK SABHA ON 05.12.2013 REGARDING IRREGULARITIES IN TRANSPORTATION OF IRON ORE AND MINERALS.

(a) & (b): With a view to reduce input cost for domestic steel manufacturing units and to garner additional freight revenue from transportation of iron ore for export, the revised policy regime for iron ore was introduced. This tariff policy has yielded significant dividends in terms of freight revenue generation. Moreover, instances of misleading declaration by select consigners/consignees are being dealt in accordance with the relevant provisions of the extant policy.

(c): According to available information, cases of misleading declarations by iron ore consignees /consigners, detected by Railways and referred to the Central Bureau of Investigation (CBI) through the Central Vigilance Commission (CVC), are still under investigation.

(d): Yes, Madam. Demand-cum-show cause notices have been served on those who prima facie appear to have submitted misleading declarations.

(e): Existing provisions are considered adequate for dealing with cases of misleading declaration by delinquent firms. Railway Administration has progressively strengthened its control, monitoring and verification mechanism.