

LOSS OF OPPORTUNITY TO EARN ADDITIONAL FREIGHT AND EXTRA EXPENDITURE ON HAULAGE : SWR

[Action Taken by the Government on the Observations and Recommendations of the Committee contained in their One Hundred and Second Report (17th Lok Sabha)]

MINISTRY OF RAILWAYS (RAILWAY BOARD)

PUBLIC ACCOUNTS COMMITTEE
(2024-25)

NINTH REPORT

EIGHTEENTH LOK SABHA



LOK SABHA SECRETARIAT
NEW DELHI

N I N T H R E P O R T

PUBLIC ACCOUNTS COMMITTEE
(2024-25)

(EIGHTEENTH LOK SABHA)

**LOSS OF OPPORTUNITY TO EARN
ADDITIONAL FREIGHT AND EXTRA
EXPENDITURE ON HAULAGE : SWR**

[Action Taken by the Government on the Observations and Recommendations of the Committee contained in their One Hundred and Second Report (17th Lok Sabha)]



Presented to Lok Sabha on: 17.12.2024

Laid in Rajya Sabha on: 17.12.2024

L O K S A B H A S E C R E T A R I A T
N E W D E L H I

December 2024/ Agrahayana 1946 (Saka)

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COMPOSITION OF THE PUBLIC ACCOUNTS COMMITTEE

(2024-25)

Shri K. C. Venugopal - Chairperson

MEMBERS

LOK SABHA

2. Shri T. R. Baalu
3. Dr. Nishikant Dubey
4. Shri Jagdambika Pal
5. Shri Jai Parkash
6. Shri Ravi Shankar Prasad
7. Shri C. M. Ramesh
8. Shri Magunta Sreenivasulu Reddy
9. Prof. Sougata Ray
10. Smt. Aparajita Sarangi
11. Dr. Amar Singh
12. Shri Tejasvi Surya
13. Shri Anurag Singh Thakur
14. Shri Balashowry Vallabhaneni
15. Shri Dharmendra Yadav

RAJYA SABHA

16. Shri Ashokrao Shankarrao Chavan
17. Shri Shaktisinh Gohil
18. Dr. K. Laxman
19. Shri Praful Patel
20. Shri Sukhendu Sekhar Ray
21. Shri Tiruchi Siva
22. Shri Sudhanshu Trivedi

Secretariat

- | | | |
|----------------------------|---|-------------------|
| 1. Dr. Sanjeev Sharma | - | Joint Secretary |
| 2. Shri Muraleedharan. P | - | Director |
| 3. Shri Alok Mani Tripathi | - | Deputy Secretary |
| 4. Shri Charanjeet Singh | - | Committee Officer |

INTRODUCTION

I, the Chairperson, Public Accounts Committee (2024-25), having been authorised by the Committee, do present this Ninth Report (Eighteenth Lok Sabha) on Action Taken by the Government on the Observations and Recommendations of the Committee contained in their One Hundred and Second Report (17th Lok Sabha) on “**Loss of Opportunity to Earn Additional Freight and Extra Expenditure on Haulage : SWR**” relating to the Ministry of Railways (Railway Board).

2. The One Hundred and Second Report was presented to Lok Sabha/laid on the Table of Rajya Sabha on 07.02.2024. The Committee considered the draft Action Taken Report on the subject and adopted the same at their sitting held on 12.12.2024. Minutes of the Sitting of the Committee form appendix to the Report.

3. For facility of reference and convenience, the Observations and Recommendations of the Committee have been printed in **bold** 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 Committee Secretariat and 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 102nd Report (17th Lok Sabha) is given at Appendix-II

NEW DELHI:
12 December, 2024
21 Agrahayana, 1946 (Saka)

K. C. VENUGOPAL
Chairperson,
Public Accounts Committee

CHAPTER - I

REPORT

This Report of the Public Accounts Committee deals with the Action Taken by the Government on the Observations/Recommendations of the Committee contained in their One Hundred Second Report (17th Lok Sabha) on “**Loss of Opportunity to Earn Additional Freight and Extra Expenditure on Haulage:SWR**” relating to the Ministry of Railways.

2. The One Hundred Second Report (17th Lok Sabha), which was presented to Lok Sabha/laid in Rajya Sabha on 07 February, 2024, contained three Observations/Recommendations. The Action Taken Notes received from the Ministry of Railways have been broadly categorized as under :

- (i) Observations/Recommendations which have been accepted by the Government:
Para Nos. 1-3

Total: 03
Chapter - II

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

Total: 0
Chapter - III

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

NIL

Total: 0
Chapter - IV

- (iv) Observations/Recommendations in respect of which Government have furnished interim replies/no replies:

NIL

Total: 00
Chapter - V

3. The detailed examination of the subject by the Committee had revealed certain shortcomings on the part of the Ministry of Railways. The Committee had accordingly given their observations/recommendations in their One Hundred Second Report.

4. The Action Taken Notes furnished by the Ministry on the Observations/Recommendations of the Committee contained in their One Hundred Second Report (17th Lok Sabha) have been reproduced in the relevant chapters of this Report. The Committee will now deal with the Action Taken by the Government on some of their Observations/Recommendations made in the original Report which require reiteration/merit comments.

5. The Committee desire the Ministry of Railways to furnish Action Taken Notes in respect of observations/recommendations contained in Chapter I of the report, positively within three months of the presentation of the report to the Parliament.

6. The expanded forms of abbreviations used in this report are as under:

| SN | Abbreviation | Expanded Form |
|----|--------------|---|
| 1 | TNGL | Tornagallu, UBL-Div, SWR |
| 2 | RNJP | Ranjitpura, UBL-Div, SWR |
| 3 | SWR | South Western Railway |
| 4 | BOBSNS | Bogie Hopper Wagon with side discharge |
| 5 | HPT | Hosapete UBL-Div, SWR |
| 6 | BAY | Ballari UBL-Div, SWR |
| 7 | SMLI | Swamihalli, UBL-Div, SWR |
| 8 | RDG | Rajgir, DNR-Div |
| 9 | JRU | Chikjajur Jn. ,MYS- Div |
| 10 | SLU | Sasalu , MYS- Div |
| 11 | MMEC | M/s Mineral Enterprises Ltd. MYS- Div |
| 12 | BOXNHA | Open Bogie Wagon with higher axle load |
| 13 | BOXNEL | Open Bogie Wagon with enhanced load |
| 14 | BOXNHS | Open Bogie wagon with high speed |
| 15 | BOXNHL | Open Bogie wagon with higher pay load |
| 16 | JSWT | JSW Steel Ltd. |
| 17 | GPWIS | General Purpose Wagon Investment Scheme |
| 18 | FOIS | Freight Operations Information System |

7. Recommendation at Para No. 2

The Committee noted from audit observation that due to failure in supply of BOXNHA rakes with BOXNEL wagons on the Torangullu (TNGL) – Ranjitpura (RNJP) route, South Western Railway (SWR) missed an opportunity to earn additional freight of Rs. 48.24 crore for the period, 2013-14 to 2020-21. SWR Administration also did not make concerted efforts to include BOXNHA rakes with BOXNEL wagons or wagons of similar Permissible Carrying Capacity (PCC) in

Wagons Holding of SWR for arranging supply of the appropriate rakes at RNJP. From the submission of the Ministry, the Committee noted that high capacity wagons (BOXNHA) were not available with SWR, and the wagons available, such as BOXNHS and BOXNHL were supplied for loading to meet the customer demand. Besides, in 2011, JSWT (JSW Steel Ltd.) commissioned track hopper infrastructure for unloading iron ore for BOBSN (Bogie Hopper Wagon with side discharge) type of rakes. This infrastructure enabled efficient unloading and turn-round of BOBSN rakes on an average of 1.5 rakes per day. JSWT siding free time notified for BOXN rake is 8 hours and BOBSN rake is 2.5 hours. Hence to optimize freight loading in RNJP-JSWT section BOBSN type of rakes are fit to be chosen for loading and unloading. Subsequently, two BOBSN rakes were supplied for loading during 2013-14 (First rake) & 2016-17 (second rake) in SWR, which had higher capacity for loading in 25T Axle route between RNJP-JSWT.

Observing the above facts, the Committee inferred that BOXNHA rakes with BOXNEL wagons should have been procured well in time and supplied in order to ensure that losses were not incurred in the first instance. The loss of opportunity to earn additional freight amounted to loss of prospective revenue to the tune of Rs. 48.24 crore. The Committee, therefore, recommended that the Ministry needed to make an estimate of requisite number of BOXNHA rakes with BOXNEL wagons with maximum carrying capacity to ensure that non-availability of such rakes/wagons did not affect Railway's operational requirements in any manner. The Committee were also of the view that their rolling stock allocation and utilization strategies are rationalized in such a way that freight operations are optimized and basic economic concept of 'cost-benefit ratio' is fulfilled. The Committee were of the view that the argument, 'No loss in totality' put forward by the Railway's on the one hand and 'Non-availability of high capacity BOXNHA wagons with the SWR', on the other, as put forth by the Ministry in their written reply were not acceptable. The Committee also desired to be apprised of the current status in this regard.

8. The Ministry of Railways in their Action Taken Notes have stated as under:

“ Presently TNGL-RNJP (Total 22.92 kms) is the only route on SWR notified by Railway Board for 25T Axle load running.

For effective utilization of above 25T Axle load route, it has been approved for procurement of 12 high capacity BOBSNS rakes by JSW Minerals Rail Private Limited under General Purpose Wagon Investment Scheme (GPWIS).

Presently these rakes are at under production stage and first rake is expected to be available for iron ore loading by April, 2024. Apart from TNGL-RNJP circuit, the following routes over SWR have been identified for conversion to 25 T Axle load and are in various stages of completion”

| Sl. No. | Routes | | Total Km |
|---------|--------|--------|----------|
| | From | To | |
| 1. | HPT | TNGL | 32.77 |
| 2. | TNGL | BAY | 32.55 |
| 3. | HPT | SMLI | 58.87 |
| 4. | BAY | RDG | 53.40 |
| 5. | JRU | RDG | 131 |
| 6. | JRU | SLU | 9.82 |
| 7. | JRU | (MMEC) | 18.22 |

9. While vetting the above ATNs, the Audit made the following comments:

“MoR has not taken any action on the recommendation of the committee “to make an estimate of requisite number of BOXNHA rakes with BOXNEL wagons with maximum carrying capacity to ensure that non-availability of such rakes/wagons does not affect Railway's operational requirements in any manner”.

10. In further comments to the above said Audit observation, the Ministry stated as under:

“The Section TNGL-RNJP is 23.6 Kms stretch and it is the only 25T axle load capacity section over SWR. The Iron Ore is loaded from RNJP to various destinations beyond 25T axle load, i.e. (carrying capacity) CC+8 and also CC+6.

The loading in 25T is restricted only to JSWT and the last year loading particulars are as under: -

| Sl. No. | Type of Wagon | Total Rakes |
|---------|---------------|-------------|
| 1. | BOXN | 913 |
| 2. | BOXNEL | 1 |
| 3. | BOXNHL | 678 |
| 4. | BOXNHL (25T) | 16 |

Also, BOBSN made 242 trips (rakes) without any shortage or indents waiting for rake. Loading particulars of BOBSN rakes for the last 4 years is as under:

| BOBSN Rakes during the Year | No. of BOBSN rakes loaded |
|---------------------------------|---------------------------|
| 2020-21 | 71 |
| 2021-22 | 395 |
| 2022-23 | 409 |
| 2023-2024 | 242 |
| Total BOBSN Rakes Loaded | 1117 |

RNJP-TNGL is the only route in SWR notified for 25T Axle load. There is loading of average 4.5 rakes/day from RNJP-JSWT of the BOXN in financial year 2023-24 and 242 rakes of BOBSN were loaded in the same period. Thus, an average loading is 5.4 rakes per day in this route. With running time and turn-round time of 24hours, with increase in production capacity of JSWT, there is likelihood of an increase of 20% in the requirement to cater to the loading average of 6.6 rakes per day. Keeping in view, the peak loading may go up to 8 rakes in a day. The final requirement would be 9 rakes. No further increase in traffic is possible due to line capacity constraints. The requirement of High-Capacity wagons would be 9 rakes for peak demand and 8 rakes for usual demand taking into consideration the turnaround, line capacity and maintenance reserve.

However, under PPP model due to the efforts of SWR, it has been approved for procurement of 12 high capacity BOBSNS rakes by JSW Minerals Rail Private Limited under General Purpose Wagon Investment Scheme (GPWIS). The requirement of rakes will be reassessed as these rakes are inducted in the system”.

11. The Committee in their Report had inferred that there was loss of prospective revenue to the tune of 48.24 crore due to non-procurement and non-supply of BOXNHA rakes with BOXNEL wagons well in time. The Committee, therefore, had recommended to the Ministry to make an estimate of requisite number of such rakes with wagons, so that Railway’s operational requirements are not affected in any manner. The Committee also called for rationalisation of rolling stock allocation and utilization strategies so that freight operations are optimized. The Ministry in their action take note have provided detailed data for the average loading per day on RNJP—JSWT section, indicating a current average of 5.4 rakes per day with potential to increase to 8 rakes per day during peak periods.

The Ministry have also estimated a requirement of 9 rakes to cater to peak demand. This reflects a comprehensive assessment of the needs based on operational data. The procurement of 12 BOBSNS rakes is further projected to meet this demand. However, the Committee is of the opinion that the Ministry should continue to monitor and reassess the requirements, especially once these rakes are operational. The Ministry should also enhance its forecasting and planning capabilities for future rolling stock requirements which should further involve using predictive analytics and demand forecasting tools to anticipate future needs accurately and avoid similar revenue losses. The Committee further reiterate their recommendation and expect the Ministry of Railways to reshape its planning approach and transform the landscape of transportation by optimising its capacity and enhancing overall operational efficiency.

The Ministry in their Action Taken Note have stated that apart from TNGL-RNJP circuit, seven routes over South Western Railway have been identified

for conversion to 25 T Axle load and are in various stages of completion. The Committee desire to be apprised of the progress of these routes.

12. Recommendation at Para no.3

The Committee noted from audit observation that SWR Administration incurred an extra expenditure amounting to Rs 5.22 crore towards haulage of 781 rakes in excess and this would continue till Railway Administration deploys BOXNHA rakes for operation on RNJP to JSWT route. From the submission of the Ministry, the Committee found that SWR was given BOBSNM wagons which have payload of 69T on 25T Axle load and better turn round time because of loading time of 2.5hrs only against 8 hrs of BOXNEL wagons. With Engine on Load unloading facility in BOBSNM1, the Rolling Stock detention was further reduced by saving time in bringing loco and the attachment, pressure ready, BPC validation, etc. BOBSNM1 wagons were introduced because the customer, JSW (T) had constructed and installed the necessary infrastructure for unloading of BOBSNM1 on the basis of better efficiency in operation. Hence, there was no revenue loss to the Railways. The Committee were of the view that SWR should take care that line capacity of notified route was optimally utilized. The Committee also recommended that the Ministry of Railways needed to ensure that appropriate rakes with higher PCC are supplied on the Tornagallu – Ranjitpura route to ensure that continued loss of revenue due to excess haulage is checked forthwith. This would also result in fulfilling the basic financial logic of 'Money saved is money earned'. The Committee were also of the view that the Ministry needed to examine the possibility of adoption of 'Enterprise Resource Planning' software system to streamline collection of real time data on wagon availability, wagon allocation, and tracking and management of cargo trains. The software would empower the Railways in bringing about a holistic improvement in resource management which will, in the long run, provide enhanced service reliability, sustainable growth, and increased profitability for Indian Railways.

13. The Ministry of Railways in their Action Taken Notes have stated as under:

"The following BOBSN rakes loaded from 2020-21 to 2023-24 (Upto 21 st February, 2024) as per the demand of JSW:

| BOBSN Rakes during the year | No. of BOBSN rakes loaded |
|---|----------------------------------|
| 2020-21 | 71 |
| 2021-22 | 395 |
| 2022-23 | 409 |
| 2023-2024 upto 21 st Feb. 2024 | 220 |
| Total BOBSN Rakes Loaded | 1095 |

To streamline collection of real time data on wagon availability, wagon allocation and tracking and management of cargo trains, there is already a software-based system – FOIS (Freight Operations Information System) which is presently being used all over Indian Railways.

14. While vetting the above ATNs, Audit made the following comments:

“No comments”

15. Observing the fact that the South Western Railway (SWR) Administration incurred extra expenditure amounting to Rs.5.22 crore towards haulage of 781 rakes in excess, the Committee had recommended to the Ministry of Railways for supply of appropriate rakes with higher Permissible Carrying Capacity (PCC) on the Tornagallu-Ranjithpura route and to examine the possibility of adoption of ‘Enterprise Resource Planning’ software system to streamline the collection of real time data on wagon availability, wagon allocation and tracking and management of cargo trains. In response, the Ministry have submitted that a software based system – FOIS (Freight Operation Information System) is presently being used to streamline the collection of such data. The Committee while appreciating the fact that a software based system for collecting real time data on wagon availability, wagon allocation and tracking and management of cargo trains is being used by the Ministry, opine that Railways should adopt best practices available at present so that remarkable improvement in asset management wing for Rolling Stock like coaches, wagons and locomotives is recorded and monitoring mechanism be strengthened so that there is overall improvement in management of resources.

From the Action Taken Note furnished by the Ministry, it has been observed by the Committee that in 2022-23, 409 BOBSN rakes were loaded while during 2023-24, only 220 rakes were loaded. The Committee note that lesser number of rakes were loaded during 2023-24 while the Ministry is making estimates for procurement of more rakes anticipating that the demand will grow in future. IN this regard, while BOBSN rakes offer faster turnaround time and better efficiency, the Committee had recommended BOXNHA rakes with higher Payload Carrying Capacity (PCC) to ensure optimal resource utilization and cost savings. In the ATN furnished by the Ministry, the explicit information on the feasibility of deploying BOXNHA rakes or alternatives with similar capacity has not been furnished. Hence, the Committee would like to recommend the Ministry to conduct a feasibility study on deploying BOXNHA or other high-capacity rakes on the RNJP-JSWT route. The Ministry should also submit a time-bound plan for optimizing wagon deployment to ensure that future excess haulage costs are minimized. The Ministry should also track and report line capacity utilization data for the RNJP-JSWT route regularly. This will ensure that the deployment of BOBSN rakes is aligned with the Committee’s earlier recommendation of optimizing line capacity.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Observation/Recommendation

The committee learn that South Western Railway (SWR) Administration failed to supply BOXNHA rakes with BOXNEL wagons on Tornagallu – Ranjitpura (TNGL - RNJP) route resulting in loss of opportunity to earn additional freight of Rs.48.24 crore for the period from 2013-14 to 2020-21. Besides, SWR also incurred an extra expenditure of Rs.5.22 crore on haulage of excess number of rakes during this period. Issues highlighted in the Audit Report have been examined by the Committee and commented upon suitably in the succeeding paragraphs.

**Recommendation/Observation No. 1 of 102nd Report of
Public Accounts Committee
(17th Lok Sabha)**

Action Taken

Introductory: No comments.

Vetting Comments of Audit:

“No comments.”

This Action Taken Note has been vetted by Audit vide their U.O. No.243/Rly/SWR/12-44/2021 dated 15.04.2024 .

Observation/Recommendation

The Committee note from audit observation that due to failure in supply of BOXNHA rakes with BOXNEL wagons on the TNGL-RNJP route, SWR missed an opportunity to earn additional freight of Rs. 48.24 crore for the period, 2013-14 to 2020-21. SWR Administration also did not make concerted efforts to include BOXNHA rakes with BOXNEL wagons or wagons of similar PCC in Wagons Holding of SWR for arranging supply of the appropriate rakes at RNJP. From the submission of the Ministry, the Committee note that high capacity wagons (BOXNHA) were not available with SWR, and the wagons available, such as BOXNHS and BOXNHL were supplied for loading to meet the customer demand. Besides, in 2011, JSWT (JSW Steel Ltd.) commissioned track hopper infrastructure for unloading iron ore for BOBSN type of rakes. This infrastructure enables efficient unloading and turn-round

of BOBSN rakes on an average of 1.5 rakes per day. JSWT siding Free time notified for BOXN rake is 8 hours and BOBSN rake is 2.5 hours. Hence to optimize freight loading in RNJP-JSWT section BOBSN type of rakes are fit to be chosen for loading and unloading. Subsequently, two BOBSN rakes were supplied for loading during 2013-14 (First rake) & 2016-17 (second rake) in SWR, which has higher capacity for loading in 25T Axle route between RNJP-JSWT.

Observing the above facts, the Committee infer that BOXNHA rakes with BOXNEL wagons should have been procured well in time and supplied in order to ensure that losses were not incurred in the first instance. The loss of opportunity to earn additional freight amounted to loss of prospective revenue to the tune of Rs. 48.24 crore. The Committee, therefore, recommend that the Ministry need to make an estimate of requisite number of BOXNHA rakes with BOXNEL wagons with maximum carrying capacity to ensure that non-availability of such rakes/wagons does not affect Railway's operational requirements in any manner. The Committee are also of the view that their rolling stock allocation and utilization strategies are rationalized in such a way that freight operations are optimized and basic economic concept of 'cost-benefit ratio' is fulfilled. The Committee are of the view that the argument, 'No loss in totality' put forward by the Railway's on the one hand and 'Non- availability of high capacity BOXNHA wagons with the SWR', on the other, as put forth by the Ministry in their written reply are not acceptable. The Committee also desire to be apprised of the current status in this regard.

**Recommendation/Observation No. 2 of 102nd Report of
Public Accounts Committee
(17th Lok Sabha)**

Action Taken

Presently TNGL-RNJP (Total 22.92 kms) is the only route on SWR notified by Railway Board for 25T Axle load running.

For effective utilization of above 25T Axle load route, it has been approved for procurement of 12 high capacity BOBSNS rakes by JSW Minerals Rail Private Limited under General Purpose Wagon Investment Scheme (GPWIS).

Presently these rakes are at under production stage and first rake is expected to be available for iron ore loading by April, 2024. Apart from TNGL-RNJP circuit, the following routes over SWR have been identified for conversion to 25 T Axle load and are in various stages of completion:

| Sl. No. | Routes | | Total Km |
|---------|--------|--------|----------|
| | From | To | |
| 1. | HPT | TNGL | 32.77 |
| 2. | TNGL | BAY | 32.55 |
| 3. | HPT | SMLI | 58.87 |
| 4. | BAY | RDG | 53.40 |
| 5. | JRU | RDG | 131 |
| 6. | JRU | SLU | 9.82 |
| 7. | JRU | (MMEC) | 18.22 |

Vetting Comments of Audit:

“MoR has not taken any action on the recommendation of the committee “to make an estimate of requisite number of BOXNHA rakes with BOXNEL wagons with maximum carrying capacity to ensure that non-availability of such rakes/wagons does not affect Railway’s operational requirements in any manner”.

This Action Taken Note has been vetted by Audit vide their U.O. No.243/Rly/SWR/12-44/2021 dated 15.04.2024 .

Updated Action Taken Reply of Ministry

The Section TNGL-RNJP is 23.6 Kms stretch and it is the only 25T axle load capacity section over SWR. The Iron Ore is loaded from RNJP to various destinations beyond 25T axle load, i.e. CC+8 and also CC+6.

The loading in 25T is restricted only to JSWT and the last year loading particulars are as under: -

| Sl. No. | Type of Wagon | Total Rakes |
|---------|---------------|-------------|
| 1. | BOXN | 913 |
| 2. | BOXNEL | 1 |
| 3. | BOXNHL | 678 |
| 4. | BOXNHL (25T) | 16 |

Also, BOBSN made 242 trips (rakes) without any shortage or indents waiting for rake. Loading particulars of BOBSN rakes for the last 4 years is as under:

| BOBSN Rakes during the Year | No. of BOBSN rakes loaded |
|------------------------------------|----------------------------------|
| 2020-21 | 71 |
| 2021-22 | 395 |
| 2022-23 | 409 |
| 2023-2024 | 242 |
| Total BOBSN Rakes Loaded | 1117 |

RNJP-TNGL is the only route in SWR notified for 25T Axle load. There is loading of average 4.5 rakes/day from RNJP-JSWT of the BOXN in financial year 2023-24 and 242 rakes of BOBSN were loaded in the same period. Thus, an average loading is 5.4 rakes per day in this route. With running time and turn-round time of 24hours, with increase in production capacity of JSWT, there is likelihood of an increase of 20% in the requirement to cater to the loading average of 6.6 rakes per day. Keeping in view, the peak loading may go up to 8 rakes in a day. The final requirement would be 9 rakes. No further increase in traffic is possible due to line capacity constraints. The requirement of High-Capacity wagons would be 9 rakes for peak demand and 8 rakes for usual demand taking into consideration the turnaround, line capacity and maintenance reserve.

However, under PPP model due to the efforts of SWR, it has been approved for procurement of 12 high capacity BOBSNS rakes by JSW Minerals Rail Private Limited under General Purpose Wagon Investment Scheme (GPWIS). The requirement of rakes will be reassessed as these rakes are inducted in the system.

Observation/Recommendation

The Committee note from audit observation that SWR Administration incurred an extra expenditure amounting to Rs 5.22 crore towards haulage of 781 rakes in excess and this would continue till Railway Administration deploys BOXNHA rakes for operation on RNJP to JSWT route. From the submission of the Ministry, the Committee find that SWR was given BOBSNM wagons which have payload of 69T on 25T Axle load and better turn round time because of loading time of 2.5hrs only against 8 hrs of BOXNEL wagons. With Engine on Load unloading facility in BOBSNM1, the Rolling Stock detention is further reduced by saving time in bringing loco and the attachment, pressure ready, BPC validation, etc. BOBSNM1 wagons were introduced because the customer, JSW (T) has constructed and installed the necessary infrastructure for unloading of BOBSNM1 on the basis of better efficiency in operation. Hence, there was no revenue loss to the Railways. The Committee are of the view that SWR should take care that line capacity of notified route is optimally utilized. The Committee also recommend that the Ministry of Railways need to

ensure that appropriate rakes with higher PCC are supplied on the Tornagallu – Ranjitpura route to ensure that continued loss of revenue due to excess haulage is checked forthwith. This would also result in fulfilling the basic financial logic of ‘Money saved is money earned’. The Committee are also of the view that the Ministry need to examine the possibility of adoption of ‘Enterprise Resource Planning’ software system to streamline collection of real time data on wagon availability, wagon allocation, and tracking and management of cargo trains. The software will empower the Railways in bringing about a holistic improvement in resource management which will, in the long run, provide enhanced service reliability, sustainable growth, and increased profitability for Indian Railways.

**Recommendation/Observation No. 3 of 102nd Report of
Public Accounts Committee
(17th Lok Sabha)**

Action Taken

The following BOBSN rakes loaded from 2020-21 to 2023-24 (Upto 21st February, 2024) as per the demand of JSW:

| BOBSN Rakes during the year | No. of BOBSN rakes loaded |
|---|----------------------------------|
| 2020-21 | 71 |
| 2021-22 | 395 |
| 2022-23 | 409 |
| 2023-2024 upto 21 st Feb. 2024 | 220 |
| Total BOBSN Rakes Loaded | 1095 |

To streamline collection of real time data on wagon availability, wagon allocation and tracking and management of cargo trains, there is already a software-based system – FOIS (Freight Operations Information System) which is presently being used all over Indian Railways.

Vetting Comments of Audit:

“No further comments.”

This Action Taken Note has been vetted by Audit vide their U.O. No.243/Rly/SWR/12-44/2021 dated 15.04.2024 .

CHAPTER III

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

NIL

CHAPTER IV

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

NIL

CHAPTER V

- (i) Observations/Recommendations in respect of which Government have furnished interim replies/no replies:

NIL

NEW DELHI:
12 December, 2024
21Agrahayana, 1946 (*Saka*)

K. C. VENUGOPAL
Chairperson,
Public Accounts Committee

APPENDIX-I

MINUTES OF THE 9th SITTING OF THE COMMITTEE ON PUBLIC ACCOUNTS (2024-25) HELD ON 12th DECEMBER 2024 FROM 1530 HRS. ONWARDS

The Committee met on Thursday from 1530 hrs. to 1730 hrs. on 12th December, 2024 in Committee Room 'B', PHA, New Delhi.

PRESENT

Shri K.C. Venugopal

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Chairperson

Members

LOK SABHA

2. Dr. Nishikant Dubey
3. Shri Jagdambika Pal
4. Shri C. M. Ramesh
5. Shri Magunta Sreenivasulu Reddy
6. Prof. Sougata Ray
7. Smt. Aparajita Sarangi
8. Dr. Amar Singh
9. Shri Tejasvi Surya
10. Shri Anurag Singh Thakur
11. Shri Dharmendra Yadav

RAJYA SABHA

12. Shri Ashokrao Shankarrao Chavan
13. Shri Shaktisinh Gohil
14. Dr. K. Laxman
15. Shri Sukhendu Sekhar Ray
16. Shri Sudhanshu Trivedi

LOK SABHA SECRETARIAT

1. Dr. Sanjeev Sharma - Joint Secretary
2. Shri Muraleedharan. P - Director
3. Shri Alok Mani Tripathi - Deputy Secretary
4. Shri Pankaj Sharma - Deputy Secretary
5. Shri Atul Bhave - Deputy Secretary
6. Ms. Malvika Mehta - Deputy Secretary
7. Dr. Faiz Ahmad - Under Secretary

**REPRESENTATIVES OF THE OFFICE OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA**

1. Ms. Atreyee Das - Dy. CAG
2. Ms. Smita S. Chaudhari - Dy. CAG
3. Shri Samar Kant Thakur - Director General
4. Shri Gurveen Sindhu - Director General

PART A

XXXXX XXXXX XXXXX XXXXX XXXXX XXXXX

PART B

Thereafter, Hon'ble Chairperson stated that the following three draft reports may be taken up for consideration and adoption :-

- a) XXXXX XXXXX XXXXX;
- b) XXXXX XXXXX XXXXX; and
- c) Action Taken by the Government on the observations/recommendations of the Public Accounts Committee contained in their 102nd Report (17th Lok Sabha) on "Loss of opportunity to earn additional freight and extra expenditure on Haulage: SWR".

After some deliberations, the Committee adopted the aforesaid Draft Reports without any modifications and authorised the Chairperson to finalise the Reports in the light of factual verification done by the Audit.

The Committee then adjourned.

A copy of the transcript of audio recording of the proceedings of the sitting has been kept on record.

APPENDIX-II

(Vide Paragraph 5 of Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/RECOMMENDATIONS OF THE PUBLIC ACCOUNTS COMMITTEE CONTAINED IN THEIR ONE HUNDRED AND SECOND REPORT (SEVENTEENTH LOK SABHA)

| | | |
|-------|---|-----------------------------|
| (i) | Total number of Observations/Recommendations | 3 |
| (ii) | Observations/Recommendations of the Committee which have been accepted by the Government: Para Nos. 1, 2 and 3 | Total: 3 Percentage: 100 |
| (iii) | Observations/Recommendations which the Committee do not desire to pursue in view of the reply of the Government: Para No. – NIL | Total: 0 Percentage: 0 |
| (iv) | Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration: Para No. – NIL | Total: 0 Percentage: 0 |
| (v) | Observations/Recommendations in respect of which the Government have furnished interim replies: Para No. – NIL | Total: 0 Percentage: 0 |