

**Relevant Recommendations culled out from the Report of the Working  
Group on Cement Industry for XII Five Year Plan (2012-17)**

**Ministry of Railways**

**Cement**

51. Railways should target attaining minimum 50% share of the total dispatches of cement and clinker.
52. **Wagon Supply Agreement** - Railways should enter into annual agreements with cement manufacturers where it should commit to certain number of month-wise supplies of wagons during the year.
53. **On demand availability of two point and three point combinations of rakes:** This facility shall help cement companies wherein single rake can be used to service two-three markets (especially with the deployment of larger tonnage capacity Bogey Covered New Metric High Axle Load (BCNHL) wagons carrying 4000 tonnes in comparison to 2300 tonnes capacity of regular BCN wagon rakes).
53. **Resolution of Operational Problems**
  - a. **Revising downward the loading capacity of BCNHL wagons from 68 tonnes to 62 tonnes:** Since loading of 68 tonnes is technically neither practical nor feasible. The Railway, therefore, needs to find possible solutions with the help of technical experts to enable full loading of wagons to their stated capacity. Till such time the solution is found, realistic carrying capacity of 62 tonnes per wagon be permitted due to safety reasons of the labours also.
  - b. **Permitting Additional free time for loading/unloading of BCNHL rakes** - In comparison to regular BCN rakes, BCNHL rakes have larger number of wagons and thus have higher tonnage loading capacity. Thus it is proposed that the free loading/unloading time for BCNHL wagons be increased from current 9 hrs to 13 hrs.
54. **Clinker**
  - a. Long-term contract at concessional rates for Clinker Movement
  - b. Development of special infrastructures for Clinker handling at Rail terminals
55. **Railway Terminal**

- a. Development of new Goods sheds outside of major cities
- b. Infrastructure facilities at Terminals and Goods Sheds handling cement be created of world class standard like approach roads, platforms, lights etc. for faster evacuation of materials and thereby turn round of wagons.

56. **Policy Matters**

- a. Incentive Policies should not be framed only for incremental traffic, retention of traffic is equally important.
  - b. Consistency in Policy: The duration of policy for various schemes announced by Railways from time to time should be at least for 3-5 years to make them consistent
  - c. Need for Customer Friendly Private Wagon Procurement
  - d. Railway must ensure that the policies announced by them should be simple, clear and transparent to avoid any chances of their misinterpretation at zonal / field levels.
  - e. Bulk movement of cement and fly ash be encouraged through a conscious policy.
  - f. Railways to provide attractive Freight rebate for the entire life of the wagons if Industry is supposed to procure Special Purpose Wagons for movement of fly ash and also to create necessary infrastructure facilities for unloading at their respective plants.
57. A suitable Rail Traffic Regulatory Mechanism may be established to resolve all rail matters including tariff and demurrages. Such a mechanism shall help in removing distortion and in evolving tariff on a sound economic basis.

(Page Nos. xiii-xv)

17. a. Classification of cement for rail freight is reduced from 150 as of today to 140. Differential classification of goods for domestic and export purposes is already in vogue for iron ore, where transportation for export purposes attracts a higher classification. In case of cement, the classification for export purposes is proposed to be reduced.
- b. To enhance global competitiveness of Indian cement producer, 50% freight subsidy may be considered for cement/clinker logistic cost up to the port/jetty from the manufacturing unit, as most plants are located in hinterland.

(Page No. v)

80. Railways to provide attractive Freight rebate for the entire life of the wagons if Industry is supposed to procure Special Purpose Wagons for movement of fly ash and also to create necessary infrastructure facilities for unloading at their respective plants.

(Page No. xviii)