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MINISTRY OF SURFACE TRANSPORT

**DREDGING OPERATIONS IN
MAJOR PORTS**

**ESTIMATES COMMITTEE
1990-91**

NINTH LOK SABHA



**LOK SABHA SECRETARIAT
NEW DELHI**

SECOND REPORT
ESTIMATES COMMITTEE
(1990-91)

(NINTH LOK SABHA)

MINISTRY OF SURFACE TRANSPORT
DREDGING OPERATIONS IN MAJOR PORTS

**[Action Taken by Government on the recommendations
contained in the Eightieth Report of Estimates Committee
(Eighth Lok Sabha)]**

(Presented to Lok Sabha on 10 August, 1990)



असतो मा सद्गमय

LOK SABHA SECRETARIAT
NEW DELHI

August, 1990 / Sravana 1912(S)

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Price : Rs. 2.00

LS
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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Seventh Edition) and Printed by Manager, Govt. of India Press, (PLU) Minto Road, New Delhi.

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(1990-91)**

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**STUDY GROUP ON ACTION TAKEN REPORTS OF
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(1990-91)**

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5. **Shri Yamuna Prasad Shastri**
6. **Shri Anantrao Deshmukh**
7. **Shri Kailash Nath Singh Yadav**

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(v)

INTRODUCTION

I, the Chairman of the Estimates Committee having been authorised by the Committee to submit the Report on their behalf present this Second Report on Action Taken by Government on the recommendations contained in the Eightieth Report of the Estimates Committee (Eighth Lok Sabha) on the Ministry of Surface Transport — Dredging Operations in Major Ports.

2. The Eightieth Report was presented to Lak Sabha on 26th April, 1989. Government furnished their replies indicating action taken on the recommendations contained in the Report on 10th May, 1990. The replies were examined and the draft report was adopted by the Estimates Committee at their sitting held on 12th June, 1990.

3. The Report has been divided into following chapters:—

- (i) Report
- (ii) Recommendations / Observations which have been accepted by Government.
- (iii) Recommendations / Observations which the Committee do not desire to pursue in view of Government's replies.
- (iv) Recommendations / Observations in respect of which replies of Government have not been accepted by the Committee.
- (v) Recommendations / Observations in respect of which final replies of Government are still awaited.

4. An Analysis of action taken by Government on the Recommendations contained in Eightieth Report of Estimates Committee (Eighth Lok Sabha) is given in Appendix. It would be observed that out of 59 recommendations made in the Report 34 recommendations i.e. about 57.6 per cent have been accepted by Government. The Committee have desired not to pursue 9 recommendations i.e. about 15.3 per cent in view of Government's reply. Replies have not been accepted in respect of 7 recommendations i.e. about 11.8 per cent. Final replies of Government in respect of 9 recommendations i.e. 15.3 per cent are still awaited.

NEW DELHI;
July 24, 1990

Sravana 2, 1912 (S)

JASWANT SINGH,
Chairman,
Estimates Committee.

CHAPTER I

REPORT

1.1 This Report of the Estimates Committee deals with Action Taken by Government on the recommendations contained in their Eightieth Report, (Eighth Lok Sabha), on Dredging Operations in Major Ports, as already presented to Lok Sabha on 26th April, 1989.

1.2 Action Taken notes have been received in respect of all the recommendations contained in the Report. These notes have been categorised as follows :-

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

Sl. Nos. 1,2,3,5,8,9,10,11,15,16,18,22,23,24,27,32,
33,34,36,38,40,41,42,43,44,45,46,47,48,49,55,57,58,59.
(Total 34, Chapter II)

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

Sl. Nos. 4,19,21,25,26,28,39,52,56.
(Total 9, Chapter III)

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

Sl. Nos. 12,13,14,20,29,30,31.
(Total 7, Chapter IV)

(iv) Recommendations/Observations in respect of which final replies are still awaited:

Sl. Nos. 6,7,17,35,37,50,51,53,54.
(Total 9, Chapter V)

1.3 The Committee will now deal with Action Taken by government on some of the recommendations.

Recommendation Sl. No 1 (Para 2.7)

Integrated approach in capital dredging

1.4 The Committee were of the view that so far as capital dredging was concerned it would be desirable to create a specialised central agency, equipped with latest survey equipment, to assess the overall requirement of capital dredging in our ports. They had recommended an integrated approach, rather than leaving the problem to ports in isolation.

1.5 The Ministry in its reply stated that the present arrangements were satisfactory and the creation of a specialised Central Agency to assess over all capital dredging requirements would not be practical. The Ministry further stated that the working group on Dredging facilities for the VIII Plan set up by the Planning Commission had since given their assessment of total maintenance and capital dredging requirements of the port sector during the VIII Plan.

1.6 The Committee are satisfied that the working group on dredging facilities, for the VIII Plan, set up by the Planning Committee, to study *inter alia* the annual requirements of capital and maintenance dredging during the VIII Five Year Plan, has since submitted its report and given its assessment of total maintenance and capital dredging requirements of the port sector during the VIII Plan. The Committee hope that it will now be possible for the Ministry to establish a specialised central agency, equipped with latest survey equipment, to assess the overall requirement of capital dredging in our ports and to draw up a plan of action to carry out the required operations. The aspect of setting up of new ports, and an augmentation of the existing capacity of ports, has acquired enhanced significance. The implementation of the above recommendation has ramifications that cover employment potential for specialised jobs. While reiterating their earlier recommendation, the Committee urge the Ministry to reconsider the matter, and to apprise them of a final decision in the matter expeditiously.

Recommendation Sl. Nos. 12, 13, 14 (Paras 5.8, 5.9 & 5.10)

Payment of outstanding bills

1.7 The Committee had expressed dismay over the long disputed bills between the concerned ports and Dredging Corporation of India. While referring in particular to disputed bills pertaining to Cochin, Paradeep, Visakhapatnam, Calcutta and Bombay Ports, the Committee had urged the Ministry to take serious note of the matter and to make concerted efforts to settle the disputes, particularly because the concerned parties are all under the supervision of the Ministry.

1.8 The Ministry in its reply stated that the observations made by the Committee were being seriously followed up. Necessary steps were being taken to sort out the dispute between DCI and ports. A circular had been

issued to all Port trusts in this regard, who have also been directed to include an arbitration clause, in all contracts, involving two Public Sector Undertakings.

1.9 The Committee express their dissatisfaction about the manner in which the Ministry has pursued this recommendation. Regrettably, even after a lapse of eight months the Ministry is still following up the recommendations of the Committee. No meaningful action appears to have been taken to ensure expeditious settlement of outstanding bills.

1.10 The Committee urge that the Ministry should now finalise all these pending cases, on a priority basis, so that outstanding claims are settled expeditiously. Mere issue of instructions is not adequate. The Committee expect that the settlement of claims would receive the kind of urgent consideration that is recognised both by the Ministry and emphasised by the Committee.

Recommendation Sl. No. 16 (Para 6.18)

Backlog in maintenance dredging

1.11 The Committee, while taking note of a backlog of 15,00,000 Cu.M. in the programme and actual dredging performance for the decade, 1978-79 to 1987-88 at Madras Port, had opined that maintenance dredging operations should be carried out after proper planning so that there were not substantial variations between what is planned and what actually executed.

1.12 The Ministry in its reply stated that the difference of 15,00,000 Cu.M. between the programme and performance during the last 10 years 1978 to 1988 was cleared during the course of capital dredging in channel etc. in 1984 to 1986 and by engaging DCI dredger in 1986-87 and 1988-89.

1.13 While appreciating the fact that a gap of 15,00,000 Cu.M. in dredging performance has been cleared, the Committee note that the arrears of maintenance dredging were got cleared only as capital dredging operations, a more expensive alternative. They would like to know the exact position in this regard, and would urge the Ministry to ensure proper planning, hence saving costs.

Recommendation Sl. No. 20 (Para 7.23)

Timely completion of projects

1.14 The Committee, while taking note of delay in completion of a project in regard to dredging desired the Ministry to set up a cell to monitor dredging operations at Major Ports, so as to ensure timely completion and to avoid cost over-runs.

1.15 The Ministry in its reply stated that delay in completion of the work was due to late arrival of dredger at Mormugao; port workers' strike, as well as the monsoon that set in. The Ministry also subsequently stated that capital dredging was largely done by contract through Dredging Corpora-

tion of India/outside agency depending on the method of financing the programme of dredging and the competitive position of the offers received in response to invitation of tenders for such works. Further, periodical monitoring of the progress of the work was being done in the Ministry along with other development works under the Plan and as such there was no need for a separate monitoring cell for this purpose.

1.16 The above reply of the Ministry is not acceptable to the Committee. In order to ensure the completion of projects in time and to avoid time and cost over-runs it is essential to set up a cell to monitor dredging operations at major ports. The Committee while reiterating their earlier recommendation would like to be apprised of the action taken in this matter by the Ministry.

Recommendation Sl. Nos. 29, 30 & 31 (Paras 9.17, 9.18 & 9.19)

Development of Tuticorin Port

1.17 The Committee had deprecated the tardy manner of execution of the first stage development of Tuticorin Port, envisaged to be completed within five years of its inception in 1969, and not completed even after twenty years. Work on the project had been held up since 31.3.1985. The Committee had therefore, desired the Ministry to take appropriate steps to finally settle the outstanding issues so that the first stage development of the Port was completed.

1.18 The Ministry in its reply stated that the work was also held up due to continuous court litigations from September, 1986. Further, three sets of writ petitions filed by M/s. ACC Company were pending final disposal in the High Court of Madras and because of this Port was unable to resume the dredging operations.

1.19 The Committee note with dismay that the project is languishing for the last twenty one years, when it was to have been completed within five. Since 1986 no work has been done due to litigation. They are of the view that the Ministry should review the position urgently, to identify the slippages, to take effective remedial measures, and to expedite the execution of the project as any such delay effects the financial interests of the Government. It is also important that the matter is reviewed periodically, at the appropriate level so that project is completed without any further loss of time. The Committee would like to be apprised of developments in this regard.

Recommendation Sl. No. 55 (Para 15.17)

Maintenance Dredging Operations

1.20 The Committee had recommended that a horizontal study, regarding maintenance dredging operations, at all major ports, should be conducted in order to bring about rationalisation in the economics of dredging done by various agencies.

1.21 The Ministry in its reply stated that the suggestion of the Estimates Committee had been noted for compliance and that a study would be carried out regarding maintenance dredging operations at all major ports.

1.22 The Committee appreciate the concurrence of the Ministry.

Implementation of Recommendations

1.23 The Committee note with great concern that in 9 out of 59 cases, only interim replies have been provided by the Ministry. This is unsatisfactory. The Committee view the response of the Ministry with a sense of great disappointment. It is necessary to state here the concern of the committee at the tardy manner in which the Ministry has responded. The Ministry would be well advised to ensure that the final replies are received, by the Committee, within the stipulated time. The Committee would also wish to emphasise that the greatest importance is attached to the implementation of recommendations accepted by the Government. They would therefore urge the Government to keep a monitoring watch on an expeditious implementation of recommendations accepted by them. In cases where it is not possible to implement such recommendations in letter or in spirit, for any reasons, it is only proper that the Government should then report to the Committee, any such non-compliance, with reasons for it.

1.24 The Committee, therefore, desire that replies in respect of recommendations contained in Chapter V of the Report may be finalised and furnished to the Committee, at the earliest.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation No. 1 (Para No. 27)

The Committee note that capital dredging is undertaken whenever creation of new port facilities or further deepening of existing berths/channels is required and the responsibility to assess the capital dredging requirements rests with the concerned port.

They are of the view that so far as capital dredging is concerned it would be desirable to create a specialised central agency re-equipped with latest survey equipment to assess the overall requirement of capital dredging in the ports in India. They are also dismayed to note that no overall assessment of future requirements of dredging at Major Ports has been done by the Ministry. As stated by the Secretary during the court of evidence an exercise to assess the quantities of capital dredging is underway. The Committee are of the view that the necessary exercise should be completed expeditiously so that it is possible to have an integrated approach in undertaking capital dredging rather than leaving the problem to port in isolation. Once the quantum of work to be done is assessed it would be expedient to draw a plan of action and to compute the cost involved in the entire operations. While working out the financial requirements for all the major ports for undertaking capital dredging, the employment potential in undertaking the job should also be worked out. They would like to be apprised of future developments in this regard.

Action Taken

Capital dredging is undertaken normally as a part of a development scheme and not separately sanctioned for execution. Feasibility reports are also prepared by the consultants for individual projects and assessment of capital dredging is done by the respective ports in consultation with the C.W. & P.R.S., Pune. It is felt that the present arrangements are satisfactory. In view of this creation of a Specialised Central Agency to assess overall capital dredging requirements would not be practical.

However, the Working Group on Dredging facilities for the VIII Plan set up by the Planning Commission was asked to study *inter-alia* the annual requirements of capital and maintenance dredging during the Eighth Five Year Plan. The Working Group has since submitted their report and they have given their assessment of total maintenance and capital dredging requirements of the port sector during the VIII Plan.

Recommendation Sl. No. 2 & 3 (Para 3.16 & 3.17)

The Committee find that siltation at major ports is an unavoidable phenomenon and that in order to keep the ports in fully operational state, efficient and timely maintenance dredging is extremely essential. It has also come to their notice that normally maintenance dredging operations are carried out by the Port Trusts themselves. The ports seek advice in this regard from Central Water and Power Research Station, Pune. In so far as facility for 'in house' research and development is concerned, only Calcutta Port has its own hydraulic study department where they study their siltation problems.

The Committee consider that the problem of siltation is of huge magnitude and that a consolidated approach is imperative to tackle it effectively. While maintenance dredging is essential to maintain the requisite draft, it is also desirable to undertake adequate preventive measures like resorting to afforestation, plantation etc. The Committee have been informed that Cochin University has conducted a study on the aspect of siltation and its prevention to some extent by plantation/afforestation. It is rather surprising that the Ministry though concurring with the Committee's view on consolidated efforts to tackle this problem has fallen short of initiating serious and meaningful interaction with specialised institutions in this regard. The Committee desire that the Ministry should initiate steps to have interaction with Universities and other such institutions where such studies are being conducted.

Action Taken

The Working Group on dredging facilities for the VIIIth Plan have recommended that a R&D Cell be established under the administrative control of DCI and CWPRS. This R&D Cell will undertake studies in various areas including siltation problems etc. As far as Universities are concerned, Cochin University was contacted in this connection but it was intimated by them that they have not conducted any such study regarding siltation and its prevention by afforestation. Other Universities are being contacted for the purpose.

Regarding proposal of afforestation in connection with reducing siltation, it felt by the Deptt. that it may have only marginal effect on the riverine ports. Siltation flowing into other harbours from surrounding land areas can be treated as negligible except in places like Mormugao where small hills are situated on the side of the harbour. In such places, afforestation can be taken up. In the port of Calcutta, the critical factor is the availability of water from upstream during the fair seasons for flushing out the silt brought down by the river. In case of other Major Ports, main siltation is from the sea due to factors like mixing of fresh and salt water, littoral drift etc. Remedial measures based on the model studies, where possible have been attempted/are being attempted in such ports to reduce siltation.

Recommendation Sl. No. 5 (Para 3.19)

The Committee regret to note that though the DCI has been in existence for the last more than ten years and has been conducting maintenance dredging operations at almost all the Major Ports yet the Ministry has not made any efforts to make comparative cost study of dredging operations carried out by ports' dredgers and those by DCI. It is desirable to undertake the necessary study with a view to find out the ultimate solution as to whether the maintenance dredging should be done by the Ports or it should be entrusted to a central agency. The Ministry should conduct a comparative cost study to facilitate a rational solution to the problem.

Action Taken

A separate Sub-Committee was formed by the Working Group on Dredging Facilities for 8th Five Year Plan appointed by the Planning Commission to conduct detailed study on the cost of dredging by the Ports and DCI. The Sub-Committee stated that dredging operations carried out by DCI are cheaper compared to that of ports. The working Group after discussing the report of the Sub-Committee recommended that except alongside and inner harbour dredging the approach and outer channel dredging should be carried out by DCI. The recommendation of the Committee is under consideration of the Government.

Recommendation Sl. No. 8 (Para 3.22)

The Committee would in this connection pertinently refer to the observations of the late Prime Minister, Smt. Indira Gandhi that degradation and misutilisation of coast lines prevented and if the area is vulnerable to erosion, suitable trees and plants should be planted on the sands without marring the beauty of the environs. Pollution from industrial and town waste must also be avoided, as pointed out by her. The Committee desire that the Ministry should study the problem from environmental angle in consultation with the Ministries concerned and take positive steps to translate into action the above observation of the late Prime Minister. The Committee feel that high population growth, unrestrained development and inadequate infrastructure have resulted in decline in the environmental quality of the country's coast line and urgent preventive steps are considered essential to prevent further deterioration in this regard.

Action Taken

The Ministry agree with the observations of the Committee. Major Project are cleared by the Ministry now only after the environment input arrangement have been prepared. There is also a separate Committee which has been set up by the Govt. to look into the problem of erosion of beaches along the coast line.

Recommendation Sl. No. 9 (Para 4.7)

The Committee note that 26 out of 32 dredgers have been performing much below their assessed capacities. While agreeing with the Ministry's contention that this may be mainly due to old age of dredgers, requiring frequent repairs and longer maintenance periods, the Committee are of the view that the situation could have been avoided if the Ministry had done some advance planning in this regard in consultation with Major Ports and chalked out a comprehensive plan to phase out the old dredgers by introducing the concept of modernisation in this field of activity. The Committee desire that the needful may be done now and a suitable programme chalked out to replace the old dredgers. While effecting the programme of modernisation adequate care should be taken to standardise the equipments as dredgers also get non-functional due to non-availability of spare parts.

Action taken

During VIIIth Plan, the Working Group has projected five dredgers of Ports and four dredgers of DCI be decommissioned as these have outlived their utility. It is also proposed to procure four additional modern dredgers during VIIIth Plan by DCI. It is also proposed to procure five additional portable dredgers.

Recommendation Sl. No. 10 (Para 4.8)

The Committee commend the proposal of Ministry to set up a Dredge Repair Complex at Calcutta which would go a long way in mitigating the problems due to lack of adequate repair facilities within the country. They therefore, desire that work on the proposed complex should be initiated with due promptitude.

Action taken

Government of India has given approval of establishing Dredge Repair Complex. Arrangements are being made to register the Company.

Recommendation Sl. No. 11 (Para 4.9)

The Committee have observed that time and again lack of adequate trained man-power has hampered the execution of dredging operations at Major Ports. This occurs at all stages right from the initial sounding operations assessment of quantity to be dredged, the actual operations, etc. They feel that in view of the highly technical nature of work it is desirable that a training institute in dredging be established at the earliest. The Committee note that as a preliminary steps a Project report is being prepared with Dutch assistance and desire that Ministry should ensure the inclusion of the proposal in the Eighth Plan period so that the modernisation of Dredging operation is affected smoothly and there is adequate man-power to handle such operations efficiently. They would like to be apprised of developments in this regard.

Action taken

The establishment of a separate training institute is being taken care of during the 8th Plan. The Working Group on Dredging Facilities has recommended opening up of a separate institute for imparting training to dredging personnel. A detailed project report is to be prepared by a team of experts under the Indo-Dutch Aid protocol for establishing a National Institute for Training in Dredging.

Recommendation Sl. No. 15 (Para 6.17)

The Committee note that Madras Port is one of the deepest ports in the country and compares favourably with ports of advanced countries. The Committee also note that the Port hitherto was self-sufficient in so far as maintenance dredging requirements of the Port were concerned. But with the two dredgers Cauvery and Wenlock, having been condemned and the replacement Grab Dredger 'Pride' still to become operational, the Port in order to supplement the efforts of its lone remaining Dredger, Coleroon, had to utilise the services of Dredging Corporation of India. In fact for the period from April, 1988 to September, 1988 the quantum of dredging done by the Port dredger was about 7 m.cum. and that by DCI dredgers about 5.5 m.cum.

The Committee, therefore, desire that the Ministry of Surface Transport should take immediate steps to make the new dredger, pride, operational so that the Port is able to take care of about 75% of its maintenance dredging requirements.

Action taken

Dredger 'Pride' a grab hopper dredger, has become operational from 29th May, 1989. The total annual capacity of the two dredgers now available with Madras Port Trust viz. Dr. 'Coleroon' and Dr. 'Pride' is 1.55 million cubic metre. As the annual requirement in the Port is between 1.9 to 2.0 million cubic metre, it is necessary to engage DCI Dredger once in two years for dredging the balance quantity.

During the year 1988-89, the Trust's dredgers have removed a quantity of 0.75 m.cum and DCI about 1.05 m.cum.

The Trust's dredgers can now take care of 75% of the requirement and engage DCI Dredgers for the shortfall in capacity.

Recommendation Sl. No. 16 (Para 6.18)

The Committee also note that there is a gap of 15,00,000 cum. in the dredging performance and actual programme at Madras Port for the decade, 1978-79 to 1987-88. The Ministry's contention that there is no backlog of dredging requirement at Madras Port cannot thus be accepted. The Committee are of the opinion that maintenance dredg-

ing operations should be carried out after proper planning so that there are no substantial variations in the quantity of dredging as programmed and as actually completed.

Action taken

The dredging requirement in various areas in the Port per annum (vide 6.7 page 36 of the Estimates Committee Report) is as follows:—

(a) Outer Channel	— 11,00,000 M ³
(b) Turning Circle and Bharathi Dock Basin	— 3,00,000 M ³
(c) Inner Harbour	— 1,00,000 M ³
(d) Sand Trap	— 5,00,000 M ³
	20,00,000 M ³

The programme and performance of dredging in the Port for the last 10 years furnished in the statement shows a gap of 15,00,000 M³. During the years 1984-86 under the 'Project Deepening of Bharathi Dock for 1,30,000 DWT Vessels' Capital dredging was carried out in the channel etc. So the siltation in channel etc. of about 10 lakh M³ during this period was taken care during the capital dredging works. Apart from this DCI Dredger XI was also deployed during 1986-87 and again during 1988-89 to remove the situation in the channel to the tune of 5 lakh M³.

As such it is evident that the difference of 15 lakhs M³ between the programmed and performance during the last 10 years (1978 to 1988) was cleared during the course of capital dredging in 1984 to 1986 and by engaging DCI dredger in 1986-87 and 1988-89.

Recommendation Sl. No. 18 (Para 6.20)

The Committee welcome the decision of the Government to deepen the Bharati Docks in the Madras Port with Dutch assistance during the Eighth Plan and hope that the project would finally be included in Eighth Plan and implemented at the earliest. They would like to be apprised of further developments in this regard.

Action taken

The project has been proposed for inclusion in the 8th Five Year Plan by the Working Group on Ports. The VIII Five Year Plan has not been finalised.

Recommendation Sl. No. 22 (Para 7.25)

This situation is indicative of non-utilisation of allocated resources and calls for immediate remedial measures so that the sanctioned outlays are fully utilised and the work is completed according to schedule.

The Committee commend that training programme for the survey, technical and operational staff has been arranged and hope that such

training programmes would continue in future also to help the staff perform better in the discharge of duties assigned to them.

Action Taken

The suggestion of the Committee for continuing the Training Programme in future also is noted for compliance.

Recommendation Sl. No. 23 (Para 8.22)

The Committee are apprised that the Government plans to set up a grass-root refinery at New Mangalore. This will definitely need augmentation of Port facilities and also capital dredging. The Committee urge the Ministry to initiate necessary action regarding deepening, of Port and augmentation of port facilities well in time so that whenever the refinery becomes operational, no difficulty is faced by the berthing of vessels. Necessary exercise in this regard should be initiated right now so that there is no difficulty when the refinery becomes functional.

Action taken by the Govt.

In connection with providing the Port facilities for the proposed refinery, the Port has already prepared a detailed Project Report through the consultants M/s Consulting Engineering Services, New Delhi. Action also is being taken to initiate model studies etc. so that the Port facilities are ready when the refinery becomes functional. In addition, the Govt. have initiated a study through the Japan International Cooperation Agency to carry out a study which will also review the provision of POL handling facilities for the proposed refinery at Mangalore. The JICA Team has already started its work.

Recommendation Sl. No. 24 (Para 8.23)

The Committee note that the payment done by Ports for work done by DCI is on daily rate basis. They are of the opinion that in order to have a proper control over the costs it is imperative that rates should be quoted on cubic metre basis. Necessary action in this regard should be initiated.

Action taken by the Govt.

DCI is undertaking all capital dredging works on unit rate basis. Maintenance dredging works in a number of ports are also being undertaken on unit rate basis. DCI proposed to extend this system to all Ports wherever it is possible. However, at the Port like Calcutta, where siltation is a continuous process, it is difficult to take work on unit rate basis.

Recommendation Sl. No 21 (Para 8.26)

The Ministry's plea that dredging shortfalls have resulted due to financial constraints, do not seem to be tenable. On account of the fact that during the last five years, the outlays provided for maintenance dredging could not be fully utilised. This is indicative of lack of planning and lack of will to achieve the targets.

Action taken by the Govt.

The actual expenditure figures for the last five years from 1983-84 to 1987-88 furnished in para 8.17 relate to the actual expenditure incurred upto the end of March of that particular year. The reasons for short-fall are furnished below yearwise:—

Maintenance dredging — 1983-84

A provision of only Rs. 200.00 lakhs was made in the annual budget for maintenance dredging which was subsequently revised to Rs. 250.08 lakhs based on the actual requirements and also the rates quoted by M/s DCI. However, during actual dredging the expenditure on maintenance dredging was reduced to bring down the expenditure towards dredging to Rs. 200.00 lakhs only. Accordingly, the maintenance dredging was carried out and hence, the difference in the outlay and the actual expenditure.

1984-85

There is only a marginal shortfall of Rs. 16.00 lakh in the expenditure when compared to the outlay. The number of days for the deployment of the dredger was slightly reduced to meet the minimum requirements.

1985-86

The budgetary provision was Rs. 344.87 lakh while the actual expenditure was Rs. 299.54 lakh. There was a shortfall of Rs. 45.33 lakhs. The annual maintenance dredging for the year 1985-86 was conducted upto 18.4.1986. The expenditure incurred beyond 31.3.1986 on maintenance dredging has been accounted for in the accounts of 1986-87. Hence, there is no shortfall in the expenditure.

1986-87

While arriving at the budget provisions toward maintenance dredging for the year 1986-87, the expenditure already incurred beyond March, 1986 as indicated above, was accounted for and a provision of Rs. 365.14 lakh was made. The actual expenditure incurred during 1986-87 was Rs. 364.38 lakhs. Hence, there is no shortfall in the expenditure during 1986-87.

1987-88

The budgetary provision made towards maintenance dredging is Rs. 519.02 lakh against which an expenditure of Rs. 432.01 lakh has been incurred. The shortfall is Rs. 87.01 lakhs. While assessing the maintenance dredging requirements, a provision was also made for intensive dredging of hard patches on the north side of the outer approach channel between ch. 780 and 1380 ch. comprising of fine grained compact sand cemented with clay silt. However, during annual maintenance dredging, a decision was taken to defer this intensive

dredging as it did not pose any navigational problems. Hence, there is a saving of Rs. 87.01 lakh.

The shortfall in the quantity of dredging has not adversely affected the Port's activities so far.

Recommendation Sl. No. 32 (Para 10.21)

The Committee note that for the award of contract of capital dredging at Paradip Port DCI was earlier in reckoning, but ultimately could not secure the Rs. 8.75 crores contract due to inadequate machinery at its disposal.

The Committee find it disquieting that a public sector undertaking has been deprived of a contract due to lack of adequate machinery, thereby also resulting in the loss of precious foreign exchange resources. This has happened due to lack of advance planning and monitoring regarding overall dredging operations in the country. This is clearly, indicative of want of a comprehensive monitoring system under one umbrella and systematic and comprehensive planning in regard to dredging requirement in the country. Procurement of dredgers is a capital intensive scheme but considering the fact that lack of dredgers with DCI is leading to more and more projects being awarded to foreign dredging contractors, the Committee consider it imperative that expeditious steps are taken to augment the capacity of DCI. In this connection the Committee would also like the Ministry to explore the possibility of seeking assistance, if necessary, from foreign sources so that future dependence on outside contractors is reduced to barest minimum and loss of precious foreign exchange is minimised.

Action taken

This refers to capital dredging of Sandtrap by Dutch Dredging Contractors. There were two considerations:

- (i) The finance for this work was available from the aid by Dutch Government.
- (ii) D.C.I expressed their inability to carryout the work.

Paradip Port Trust offered the dredging jobs first to DCI. Only when DCI expressed its inability, Port had no other alternative left but to get the same work done by foreign dredging contractors in the greater interest of the Port.

2 All efforts are being made to augment the capacity of the DCI so as to enable them to take up the dredging contracts at the various ports. Government of India and Government of Netherlands have entered into a Memorandum of Understanding to embark on a long term programme for development of Maritime dredging in India with the Primary object of providing the Indian Ports with adequate and efficient dredging services. Such programme is contemplated to be realised within a framework of bilateral cooperation scheme for which both the countries will make available the resources in the form of physical assets, manpower, finance

and the Government of Netherlands has pledged financial support to the extent of DFL 914 million over a period of 10 years ending 1994-95.

During VIII Plan it has been proposed by the Working Group to procure four additional dredgers and five additional portable dredgers. However, a final decision on this will depend on the resources available.

Recommendation Sl. No. 33 & 34 (Para 11.21 & 11.22)

The Committee find huge disparities in the outlay earmarked and expenditure incurred by the Visakhapatnam Port Authorities, while executing projects relating to deepening of Outer Harbour, New Oil Mooring and Oil Berth. The Ministry has stated that for work at Outer Harbour, the sanctioned estimated quantity to be dredged was revised from 5.8 m. cu.m. to 7.99 m. cu.m. which caused an increase of ₹ 150 lakhs. Further, the rates which were revised from Rs. 4.75 per cu. m. to Rs. 15.60 per cu.m. for the work carried out by MOT dredgers accounted for an increase of Rs. 881.39 lakhs. Thus, a project which was estimated at Rs. 364.5 lakhs was completed at a cost of about Rs. 1,396 lakhs.

The Committee will definitely like to be apprised of the Reasons which prompted the Ministry to revise its rates by almost 400% Prima facie the increase in the cost does not appear to be justified.

Action Taken

The estimate for construction of Outer Harbour prepared by Consultants was based on the rates prevailing in 1968. The rate of Rs. 4.75 per cu.m. for dredging was provided based on prevailing dredging rates in 1968. This rate of Rs. 4.75 per m³ of dredging does not include the mobilisation, demobilisation and overheads as the departmental dredging rates are generally worked out based on the actual costs. Though the estimate was prepared in the year 1968, the actual dredging was carried out from 1972 to 1976.

The dredging operations were carried out by MOT dredgers on daily rate basis/pump hour basis, but not on the quantity dredged. Besides, there was a steep rise in the prices of all commodities particularly in Petroleum products during the years 1972-76. There was also variation in the output of dredging owing to different soil conditions which generally vary in a large basin and hence the rate worked out on average basis amounted to Rs. 15.60 per cu. mt. based on the actual expenditure incurred for the quantity dredged by MOT-Dredgers, which includes overheads, mob and demob charges. Further the increase in the quantum of dredging from the original estimated quantity of 5.8 million c. mtrs. to 8.0 million cu. mts. was due to the layout of outer harbour as per the recommendations of C.W.P.R.S. after conducting model studies which was a major contributing factor for increase in the cost of the project. Sometimes the dredging operations had to be stopped with a view to provide uninterrupted services to shipping operations and these unavoidable delay

also contributed for the idle time of MOT Dredgers and consequential idle charges.

Recommendation Sl. No. 36 (Para 11.24)

The Committee find that most of the deficiency in maintenance dredging in this Port is due to obsolescence of its dredgers. The committee feel that it is high time that a plan to modernise the dredging fleet is chalked out by the Ministry. The committee are of the opinion that a centralised Agency is more suitable for carrying out dredging operations at Major Ports, the Ministry may involve a policy whereby, Grab Dredgers for along-side dredging should be allocated to various Port Trusts while suction dredger which are suitable for performing channel dredging should in future be procured by DCI in place of the Port Trust.

Action Taken

There is a need to replace the present suction dredger S.D. Visakha of the Visakhapatnam Port Trust. It has been decided to replace this dredger in the 8th Five Year Plan. The present policy is whereas berth dredging & inner harbour dredging would be carried out by the port, the dredging of the Approach Channel and the Outer Harbour would be done by the DCI.

Recommendation Sl. No. 38 (Para 12.15)

The Committee have noted the peculiar position obtaining at Kandla Port. They find that presence of a 'bar' at the entrance to the Kandla creek is a big drawback in so far as its minimum depth is the controlling factor for the permissible draft for the ships that can enter or leave Kandla Port. They also find that the regime at the mouth of the Kandla creek is unstable. There is considerable bed material in circulation resulting in formation of shoals and consequent shifting of Navigational Channel.

Action Taken

All efforts are under way to find out ways and means of stabilising the channel like deploying additional dredgers, trying out navigational dredging, selecting different sites for disposals of dredged material and by undertaking suitable measures to maximise ebb flow to the navigational channel.

Recommendation Sl. No 40 (Para 12.17)

The Committee note that a surplus dredger of Kandla Port has been handed over to DCI on bare-boat charter and the arrangement is working satisfactorily. The Committee desire that the Ministry should find out if other ports too are having surplus dredging capacity so that similar arrangement are made to further augment the capacity of DCI and to judiciously utilise existing machinery.

Action Taken

It is pointed out that there are no surplus dredgers either with Kandla Port or any other Port which can be handed over to the DCI. One dredger of Kandla Port was given to DCI for operation on bare-boat charter.

Recommendation Sl. No. 41 (Para 13.23)

“The Committee observe that being a riverine port, the port of Calcutta/Haldia has its own specific problems in so far as siltation and its consequent dredging is concerned. They find that the Ministry besides making efforts to tackle the situation by dredging, has also launched river training programmes and is constructing a wall on the bed of the river to control siltation to some extent. The Committee agree with the Ministry's contention that as the Port is based on a 'difficult river' they have yet to evolve effective control measures to arrest the huge amount of siltation taking place at the Port.”

Action Taken

The river Hooghly may be divided into three reaches with reference to its behaviour as well as navigation to the Port of Calcutta and the Haldia Dock System.

- From Calcutta to Diamond Harbour over a Distance of about 80 km. accommodating a narrow channel with several bends.
- From Diamond Harbour to Saugor Island over the wider portion of the estuary covering a length of 60 km. a wide braided river.
- From Saugor Island to Sandheads over a distance of 80 km. — a multi-channelled outfall into the Bay of Bengal.

The action taken or envisaged to improve the depths within these reaches are now presented.

The 1st reach i.e. Calcutta to Diamond Harbour contains 14 bars and crossings which governed the draught of ships calling upon the Port prior to 1975. The government under took intensive analysis of river data supported by simulation in models between 1955 and 1962 to tide over the problem in the short-term and evolve measures in the long-term. Conception of the Farakka Barrage Project to divert water from the Ganges into the Hooghly emerged to flush the estuary. The Farakka Barrage construction commenced sometime in early 60s. The barrage become operational in 1975. With the flow of water by paryial diversion of Ganges into the Hooghly. The impediments between Calcutta and Diamond Harbour were observed to have progressively reduced. The quantum of dredging fell sharply from a maximum of 3 mm³* to about 0.6 mm³* per annum. A number of dredgers were moth-balled.

1. *mm³ = million cubic metres.

The problems of navigation to Calcutta to achieve a draught of 7.9 m. now lay in the region indentified as Balari at about 10 km. downstream of

Diamond Harbour in the wider portion of the estuary. This bar often imposed serious limitation on the draughts even in the past. The Government had consultations with national and international experts enduring over years to arrive at a solution. Several model studies including numerical modelling were undertaken. A Comprehensive Project for improvement of draughts to the Port of Calcutta and the Haldia Dock System was formulated in 1981 covering the Balari Bar as well. This project is now underway at a revised cost of Rs. 45.61 crores. The project mainly consists of river training works.

The Comprehensive Project referred above and other projects executed from time to time earlier recognised the importance of both River Training measures and dredging to improve the depths in the channel. Downstream of Saugor Island where the estuary widens considerably, it is recognised that no river training works can be constructed. It is essentially dredging alone that could be a solution to the improvement of depths over certain specific reaches. Immediately, however, the estuary in this region is not introducing any serious limitation on the draughts to the Ports. It is only when the upper estuary improves that dredging may be undertaken lower down to improve the system of channels. The Government have undertaken recently a Programme of investigations to assess to sedimentation pattern. One of the methods is to investigate the movements of sediments through Active Tracer Studies. These are underway. Development of channels in a wide estuary is possible only through a long period of time. This has been so generally for all estuaries improved abroad.

Recommendation Sl. No. 43 (Para 13.24, 13.25)

“The Committee, however, feel that the Ports performance in regard to capital and maintenance dredging is dismal. At Haldia, while the draft objectives in the approach channel were revised to 12.2 m. in the final stages and were to be achieved by 77-78, the target has been drastically scaled down to 10.67 mtrs. Lamentably, the actual performance what has been achieved in this regard is a mere 8.5 mtrs. At Calcutta, the picture is still gloomier and the realised drafts after conducting dredging operations have never touched the designed draft requirements in all the Seven Plans.”

“The Committee feel that capital dredging operations at Calcutta/Haldia Port have been handled with extreme casualness and without adequate monitoring of projects. The Port's physical and financial performance have gone hay wire in this particular field which is of immense importance for the business of the Port. The Committee desire that intensive efforts should be made to tone-up the overall machinery and strict watch should be maintained in the future for timely and effective implementation of projects of critical natures, more so in the light of the fact that business at Calcutta Port has become more or less static and is in-fact on a down-ward trend”.

Action Taken

The Haldia Dock System was conceived sometime in the Sixties to allow a draught of 30-31 ft. At the time, it appears that vessels of higher draughts could not be visualised. The objective of higher draughts was projected later to accommodate World Bank Tankers acquired by the SCI Limited for the oil trade. These vessels commanded draughts more than 12.2 m. Therefore, from 1972 onwards measures were introduced through training of the estuary associated with intensive dredging to realise the draughts. Admittedly, the draughts have not been realised due to a variety of changes occurring in the estuary discussed from time to time by national and international experts. This has led to the formulation of the comprehensive Project referred earlier. There are a number of items of works in this project. Only one item under River Training Works, namely, a guidewall is under execution since 1982. The monitoring is carried out by a higher power Technical Advisory Committee formed by the Government or the recommendation of the Calcutta Port Trust. A dredging scheme costing about Rs. 4,000 lakhs is shortly to be undertaken to assist the function of the guidewall under construction. Thus, the Government is fully aware of the complexities of the development works as well as the behaviour of the estuary. The works are being continually monitored and modification introduced wherever necessary both after prototype analysis and simulation studies. These simulation studies are carried out both at Calcutta Port Trust as well as C.W.P.R.S., Pune. The present draughts to Haldia are of the order of 9 m. and to Calcutta 6.8 m.

Recommendation Sl. No. 44 (Para 13.26)

The Committee note that 90% of dredging expenditure of Calcutta/Haldia Port is met from Central exchequer. The Committee feel this is all the more reason for the Ministry to have a strict vigil over the financial management of dredging operations at the Port.

Action Taken

In pursuance of the decision of the Cabinet in 1985 while extending the subsidy scheme on dredging to Calcutta Port upto 31.3.1990, the Government appointed a Special Group of officers consisting of representative of the Port and the Ministry of Surface Transport for reviewing the performance of dredging on year to year basis, so as to recommend if any reduction in the quantum of subsidy on account of unsatisfactory performance is called for. This Group also conducts annual review of efforts made by the Port for increasing the revenues of the Port as well as for reducing the surplus staff.

The Report of the Group is being revived on year to year basis and their recommendations are taken into consideration before releasing final payment of subsidy of a particular year. Their recommendations on financial aspects are also examined in the Ministry and necessary instruc-

tions are being issued to the Port from time to time for further improvement in performance.

Recommendation Sl. No. 45 (Para 13.27)

“In the field of maintenance dredging the track record of Calcutta/Haldia Port is still worse. The Committee are baffled to observed huge disparities in the costs involved in the dredging works undertaken by Calcutta Port Trust itself and that done by DCI dredgers. During the period of last ten years while DCI dredgers with a total assessed capacity of 38.18 m.cum. dredged 53.18 m.cu.m. at a cost of Rs. 44.88 crores, the Port’s dredgers performed dismally and against their assessed capacity of 120.43 m.cu.m. dredged only 78.57 m.cu.m. at a huge cost of Rs. 192.27 crores. The explanation given for this utterly poor performance of the Port’s Dredgers has not been considered to be satisfactory by the Committee. In the projects of large financial value it is imperative to strengthen planning implementing and monitoring machinery so that it is possible to achieve desired objectives within the estimated cost. In view of the huge financial value of work involved in maintenance dredging in Calcutta and Haldia it is imperative to have comprehensive review of the expenditure incurred during the last 3 years so as to ascertain whether these were executed efficiently and economically and there was maximisation of resources. The Committee would like the Ministry to ensure close intensive monitoring of such projects by indepth periodical review of progress of projects, close coordination with equipment suppliers, contractors, consultants and other agencies to minimise delays. It is also essential to strengthen research activities in such projects so as to keep abreast with latest technological developments all over the world”.

Action taken

Apparently, there is large difference between unit cost of dredging undertaken by Calcutta Port Trust and dredging undertaken by Dredging Corporation of India. However, such comparison of unit cost is not deemed to be apt in as much as the type and nature of dredger/equipment used by CPT, the mode of execution of dredging, areas of operations etc. varies widely from the same in respect of dredging undertaken by DCI. For example, maintenance dredging is carried out by Calcutta Port Trust with Grab Dredger, Bucket Dredger and Specialised Dredger in addition to trailing hopper suction dredger whereas DCI used only trailing hopper suction dredger. Besides the level of utilisation of CPT dredgers is less than that of DCI dredgers for a variety of reasons. Accordingly, the idle time cost of CPT dredger is more thereby contributing towards higher unit cost of dredging.

2. A statement showing unit cost of dredging, number of days worked, number of days the dredgers were out of commission etc. in respect of CPT and DCI dredgers for the years 86-87 to, 88-89 is

enclosed. The reasons for the high cost of dredging by CPT dredgers have been indentified as follows:—

(a) SD 'Mahaganga' made by GRSE Ltd. indigenously has inherent defects and her down time is far more than that normally stipulated by the Dredger Utilisation Committee despite the fact that her repairs were being undertaken by Government agencies. During the year 87-88, SD 'Mahaganga' could work only for one month since she was laid up for her annual overhaul from 2nd May 1987 to 13th August 1988. This resulted in abnormal high unit cost of dredging.

(b) SD 'Mohana' was taken out of service in the year 1987-88 and was decommissioned with effect from 1st August 1987. She worked only for five months in the year and subsequently unit cost of dredging was high in her case.

(c) SD 'Churni' was moth-balled in the year 1984-85 due to her age and heavy consumption of fuel oil. The dredger was being used very sparingly for carrying out dredging in emergent situation. Taking into account her idle time cost, the unit cost of dredging whenever undertaken by us works out to be high. However, she is the only CPT dredger which is having a centre bow-well dredge pipe with a rigid trunion and is most suitable for dredging on the short shoals of upper reach bars.

(d) SD 'Subarnarekha' and SD 'Churni' can also work only during day time in the upper reaches since it is not possible to deploy dredgers in upper reaches round the clock since the existing navigational facilities and navigational hazards do not permit the same.

However, as desired by the Committee, efforts will be made by the port to exercise strict vigilance over dredging operation and their financial cost, so as to maximise the use of dredging equipment and bring down the unit cost as far as practicable.

Regarding strengthening of research activities in such projects so as to keep abreast with latest technological developments all over the World, the CPT is examining proposals to strengthen the Hydraulic Study Department.

Recommendation Sl. No. 46 (Para 13.28)

The Committee are also of the view that as far as Calcutta Port is concerned it is imperative to go in for modernisation plan to boost international trade which is going to be containerised. The Committee therefore, urge that high priority should be given to cargo handling and modernisation of Calcutta Port while finalising the proposals for the 8th Plan. They would like to be apprised of further developments in this regard.

Action taken

In terms of an agreement between Government of Japan and Government of India for technical co-operation, Government of Japan entrusted the work of formulating Master Plan of Calcutta and Haldia upto the year 2005 to Japan International Co-operation Agency (JICA). The Japanese consultants (JICA) have submitted draft final report on Master Plan of Calcutta/Haldia to the Government of India in August 1989 covering short term plan for 8th Five Year Plan and long term plan upto 2005 suggesting various schemes for modernisation and augmentation of Port capacities for handling the future increased volume of cargo. The comments on the draft final report have been sent to JICA on 28.8.89. The Consultants will submit the final report in Oct. 89. Mostly the Schemes indicated in the draft final report for short term plan have been covered in the 8th five year plan subject to the approval of Planning Commission.

Recommendation Sl. No. 47 (Para 14.19)

The Committee note that the rate of local siltation at Bombay Port becomes very high whenever the depths have increased greatly above the natural depths. The Committee would like the Ministry to conduct technical study to find out the scientific basis of this phenomenon so that further deepening of the Port, as and when undertaken, takes due cognizance of the results of this study.

Action taken

The Ministry has constituted a Committee to undertake the study.

Recommendation Sl. No. 48 (Para 14.20)

The Committee deprecate the manner in which financial details regarding Capital dredging at Bombay Port have been furnished by the Ministry. The Ministry has stated that information relating to approved outlays during Third, Fourth and Sixth Plans are not available. The Committee desire that in future the Ministry should be more careful in furnishing information to the Parliamentary Committees.

Action taken

It is regretted that the information relating to financial details regarding the capital dredging during Third, Fourth and Sixth Plans could not be furnished earlier. This information is given below:—

Plan period	Item	Approved outlay (Rs. in lakhs)	Expenditure (Rs. in lakhs)
1	2	3	4
Third Plan, 1961-66 Annual Plan,	Dredging Main Harbour Channel	180.00	178.57
1966-67 Annual Plan,	-do-	12.29	22.97
1967-68 Annual Plan,	-do-	10.02	10.17
1968-69	-do-	23.64	18.51
Fourth Plan, 1969-74	-do	13.00	13.06
Sixth Plan	Fourth Oil Berth	1745.00 (which includes 812.60 lakhs for deepening Main Harbour Channel)	841.65

Recommendation Sl. No. 49 (Para 14.21)

The Committee find that in actual performance also the Bombay Port authorities have acquitted themselves poorly. Draft levels at Pir Pau Chemical Terminal are presently around 5.5 metres, as against the required depth of 8.8 metres. The Committee are unable to accept the Ministry's explanation that due to less demand in initial stages dredging at the said area was neglected.

Action taken

Due to heavy traffic in essential commodities like LPG and Chemicals, the existing berth at Pir Pau is not available for dredging for a longer duration to deepen it for the required draft. However, this berth is being redesigned by constructing a new pier-head and extending the existing trestle into deep waters and thus the required draft would be made available.

Recommendation Sl. No. 55 (Para 15.17)

The Committee have been informed that operations carried out by DCI dredgers are cheaper than those conducted by Port's own dredgers. The position in Bombay Port depicts an altogether different picture. It is worthwhile to conduct a horizontal study regarding maintenance dredging operations at all Major Ports in order to bring about rationalisation in the economics of dredging done by various agencies.

Action taken

The suggestions of the Estimates Committee have been noted for compliance and for this purpose, a study will be carried out regarding maintenance dredging operations at all Major Ports.

Recommendation Sl. No. 57 (Para 16.13)

The Committee note that Nhava Sheva Port is intended to be a state-of-the-art port on Indian scenario. The Committee, however, are distressed to find that the project cost of Nhava Sheva Port Project has escalated from Rs. 506 crores to Rs. 906 crores due to variation in foreign exchange component, increase in levies, duties etc. The Committee are of the opinion that Ports are highly capital-intensive projects. Therefore, meticulous care and adequate vigilance should be exercised for implementation of this project of huge financial value so that time and cost are over-seems are avoided. The planning, implementation and monitoring machinery of this project should be adequately strengthened so that there are no slippages in the execution of the project. The total estimated expenditure on capital dredging at Nhava Sheva Port is about Rs. 62.43 crores and out of this the rock dredging component is Rs. 10.87 crores.

Action taken

The cost estimates in respect of Nhava Sheva Port Project were prepared through a reputed firm of Consultants M/s HIPL, backed up by their foreign principals in Canada. The original estimates were examined in the Ministry and sanctioned after obtaining approval of the PIB/CCEA. Thereafter, the contract proposals were scrutinised in the Ministry, and sanctions issued after going into the merits of the case. In some cases, the quantities of the cost estimates were found to have grossly been underestimated leading to huge increase in cost. The execution of the project was also monitored by M/o Programme Implementation directly from the

project authorities. As a result of this and the constant pressure on contractors by way of regular meetings at the level of the Chairman, and meeting with the Ambassadors in the case of foreign contractors, held in the Ministry, the slippages were kept to the minimum.

Nevertheless general instructions to all major Port Chairmen and Chief Engineer & Administrator, ALHW in this regard have been issued, *vide* copy of letter No. PD/25011/2/89-US I dated 1.8.89 (Annex).

ANNEX

Copy of the letter No. PD/25011/2/89-US I dated 1.8.89 from Jt. Secy. (Ports) MOST, addressed to all Port Chairmen and the Chief Engineer & Administrator, Andaman & Lakshdweep Harbour Works regarding implementation of major port projects—recommendations of the Estimates Committee.

“I am directed to say that the Estimates Committee (1988-89) in its 80th Report have examined dredging operations at various major ports. The Committee have opined that the ports are high capital intensive projects and have therefore emphasised that meticulous care and adequate vigil should be exercised for implementation of these projects of huge financial value, so that time and cost overruns are avoided. The Committee have further observed that the machinery for planning, implementation and monitoring of these projects should be adequately strengthened, so that there are no slippages in the execution of the project.

2. Accordingly, you are requested to ensure that in all major port projects, the above instructions are strictly followed.

3. These instructions may be brought to the notice of all concerned in your port.”

Recommendation Sl. No. 58 (Para 16.14)

The D.C.I. also competed among the bidders but did not qualify as it did not satisfy the condition that it should have a collaboration with a Dutch Company. Due to the omission on the part of the DCI the contract was amended to a Dutch firm resulting in an outflow of foreign exchange worth Rs. 51 crores. The Ministry should ensure that instructions are issued to concerned agencies under its control to be very careful while bidding for tenders so that the financial interests of the country are properly secured.

Action Taken

Necessary instructions been issued to DCI with copies to Port Chairmen.

Recommendation Sl. No. 59 (Para 16.15)

The Committee note that Nhava Sheva Port Project was sanctioned by Ministry of Environment and Forests on the condition that disposal of dredged material will be done in consultation with Environment Division

of NSPT and that no large scale dumping of wastes shall be undertaken by NSPT without clearance from environmental angle. They are appreciative of the fact that environmental angle has been duly taken into account before clearing the Nhava Sheva Port Project. In view of pollution hazards which are being faced by sea ports, the Committee consider it as a positive step and hope that the Ministry would give paramount consideration to environmental angle while considering further expansion of major ports and also in undertaking capital and maintenance dredging operations.

Action Taken

Necessary instructions have been issued to all Port Chairmen; Chairman & Managing Director, Dredging Corporation of India; and Chief Engineer & Administrator, Andaman & Lakshdweep Harbour Works, *vide* copy of letter No. PD/25011/2/89-US-I dated 1.8.89 (Annex)

ANNEX

Copy of the letter No. PD/25011/2/89-US-I dated 1.8.89 from Jt. Secy. (Ports) MOST, addressed to all Port Chairmen, CMD, D.C.I. & CEA, ALHW regarding environmental measures to be taken while considering further expansion of major ports and undertaking capital and maintenance dredging operations.

“I am directed to say that the Estimates Committee (1988-89) in its 80th Report have examined dredging operations at various major ports. In view of pollution hazards being faced by sea ports, the Committee has desired that paramount consideration should be given to environment angle while considering further expansion of major ports and also capital and maintenance dredging operations.

2. You are, therefore, requested to ensure that while planning the expansion of your port and undertaking capital and maintenance dredging operations, the above instructions of the Committee are kept in view.”

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENTS REPLIES

Recommendation Sl. No. 4 (Para 3.18)

The Committee have noted that maintenance dredging at Major Ports is subject to a policy decision whereby the ports themselves carry out dredging by the side of the berth and in rest of the areas it is undertaken by DCI. The Committee are of the opinion that maintenance dredging should be undertaken by centralised agency after making comprehensive study of requirement of all the Major Ports.

Action Taken

Maintenance dredging has to be undertaken at the berths, basins as well as the approach channels. If a centralised agency has to undertake the maintenance dredging operations both at the berth and approach channel it will have to station one of its dredgers permanently because berths are not always vacant and are servicing the ships. That is why where the number of ship arrival is heavy it will be appropriate to have maintenance dredging in the berths and in the basins by the Ports own dredgers and in the approach channel partly by a centralised agency and partly by the concerned Port.

Recommendation Sl. No. 19 (Para 7.22)

The Committee are dismayed to note that both the capital dredging operations undertaken at Mormugao Port have been done without a systematic study. In the first stage due to the wrong assessment of material to be dredged the rates quoted in the tender had to be revised to almost five times from Rs. 4.50 per cu.m. to Rs. 22 per cu.m.

Action Taken

Before undertaking the Capital Dredging detailed sub-soil investigations in the approach channel and basin had been conducted and 106 bore holes have been drilled in the area. However, at the time of actual dredging, the subsoil was found to be erratic and disputes arose as to the classification of soil since the equipment brought by the contractor was not able to give sufficient output.

As regards, the revision of rates, the contractor's rates for dredging in soil were Rs. 4.10/4.70 per cu.m. and that of dredging for rock was Rs. 135 per cu.m. A high level Committee headed by the Joint Secre-

tary, Ministry of Transport went into the whole question and fixed an average rate of Rs. 22 per cu.m. for soil as well as rock.

Recommendation Sl. No. 21 (Para 7.24)

The Committee regret to note that like capital dredging the financial planning for maintenance dredging operations has also been unsatisfactory. During the last four years i.e. 1984-85, 85-86, 86-87 and 87-88 against outlays of Rs. 250 lakhs, Rs. 326 lakhs Rs. 280 lakhs and Rs. 244 lakhs respectively the actual expenditure have been Rs. 244 lakhs, Rs. 222.50 lakhs, Rs. 235.80 lakhs, Rs. 218.65 lakhs respectively.

Action Taken

If the monsoon is weak the siltation is less and quantity of dredged material is less. If rainfall is more there is more siltation and the dredger has therefore to dredge for more days. This is responsible for variation in the outlays and the actual expenditure.

Recommendation Sl. Nos. 25 & 26 (Paras 8.24 & 8.25)

The Committee note with concern that huge backlog has accumulated with regard to dredging at New Mangalore Port. While the Ministry claims that it is to the tune of about 10 lakhs cu.m. the data furnished by them indicates that during the last ten years out of an estimated quantity of 40.5 lakh cu.m. only about 23.0 lakhs cu.m. has been actually dredged, leaving a backlog of more than lakh cu.m.

The Committee would like the Ministry to reconcile the discrepancy and to find out the quantity of dredging required to be undertaken. They are also of the view that it is imperative to have a trained and efficient machinery for conducting surveys so that estimates are made on a realistic and scientific basis.

Action Taken

The backlog of 17 lakh cu.m. is based on the quantity of dredging required to maintain the depths and dimensions of the lagoon, approach channel and turning circle at the originally designed parameters. But primarily due to lack of sufficient exports of iron ore, and consequent financial constraint NMPT has been managing with lesser dredged depths taking tidal advantage and reduced widths of the channel and turning on the basis of which the backlog of dredging has been estimated as 10 lakh cu.m.

Recommendation Sl. No. 28 (Para 8.27)

It is also disquietening to note that no rational link exists between the quantity dredged and the cost incurred for the same. While in 1982-83 a sum of Rs. 231.5 lakh was spent for dredging about 30 lakhs cu.m. in 1983-84 a lesser quantity i.e. 18.5 lakhs cu.m. was dredged at a higher cost of Rs. 246.6 lakh. Similarly, in 1984-85 a sum of Rs. 336.3 lakh was incurred in dredging about 33 lakh cu.m. and in 1985-86, 20 lakh cu.m. were

dredged at the cost of Rs. 394 lakh. In 1986-87 31 lakh cu.m. were dredged for Rs. 366 lakh. Such variations in cost per cu.m. dredged do not indicate a satisfactory state of affairs and there is an urgent need to analyse critically the reasons for such large variations. A scientific study in this regard is considered imperative so that it is possible to keep proper control over the expenditure incurred on maintenance dredging.

Action Taken

The reasons for variation in the cost of dredging during various years brought out above are as under:

1982-83

During the year 1982-83, a total sum of Rs. 231.50 lakh has been spent for dredging a quantity of 31.13 million cu.m. which works out to Rs. 7.44 per cu.m.

1983-84

During the year 1983-84, a total amount of Rs. 246.61 lakh has been spent for dredging a quantity of 18.5 lakh cu.m. The average rate works out to Rs. 13.32 per cu.m. The increase in the rate per cu.m. compared to the previous year is due to the fact that a hard compact sand patch was encountered on the northern toe line of the channel from about 800 mtrs. to 1200 mtrs. west of the base line. Unless this hard patch was dredged to the designed depth there was the danger of a further restriction in the draught. As this hard patch was not easily amenable to dredging by the Trailer suction dredger the output of the dredger was considerably affected when attempts were made to clear this hard patch.

1984-85

The quantity of maintenance dredging carried out was 33 lakh cubic mtrs. and amount spent was Rs. 336.30 lakh. The unit rate of maintenance dredging works out to Rs. 10.19.

1985-86

The total quantity of maintenance dredging carried out was 19.61 lakh cu.m. and the amount spent for dredging was Rs. 382.92 lakh. The rate per cubic mtr. works out to Rs. 19.53. The increase in the unit rate of dredging is mainly on account of intensive dredging carried out in the hard patch area comprising of the fine grained compact sand cemented with clayey silt in the northern side of the outer approach channel between chainages 780 to 1380 which had to be removed for avoiding navigational hazards.

1986-87

During 1986-87, an amount of Rs. 366 lakh was spent for dredging a quantity of 30.92 lakh cu.m. which works out to Rs. 11.83 per cu.m. In this case also the cost includes the deployment of the Cutter Suction Dredger utilised for dredging in front of the berth by double handling.

From the above, it may please be seen that there has been increase in the unit rate of annual maintenance dredging during those years when the hard patch between the chainages 780 to 1380 was tackled. This phenomenon of formation of hard patch comprising of fine grained compact sand cemented with clayey silt in the northern side of the approach channel moving into the channel periodically is being examined by referring the matter to C.W.P.R.S. and Dutch Advisory Mission for finding out a suitable cost effective solution.

Recommendation Sl. No. 39 (Para 12.16)

The Committee are unhappy to note that this has resulted in change of navigation channel on no less than 6 occasions since 1955. They are of the opinion that while planning establishment and development of projects which require huge capital expenditure the overall financial returns should also be taken into account. In the instant case the Committee do not find that the Ministry had adhered to this principle while taking decision to further develop the Port. The Committee also do not find any justification in the Ministry's plea that they are finding it difficult to work out economic internal rate of return and financial internal rate of return of Kandla Port. The Committee feel that the knowledge of returns on any investment is a basic rule of corporate finance and are surprised to find that the Ministry has not taken this in account, particularly when dealing with such a high capital intensive project. The Committee, there, desire that the information be compiled so that it is possible to assess the justification or otherwise for further development of the Port.

Action Taken

Efforts are being made to improve the efficiency of the Port particularly the financial returns. It may be stated that IRR & ERR are not calculated for the Port as a whole. Whenever any individual project is considered, IRR & ERR are calculated on the basis of investment on that particular project.

Recommendation Sl. No. 52 (Para 14.24)

The Committee have been informed that cost of dredging operations conducted by Ports own dredgers and that done by DCI dredgers are at considerable variance, being Rs. 26 per cu.m. for the former and Rs. 38 per cu.m. in case of latter. The Committee desire that as DCI is to conduct a major chunk of dredging operations at Ports in future, a critical study should be made to find out the reasons for the higher costs of the dredging carried out by DCI. They would like to be apprised of the results of such an exercise.

Action Taken

The latest study conducted by the Sub-Committee of the Working Group on Dredging Facilities for 8th Five Year Plan shows that in the case of DCI dredgers the productivity is high and the cost of dredging per unit quantity is low when compared to that of Port's dredgers.

Recommendation Sl. No. 56 (Para 15.18)

The Committee will also like to draw the attention of the Ministry to maintenance dredging being undertaken at Cochin Port. While in 1984-85 a sum of Rs. 799 lakhs was spent on dredging 62 lakh cu.m. in 1986-87 and 1987-88 sum of Rs. 959 lakh and Rs. 911 lakh had been spent to dredge 63 lakh cu.m. and 56 lakh cu.m. respectively. In the opinion of the Committee even if standard escalations are taken into account such drastic increase cannot take place within a period of 1 to 2 years. They would like the Ministry to conduct detailed investigations into this increase in cost with a view to taking appropriate remedial measure with promptitude.

Action Taken

The increase is due to the following reasons:

The hire charges of Dredger MOT XVIII during 1984-85 was Rs. 3 lakhs per day and in 1985-96 to Rs. 3.614 lakh per day, an increase of 20.45% in cost of Dredging Corporation of India dredgers. The hire charge was further revised to Rs. 3.88 lakh per day in 1987-88. The percentage of increase is 7.36% over 1985-86. The hire charges of DCI dredgers was fixed by mutual discussions by the DCI and the Port Trust.

The increase in cost of dredging by Port's dredgers during the periods viz. 36% during 1986-87 over 1984-85 and 5% during 1987-88 over 1986-87 are due to ageing of dredgers, increase in cost of fuel, stores and consumables and increase in salaries and wages.

CHAPTER IV

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH GOVT'S REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation Sl. Nos. 12, 13 & 14 (Para Nos. 5.8, 5.9, 5.10)

The Committee are distressed to observe that there are several cases regarding payment of dredging bills, which are under dispute between the concerned ports and Dredging Corporation of India for a long time.

In the opinion of the Committee the Ministry has not shown any decisive will to sort out the disputes. They see no reason as to why the Ministry under whose control both the DGI and ports concerned function should not have been able to sort out the disputes and to end, unnecessary wranglings between the parties.

It is desquiting to find that no concrete steps have been taken by the Ministry to settle the longstanding disputes, regarding Paradip Port where the amount disputed is Rs. 198.00 lakhs the Ministry is stated to be trying to sort out the issue after taking advice from the Ministry of Law. Regarding Visakhapatnam the matter is being referred to an Arbitrator. As for Cochin Port, the Ministry would come into the picture if requested, whereas in the case of Calcutta and Bombay Ports the Ministry's help has not been sought as yet. The Committee are of the opinion that the Ministry should take serious interest in the matter and make concerned efforts to sort out the disputes as all the concerned parties are under the Ministry. The Committee would like to be apprised of the progress in this regard.

Action Taken

The observation made by the Estimates Committee on pending dues from various port trusts to DCI are being seriously followed up. Necessary steps are being taken to sort out the dispute between DCI and ports. Arbitration Procedures are being followed in certain cases where normal recovery procedures are not effective. The Ministry has issued a circular to all Port Trusts in this regard and have also directed them to include an arbitration clause in all contracts involving two PSU.

Recommendation Sl. No. 20 (Para No. 7.23)

In the second stage, the project envisaged to be completed in 5 months took 9 months to complete, while only 8.34 lakh M³ out of 9 lakh M³ of material was dredged and the cost of project escalated from Rs. 234 lakhs to Rs. 247.55 lakhs. The Committee are not convinced by the reasons advanced by the Ministry that the strike of employees of Major Ports from

16-3-1984 to 8-4-1984 resulted in delay of the execution of the Project. In fact if the work had started as per schedule in November, 1983 it would have been completed to a large extent by middle of March, 1984. The Committee are of the view that to ensure the completion of projects in time and to avoid time and cost over-runs the Ministry should set up a monitoring cell to monitor dredging operations at Major Ports so that all slippages are rectified with due promptitude.

Action Taken

The reason for delay in completion of the work was due to late arrival of dredger at Mormugao, utilisation of the dredger in Berth No. 9 area, Port workers' strike as well as the monsoon that set in. The marginal escalation in cost is primarily on account of payment of escalation of POL products, labour and material in terms of the contract agreement, idle time costs due to under-water obstructions.

With regard to capital dredging, which is a part of development programme and covered by plan funds, the Ministry reviews the schemes as a whole including the capital dredging, while sanctioning the project for implementation. The capital dredging is largely done by contract through Dredging Corporation of India/outside agency depending on the method of financing the programme of dredging and the competitive position of the offers received in response to invitation of tenders for such works. Where the execution of the work involves payment in foreign exchange or covered under a bilateral or other programme, clearance of the Ministry is sought prior to the invitation and acceptance of such tenders. Periodical monitoring of the progress of the work is being done in the Ministry alongwith other development works under the Plan. There does not appear to be any need for a separate monitoring cell for this purpose.

Recommendation Sl. Nos. 29, 30 & 31 (Para Nos. 9.17, 9.18 & 9.19)

The Committee express their disapproval of the tardy manner in the execution of the first stage development of Tuticorin Port. A project which was to have been completed within five years of its inception in 1969 has still not been completed even after twenty years. The progress of the work has been held up after 31-3-85. During the first stage the dredging level of 10.98 m was required for creating the draught of 9.14 m. M/s DCI could not proceed further than 10.20 m. as it found it difficult to complete the work with the equipment available with them. To execute the balance dredging, tenders were floated by the Port authorities in December, 1983. The Port on the basis of tenders decided to award the contract to a party. However, the Ministry on receipt of some complaints of malfeasance against the said party restrained the Port from doing so. Subsequently, in 1986 the Ministry advised the Port to take decision on the merits of the case. Again in 1988 the Ministry advised the Port to discharge the tenders received 1983 and invite fresh tenders. The party who was awarded the contract on the basis of 1983 tenders was in the meantime absolved of all

the charges by a CBI enquiry and it filed a writ petition in the court thereby stalling any further action in regard to port project.

The original outlay of the project was Rs. 21.76 crores and the revised outlay was Rs. 46.95 crores against which expenditure of Rs. 46.46 crores was incurred upto 31-3-1985. The residual work has not been completed because of rocky material being encountered and subsequent court litigations.

The Committee deprecate that the execution of the above project has been undertaken without proper planning and decisive will to resolve to outstanding issues. There have been time and cost over-runs in the execution of the project. While in 1983 the global tenders were floated, the Ministry advised the Port Trust not to award the contract to a party. It took another 2 years for the Ministry to advise the Port in 1986 to take a decision on the merits of the case. Disappointingly, after another 2 years in 1988 the Port was advised to discharge the earlier tenders received in 1983; and to invite fresh tenders. This is clearly indicative of the total failure on the part of the Ministry to watch the financial interest of the Port. The advice which was given in 1988 could have been tendered 2 years earlier as there was no perceptible change in the situation during all this period. The Committee cannot help remarking that there was total lack of perception, judgement and objectively in deciding this case which has seriously jeopardised the financial interests of the Port. They also expect the Ministry to draw a lesson from this bad planning and lack of sound judgement and strengthen their planning implementation and monitoring machinery to properly serve the financial interests of the Government. The Ministry should also take appropriate steps to finally clinch the issue so that the residuary work which is held up since 31-3-85 is completed and the first stage development of the Port is completed. They would like to be apprised of further progress in this direction.

Action Taken

The residual rock dredging in the approach channel could not be completed for the following reasons.

The sea bed profile existing along the approach channel comprises of a peculiar type of rocky strata not responding to the dredging equipments available indigenously. The dredging work has to be carried out in the working approach channel giving priority and leaving sufficient time for the movement of cargo ships. The actual working hours available for dredging are, therefore, limited.

The work is also held up due to continuous court litigations from September, 1986 to till date. Three sets of writ petitions filed by M/s ACC Co. are now pending final disposal in the High Court of Madras and because of this Port is unable to resume the dredging operations.

CHAPTER V

RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE STILL AWAITED

Recommendation Sl. Nos. 6 & 7 (Para Nos. 3.20. & 3.21)

The Committee note that expenses on maintenance dredging in all the Major Ports (except Calcutta Port) are met by the Port Trusts by levying port charges on berthing vessels. As opposed to this, in the Ports of certain countries like Belgium, Ireland, Greece, the entire cost of dredging is met the National Governments.

The Committee have noted that an Inter-Ministerial Group (IMG) has, *inter alia*, recommended financing of capital and maintenance dredging needs of all Major Ports by the central exchequer. The Committee are of the view that the Minister should examine the recommendations of the IMG in greater depth and take a final decision as to whether the central exchequer should finance both capital and dredging operations of Major Ports in the country. *Prima facie*, they find no reason the Govt. should not do so in view of the fact that the Country has a vast coastline with a very high stakes in developing international trade. The Committee would like to be apprised of a final decision in the matter.

Action Taken

The Major Ports Reforms Committee set up by the Govt. has also taken a view that the expenditure incurred on both capital and maintenance dredging should be financed form the central exchequre. The Major Ports Reforms Committee in Para 2.2.7 of the Report stated that there have been repid developments in shipping technologies with strong emphasis *inter alia* on attaining economies of scale. This has resulted in the construction of bigger and sophisticated ships world over and consequent increase in the draught of the Vessels. Thus the issue of Providing adequate draughts at our ports to service such vessels has assumed considerable importance. New and specialised dredging techonogies are in use today. These technologies are highly capital intensive and beyond the fir.ancial capacity of any Indian Major Port to undertake. Hence dredging, both capital and maintenance, of the channel and the turning basin, should be treated as a national obligation and financed from the central exchequer. This is also fn line with the policy followed by many other industrialised countries like Japan and U.K.

The empowered Committe set up by the Govt. to take decision on the recommendations of the MPRC have considered this recommendation in their meeting held on 23.8.88 and accepted the recommendation in

principle. However, it was decided that the details of the funding including the proposition of the cost that may be borne by the Central Govt. will be decided in consultation with Ministry of Finance. The matter is being pursued by this Ministry with the Ministry of Finance. No final decision has yet been taken in the matter.

Recommendation Sl. No. 17 (Para No. 6.19)

The deepening of Bharathi Dock to enable it to cater to 1,70,000 DWT vessels, is imperative to maintain India's present position as a leading ore exporter. It is understood that Australia, the main competitor in this regard, has ports which can handle large ore vessels of the capacity of 2,00,000 DWT each. The Committee desire that expeditious steps should be initiated for the deepening of Bharathi Dock so that not only the transportation costs of ore importers are reduced but also the country's position as a leading importer of ore is maintained.

Action Taken

The proposal is under consideration.

Recommendation Sl. No. 35 (Para No. 11.23)

The Committee also note that for work at Oil Berth three different agencies have been involved viz. Port's own dredgers, DCI and a private contractor. The Committee find significant variations in the costs of dredging conducted by these agencies. The Committee, therefore, desire that a study be carried out by the Ministry to see the propriety of dredging operations by different agencies to enable it to chalk out future strategy for awarding dredging contracts.

Action Taken

The Working Group on Dredging Facilities was *inter alia* set up by the Government to carry out a study with a view to chalk out future strategy for dredging in the ports. The Report of the Working Group has since been received and under consideration.

Recommendation Sl. No. 37 (Para No. 11.25)

It is understood that for further deepening of Visakhapatnam Port so as to cater to 1,70,000 DWT ore carriers, the Ministry has appointed a consortium of Japanese companies to prepare a detailed project report. The same group has also evinced interest to fund the project as well. Considering the present resource position of the Government and the urgent need of further deepening the Ports, the Committee feel that the ministry should make earnest efforts to arrive at an understanding with the foreign agency in this regards. The Committee would like to be apprised of the progress made in this direction.

Action Taken

The Detailed Project Report prepared by Consortium of Japanese Companies (MON Group) for deepening of Visakhapatnam Port to cater to 1,70,000 DWT ore carriers has been received by the Government of India. The scheme is technically feasible and decision regarding financing the Project is under consideration of the Government.

Recommendation Sl. Nos. 50 & 51 (Para 14.22 & 14.23)

The Ministry has not conducted a study to assess the percentage of delays in berthing of ships due to dredging operations. The Committee think that it is desirable to conduct a study to discuss the problems involved with a view to chalk out strategy to avoid delays in berthing which cause considerable loss of revenue to the exchequer.

The Port's maintenance dredging requirement is to the tune of 46 lakhs cu.m. while the actual dredging carried out annually is about 30 lakhs cu.m. This leaves a backlog of 16 lakhs cu.m. every year. The Committee feel that this is an alarming situation and warrants urgent action. The Committee have observed that due to the quantity remaining underdredged the tankers arriving at the Port have to wait marginally for suitable rise in tide. The Committee are of the opinion that as similar situations regarding backlog in dredging are obtaining at almost all Major Ports, a study should be conducted by the Ministry to find out extended waiting time imposed on berthing vessels, the financial implications involved and quantity of business lost due to ships not preferring to berth at all, at these ports due to absence of required depths. The Committee would like to be apprised of the findings of such study.

Action Taken

A Committee has been set up to study the problem.

Recommendation Sl. Nos. 53 & 54 (Para 15.14 & 15.15)

The Committee note that Cochin Port authorities have during the last ten years carried out maintenance dredging to the extent of 538 lakhs cu.m. against a requirement of 595 lakhs cu.m. Due to depth restrictions, Cochin Oil Terminal which can otherwise receive fully loaded tankers of 1,15,000 D.W.T. is resorting to dead freighting of ships to carry 60,000 tonnes of cargo. This is resulting in an estimated loss of Rs. 12 crores per annum, in terms of freight to oil industry. The Port consultants have suggested a programme to deepen the channel. This would entail an expenditure of Rs. 18 crores for capital dredging and Rs. 3 crores every year for maintenance dredging.

The Committee desire that immediate attention should be paid to assess this project, as in the opinion of the Committee, this additional expenditure on dredging appears to be fully justified considering the financial savings in terms of freight to oil industry, which will start accruing once the

deepening of the Port is carried out. In fact after an initial investment of Rs. 18 crores and thereafter of Rs. 3 crores annually, a net savings of Rs. 9 crores (Rs. 12 crores — Rs. 3 crores) will start accruing in terms of freight to oil Industry.

Action taken

The scheme for deepening the Port for oil tankers will be considered in the 8th Five Year Plan.

NEW DELHI;
July 24, 1990
Sravana, 2, 1912 (S)

JASWANT SINGH,
Chairman,
Estimates Committee.

APPENDIX

(Vide Introduction of the Report)

Analysis of Action Taken by Government on the 80th Report of Estimates Committee (Eighth Lok Sabha)

I. Total number of Recommendations	59
II. Recommendations/Observations which have been accepted by the Government:	
Sl. Nos. 1, 2, 3, 5, 8, 9, 10, 11, 15, 16, 18, 22, 23, 24, 27, 32, 33, 34, 36, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 55, 57, 58, 59.	
Total	34
Percentage	57.6%
III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's Replies:	
Sl. Nos. 4, 19, 21, 25, 26, 28, 39, 52, 56.	
Total	9
Percentage	15.3%
IV. Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee:	
Sl. Nos. 12, 13, 14, 20, 29, 30, 31.	
Total	7
Percentage	11.8%
V. Recommendations/Observations in respect of which final replies are still awaited:	
Sl. Nos. 6, 7, 17, 35, 37, 50, 51, 53, 54.	
Total	9
Percentage	15.3%

LIST OF AUTHORISED AGENTS FOR THE SALE OF LOK SABHA SECRETARIAT PUBLICATIONS

Sl. No.	Name of Agent	Sl. No.	Name of Agent
ANDHRA PRADESH		UTTAR PRADESH	
1.	M / s. Vijay Book Agency, 11-1-477, Mylargadda, Secunderabad-500361.	12.	Law Publishers, Sardar Patel Marg, P.B. No. 77, Allahabad, U.P.
BIHAR		WEST BENGAL	
2.	M / s. Crown Book Depot, Upper Bazar, Ranchi (Bihar).	13.	M / s. Manimala, Buys & Sells, 123, Bow Bazar Street, Calcutta-1
GUJARAT		DELHI	
3.	The New Order Book Company, Ellis Bridge, Ahmedabad-380006. (T. No. 79065).	14.	M / s. Jain Book Agency, C-9, Connaught Place, New Delhi. (T. No. 351663 & 350806)
MADHYA PRADESH		15.	M / s. J. M. Jaina & Brothers, P. Box 1020, Mori Gate, Delhi-110006. (T. No. 2915064 & 230936).
4.	Modern Book House, Shiv Vilas Palace, Indore City. (T. No. 35289).	16.	M / s. Oxford Book & Stationery Co., Scindia House, Connaught Place, New Delhi-110001. (T. No. 3315308 & 45896)
MAHARASHTRA		17.	M / s. Bookwell, 2 / 72, Sant Nirankari Colony, Kingsway Camp, Delhi-110009. (T.No. 7112309).
5.	M / s. Sunderdas Gian Chand, 601, Girgaum Road, Near Princes Street, Bombay-400002.	18.	M / s. Rajendra Book Agency IV-DR59, Lajpat Nagar, Old. Double Storey, New Delhi-110024. (T. No. 6412362 & 6412131).
6.	The International Book Service, Deccan Gymkhana, Poona-4.	19.	M / s. Ashok Book Agency, BH-82, Poorvi Shalimar Bagh, Delhi-110033.
7.	The Current Book House, Maruti Lane, Raghunath Dadaji Street, Bombay-400001.	20.	M / s. Venus Enterprises, B-2 / 85, Phase-II, Book Vihar, Delhi.
8.	M / s. Usha Book Depot, 'Law Book Seller and Publishers' Agents Govt. Publications 585, Chira Bazar Khan House, Bombay-400002.	21.	M / s. Central News Agency Pvt. Ltd., 23 / 90, Connaught Circus, New Delhi-110001. (T. No. 344448, 322705, 344478 & 344508).
9.	M&J Services, Publisher, Representative Accounts & Law Book Sellers, Mohan Kunj, Ground Floor 68, Jyotiba Fule Road, Nalgaum-Dadar, Bombay-400014.	22.	M / s. Amrit Book Co., N-21, Connaught Circus, New Delhi.
10.	Subscribers Subscription Services India, 21, Raghunath Dadaji Street, 2nd floor, Bombay-400001.	23.	M / s. Books India Corporation Publishers, Importers & Exporters, L-27, Shastri Nagar, Delhi-110052. (T. No. 269631 & 714465).
TAMIL NADU		24.	M / s. Sangam Book Depot, 4378 / 4B, Murari Lal Street, Ansari Road, Darya Ganj, New Delhi—110002.