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SEVENTY-FIRST REPORT

ESTIMATES COMMITTEE

(1983-84)

(SEVENTH LOK SABHA)

MINISTRY OF DEFENCE
COAST GUARD ORGANISATION



Presented to Lok Sabha on..... 24 APR 1984

LOK SABHA SECRETARIAT
NEW DELHI

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(iv)

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2. Shri Bipin Behari—*Chief Financial Committee Officer.*
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ESTIMATES COMMITTEE ON DEFENCE
OF
ESTIMATES COMMITTEE ON DEFENCE
(1983-84)

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7. Shri Krishna Kumar Goyal
8. Smt. Sanyogita Rane
9. Shri Girdhari Lal Vyas.

INTRODUCTION

I, the Chairman of Estimates Committee, having been authorised by the Committee to submit the Report on their behalf, present this Seventy-first Report on Ministry of Defence—Coast Guard Organisation.

2. The Sub-Committee on Defence took evidence of the representatives of the Ministry of Defence/Coast Guard Organisation on 27 & 28 September, 1983. The Committee wish to express their thanks to the officers of the Ministry/Coast Guard Organisation for placing before them the material and information desired in connection with the examination of the subject and giving evidence before the Sub-Committee.

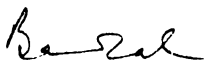
3. The Committee wish to express their thanks to Vice Admiral (Retd.) S. Parkash, who gave evidence before the Committee and made valuable suggestions.

4. The Committee also wish to express their thanks to Vice Admiral (Retd.) V. A. Kamath, who furnished memorandum on the subject to the Committee.

5. The report was considered and approved by the Sub-Committee on 12 March, 1984 and it was adopted by the Committee at their sitting held on 14 March, 1984.

6. For facility of reference the recommendations/observations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in the Appendix to the Report.

NEW DELHI;
March 20, 1984
Phalguna CJ, 1905 (S)


BANSI LAL
Chairman,
Estimates Committee.

CHAPTER I

ORGANISATIONAL SET UP

A. Aims and Objects

1.1 In September, 1974, Government of India set up a special Committee under the Chairmanship of Shri K. F. Rustamji, Special Secretary in the Ministry of Home Affairs to study and make recommendations regarding the type of organisation necessary for carrying out Coast Guard tasks. The report of this Committee was considered by the Cabinet Committee on Political Affairs on 7 January, 1977 which approved the setting up of an interim Coast Guard Organisation within the Navy. The interim Coast Guard comprising of 2 Frigates and 5 Small Patrol Boats operated by the Navy on behalf of the Ministry of Home Affairs was formed on 1 February, 1977. Subsequently a regular Coast Guard was constituted as an Armed Force of the Union under Coast Guard Act, 1978 which was brought into force on 19 August, 1978.

1.2 The duties required to be performed by the Coast Guard Organisation were laid down in Section 14 of the Coast Guard Act which states that:—

- “14. (1) It shall be the duty of the Coast Guard to protect by such measures, as it thinks fit, the maritime and other national interests of India in the maritime zones of India.
- (2) Without prejudice to the generality of the provisions of sub-section (1), the measures referred to therein may provide for—
- (a) ensuring the safety and protection of artificial islands, off-shore terminals, installations and other structures and devices in any maritime zone;
 - (b) providing protection to fishermen including assistance to them at sea while in distress;
 - (c) taking such measures as are necessary to preserve and protect the maritime environment and to prevent and control marine pollution;

- (d) assisting the customs and other authorities in anti-smuggling operations;
 - (e) enforcing the provisions of such enactments as are for the time being in force in the maritime zones; and
 - (f) such other matters, including measures for the safety of life and property at sea and collection of scientific data, as may be prescribed.
- (3) The Coast Guard shall perform its functions under this section in accordance with, and subject to such rules as may be prescribed and such rules may, in particular, make provisions for ensuring that the Coast Guard functions in close liaison with Union agencies, institutions and authorities so as to avoid duplication of effort."

1.3 Describing the extent to which the Coast Guard Organisation had been able to achieve the aims and objects for which it was set up, the Ministry of Defence have stated, *inter alia*, in a Note that:

- (i) The essential ingredients for an efficient maritime service include suitable ships and aircraft, trained manpower and setting up of the requisite infrastructure and organisation ashore for operation, maintenance and repair of the hardware and training and other facilities including accommodation and amenities, etc. for the personnel. All these inevitably have a long lead time and require careful planning and implementation.
- (ii) maritime surveillance is required to be undertaken over an area of approximately 2.8 million Sq. Kms. This is indeed a tremendous task. The meagre resources inherited by the Service at the time of its constitution in Aug, 1978 were totally inadequate for it to effectively discharge its multifarious responsibilities.
- (iii) Coast Guard is not yet in a position to effectively discharge all functions assigned to it under the Coast Guard Act, 1978. Its limited resources are being deployed selectively to tackle the more urgent and serious problems. 25 foreign trawlers have been apprehended by Coast Guard Ships since 1980. Contraband worth Rs. 2.2 crores has been seized by Coast Guard. Ships including 6 Interceptor Boats deployed on anti-smuggling patrols

during the past 18 months, i.e., till 31 May, 1983. With the gradual increase in its force level and the induction of new ships and aircraft, its area of operation and span of activities would steadily increase till the whole of the maritime zones of India are under effective surveillance.

1.4 During evidence, the Committee wanted to know how is it that despite more than five years of its existence, the Coast Guard Organisation did not find itself in a position to discharge the functions assigned to it under the Coast Guard Act, 1978, the Secretary Ministry of Defence pleaded that:

“These functions, as you would appreciate, are continuous functions and at no given point of time it will be possible for us to say that all the functions have been discharged satisfactorily, because there are no physical parameters to the functions. Therefore, my submission is that while we do accept that we have not yet been able to discharge our functions satisfactorily, we are building up our forces in a manner so that we shall be able, in the course of the next decade to come to a stage when we will be able to say that we are not only able to safeguard 2.8 million square kilometres of our sea shores but also our economic and political interests in the coastal areas.”

1.5 The Committee referred to Sub-clause (3) of Section 14 of the Coast Guard Act and enquired if the rules subject to which the Coast Guard Organisation had to perform its functions had been framed. In reply, the Secretary, Ministry of Defence, revealed that:—

“We have not framed rules under rule 14(3) but under rule 123 of the Coast Guard Act, rules have been framed.... though the general rule making power is given under Section 123, under section 14(3) also, rules can be made. So far, Government has not felt the necessity of framing any rule under 14(3) because the rules under different enabling legislations, e.g., Indian Customs Act, 1962 Territorial Waters, Continental Shelf, Exclusive Economic Zone Act, 1976, Maritime Act, 1981, etc. or notifications are such that in regard to the Coast Guard Officers, all the coordination in terms of functions are achieved through these enactments or notifications or through the rules. This is our submission.”

1.6 Asked that when Section 14(3) of Coast Guard Act itself had made a mandatory provision for prescribing rules which, in particular, were to ensure "close liaison" between Coast Guard and other agencies, institutions and authorities so as to avoid duplication of effort, why had Government taken a decision which ran counter to that provisions, the Defence Secretary pleaded:

"Section 14(3) is not essentially rule making provision under this Act. It says 'may'. I am not putting emphasis on the word 'may'. 'May' can be mandatory under certain circumstances."

1.7 When the Committee pointed out that even Section 123 of the Coast Guard Act had used the word "may" but Government had framed various rules under that Section, a representative of the Ministry of Law expressed the following view:

"This rule making provision invariably in all the enactments is only a permissive provision and that is the reason why both under Section 14(3) as well as rule making provision in Section 123, the word 'may' is used. Government makes rules immediately to realise the objectives of the Act. But there are certain areas where it is not necessary that you should immediately rush to making rules. The purpose is functional. The purpose outlined is that you must ensure that the Coast Guard Organisation works in liaison and in coordination with other agencies and there is no duplication of efforts and if this purpose is served by means of rules made under that enactment, and provisions incorporated in other enactment, this is not mandatory that the Government should make rules."

1.8 Referring to the undue delay in framing of the rules under the Coast Guard Act, 1978, the Rajya Sabha Committee on Subordinate Legislation has, in its 57th Report presented to Parliament on 22-12-1983, recommended that:—

"The Committee is constrained to note let alone the compliance of the Act prescribing the time limit of six months for framing the rules, even after five years, the position is that rules have not so far been finalised in respect of several provisions. The Ministry of Defence have all along been trying to minimise their statutory duty to frame rules under the Coast Guard Act, 1978 on flimsy grounds that they are desperately short of manpower to

accomplish the job or that they are not finding any difficulty in carrying out the duties of the Coast Guard in the absence of rules under the Act.

The Committee recommends that all the remaining rules and regulations which are required to be made under the Coast Guard Act should be finalised without further delay.”

1.9 The Committee are concerned to note that the Coast Guard Organisation set up in August, 1978 as an Armed Force of the Union is nowhere near fully discharging the statutory duties assigned to it by Parliament under the Coast Guard Act, 1978 and transforming itself as an effective instrument for undertaking maritime surveillance over country's 2.8 million Sq. Kilometres long coastline. The statutory duties include ensuring the safety and protection of artificial islands, off-shore terminals, installations and other structures and devices in maritime zones, providing protection to fishermen, preservation and protection of maritime environment, assisting the customs and other authorities in anti-smuggling operations etc. The Committee desire that there should be time bound programme for development of this organisation on the lines envisaged in the legislation and it should be adhered to.

1.10 Section 14(3) of the Coast Guard Act, 1978 stipulates that Coast Guard “shall perform its functions under this section in accordance with, and subject to such rules as may be prescribed and such rules may in particular, make provisions for ensuring that the Coast Guard functions in close liaison with Union Agencies, Institutions and authorities so as to avoid duplication of effort.” No rules have, however, been framed under the Act for ensuring close liaison between the Coast Guard and other Union Agencies, institutions and authorities. The Secretary, Ministry of Defence tried to defend this failure by saying that Government had not felt the necessity of framing any rule under section 14(3) because the rules under other enactments namely Indian Customs Act, 1962, Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 Maritime Act, 1981, etc. were adequate to ensure coordination. The Committee are unable to share this view. They desire that an inter-departmental Committee be constituted to go into this question and evolve rules to bring about effective coordination without duplication of efforts. In this connection the Committee wish to draw attention to the 57th Report of the Rajya Sabha Committee on Subordinate Legislation presented on 22 December, 1983 wherein it has been inter-alia, observed

that "The Ministry of Defence have all along been trying to minimise their statutory duty to frame rules under the Coast Guard Act, 1978 on flimsy grounds."

B. Maritime Zones of India .

1.11 Sovereign rights for the purpose of exploration, exploitation, conservation and management of the natural resources both living and non-living in the Continental Shelf and the Exclusive Economic Zone have been claimed by the Union of India *vide* the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 (80 of 1976). Under this Act, India's Territorial Waters extend to 12 nautical miles and continental Shelf/Exclusive Economic Zone upto 200 nautical miles from the base line.

1.12 The Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 (80 of 1976) is basically an umbrella legislation enacted primarily to enable INDIA to claim its jurisdiction over the maritime zones taking note of the emerging trend of discussions at the United Nations' Third Conference on the Law of the Sea. It was envisaged that specific additional legislation on various aspects of jurisdiction claimed would be separately enacted and brought into force. Similarly, a bill for the exploration and exploitation of mineral resources in the maritime zones of India and another for exploration of the offshore areas for oil and natural gas have been prepared by the concerned Ministries/Departments and are presently under consideration.

1.13 The Coast Guard is the principal agency for enforcement of all national legislations as are in force in the Maritime Zones of India. Within the limits of the territorial waters, *i.e.*, upto 12 nautical miles of the base line, the Coast Guard and the Police have concurrent jurisdiction.

1.14 Giving the latest position, when are these Bills likely to be introduced, the Ministry of Defence in a note have stated that the Department of Petroleum have intimated them as follows:

"In so far as the draft Bill on offshore oil exploration being prepared by this Department is concerned, it may be stated that the same has been drafted in consultation with the Ministry of Law. Subsequently, the draft Bill had been referred to the Ministry of External Affairs, Legal and Treaties Division in August, 1983 for their comments especially in view of the recent developments in the

United Nations Conference on the Laws of the Seas. In the circumstances it may take some time more to finalise the Bill in question."

1.15 Ministry of Steel & Mines who are also concerned with this point have informed the Ministry of Defence that a Task Force on Legislative Measures required for the Regulation and Development of Mineral Resources in the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones of India was set up by the Department in 1981. This Task Force suggested framing of exclusively legislation for this purpose. The question of framing such a legislation was, however, discussed at a meeting of the Committee of Secretaries on 12-4-1983 and they were of the view that:—

"For the present it may not be practical to have a single legislation to cover all aspects relating to sea and sea bed. A better approach would be to strengthen and enlarge the existing legislation. The legislation would have to grow, through experience. It was important to have adequate legislation to control private activities and to prevent and regulate foreign intervention and the adequacy of EEZ Act in this context may be examined. The Act should also be brought into full conformity with the Law of the Sea as finally adopted. Department of Ocean Development should act as the nodal agency for the EEZ Act."

1.16 Under the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, India's territorial waters extend to 12 nautical miles and continental shelf/Exclusive Economic Zone upto 200 nautical miles from the base line. When this Act was passed in 1976 it was envisaged that specific additional legislation on various aspects of jurisdiction would be enacted separately. Accordingly a Task Force on these legislative measures was set up by the Ministry of Defence in 1981. The Task Force favoured framing of exclusive legislation for this purpose. The Committee, however, find that even though a period of more than six years has elapsed since the original Act was passed necessary bills for (a) exploration of off shore areas for oil and natural gas and (b) exploration and exploitation of mineral resources in the maritime zones have not been introduced in Parliament so far. The Committee have been informed that at their meeting held on 12 April, 1983, the Committee of Secretaries have expressed the view that for the present it might not be practical to have a single legislation to cover all aspects relating to sea and sea bed and

that a better approach would be to strengthen and enlarge the existing legislation and to bring it in full conformity with the law of the sea as finally adopted by the United Nations. The Committee would like the Government to consider the matter early and bring forward appropriate legislative proposal.

C. Organisational set up

1.17 The general superintendence, direction and control of the Coast Guard is exercised by the Director-General of the Coast Guard. He is supported at the Headquarters by Deputy Director-General, Director (Plans), Director (Material), Director (Personnel), Chief Law Officer, Chief Medical Officer, Director (Operations) and Director (Administration).

1.18 The entire Coast line of India and our National Maritime Zones have been divided into three Coast Guard Regions namely, the Western, the Eastern and the A. & N. and sub-divided into 10 Coast Guard Districts covering the eight maritime states on the mainland and two District Headquarters in the A. & N. Islands. The existing shore infra-structure for operational and administrative control of Coast Guard comprises of the following:—

- (a) Regional Hqs. at Bombay, Madras & Port Blair.
- (b) District Hqs.-cum-Station at Bombay, Madras and Haldia.
- (c) Independent Coast Guard Station at Mandapam.
- (d) a Helicopter Squadron at Goa and
- (e) a Fixed Wing Aircraft (F. 27) AIR Squadron at Calcutta.

1.19 The Ministry of Defence have intimated that Coast Guard Air Station at Damian would come up by the end of 1984 and that a Coast Guard District Hqs.-cum-Station at Porbander, Cochin and Cambell Bay, and an independent Coast Guard Station at Tuticorin would be commissioned by the end of 1985.

1.20 During evidence the Committee desired to know whether the delay in infrastructure build up was deliberate or caused by circumstances beyond the Control of Coast Guard Organisation. In reply, the Director General of Coast Guard said:

“We have to set up the infrastructure to keep pace with the induction of ships and aircraft and the allocation of the same to the bases. For instance, for the Vizag, we have deliberately set it back by about four years to keep pace with the ships that we would be able to base there.”

The Secretary Ministry of Defence added:

“It is not so much a question of delay but we have to ensure that we have first the ships before we are able to set up all the infrastructure in a manner so that when the ships come we will be able to use them.”

1.21 Ministry of Defence intimated, in a Note, that in January, 1982, Government had issued orders for merger of the Customs Marine Organisation with the Coast Guard Organisation within Three months i.e. by April, 1982. However, this merger could not be brought about as a number of employees of the Customs Marine Organisation had filed writ petitions objecting to the procedure being adopted for the merger. Asked what precisely was the objection, the Secretary, Ministry of Defence stated that the objection raised was “whether a Service can be created on an *ad hoc* basis and merger with another Service to be created at a later stage....” Director General Coast Guard revealed that they had assured the Marine Organisation’s staff that “on merger they would have been continued to be employed in the same crafts and in the same place.” The Secretary, Ministry of Defence indicated that the Ministry were trying “to move the Supreme Court to have it quickly decided.”

1.22 While the administrative and operational control of the Coast Guard Organisation vest in the Ministry of Defence, the Budget allocations in respect of this organisation are provided by the Department of Revenue. The Committee, therefore, enquired of such divided responsibility had not posed a problem of coordination. In reply, the Secretary Ministry of Defence explained in evidence that “the budget of the Coast Guard is first scrutinised and vetted by the Defence (Finance) and then it goes to the Ministry of Finance and in no year what has been scrutinised and approved by the Defence (Finance) has been turned down by the Finance Ministry.” A representative of the Ministry pointed out that “the problem is one of spending not of getting funds.”

1.23 When asked whether the autonomy of financial and administrative powers given to Coast Guard were sufficient, the Secretary replied that “the Government’s Act (Coast Guard Act, 1978) does not give them either enough power or entitlement to any funds. Therefore, as they have got to get funds, they have to have delegation of authority to the extent the funds can be spent by them. We are looking into it and see to what extent the powers can be augmented.”

1.24 The Committee find that though administrative and operational control of Coast Guard Organisation vest in the Ministry of Defence, the budget allocations in respect of this organisation are provided by the Department of Revenue in the Ministry of Finance. The Committee were assured in evidence by the Secretary, Ministry of Defence that "in no year what has been scrutinised and approved by the Defence (Finance) has been turned down by the Finance Ministry." The Committee have basically no objection to this arrangement. They would, however, like the Government to ensure that this arrangement does not come in the way of operational effectiveness of the Coast Guard Organisation and that the financial accountability of the Organisation is not in any way compromised.

1.25 The Committee would also like Government to review the system of delegation of powers to and within the Coast Guard Organisation to facilitate quick decision being taken.

D. Budget Estimates

1.26 The original budget estimates, revised estimates and actual expenditure on the Coast Guard Organisation each year since 1978-79 had been as under:

Year	Original Budget Estimate		Revised Estimate		Actual Expenditure	
	Revenue	Capital	Revenue	Capital	Revenue	Capital
1978-79			111.47	51.00	64.76	
1979-80	759.57	519.00	309.57	510.00	217.45	
1980-81	647.05	625.00	607.03	325.00	242.00	222.14
1981-82	767.92	1725.00	1725.00	2205.57	318.86	1677.43
1982-83	891.43	3100.00	716.65	3050.00	487.69	2049.22

1.27 During evidence, the Committee wanted to know why the actual expenditure had been far less than even the revised estimate each year since 1978-79. In reply, Secretary, Ministry of Defence explained that:

"In 1980-81, Rs. 170 lakhs was budgetted for an Aircraft but this did not materialise. Coast Guard Plan was approved only in June, 1980. In 1978-79 and 1979-80, there was shortfall in expenditure. The Capital expenditure is steadily increasing. It is in terms of our getting equipments. There were salaries, induction of men, etc. We

do not allow revenue expenditure to go up unless it is *pari passu* with Capital expenditure. It is not mindless short spending; it is deliberately done."

1.28 While assuring that all out efforts are being made to see that the gap between the revised estimates and the actual expenditure is narrowed down, the witness pleaded:

"We are at two ends. At one end we see that the fund allocations are not fully utilised and at the other end in terms of what we should have done has not been done."

1.29 In a Note furnished after evidence, Ministry of Defence, explained that it was not possible to avoid non-utilisation of funds provided in the Budget. Referring to the budget for 1982-83, it was stated that:

"In 1982-83, for example, for the Offshore Patrol Vessels being constructed for the Coast Guard by Mazagon Dock Ltd., the Mazagon Dock Ltd. had projected a requirement of Rs. 20.50 crores for the construction of the vessels. The construction started in December, 1980 on three Offshore Patrol Vessels; the cost of each was estimated at Rs. 16.5 crores (Total estimate: Rs. 49.5 crores—the contract itself was on 'Cost Plus' basis). The delivery period indicated for these 3 vessels was June, 1983, December, 1983 and May, 1984 respectively. Against the MDL's requirement of Rs. 20.5 crores, the provision made in the budget was Rs. 18 crores. After knowing that the construction was not keeping pace, the amount was reduced to Rs. 12.65 crores at the Revised Estimates stage. There was thus a reduction of Rs. 8 crores from the requirements projected by MDL and Rs. 5.35 crores from the requirements projected at the B.E. stage. The R.E. indicated in December was based on the expectation at this stage that the Yard might still be able to complete delivery of the first vessel in June 1983. The actual expenditure, however, was only Rs. 9.56 crores as there was a further slippage in the construction programme. The final shortfall under Capital against the Budget and Revised Estimates of Rs. 30 crores was only Rs. 4.8 crores as at the R.E. stage, we had to increase the provision for the Inshore Patrol Vessels from Rs. 8 crores at the B.E. stage to Rs. 13.27 crores.

I would also like to mention in this connection that we have had a similar problem in the Navy in 1982-83 where there was a large surrender of funds. According to the contract

with a foreign firm, 8 aircrafts were to be delivered before March, 1983 and at the Revised Estimates stage in November/December, 1982, we found that everything was going according to schedule and the balance deliveries due at that stage would take place before March, 1983. It was only in January, 1983 and subsequently that some technical problems arose in the acceptance of the aircraft which could not be resolved before March, 1983 and therefore, none of the deliveries took place and no payments could be made to the firm. It will be appreciated that this was totally unforeseen at the time when the Revised Estimates were framed and hence could not be taken care of at that stage. On the other hand, funds had to be kept to fulfil the contractual obligations."

1.30 The Committee find that in the year 1980-81, 1981-82 and 1982-83 as against the original budget estimates of Rs. 1272.05 lakhs, Rs. 2492.92 lakhs and Rs. 3991.43 lakhs and revised budget estimates of Rs. 932.08 lakhs, Rs. 3930.57 lakhs and Rs. 3766.65 lakhs respectively, the actual expenditure of the Coast Guard had amounted to Rs. 464.14 lakhs, Rs. 1996.20 lakhs and Rs. 2536.31 lakhs only representing underutilisation of funds to the extent of as much as 50 per cent in 1980-81 and 1981-82 and 33 per cent in 1982-83. While the underutilisation of funds in 1980-81 has been attributed to delay in acquisition of an Aircraft, the shortfall in 1982-83 is stated to have been caused by slippages in the construction schedule of 3 Offshore Patrol Vessels at the Mazagon Dock Ltd. The Committee thus find that funds are no constraint to the growth of the organisation but the implementation of Plans needs to be streamlined. The Committee trust that the system would be improved to avoid any further slippages. The Committee would await the steps taken in this regard.

CHAPTER II

P. 5

COAST GUARD DEVELOPMENT

A. Development Plan for Augmentation of Fleet

2.1 When the Coast Guard Organisation was constituted in August, 1978, 2 Old Naval Frigates and 5 Patrol Boats being operated by the Navy on behalf of the Ministry of Home Affairs were transferred to the organisation.

2.2 A Development Plan was drawn up by an officer on Special Duty under the guidance of the Coast Guard Advisory Board with the Defence Secretary as its Chairman and the Secretaries of all concerned Ministries, the Chief of the Naval Staff and the Chairman of the Central Board of Excise and Customs as its members. This plan was considered by the Cabinet Committee on Political Affairs on 30 June, 1980. This long term plan had envisaged that to enable the Coast Guard to shoulder its statutory duties, it should reach by 2,000 A.D. the following force level:

Item	Acquisition Programme				Total
	1979-84	1985-90	1990-95	1995-2000	
(i) Coastal surveillance Aircraft	3	9	10	14	36
(ii) Medium Range Surveillance Aircraft	2	1	3	3	9
(iii) Inshore Patrol vessels	9	9	9	9	36
(iv) Off-shore patrol vessels	3	9	9	3	24
(v) Deep Sea Patrol		1	2	3	6
(vi) Rescue & Pollution control vessels	2	1		1	4
(vii) Rescue Helicopters		2	2	2	6
Total					121

2.3 The CCPA while noting the aforesaid long term perspective, approved a 5-year development plan covering the period 1979-84 and entailing an outlay of Rs. 100 crores. The Secretary, Ministry

of Defence gave the following details. The acquisition programme for the period ending 31 March, 1984 included:—

- (a) 3 Off-shore Patrol Vessels (OPVS) to be constructed in Mazagon Docks Ltd.;
- (b) 3 light helicopters;
- (c) 3 Inshore Patrol Vessels (IPVS)
- (d) 9 Coastal Surveillance Aircraft.

2.4 The Ministry of Defence intimated (June, 1983) that the progress made in acquisition of Vessels, helicopter and aircraft under the 5 year development plan (1979—84) was as under:—

- (i) The first off-shore Patrol Vessel will be delivered by M/s. Mazagon Dock Limited in August, 1983 and subsequent two in January, 1984 and June 1984, respectively.
- (ii) The 4 In-shore Patrol Vessels shall be arriving in India Ex-Japan, in pairs, in June and September, 1983.
- (iii) 3 Helicopters have been supplied by the HAL Bangalore in May, 1982.
- (iv) The acquisition of Coastal Surveillance Aircraft is held up, in the interest of a common Light Transport Aircraft, to be licence produced in India. The selection of a suitable aircraft is being processed by a Committee headed by the Defence Secretary.

2.5 Ministry of Defence also intimated that in addition to the above acquisitions, which formed part of the 1979—84 Development Plan, the following schemes were subsequently approved by the Government acquisition progressed as under:—

- (a) *Transfer of 2 SDBs Ex Navy.*—Two SDBs nearing completion at CRSE Calcutta for the Navy, were transferred to Coast Guard in 1978. These two ships were commissioned into the Service in 1980 and 1981 respectively.
- (b) *Transfer of 3 SDBs Ex CBEC.*—The CCPA approval for transfer of 3 SDBs originally ordered by the CBEC, Calcutta was accorded in end 1981. A contract for the construction of these ships was signed in December, 1981 with GRSE. These ships will be delivered to Coast Guard in Dec., 83, June, 84 and Dec., 84 respectively.
- (c) *Acquisition of 6 Fast Interceptor Boats by Customs Marine.*—Six Interceptor Boats completely dedicated for

anti-smuggling duties, were commissioned into Coast Guard Service in September, 1980. The funding of the project was done by the Deptt. of Revenue.

- (d) *Acquisition of 2 Fast Interceptor Boats by IOC.*—Two fast interceptor boats dedicated to the duties for security of singlebouy mooring, at Vadinar, were commissioned into Coast Guard Service in 1982. The funds for the acquisition of these boats were provided by IOC.

2.6 It will be seen from the foregoing that after its inception in August, 1978, the Coast Guard have added each year to its fleet the following:—

	Fri- gates	Off- shore Patrol vessels	Patrol Boats	Sea- ward Defence Boats	Fast Inter- ceptor Boats	Inshore patrol Vessels	Heli- copters	Air- crafts
1978-79	2	—	5	—	—	—	—	—
1979-80	—	—	—	—	—	—	—	—
1980-81	—	—	—	1	6	—	—	—
1981-82	—	—	—	1	—	—	—	—
1982-83	—	1	—	—	2	2	3	*
Total Acquired	2	1	5	2	8	2	3	—
Short fall in Acquisition	—	2	—	3	—	1	—	9

(*Coast Guard have two Aircrafts on lease from the Indian Airlines)

2.7 Ministry of Defence intimated, in a Note, that contract was signed with Nissho IWAI Corporation, Tokyo, Japan, on 16 July, 1982 for the purchase of 4 Inshore Patrol Vessels, to be built at the Sumidagawa Shipyards, Tokyo, Japan. The cost of 4 Vessels (with spares) amounted to Rs. 15.1 crores in foreign exchange. During evidence, the Committee wanted to know if global Tenders were called for in this case, and if not, how had the Ministry of Defence satisfied themselves that the price of 4 Inshore vessels quoted by Japan was competitive. In reply, the Director General Coast Guard revealed in evidence:

“Global tenders were not called for. For defence equipment, we don’t normally do it. But knowing the ship yards in

western and eastern countries who build these types of ships, we wrote to 13 ship-yards. We got offers from none. From the comparative statement, we eventually short-listed three, all from the eastern countries...two from Japan and one from Korea, because their prices were most competitive. From those three, looking at the technical specifications and price, we eventually short-listed it again to two, both Japanese firms, given in the question. Eventually, Sumidagawa shipyard was selected, being the most technically competent and financially acceptable tenders."

2.8 For selection of suitable aircraft for Coastal Surveillance, Government had constituted, one after another, two committees. The composition of the two Committees was as under:

- (a) The first Committee comprised of Shri K. P. A. Menon, Defence Secretary, as its Chairman and 3 Members (Sarvasree P. V. Desai, J. S. (Air), AVM K. D. Chadha, IAF, Shri K. Chadha, Director Training and Planning (Indian Airlines) and Shri J. Bhandari of HAL as its Member Secretary.
- (b) The second Committee comprised of Shri P. K. Kaul, Defence Secretary and 5 Members Secretary, DP, FA (DS), Chairman HAL, DCA (Air Hqrs.), General Manager (Vayudoot) and J. S. (Air) as its Member Secretary.

2.9 The Committee desired to know the reason for delay in acquisition of a Coastal Surveillance Aircraft. In reply, the Secretary, Ministry of Defence said:

"There was a Committee headed by the Defence Secretary. It was constituted in 1980 and it submitted its report in July, 1981. After that another Committee was constituted under the Defence Secretary. They submitted their report some time in 1982 and then after due process, it went to the Cabinet and the Cabinet has finally approved in August, 1983."

2.10 In a note furnished after evidence, Ministry of Defence have intimated (26 Nov., 1983) that:—

"The Menon Committee had shortlisted the Dornier and the Twin Otter aircraft for further negotiations with CASA

as a stand by. The Price Negotiating Committee headed by Shri P. K. Kaul held discussions with the manufacturers of the Twin Otter, Dornier 228-200, CASA 212-200 and sky Van-3 and finally recommended that contractual negotiations be taken up with M/s. Dornier."

2.11. The Committee find that when the Coast Guard was set up in August, 1978, it had inherited 2 old Naval Frigates and 5 Patrol boats. A perspective Development Plan at an estimated cost of Rs. 1,500 crores had envisaged augmentation of the Coast Guard Organisation's fleet to the total force level of 121 Aircrafts, helicopters and patrol vessels etc. by 2000 A.D. However, the Cabinet Committee on Political Affairs approved the plan for first 5 years (1979—84) entailing an outlay of Rs. 100 crores and providing for acquisition of 6 Patrol vessels, 3 light helicopters, and 9 Coastal Surveillance Aircrafts. Subsequently, Government also approved transfer of 5 Seaward Defence Boats, and acquisition of 8 Fast Interceptor Boats making up a total force level of 33. As against this, Coast Guard has by 1982-83 reached a force level of 23 by acquiring 3 Patrol vessels, 3 light helicopters, 2 Seaward Defence boats and 8 Fast Interceptor Boats by August, 1983 to its fleet. This means that in order to make up the shortfall in the acquisition programme, Coast Guard has still to acquire 3 Patrol vessels, 9 Coastal Surveillance aircrafts and 3 Seaward Defence Boats by the end of 1984. Thus even a modest Plan for equipping the organisation has not been implemented properly. The Committee are concerned to note this and expect the organisation to be geared up to avoid shortfall in Plan targets in future. If the Coast Guard Organisation is to discharge all the duties assigned to it under the Coast Guard Act, 1978 and become a first rate force for maritime surveillance, it must have at its command adequate fleet of ships and aircrafts backed by trained manpower of its own.

2.12 Development Plan (1979—84) had inter-alia provided for acquisition of 9 Coastal Surveillance aircrafts for the Coast Guard. A Committee headed by Shri K. P. A. Menon, the then Defence Secretary, was constituted in 1980 for selection of a suitable aircraft for coastal surveillance. It submitted its Report in July, 1981. Thereafter the Price Negotiating Committee headed by Shri P. K. Kaul, Defence Secretary held discussions in 1982 with the manufacturers and recommended that contractual negotiations be taken up with M/s. Dornier. This model has been approved in August, 1983. The Committee feel that the process of selection of a suitable aircraft for Coastal Surveillance has taken too long and hope that there will be no further delay in acquisition of the aircraft. They also desire that the procedure for selection should be rationalised in order to allow of speedy decisions.

B. Manpower Planning

2.13 According to the statistical data furnished by the Ministry of Defence, the Manpower development in the Coast Guard Organisation had been as under:—

Year	Officers		Sailors		Civilians		Total	
	Sanctioned Strength.	Borne Strength	Sanctioned Strength.	Borne Strength.	Sanctioned Strength	Borne Strength	Sanctioned Strength.	Borne Strength
1978 .	89	56	603	479	90	81	782	616
1979 .	89	75	603	531	120	103	812	709
1980 .	99	92	677	733	124	83	954	908
1981 .	116	113	783	780	164	126	1063	1019
1982 .	147	147	920	850	277	186	1344	118
1983 .	176	172	938	1000	279	194	1393	1375

2.14 It has been stated by the Ministry of Defence that the Coast Guard Organisation was set up because "it was felt that these predominantly law enforcement activities should not be undertaken by the Navy which would inevitably detract them from their operational role and interfere with their training. Further more, deployment of sophisticated warships and manpower trained for specialised roles, on law enforcement tasks on a continuous basis in peace time was not considered cost-effective."

2.15 Even though the Coast Guard Organisation has been in existence for more than 5 years, its dependence on Navy to meet its manpower requirements still continues. Since 1980 the number of deputationists from the Navy had been as under:—

O --- Officers
 S --- Sailors
 C --- Civilians

	1980			1981			1982			1983		
	O	S	C	O	S	C	O	S	C	O	S	C
(i) Deputatoinists	75	601	75	78	573	98	90	553	142	99	697	145
(ii) Permanently/absorbed/Re-employed	2	4	—	8	11	—	17	17	—	18	22	—
(iii) Directly recruited by Coast Guard	15	128	8	27	196	28	40	280	44	55	290	49
Total :	92	733	83	113	780	126	147	850	186	172	1009	194

(iv) Percentage of Deputatoinists personnel to total sanctioned strength	81.5	81.8	90.3	69.0	73.4	73.5	77.7	65.0	76.0	57.5	69.0	74.7
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2.16 It has been stated that in order to reduce the dependence on Navy in a phased manner, Coast Guard had started direct recruitment of Officers and sailors. 22 Officers and 100 Sailors are being recruited annually. The Committee have been informed that while dependence on the Navy for Junior sailors has come down, dependence on Navy for middle and higher management officers is expected to continue for another 10 years or so.

2.17 The Committee asked whether it was not possible for the Coast Guard to increase the annual intake of direct recruits of the officers and sailors levels so as to reduce dependence on Navy? In reply, the Director General, Coast Guard said in evidence:

“As DGCG, finance has not been my constraint; the constraint has been the trained sea-going manpower. When we started, we were wholly dependent on the navy, but in 1980 we started our own recruitment. While recruiting them, we have to think ahead of their promotional prospects also. If I take too many sailors and officers at one go, the whole lot will have to be promoted at the same time. We have, therefore, tried to gradually build it up.”

2.18. Asked whether all the Naval personnel who are on deputations permanently absorbed in Coast Guard Organisation so that they have some stake in this Organisation. In reply, the Secretary, Ministry of Defence pointed out that:—

“What you say is fundamentally calculated to the efficiency of the service, but there are a few problems. First, if we ask a navy officer during his service to be permanently seconded to Coast Guard, he will not agree; two, they always want to come on deputation and that also with utmost reluctance. It is not that appointment with the Coast Guard even on deputation is a very favoured appointment. The navy personnel who retire, who are capable of being taken in the Coast Guard, would rather like to go to more lucrative jobs in merchant navy. Where do we get the men from? Even in the navy today, we are not getting trained manpower, because the alternative careers which have opened now and are much more lucrative.”

2.19 Asked why their conditions of service could not be made more attractive, the Secretary of the Ministry stated that:—

“We are trying to do that, but our model is the navy. In any event, we cannot exceed the navy. We are trying to

approximate them. But today the situation is that as the navy is becoming technologically more and more updated, our requirements of technical manpower in the navy are much more upgraded in terms of skill and we are not getting that sort of people. They have today many other avenues of employment open to them with much bigger salary."

2.20 The Committee enquired that if the terms and conditions of the service of Staff of the Coast Guard Organisation were not at par even with Navy, how would the Coast Organisation be able to attract technically qualified personnel in reply, the witness assured that:—

"That is the problem. We are trying to approximate the advantages of navy, but if you want the Coast Guard to be an efficient service, it will have to have the discipline of navy. For recruitment at all levels, recruitment rules have been framed, and recruitment is going on strictly according to rules.

Further, it is not so much a question with regard to sailors. The Coast Guard in the Course of next 8—10 years will have OPVs, PVs, SDBs, aircrafts, helicopters etc.; it will be a highly technically professional service. We would need qualified manpower. If we do not have the promotional prospects, at a certain level, there is a clogging and there is mass exodus."

2.21 A non-official in his memorandum furnished to the Committee pointed out that:—

"A good start has been made in the recruitment of CG cadre. But like the Navy, it takes three to five years to train a sea going sailor and an officer respectively, for the CG. Even in this case volunteers for the technical wings are practically nil. Then the Facilities for training such entrants are inadequate and the Navy has to stretch its own meagre resources. This is likely to affect the quality of the end product unless a concerted effort is made by CG to create its own facilities i.e. a training establishment and a training ship."

2.22 The Committee wanted to know whether the Ministry has got any proposal for setting up a separate training establishment for the Coast Guard so as to cater to the requirements, the Secretary, Ministry of Defence stated in evidence that:—

"at the point of time now, our coast guard boys are trained by the Navy. There is absolutely no question of any

shortfall in their training. There is a Committee of Officers which goes into the question of setting up of separate Coast Guard training academy. We hope it will be set up; but we think it will take about 2 or 3 years time."

2.23 The Committee recall that the underlying objective of setting up of a separate Coast Guard Organisation in 1978 was the fact that utilisation of sophisticated naval warships and trained manpower of the Navy for carrying Coast Guard duties on a continuous basis in peace time was not considered cost effective and thought likely to detract Navy from their operational role. The Committee are, however, constrained to find that despite having remained in existence for more than 5 years and recruiting 22 officers and 100 sailors each year since 1980, Coast Guard Organisation continues to depend on Navy for its manpower requirements. In 1983, out of its staff strength of 172 officers, 1009 Sailors and 194 civilians, as many as 99 officers (57.5 per cent) 697 sailors (69.0 per cent) and 145 Civilians (74.7 per cent) were on deputation from the Navy. Director-General Coast Guard pointed out in evidence that "If I take in too many sailors and officers at one go, the whole lot will have to be promoted at the same time." Secretary, Ministry of Defence revealed that as conditions of service of Coast Guard personnel are not at par with those of Navy, naval personnel were reluctant to serve the Coast Guard even on deputation especially when they can get more lucrative jobs in Merchant Navy. He indicated that Coast Guard's dependence on Navy for middle and higher management officers is expected to continue for another 10 years or so. The Committee feel that officers and staff should acquire a stake in the organisation and develop not only a sense of belonging but also a pride of belonging in order to ensure the effectiveness of the organisation. It is therefore desirable that direct intake of officers and Sailors into the Coast Guard is suitably raised so as to end its dependence on Navy in as short a time as possible. Simultaneously, the conditions of service laid down for service in the Coast Guard may be reviewed and suitably improved so as to attract the right type of personnel with the necessary expertise.

2.24 The Committee find that even for the training of its personnel the Coast Guard is dependent on the Navy. The Committee were assured that the Ministry of Defence have already set up a Committee of officers to go into the question of setting up a separate Academy for training of Coast Guard personnel but it will take 2 to 3 years time for the proposal to materialise. The Committee would urge that this question may be examined by the Committee of Secretaries with the urgency it deserves and an early decision taken in the matter.

CHAPTER III

COAST GUARD OPERATIONS

A. Off-Shore Security Operations

3.1 An off-shore Security Coordination Committee was constituted by Government on 31 May, 1978 under the Chairmanship of Director-General of Coast Guard with representatives of Navy, Air Force, Police, Intelligence Bureau, Port Authorities, Oil and Natural Gas Commission and Oil India Ltd. to identify threats to offshore installations during peace time and in short of general war situations. This is a standing Committee.

3.2 The terms of reference of this Committee are as under:—

- “(a) To ensure smooth and efficient functioning of Offshore security arrangements.
- (b) To liaise with and support the security measures of the offshore installations to be adopted by the Navy and Air Force in times of war.
- (c) To assign security functions of various agencies to meet disastrous situation.
- (d) To cause contingency plans to be prepared and implemented by the agencies concerned to meet disastrous situations.
- (e) To coordinate and take measures required for contingency plans for safeguarding offshore installation from the threats mentioned above.
- (f) To appoint sub-Committee as required to study and define various contingencies and put up recommendations for the consideration of offshore coordination committee.”

3.3 Ministry of Defence have intimated in a Note, that Coast Guard Organisation had provided assistance to Indian Oil Corporation and the Oil & Natural Gas Commission as per details given below:—

- (i) *Indian Oil Corporation*: At the request of the IOC Coast Guard mans and operates two interceptor boats for pro-

viding security to the single buoy mooring discharge terminal at Vadinar, Gujarat where crude is discharged by tankers and piped ashore. Logistic support to the boats permanently based at Vadinar is provided by the Coast Guard Station Vadinar.

- (ii) ONGC: During the 'Sagar Vikas' blow out in Aug., 82 an Anti-Pollution Committee under the Chairmanship of Regional Commander Coast Guard Region (West) Bombay was constituted to coordinate measures for anti-pollution. Aerial reconnaissance by Coast Guard helicopters was undertaken. Equipment for dealing with oil pollution was mobilised and kept ready at Bombay.

3.4 Director General Coast Guard informed the Committee in evidence that besides the offshore coordination Committee of which he was the Chairman, they had two Regional Contingencies Committees—one on the West Coast and other on the East Coast. He added:—

“We have already drawn up plans that should there be collision between a ship and a rig, how do we evacuate, if there is a spill of oil, what are the agencies who could cross and combat spill, if there is a fire on the rig, what will the ONGC do in the first instance and what help could they expect from us.”

3.5 The Committee enquired what precise help did the Coast Guard render when there was a blow out of “Sagar Samrat” in Bombay, the Director General Coast Guard explained that:—

“The Coast Guard or other agencies in India do not have the equipment to put out a fire of this magnitude, nor do most of the other countries have it. They have to call upon certain specialised people trained for this job and, as you know, the ONGC, with the concurrence of the Government of India, called upon the American team who are specialised in putting out fire of this type. We have drawn up the contingency plan, but if it is of that magnitude we will have to go to outside countries.”

3.6 The Committee referred to reports of formation of a large oil slick in the Gulf near the Iranian Coast and asked if that could come out of the Gulf and travel to our side. In reply, the witness said:—

“It has not come out of the Gulf on account of the current and seasonal winds, but it is causing problem to Oman, Qatar etc. Fortunately, it has not come to us yet. But if it comes, then we will have to join with other countries

and outside agencies if it is of that magnitude, but for the oil to draft from the straits of Hormuz and come to on shores, it will take about 35 days and we hope that in that process there will be lot of dissipation. But we cannot ignore this and we had meeting on this with the Department of Environment and the Department of Ocean Development. They gave a briefing to the Prime Minister."

3.7 Asked if the Oil sleek drifts to the Indian Ocean, will it not adversely affect the Coastal fishing especially on the Western Coast, a representative of the Ministry of Agriculture revealed that:

"The National Institute of Oceanography at Goa have conducted some scientific studies and they have confirmed that so far the problem is within manageable limits; that means the pollution has not reached a stage where it will have an adverse effect on the fisheries of the ocean near Indian Coast. At the same time the Department of Environment have drawn up some contingency plans as to how to tackle the situation if all of a sudden such a sleek happens to approach towards the Western Coast."

3.8 The Committee recall that when fire broke out in "Sagar Vikas" in August, 1982, ONGC had to call out American Experts to put out the fire. Though one of the statutory duties of the Coast Guard Organisation was and continues to be to ensure the security of off shore terminals, installations and other structures and devices in our maritime zones, the organisation is still not in a position on its own to put out any major fire, should one break out. The Committee recommend that steps should be taken to attain self reliance in this field early. The security of our off shore installations is so vital that we can not afford to allow the deficiency to persist any longer.

3.9 Yet another possible threat to our off shore installation, etc. can be large oil sleeks. There have recently been reports of formation of a large oil sleek in the Persian Gulf near the Iranian Coast posing a problem to nearby countries of Oman and Qatar. A representative of the Ministry of Agriculture assured the Committee in evidence that according to scientific studies conducted by the National Institute of Oceanography at Goa the oil sleek in Gulf is not likely to reach our waters and pose a threat to our fisheries. Department of Environment is stated to have already drawn up some contingency plans so that if at all the oil sleek approaches India's western coast, the threat can be effectively met. The Committee trust that Coast Guard

Organisation will continue to be vigilant and should be able to rise to the occasion to carry out the contingency plan if at all such a threat builds up.

B. Apprehension of Foreign Fishing Trawlers

3.10. Under Sub-Section 7(5) of the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act 76 which came into force on 15 January, 1977 fishing in the Exclusive Economic Zone without the authority of the Central Govt. is prohibited. One of the functions entrusted to the Coast Guard under Section 14 of the Coast Guard Act, 1978 is the enforcement of the national legislation which are, for the time being, in the maritime zones of India, checking of unauthorised fishing by foreign vessels in our maritime zones is, therefore, one of the important functions of the Coast Guard.

3.11 Coast Guard ships carried out regular patrols in the Exclusive Economic Zone. Ships of the Indian Navy, during their regular patrols, supplemented the surveillance effort of Coast Guard ships. Details of foreign fishing trawlers apprehended by Coast Guard and Indian Naval Ships for illegal fishing in our EEZ are as follows:—

Year	CG	IN
1977	—	45
1978	12	23
1979	9	13
1980	6	83
	20	143-165

3.12 As a matter of deliberate Government policy, foreign fishing vessels intercepted whilst poaching in our Maritime Zones were let off with a stern warning till 1980. These warnings used to be originally administered at sea and subsequently in harbours where the local shore authorities were administratively directed to release the offending vessels within 24 hours of arrival. In January 31, however, detailed orders compiled in consultation with the concerned Ministries i.e. External Affairs, Agriculture, Home and Law were fixed.

3.13 Later, a separate Act called the Maritime Zones of India (Regulation of Fishing by Foreign Vessels) Act 1981 was passed and brought into force on 2 November 1981. This Act is more specific. It provides for conditions under which foreign fishing vessels can fish in our maritime zones and also prescribes the fines and other punishments which can be levied on the Masters and owners whose trawlers violate the provisions of this Act. The punishments in case of conviction include mandatory confiscation of trawler, imposition of penalty upto a maximum of Rs. 15 lakhs and imprisonment upto a maximum of 2 years.

3.14 In pursuance of the 1981 Act, all offending foreign vessels were apprehended and escorted to one of the designated ports for legal proceedings in courts nominated for the purpose. Details of foreign trawlers apprehended and prosecuted from 1981 to 30 September 1983 are as follows:—

Year	CG	IN	Total
1981	18	9	27
1982	2	1	3
1983 (upto 30 Sept. 83)	*5	2	7
			37

*(Foreign trawlers chartered by Indian fishing companies apprehended for violating terms and conditions of charter.)

3.15 Ministry of Defence have intimated that during the period 1-1-1981 to 30-9-83 out of 37 foreign vessels (11 in Eastern region, 14 in Western region, 12 in Andaman & Nicobar) were apprehended for violation of our maritime zones. The following port charges had to be paid for the berthing of 15 foreign vessels in our ports:—

Port	No. of foreign trawlers berthed.	Port charges levied
(1) Bombay	8	Rs. 1,83,635.40
(2) Haldia	7	Rs. 45,770,24.38
	Total :	47,60,659.78

3.16 The Committee wanted to know why the number of apprehensions had gone down from 27 in 1981 to 3 and 6 in 1982 and 1983 (upto 1 June) respectively. In reply, the Ministry of Defence have intimated, in a note that:—

“It is surmised that the sharp fall in the number of apprehensions in 1982 and 1983 is primarily due to the enactment of Maritime Legislation in 1981 which has well defined rules and deterrent punishment for poachers.”

3.17 The progress of legal proceedings 37 against cases as on 30th September, 1983 is stated to be as under:—

A. Cases Completed	Number of cases.	Action Taken
(i) Sri Lanka	4	Let off after warning
(ii) Chartered trawlers	5	Let off after suspension of permits.
(iii) confiscated		
(a) A & N	11	(2 handed over to EFP. 2 at Okha awaiting handing over to EFP)
(b) Bombay	4	
	24	
<i>B. Cases in progress/appeal</i>		
(i) Haldia		
(a) In progress		6
(b) Appeal by CG		1
(ii) Bombay		
(a) Appeal by CG		1
(b) Appeal by owners		4
(iii) Port Blair (released by Supreme Court on 7-10-83)		1
		13

3.18 At their meeting held on 27 April, 1981, the Committee of Secretaries had directed that the present procedure for finalising court cases after apprehension of foreign vessels for illegal fishing in our maritime zones be reviewed. Accordingly, an Inter-Ministerial Group under the Chairmanship of Shri P. K. Kathpalia, Additional Secretary, Ministry of Home Affairs with representatives of Ministries of Home, Defence, External Affairs, Shipping and Law was constituted. A review of the enforcement by the Coast Guard of the Maritime Zones Act, 1976 and 1981 against illegal fishing by foreign vessels based on the experiences of 2 years ended 31st December, 1982 highlighted the need for further changes to streamline the existing procedure with a view to eliminating unnecessary delays and conforming to our obligations under the law of the Sea Convention to which India is now a party. Taking into consideration the actual experience of the Coast Guard and other concerned agencies, the Inter-Ministerial Group considered various possibilities with a view to streamlining the procedures and removal of difficulties to make enforcement more effective in the spirit of the legislation envisaged by Parliament. The difficulties experienced, the suggestion put forward, and views expressed by the Group on some of these suggestions are enumerated below:—

- i) The suggestion of the Ministry of Defence/Coast Guard that it would be better if the Coast Guard were to file a report directly with the Court as provided for in the 1981 Act instead of going through the police was accepted and a formal Notification about it, issued by the Ministry of Agriculture on 19-2-1983 under sub-section 19(1) of the 1981 Act;
- ii) Referring to the proposal that the places of trials for offences under the 1981 Act be restricted to 3 i.e. Bombay, Tamluk (District Midnapur) and Port Blair against 13 designated at present to allow the Coast Guard to concentrate its limited efforts and develop the requisite expertise, was not accepted. The Group feel that it needed further consideration as it would have implications on the trawlers apprehended by the Navy.
- iii) In view of the inexperience and inadequate qualifications the suggestion for retention of special prosecutors was accepted. However, when an experienced counsel recommended by the Ministry of Law was assigned this work, he indicated that he would appear in this case only if and when the case was moved to a higher court.

- iv) Group felt that the proposal to have trials of such cases in sessions or High Courts instead of the Courts of Metropolitan Magistrates or JMFC may be considered in the light of additional experience gained.
- v) Group was of the view that the custody of the trawlers on confiscation to the central Government should, vest in the Ministry of Agriculture, and these should be taken over by one of its agencies. Similar arrangement should be followed if the court passes an order permitting the use of the trawlers for fishing during pendency of the trials. However, where the court does not pass any such order Coast Guard should continue to be responsible for the custody and maintenance of the trawlers. (Ministry of Defence have intimated that these arrangements have not worked out well because sometimes substantial amounts are required to be spent to keep the trawlers operational).
- vi) Although the apprehended trawlers can be escorted to any one of the ports, they are normally escorted to the nearest port subject to these being suitable from the point of view of depth of water, safety of navigation and availability of adequate safe berthing place. Port authority, as a rule, normally discourage foreign trawlers being brought to their ports for prolonged detention. Prolonged detention entails substantial berthing charges.
- vii) Vessels can be released on the owner or master furnishing security in the form of cash or a bank guarantee for an amount not less than fifty percent of the value of the vessel and the things so seized. This provision has been invoked only in one case in the last 2 years. The hesitation of the owners is due to the fact that they do not have a regular agent or an attorney in India to undertake such tasks. Owners also face difficulty of language as the courts conduct their proceedings in the regional language. A proposal to leave the release of the apprehended trawlers to the Director General, Coast Guard, by making the offences compoundable and entrusting him with the requisite quasi-judicial powers as in the case of Customs is under consideration.
- viii) The Group felt that as the Ministry of External Affairs had regretted their inability to make the services of Interpreters available and use of IB Interpreters on a con-

tinuous basis was not advisable, the permanent solution lay in the Coast Guard having its own fleet interpreters. A proposal for two Interpreters, one each in the Thailand Taiwanese language has been initiated by Coast Guard Hqrs. and is under consideration of the Ministry of Defence.

- ix) A proposal for augmentation of the Coast Guard Legal Organisation suitably is under consideration of the Ministry of Defence.

3.19 During evidence the Committee desired to know whether it was not possible to stream-line the existing procedure so as to avoid delay in legal proceedings. The Secretary, Ministry of Defence explained the magnitude of the problem thus:—

“Generally, after the analysis of the situation, we find that if we file the complaint and pursue the cases with the courts properly, the time taken could be reduced to about 6 to 9 months. Now, there are certain problems which are inherent in the situation. The first is after the seizure and arrest, on bail the offending party takes away his crew. By and large, they do not pursue the trial with any degree of sincerity. Notices are issued; they do not respond and at times, they do not know the local language. So there are some problems with regard to trial proceedings mostly arising out of a sort of intransigence or antipathy or apathy on the part of owners of the seized boats.... As you are aware, there is a provision that if they apply to the Magistrate, it could be released till the period of the trial on payment of not less than 50 per cent of the value of the trawler as security. Unfortunately, they do not approach the Magistrate in vary large numbers. Now, a decision has to be taken whether the function of releasing these vessels on security, as could be stipulated could not be more broad-based in the sense whether, in addition to the trial Magistrate, the District Magistrates could not be authorised to do it. Possibly this will substantially ease the situation.... With regard to the level of the trial itself, whether it should be at the level of the judicial Magistrate or the Metropolitan Magistrate or whether it should be the Sessions trial, you will appreciate, unless Section 91 of the Maritime Act is amended, this will not be possible to do.... That will not solve the problem. The problem is not so much with regard to the trial. Our problem is:

What do we do with the trawler when the trial is going on? Of course, the responsibility of paying dock charges or port charges is that of the Ministry of Agriculture. Our function is over as soon as we seize the vessel and file a complaint. The offence has been committed under the Maritime Act. The custody of the vessel till the trial is over is with the Ministry of Agriculture. They are seized of the problem. They have been receiving bills from different ports of huge amounts asking them to pay those charges because the trawlers have been kept there when they are under seizer. Therefore, this is the problem....”

3.20 Asked whether answer to the problems being faced by the Coast Guard in bringing to book the foreign vessels which poach in our maritime zones did not lie in introducing the system of summary trial, the witness said:—

“I am not quite clear, without offending the international maritime law, without offending the normal procedure of justice, in what manner we could bring in a sort of striking expedition in these procedures... We will have to introduce summary procedure. That is something which can be examined.”

3.21 The Committee find that during the period 1978 to 1980, while Coast Guard Ships were able to apprehend 20 foreign trawlers, Indian Navy apprehended 129 foreign trawlers who were found indulging in unauthorised fishing in our Maritime Zones. All of them were let off after administering a stern warning that fishing by foreign trawlers in India's maritime zones without the authority of Government of India is prohibited under the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 read with Section 14 of the Coast Guard Act, 1978. It was only in 1981 that a separate Act called the Maritime Zones of India (Regulation of Fishing by Foreign Vessels) Act, 1981 was passed and brought into force on 2 November, 1981 to check foreign trawlers from poaching in our waters. This Act had, for the first time, provided stringent punishments of conviction including mandatory confiscation of trawlers, imposition of penalties upto a maximum of Rs. 15 lakhs and imprisonment upto a maximum of two years. This Act had a deterrent effect because during the subsequent period, January 1981 to September 1983, Coast Guard and the Indian Navy together hauled up only 37 foreign trawlers.

3.22 The Committee, however, regret to note that while the legislation to check unauthorised fishing in our maritime zones was made

stringent in 1981, the legal proceedings continue to be long drawn out resulting in berthing of as many as 15 foreign vessels (out of 37 apprehended) for long periods entailing payment of substantial port charges by the Ministry of Agriculture. Of the total port charges of Rs. 47.60 lakhs as much as 45.77 had to be paid for berthing of 7 foreign trawlers at Haldia alone. Ministry of Defence have intimated that the question of streamlining the legal procedure had been gone into by a Inter-Ministerial Group which has made a few suggestions like (i) restricting the number of places where trials can be held (ii) holding of trials in Sessions Courts or High Courts instead of the Courts of Metropolitan Magistrates/Judicial Magistrates (iii) making the offences compoundable and concerning quasi-judicial powers on the Coast Guard as in the case of Customs (iv) authorising Coast Guard to have its own fleet of Interpreters, etc. The Secretary, Ministry of Defence expressed the view that if besides the trial Magistrate, District Magistrates are also authorised to order release of apprehended vessels on payment of requisite security, it would help.

The Committee desire that suitable steps should be taken to promptly deal with the offences and bring about a real deterrent effect. The Committee feel that if without offending the international law, we could introduce summary trial of such offences, it would go a long way in minimising protracted legal proceedings. The Defence Secretary's reaction to this suggestion in evidence was that, "that is something which can be examined." The Committee recommend that besides taking other measures that may be conceived to get over the problem, the feasibility of introducing summary trial of such offences may also be examined by Government.

C. Anti-Smuggling Operations

3.23 The Coast Guard mans and operates six interceptor boats for the Customs Department. These Boats were taken over by the Coast Guard in September 1980 and operate in pairs from Okha, Bombay and Madras/Mandapam for meeting requirements projected by the respective Customs Collectories.

3.24 During anti-smuggling patrols by these Interceptor Boats assistance was provided to the Customs in apprehending craft indulging in smuggling. Details are as follows:—

Year	No. of craft	Approx value of contrand
(a) 1981	7	48.2 Lakhs
(b) 1982	17	158.72 Lakhs
(c) 1983 (upto to 1 June 83)	2	19.30 Lakhs
Total	26	220.22 lakhs (2.2 crores)

3.25 Though the Coast Guard Organisation was formed in 1978, arrangements for extending assistance in anti-smuggling operations to Customs department were laid down on a firm basis only by 1981. The 6 Korean boats acquired by the Customs department were handed over to the Coast Guard in September, 1980, and were pressed into service for anti-smuggling operations with effect from December, 1980, April, 1981, in pairs, within the jurisdiction of the Collectorate of Bombay, Ahmedabad, Madurai/Madras.

3.26 The number of cases in which Custom authorities has sought the assistance of Coast Guard Organisation in checking sea-borne smuggling each year since 1980 are detailed below:—

	1980 (only last quarter)	1981	1982	1983 (upon 30 Oct.)
(a) Requisition received by CG from Customs	61	296	291	198
(b) Requisition met by Cost Guard	61	296	280*	187*

*Inabilities on account of inclement weather.

3.27 The Committee wanted to know the volume of sea borne smuggling. In reply, the representative of Defence said in evidence "our stand is that it is very difficult to make an estimate of smuggling. We can only go by seizures we have."

3.28 The Secretary, Ministry of Defence added: "roughly 50 percent of the detection is sea-borne. But about the volume of sea-borne smuggling which goes undetected it will be difficult for us to hazard an estimate."

3.29 A representative of Department of Revenue revealed in evidence that smuggled goods seized by customs authorities consisted of Gold, Silver, Watches, Synthetic fibre, etc.

3.30 Asked in what regions the smugglers were active and what type of boats, they normally used for carrying out smuggling, the witness said:—

"The back bone of the smugglers force is Bombay and Saurashtra region. They have 40 ft. Indian built trawler fitted with six cylinders, 100 to 120 Ashok Leyland Engine. These boats generally do not have navigation or Communication equipment but are employed to ply between Persian Gulf and West Coast of India with 7 to 8 personnel embarked. Their endurance was known to be six seven days at sea."

3.31 The Committee asked if it was not necessary to deploy many more interceptor boats of requisite speed and sophistication to tackle the problem of sea borne smuggling more effectively. In reply, the witness stated:—

"In July, 1982, there was a conference headed by the Chairman, Central Board of Excise and Customs. All the Collectors were unanimous to say that our requirement by and large should be indigenous. If we have sophisticated boats, we have problems of spares, repairs and things like that."

3.32 Asked if checking of sea-borne smuggling was the responsibility of the Department of Revenue or of the Coast Guard Organisation, the Secretary, Ministry of Defence clarified:—

"One of the main functions of the Coast Guard is to assist the customs authorities to check smuggling. Therefore, whenever assistance is called for, the assistance is rendered. We (Coast Guard) are not directly concerned with it, because planning of anti-smuggling operation in form of detailed operation remains the responsibility of the Department of Revenue in the Ministry of Finance."

3.33 The total expenditure on Coast Guard Organisation in 1981-82 had amounted Rs. 39.91 crores (i.e. revenue expenditure Rs. 8.91 crores and capital expenditure Rs. 31.00 crores). In this context, the Committee wanted to know the extent of contribution made by Coast Guard Organisation in checking sea-borne smuggling, and whether it was adequate to justify such a level of expenditure. In reply a representative of the Coast Guard said:—

“In 1981, no seizure was made with the help of Korean boats. In 1982, 5 seizures were made by the Bombay Customs with the help of the Korean Boats. The total value of the seizures in 1982 of the country as a whole was Rs. 60 crores. Out of it, sea-borne seizure comes to Rs. 35 crores. The Coast Guard help was seizure of Rs. 1.53 crores i.e. 2 per cent.”

3.34 Asked that if the contribution of Coast Guard Organisation in checking sea-borne smuggling was so small, should not the Coast Guard go in for more interceptor boats, the Secretary, Ministry of Defence expressed the following view:—

“First there are only 60 country boats and 18 Norwegian interceptor vessels. The total number of interceptor boats was 78 and out of that the number available to the Coast Guard was only six. Secondly, it is not only that they were specifically deployed by the Coast Guard but the interceptors were used for other purposes also. The problem is, it is not a question of getting a dozen interceptors but it was the question of deploying them.”

3.35 The Director General Coast Guard added that when the proposed merger of the Custom Marine Organisation into the Coast Guard Organisation was effected, the 12 Norwegian boats at present being operated by the C.M.O. would also join the Coast Guard fleet. He, however, indicated that the employees of the CMO had opposed the merger and filed three writ petitions. The matter was still stated to be *sub judice*.

3.36 The Committee wanted to know if allegations of smuggling against the agent of the Shipping Corporation of India at Madras had come to the notice of Coast Guard. In reply, Secretary, Ministry of Defence promised that he would look into this. Later, in a Note furnished after evidence, Ministry of Defence intimated as under:—

“Allegations of smuggling against the Agent of the Shipping Corporation of India at Madras have been referred to

the Directorate of Revenue Intelligence for further enquiries and appropriate action.”

3.37 The Committee regret to note that though the Coast Guard Organisation was set up in 1978, arrangements for extending assistance to the Customs Department in anti-smuggling operations were laid down on a firm basis only by 1981. The Korean Boats acquired by Customs Department and handed over to the Coast Guard in September 1980 were pressed into service as late as December, 1980/April, 1981. From 1981 to the middle of 1983 i.e. in a period of 2½ years, the Coast Guard have been able to apprehend 26 crafts and seized contraband of the value of Rs. 2.2 crores only. A representative of the Coast Guard Organisation revealed in evidence that in 1982, the total value of the seizures of smuggled goods of the country as a whole amounted to Rs. 60 crores and out of it, seizures made during anti-sea-borne smuggling operations worked out to Rs. 35 crores. What was seized with the help of the Coast Guard in that year valued Rs. 1.53 crores i.e. hardly 2 per cent. Even if the fact that out of 60 country boats and 18 Norwegian interceptor vessels engaged in anti-sea-borne smuggling operations in the country. Coast Guard has at its disposal only 6 boats is taken into consideration, the achievement of this Organisation cannot, by any standard, be regarded as impressive. The Committee, therefore, recommend that the role of the Coast Guard in anti-smuggling operations may be redefined and the organisation vested with such powers as may be necessary to carry out its statutory duties in this field more effectively. The Coast Guard may also be provided with adequate number of interceptor boats and vessels, early.

3.38 In this context, it is comforting to note that when the proposed merger of Customs Marine Organisation with Coast Guard takes place, 12 Norwegian boats would come to Coast Guard. The Committee urge that this merger should be brought about without undue delay.

D. Marine Pollution Control Operations

3.39 Another important function entrusted to the Coast Guard under Section 14 of the Coast Guard Act, 1978, is to prevent and control marine pollution. This duty so far was being carried out by the Director General Shipping, under the Ministry of Shipping and Transport. The Coast Guard, it has been stated, is in the process of taking over this responsibility and the three Off shore Patrol Vessels under construction in the Mazagon Dock Limited are being suitably equipped to combat medium level marine pollution.

3.40 It may be recalled that the Department of Environment established in Nov. 1980 was charged with the responsibility of conversion of Marine Eco System, pollution monitoring and serve as a nodal Department for Environment Protection but later on as recommended by the Committee of Secretaries, the responsibility of marine pollution was transferred to the Department of Ocean Development in May, 83. The Committee have been informed that Coast Guard Headquarters interacting with that Department so as to draw up the requisite contingency Plans for prevention and control of marine pollution.

3.41 The Committee wanted to know whether consequent on the transfer of the responsibility from the Deptt. of Environment Protection to the Deptt. of Ocean Development in May, 1983 the role of the Coast Guard in so far as the marine pollution was concerned, would undergo any change, the Secretary, Ministry of Deence, stated:—

“Only a part of the pollution control can be done by the Coast Guard. Whenever there is a spill, they can remove it. Mostly, as far as our territorial waters are concerned it has to be kept out of pollution up to 50—60 miles and for that purpose, we are acquiring a couple of ships which will be specifically dedicated to this function. If there are pollutions in the shape of spillage of fuel, particularly of the nature of gas or hydro-carbon fuel, normally as the ships go out of territorial waters, they do a lot of cleaning. All this sludge can be cleared by the Coast Guard.”

3.42 The Committee find that ever since its inception in 1978, Coast Guard Organisation has done little in the sphere of prevention and control of marine pollution—a duty cast on it by the Coast Guard Act of 1978. Prospects of progress in this sphere have, however, brightened up because the responsibility of marine pollution which was earlier entrusted to the Department of Environment in 1980 has been, on the recommendations of the Committee of Secretaries, transferred to the Department of Ocean Development in May, 1983. The Committee have been informed that the Coast Guard Headquarters are “inter-acting” with that Department to draw up contingency plans for this purpose. The Committee would like the respective roles of these two organisations being spelt out so that each knows precisely its sphere of responsibility in the matter of prevention and control of marine pollution.

E. Other Operations and Activities

3.43 Ministry of Defence have, in a Note, claimed that the Coast Guard had also rendered assistance in various other fields as per details given below:—

- (i) *Assistance to vessels in distress*: Coast Guard rendered assistance to vessels in distress viz. (a) Fishing vessels caught in a storm off Tamil Nadu Coast in June 81, (b) towing MV Najama beauty belonging to the United Arab Emirate which had broken down off Okha in June, 1982, (c) rescue of 14 fishermen off Tamil Nadu Coast in July, 82, (d) assistance for putting out a fire on board MV Peteria in Bombay harbour in August 82, (e) assistance to SCI ship SMUDRA JYOTI stranded 400 miles West off Bombay.
- (ii) *Rescue cover during Festivals and Water sports*: Rescue cover provided by Coast Guard during International Swimming Competition held during April 81 in Palk Straits, Wind Surfing Regatta organised by Royal Madras Yacht Club during August, 1982 and Rescue cover provided during the 'Maghe' festival in February 1983 at Madras. On request from the Tamil Nadu Government "in 1980 a first aid post was set up for the pilgrims to Annual Kachativu festival."
- (iii) *Petrolling to check poaching of Green-sea Turtles*: Coast Guard was undertaken by Coast Guard in consultation with the West Bengal and Orissa State wild life authorities to ensure that poaching of "green-sea turtles, an endangered species under the Wild Life Act, does not take place. During the mating/hatching season in Jan.-April, 1983, a launch indulging in poaching was apprehended off Paradeep. As a result of Coast Guard presence no poaching from sea-ward was reported during the remaining mating/hatching seasons."
- (iv) *Range clearance patrols*: At the request of the Indian Space and Research Organisation (ISRO), Coast Guard ships undertake range clearance patrols to ensure that the area is clear before and during the launching of rockets from the Sriharikota space Centre.
- (v) *Erection of a Boundary Pillar*: The task of erecting a boundary pillar on New Moore Island projected by the

Ministry of External Affairs was undertaken by the Coast Guard.

- (vi) *Area clearance and rescue coverage during ASIAD:* During the Ninth Asian Games, for the Yachting events conducted at Bombay, the task of area clearance and rescue coverage was undertaken by Coast Guard interceptor boats.
- (vii) *Transportation of Ballot Boxes:* Safe and timely transportation of ballot boxes was undertaken by Coast Guard ships during the elections in Andaman and Nicobar and Lakshdweep.
- (viii) *Assistance to Police authorities:* Coast Guard also gave assistance to police authorities in Andaman & Nicobar for deployment of police units in the Islands."

3.44. It will be seen that the Coast Guard had been engaged in rendering assistance to vessels in distress and providing rescue during festivals and water sports. The Coast Guard had also provided assistance to various State Government authorities and autonomous bodies. In this context the Committee desired to know whether these routine and miscellaneous functions did not detract the Coast Guard from its main statutory duties of keeping a vigil on maritime zones of the country. The Secretary, Ministry of Defence conceded in evidence that the Coast Guard did not have much work on this account. Referring to rescue operation undertaken at Kachativu Island, the Secretary, Ministry of Defence pointed out that:

"We are allowed once a year to have the annual festival and pilgrimage. When our Indian pilgrims go to Kachativu, the Coast Guard provide them medical facilities and water."

3.45 While the Committee welcome the non-statutory duties and functions assumed by the Coast Guard Organisation, they trust that these would not detract the Coast Guard from their main statutory functions of keeping a vigil on our coastal border.

NEW DELHI;

March 20, 1984

Phalguna 30, 1905 (Saka)

BANSI LAL;

Chairman,

Estimates Committee.

APPENDIX

Statement of Recommendations|Observations

Sl. No.	Para No.	Recommendation observation
1	2	3
1	1.9	The Committee are concerned to note that the Coast Guard Organisation set up in August, 1978 as an Armed Force of the Union is nowhere near fully discharging the statutory duties assigned to it by Parliament under the Coast Guard Act, 1978 and transforming itself as an effective instrument for undertaking maritime surveillance over country's 2.8 million Sq. Kilometres long coastline. The statutory duties include ensuring the safety and protection of artificial islands, offshore terminals, installations and other structures and devices in maritime zones, providing protection to fishermen, preservation and protection of maritime environment, assisting the customs and other authorities in anti-smuggling operations etc. The Committee desire that there should be time bound programme for development of this organisation on the lines envisaged in the legislation and it should be adhered to.
2	1.10	Section 14(3) of the Coast Guard Act, 1978 stipulates that Coast Guard "shall perform its functions under this section in accordance with, and subject to such rules as may be prescribed and such rules may in particular, make provisions for ensuring that the Coast Guard functions in close liaison with Union Agencies, Institutions and authorities so as to avoid duplication of effort." No rules have however been framed under the Act for ensuring close liaison between the Coast Guard and other Union Agencies, in-

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stitutions and authorities. The Secretary, Ministry of Defence tried to defend this failure by saying that Government had not felt the necessity of framing any rule under section 14(3) because the rules under other enactments namely Indian Customs Act, 1962, Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, Maritime Act, 1981, etc. were adequate to ensure coordination. The Committee are unable to share this view. They desire that an interdepartmental Committee be constituted to go into this question and evolve rules to bring about effective coordination without duplication of efforts. In this connection the Committee wish to draw attention to the 57th Report of the Rajya Sabha Committee on Subordinate Legislation presented on 22 December, 1983 wherein it has been *inter-alia*, observed that "The Ministry of Defence have all along been trying to minimise their statutory duty to frame rules under the Coast Guard Act, 1978 on flimsy grounds."

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1.16

Under the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976, India's territorial waters extend to 12 nautical miles and continental shelf Exclusive Economic Zone upto 200 nautical miles from the base line. When this Act was passed in 1976 it was envisaged that specific additional legislation on various aspects of jurisdiction would be enacted separately. Accordingly a Task Force on these legislative measures was set up by the Ministry of Defence in 1981. The Task Force favoured framing of exclusive legislation for this purpose. The Committee, however, find that even though a period of more than six years has elapsed since the original Act was passed necessary bills for (a) exploration of off shore areas for oil and natural gas and (b) ex-

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ploration and exploitation of mineral resources in the maritime zones have not been introduced in Parliament so far. The Committee have been informed that at their meeting held on 12 April, 1983, the Committee of Secretaries have expressed the view that for the present it might not be practical to have a single legislation to cover all aspects relating to sea and sea bed and that a better approach would be to strengthen and enlarge the existing legislation and to bring it in full conformity with the law of the sea as finally adopted by the United Nations. The Committee would like the Govt. to consider the matter early and bring forward appropriate legislative proposals.

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1.24

The Committee find that though administrative and operational control of Coast Guard Organisation vest in the Ministry of Defence, the budget allocations in respect of this organisation are provided by the Deptt. of Revenue in the Ministry of Finance. The Committee were assured in evidence by the Secretary, Ministry of Defence that "in no year what has been scrutinised and approved by the Defence (Finance) has been turned down by the Finance Ministry." The Committee have basically no objection to this arrangement. They would, however, like the Govt. to ensure that this arrangement does not come in the way of operational effectiveness of the Coast Guard Organisation and that the financial accountability of the Organisation is not in any way compromised.

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The Committee would also like Govt. to review the system of delegation of powers to and within the Coast Guard Organisation to facilitate quick decision being taken.

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The Committee find that in the year 1980-81, 1981-82 and 1982-83 as against the original

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budget estimate of Rs. 1272.05 lakhs, Rs. 2492.92 lakhs and Rs. 3991.43 lakhs and revised budget estimates of Rs. 932.08 lakhs, Rs. 3930.57 lakhs and Rs. 3766.65 lakhs respectively, the actual expenditure of the Coast Guard had amounted to Rs. 464.14 lakhs, Rs. 1996.29 lakhs and Rs. 2536.31 lakhs only representing underutilisation of funds to the extent of as much as 50 per cent in 1980-81 and 1981-82 and 33 per cent in 1982-83. While the underutilisation of funds in 1980-81 has been attributed to delay in acquisition of a Aircraft, the shortfall in 1982-83 is stated to have been caused by slippages in the construction schedule, of 3 off-shore Patrol vessels at the Mazagon Dock Ltd. The Committee thus find that funds are no constraint to the growth of the organisation but the implementation of Plans needs to be streamlined. The Committee trust that the system would be improved to avoid any further slippages. The Committee would await the steps taken in this regard.

- 7 2.11 The Committee find that when the Coast Guard was set up in August, 1978, it had inherited 2 old Naval Frigates and 5 Patrol boats. A perspective Development Plan at an estimated cost of Rs. 1,500 crores had envisaged augmentation of the Coast Guard Organisation's fleet to the total force level of 121 Aircrafts, helicopters and patrol vessels etc. by 2000 A.D. However, the Cabinet Committee on Political Affairs approved the plan for first 5 years (1979-84) entailing an outlay of Rs. 100 crores and providing for acquisition of 6 Patrol vessels, 3 light helicopters, and 9 Coastal Surveillance Aircrafts. Subsequently, Government also approved transfer of 5 Seaward Defence Boats, and acquisition of 8 Fast Interceptor Boats making up a total force level of 38. As against this, Coast Guard has

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by 1982-83 reached a force level of 23 by acquiring 3 Patrol vessels, 3 light helicopters, 2 Seaward Defence boats and 8 Fast Interceptor Boats by August, 1983 to its fleet. This means that in order to make up the shortfall in the acquisition programme, Coast Guard has still to acquire 3 Patrol vessels, 9 Coastal Surveillance aircrafts and 3 Sea-ward Defence Boats by the end of 1984. Thus even a modest Plan for equipping the organisation has not been implemented properly. The Committee are concerned to note this and expect the organisation to be geared up to avoid shortfall in Plan targets in future. If the Coast Guard Organisation is to discharge all the duties assigned to it under the Coast Guard Act, 1978 and become a first rate force for maritime surveillance, it must have at its command adequate fleet of ships and aircrafts backed by trained manpower of its own.

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2.12

Development Plan (1979-84) had *interalia* provided for acquisition of 9 Coastal Surveillance aircrafts for the Coast Guard. A Committee headed by Shri K. P. A. Menon, the then Defence Secretary, was constituted in 1980 for selection of a suitable aircraft for coastal surveillance. It submitted its Report in July, 1981. Thereafter the Price Negotiating Committee headed by Shri P. K. Kaul, Defence Secretary held discussions in 1982 with the manufacturers and recommended that contractual negotiations be taken up with M/s Dornier. This model has been approved in August, 1983. The Committee feel that the process of selection of a suitable aircraft for Coastal Surveillance has taken too long and hope that there will be no further delay in acquisition of the aircraft. They also desire that the procedure for selection should be rationalised in order to allow of speedy decisions.

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9. 2.23

The Committee recall that the underlying objective of setting up of a separate Coast Guard Organisation in 1978 was the fact that utilisation of sophisticated naval warships and trained manpower of the Navy for carrying Coast Guard duties on a continuous basis in peace time was not considered cost effective and thought likely to detract Navy from their operational role. The Committee are, however, constrained to find that despite having remained in existence for more than 5 years and recruiting 22 officers and 100 sailors each year since 1980, Coast Guard Organisation continues to depend on Navy for its manpower requirements. In 1983, out of its staff strength of 172 officers, 1009 Sailors and 194 civilians, as many as 99 officers (57.5 per cent) 697 sailors (69.0 per cent) and 145 Civilians (74.7 per cent) Civilians were on deputation from the Navy. Director-General Coast Guard pointed out in evidence that "if I take in too many sailors and officers at one go, the whole lot will have to be promoted at the same time." Secretary, Ministry of Defence revealed that as conditions of service of Coast Guard personnel are not at par with those of Navy, naval personnel were reluctant to serve the Coast Guard even on deputation especially when they can get more lucrative jobs in Merchant Navy. He indicated that Coast Guard's dependence on Navy for middle and higher management officers is expected to continue for another 10 years or so. The Committee feel that officers and staff should acquire a stake in the organisation and develop not only a sense of belonging but also a pride of belonging in order to ensure the effectiveness of the organisation. It is therefore desirable that direct intake of officers and Sailors into the Coast Guard is suitably raised so as to end its dependence on Navy in as short a time as possible. Simultaneously, the

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conditions of service laid down for service in the Coast Guard may be reviewed and suitably improved so as to attract the right type of personnel with the necessary expertise.

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2.24

The Committee find that even for the training of its personnel the Coast Guard is dependent on the Navy. The Committee were assured that the Ministry of Defence have already set up a Committee of officers to go into the question of setting up a separate Academy for training of Coast Guard personnel but it will take 2 to 3 years time for the proposal to materialise. The Committee would urge that this question may be examined by the Committee of Secretaries with the urgency it deserves and an early decision taken in the matter.

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3.8

The Committee recall that when fire broke out in "Sagar Vikas" in August, 1982, ONGC had to call out American Experts to put out the fire. Though one of the statutory duties of the Coast Guard Organisation was and continues to be to ensure the security of off shore terminals, installations and other structures and devices in our maritime zones, the organisation is still not in a position on its own to put out any major fire, should one break out. The Committee recommend that steps should be taken to attain self reliance in this field early. The security of our off shore installations is so vital that we can not afford to allow the deficiency to persist any longer.

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3.9

Yet another possible threat to our off shore installation, etc. can be large oil sleeks. There have recently been reports of formation of a large oil sleek in the Persian Gulf near the Iranian Coast posing a problem to nearby countries of Oman and Qatar. A representative of the Ministry of Agriculture assured the Committee in evidence that according to scientific studies conduc-

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ted by the National Institute of Oceanography at Goa, the oil slick in Gulf is not likely to reach our waters and pose a threat to our fisheries. Department of Environment is stated to have already drawn up some contingency plans so that if at all the oil slick approaches India's western coast, the threat can be effectively met. The Committee trust that Coast Guard Organisation will continue to be vigilant and should be able to rise to the occasion to carry out the contingency plan if at all such a threat builds up.

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3.21

The Committee find that during the period 1978 to 1980, while Coast Guard Ships were able to apprehend 20 foreign trawlers, Indian Navy apprehended 129 foreign trawlers who were found indulging in unauthorised fishing in our Maritime Zones. All of them were let off after administering a stern warning that fishing by foreign trawlers in India's maritime zones without the authority of Government of India is prohibited under the Territorial Waters, Continental Shelf, Exclusive Economic Zone and other Maritime Zones Act, 1976 read with Section 14 of the Coast Guard Act, 1978. It was only in 1981 that a separate Act called the Maritime Zones of India (Regulation of Fishing by Foreign Vessels) Act, 1981 was passed and brought into force on 2 November, 1981 to check foreign trawlers from poaching in our waters. This Act had, for the first time, provided stringent punishments of conviction including mandatory confiscation of trawlers, imposition of penalties upto a maximum of Rs. 15 lakhs and imprisonment upto a maximum of two years. This Act had a deterrent effect because during the subsequent period, January 1981 to September 1983, Coast Guard and the Indian Navy together hauled up only 37 foreign trawlers.

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14	3.22	<p>The Committee, however, regret to note that legislation to check unauthorised fishing in our maritime zones was made stringent in 1981, the legal proceedings, continue to be long drawn out resulting in berthing of as many as 15 foreign vessels (out of 37 apprehended) for long periods entailing payment of substantial port charges by the Ministry of Agriculture. Of the total port charges of Rs. 47.60 lakhs as much as 45.77 had to be paid for berthing of 7 foreign trawlers at Haldia alone. Ministry of Defence have intimated that the question of streamlining the legal procedure had been gone into by a Inter-Ministerial Group which has made a few suggestions like (1) restricting the number of places where trials can be held (ii) holding of trials in Sessions Courts or High Courts instead of the Courts of Metropolitan Magistrates/Judicial Magistrates (iii) making the offences compoundable and conferring quasi-judicial powers on the Coast Guard as in the case of Customs (iv) authorising Coast Guard to have its own fleet of Interpreters, etc. The Secretary, Ministry of Defence expressed the view that if besides the trial Magistrate, District Magistrates are also authorised to order release of apprehended vessels on payment of requisite security, it would help. The Committee desire that suitable steps should be taken to promptly deal with the offences and bring about a real deterrent effect. The Committee feel that if without offending the international law, we could introduce summary trial of such offences, it would go a longway in minimising protracted legal proceedings. The Defence Secretary's reaction to this suggestion in evidence was that, "that is something which can be examined." The Committee recommend that besides taking other measures that may be conceived to get over the problem, the feasibility of introducing summary trial of such offences may also be examined by Government.</p>

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15	3.37	<p>The Committee regret to note that though the Coast Guard Organisation was set up in 1978, arrangements for extending assistance to the Customs Department in anti-smuggling operations were laid down on a firm basis only by 1981. The Korean Boats acquired by Customs Department and handed over to the Coast Guard in September 1980 were pressed into service as late as December, 1980 April, 1981. From 1981 to the middle of 1983 i.e. in a period of 2½ years, the Coast Guard have been able to apprehend 26 crafts and seized contraband of the value of Rs. 2.2 crores only. A representative of the Coast Guard Organisation revealed in evidence that in 1982, the total value of the seizures of smuggled goods of the country as a whole amounted to Rs. 60 crores and out of it, seizures made during anti-sea-borne smuggling operations worked out to Rs. 35 crores. What was seized with the help of the Coast Guard in that year valued Rs. 1.53 crores i.e. hardly 2 per cent. Even if the fact that out of 60 country boats and 18 Norwegian interceptor vessels engaged in anti-sea-borne smuggling operations in the country, Coast Guard has at its disposal only 6 boats is taken into consideration, the achievement of this Organisation cannot, by any standard, be regarded as impressive. The Committee, therefore, recommend that the role of the Coast Guard in anti-smuggling operations may be redefined and the organisation vested with such powers as may be necessary to carry out its statutory duties in this field more effectively. The Coast Guard may also be provided with adequate number of interceptor boats and vessels, early.</p>
16	3.38	<p>In this context, it is comforting to note that when the proposed merger of Customs Marine Organisation with Coast Guard takes place, 12 Norwegian boats would come to Coast Guard.</p>

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The Committee urge that this merger should be brought about without undue delay.

17**3.42**

The Committee find that ever since its inception in 1978, Coast Guard Organisation has done little in the sphere of prevention and control of marine pollution—a duty cast on it by the Coast Guard Act of 1978. Prospects of progress in this sphere have, however, brightened up because the responsibility of marine pollution which was earlier entrusted to the Department of Environment in 1980 has been, on the recommendations of the Committee of Secretaries, transferred to the Department of Ocean Development in May, 1983. The Committee have been informed that the Coast Guard Headquarters are “inter-acting” with that Department to draw up contingency plans for this purpose. The Committee would like the respective roles of these two organisations being spelt out so that each knows precisely its sphere of responsibility in the matter of prevention and control of marine pollution.

18**3.45**

While the Committee welcome the non-statutory duties and functions assumed by the Coast Guard Organisation, they trust that these would not detract the Coast Guard from their main statutory functions of keeping a vigil on our coastal border.
