

NINETEENTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(1981-82)

(SEVENTH LOK SABHA)

BOMBAY PORT TRUST

MINISTRY OF SHIPPING AND TRANSPORT

[Action taken on 139th Report (Sixth Lok Sabha)]



Presented in Lok Sabha on
Laid in Rajya Sabha on

LOK SABHA SECRETARIAT
NEW DELHI

August, 1981 / Sravana, 1903 (Saka)

Price : Rs. 3.40

CORRIGENDA TO 19TH REPORT OF PUBLIC ACCOUNTS
COMMITTEE (7TH LOK SABHA)

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PUBLIC ACCOUNTS COMMITTEE

(1981-82)

Shri Satish Agarwal—Chairman

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3. Shri Tridib Chaudhuri
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1. Shri H. G. Paranjpe—*Joint Secretary.*
2. Shri D. C. Pande—*Chief Financial Committee Officer.*
3. Shri K. C. Rastogi—*Senior Financial Committee Officer.*

INTRODUCTION

I, the Chairman of the Public Accounts Committee, as authorised by the Committee, do present on their behalf this Nineteenth Report on Action Taken by Government on the recommendations of the Public Accounts Committee contained in the Hundred and Thirty-Ninth Report (Sixth Lok Sabha) on Bombay Port Trust relating to the Ministry of Shipping and Transport.

2. The Administrative Staff College, Hyderabad and a Committee of Officers drawn from the Ministry of Law, Ministry of Shipping & Transport and Bombay Port Trust have recently reported on the working of the Estate Department of the Bombay Port Trust. As the problems relating to the management of Port Trust lands in all major ports are of similar nature, the Committee have in this Action Taken Report suggested that the recommendations of the Administrative Staff College and the Committee of Officers should be made available to all major Port Trusts so as to enable them to bring about improvements in their systems and procedures.

3. On 1st July, 1981, the following Action Taken Sub-Committee was appointed to scrutinise the replies received from Government in pursuance of the recommendations made by the Public Accounts Committee in their earlier Reports:—

- | | |
|---|-----------|
| 1. Shri Satish Agarwal— <i>Chairman</i> | |
| 2. Shri Sunil Maitra | } Members |
| 3. Shri K. P. Singh Deo | |
| 4. Shri Hari Krishna Shastri | |
| 5. Shri K. P. Unnikrishnan | |
| 6. Shri N. K. P. Salve | |

4. The Action Taken Sub-Committee of the Public Accounts Committee (1981-82) considered and adopted this Report at their sitting held on 11 August, 1981. The Report was finally adopted by the Public Accounts Committee (1981-82) on 25 August, 1981.

5. For reference facility and convenience, the recommendations and 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.

6. The Committee place on record their appreciation of the assistance rendered to them in this matter by the Office of the Comptroller & Auditor General of India.

NEW DELHI;

August 25, 1981

Bhadra 3, 1903 (S).

SATISH AGARWAL

Chairman

Public Accounts Committee.

CHAPTER I

REPORT

1.1. This Report of the Committee deals with the Action Taken by Government on the Committee's recommendations or observations contained in their 139th Report (Sixth Lok Sabha) on the Audit Reports on the accounts of Bombay Port Trust for the years 1974-75 to 1976-77.

1.2. The Committee's 139th Report was presented to the Lok Sabha on 30 April, 1979 and contained 42 recommendations or observations. According to the time schedule, the notes indicating the action taken by Government in pursuance of the recommendations or observations contained in the 139th Report duly vetted by Audit were required to be furnished to the Committee latest by 29 October, 1979. However, the Ministry of Shipping and Transport submitted Action Taken Notes in respect of 38 recommendations earmarked to them by 17 December, 1979 and the Ministry of Works & Housing submitted Action Taken Notes in respect of the remaining 4 recommendations on 7 January, 1980.

1.3. The Action Taken Notes received from Government have been broadly categorised as follows:

(i) Recommendations or observations that have been accepted by Government:

1, 3, 4, 5, 6, 7, 13, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31 and 32.

(ii) Recommendations or observations which the Committee do not desire to pursue in the light of the replies received from Government:

2, 8, 9, 11, 12, 19, 26, 33, 37 and 38.

(iii) Recommendations or observations replies to which have not been accepted by the Committee and which require reiteration:

10, 39, 40 and 41.

(iv) Recommendations or observations in respect of which Government have furnished interim replies:

14, 34, 35, 36 and 42.

1.4. The Committee expect that final replies to those recommendations or observations in respect of which only interim replies have so far been furnished will be made available to them expeditiously, after getting them vetted by Audit. . . .

1.5. The Committee will now deal with the action taken by Government on some of their recommendations or observations:

Working of Bombay Port Railway (S. No. 10—Para 4.16)

1.6. Recommending to analyse the causes for sustained deficits and to bring about improvements in the working of the Bombay Port Railway, the Committee had, in paragraph 4.16 of their Report stated:

“The Committee find that the financial results of the working of the Bombay Port Railway have, except for one or two years shown large deficits for more than last 25 years. The Public Accounts Committee in their 113th Report (4th Lok Sabha) had adversely commented upon deficits in the years 1965-66, 1966-67 and 1967-68 which amounted to Rs. 72.58 lakhs, Rs. 85.79 lakhs and Rs. 95.29 lakhs respectively, if certain notional credits taken in the accounts by the Port Trust on account of oil traffic, Dock wharfage and revenues derived from railway served plots are excluded. At present the Committee find that the loss during the year 1977-78 was Rs. 173.31 lakhs as compared to Rs. 105.42 lakhs in 1976-77. The Committee are unhappy to find that though the Port Railway was carrying surplus staff for the past 10 years and even more, to the extent of about 600 out of a total staff strength of less than 2000, the Port Trust Administration has not succeeded in absorbing such surplus staff against vacancies which arose during this period. The reason given is that this is due to the resistance from the Port Railway employees. The Committee would like the Port Trust to analyse the causes and bring about improvements in the working of the Port Railway. As regards absorbing surplus staff against future vacancies, the Committee see no rationale behind not doing so and would like the Government to re-examine the matter with a view to take a firm decision.”

1.7. In their Action Taken Note dated 29 November, 1979 the Ministry of Shipping and Transport, have stated:

“Bombay Port Trust Railway have been sustaining heavy losses from the inception. One way of off setting this

loss is by increasing the Port Railway rates and the Bombay Port Trust has been proposing revision of rates would adversely affect the import/export trade. Thus, the importers and exporters have been protesting against the enhancement in the railway rates. As the Ministry of Railway (Railway Board) is competent to sanction railway rates under the Indian Railways Act 1890, the proposal of Bombay Port Trust for revision of rates was sent to Railway Board, but they did not agree on the ground that proposed revised rates are on the high side as compared to the Trunk Railway rates for the same service. However to bring about possible improvement in the working of the Port Railway, a Committee of Trustees headed by the General Manager of the Central Railway (he is one of the Trustees) has been appointed. It is expected that the Report of the Committee would be received in the near future.

So far as reduction in the staff employed on the Bombay Port Trust Railway, the port authorities abolished 68 class IV posts on 1-10-1975 i.e. during the emergency. Later on (after the emergency was lifted) Class IV Railway Operative Staff of Indira Dock Station, who are members of the BPT Employees Union (Dr. Shanti Patel), suddenly struck work on 11-9-78. The Union had earlier, on 19-8-78 sent a strike notice in regard to the following demands:

- (i) Restoration of 68 posts of railway line staff reduced during the Emergency.
- (ii) Restoration of old practice of reporting for duty at Loco shed, Wadala, instead of reporting at various places where wagons are stabled.
- (iii) Relaxation in the prescribed standard of vision for loco drivers and certain other categories of line staff.

The main demand of the Union was mentioned at (i) above and it was taken conciliation. This strike had seriously affected transportation of furnace oil meant for certain power stations and fertiliser factories in the Northern region. The strike continued for 40 days and it was called off from the midnight of 20-10-1978 after discussions by Shri Chand Ram the then Minister of Shipping and Transport with Dr. Shanti Patel. The Minister gave an assurance that all the posts of Class IV operative staff in-

cluding posts of Gateman of the BPT Railways which had been actually operated by the Railway Manager for the last several years would be restored with immediate effect to the same extent as were prevalent prior to their abolition, curtailment or discontinuance during emergency. A list of the strikes during last ten years by the port workers belonging to Port Railways of Bombay Port when the main demand was for over-time to be given to the existing staff on duty to make up any casual absenteeism or leave vacancies, is attached at Annexure 'A'.

In view of above, it is difficult to reduce the staff strength on BPT Railway. Though the recommendation of PAC in regard to absorption of surplus staff is acceptable in principle but we regret that it is not possible to absorb the surplus staff against future vacancies as it is felt that any step in this direction would lead to major trouble."

1.8. The Committee note that with a view to bringing about possible improvements in the working of the Port Trust Railway, a Committee of Trustees headed by the General Manager of the Central Railway has been appointed on 29 November, 1979. The Committee hope that the recommendations of the Committee of Trustees would be given a serious consideration for implementation as early as possible. A copy of the Report of the Committee of Trustees may also be furnished to the Committee soon after it is received by the Ministry.

1.9. As regards the absorption of surplus staff in the Port Railway, the Committee do not agree with the approach of the Ministry of Shipping and Transport that ".....it is not possible to absorb the surplus staff against future vacancies as it is felt that any step in this direction would lead to a major trouble." The Committee still feel that without abolishing the surplus posts steps can be taken to negotiate with the Unions for the deployment of the surplus staff against future vacancies. The Committee while reiterating their earlier recommendation would emphasise that concerted efforts should be made in consultation with the Unions to effect economy and efficiency in the running of the Port Railways.

FUNCTIONING OF THE ESTATE DEPARTMENT OF THE BOMBAY PORT TRUST [S. No. 39 TC 41—Paras 7.86(v), 7.86(vi) and 7.87]

1.10. Regarding the functioning of the Estate Department of the

Bombay Port Trust, the Committee had, in paragraphs 7.86(v), 7.86(vi) and 7.87 of their Report observed:

"7.86(v) In the cases examined by the Committee, it was found that in the case of defaults in payment by the parties, Estate Department moved very casually and leisurely in pursuing the matter with the parties. Unreasonable discrimination between the parties was also in evidence. On the basis of information placed before the Committee through written replies and also during evidence, the Committee have gained the impression that the Estate Department is functioning inefficiently and ineffectively in these matters. Even for filing of suits against defaulters, instead of initiating action at the right time, years pass before any action is taken by the Estate Department. In these cases also there is evidence of discrimination between parties. The Committee consider this as a highly unsatisfactory state of affairs.

7.86(vi) The Committee learnt that sometimes a defaulting party sent in a representation to the Chairman of the Port Trust objecting to payment of enhanced rent and on that basis the Estate Department stopped taking any further action until the disposal of the representation. It also came out in evidence that these matters were often decided arbitrarily by the Chairman in an ad hoc manner and disposed of at such time and on such terms as suited his sweet will. The Committee would like the Port Trust authorities to streamline the procedure in this regard so that the representations are disposed of expeditiously and proper norms are laid down and there is no scope for unreasonable discrimination and exercise of arbitrary authority. In such cases it should be insisted that the parties go on making deposits at the enhanced rate, subject to adjustment on the disposal of their representations by the Chairman.

7.87 The Committee have in this Report, dealt with only a few cases of irregularities in the matter of settlement of cases relating to unauthorised occupation of Port Trust lands by private parties. All these cases appear to be unsatisfactory. The Committee apprehend that there are many other cases with similar irregularities. The Committee recommend that an Inquiry Committee consisting of three Senior Officers, one from the Bombay Port Trust,

cluding ports one from Ministry of Shipping and Transport and one from the Ministry of Law may be appointed to examine the working of the Estate Department of the Bombay Port Trust and suggest measures for bringing about improvements therein.

1.11. The Ministry of Shipping and Transport have, in their Action Taken Note dated 29 November, 1979, stated:

"The above three recommendations and/or conclusions are being dealt with together as they aim at improving and streamlining the functioning of the Estate Department of the Bombay Port Trust.

On reading recommendation No. 41 in entirety, it appears that Public Accounts Committee have recommended constitution of a Committee of three senior officers to examine the working of the Estate Department of the Bombay Port Trust with a view to find out whether there are other cases which involve irregularities of the kind pointed out by the Public Accounts Committee in cases examined by it in its report, and further on the basis of such scrutiny, suggest measures for improving the functioning of the Estate Department. On this basis, a Committee of three officers, i.e. (i) Joint Secretary and Legal Adviser, Ministry of Law's Branch Secretariat, Bombay; (ii) Director (Dev.), Ministry of Shipping and Transport; and (iii) Deputy Chairman, Bombay Port Trust, Bombay, has been constituted. This Committee would examine other cases under the Estate Department and on the basis of its findings, suggest steps aimed at improving the functioning of the Estate Department.

It should be added that the Bombay Port Trust, for bringing about the desired improvement in the Estate Department, have requested the Administrative Staff College of India, Hyderabad, to undertake a detailed investigation into the working of the Estate Department, its set up, documentation, lease deeds and other allied matters. The Administrative Staff College of India have agreed to undertake the study and they will require six months to complete it. Corrective measures would be implemented by the Bombay Port Trust on the basis of the recommendations made as a result of this professional study. It is likely that some of the recommendations:

made by the Administrative Staff College of India may raise issues that would require legal examination, such recommendations would be duly examined in consultation with the Ministry of Law before taking action on them.

In regard to the defaulted dues, it has been explained by the BPT authorities that the primary consideration guiding them has been to effect the recovery of the dues by persuasion or by grant of instalments on time. In this regard, it will be appreciated that it is far more desirable for the Port Trust, which is a public body, to try to recover its dues by granting adequate instalments to the defaulter for payment of the dues rather than instituting legal action for recovery after the cause of action has arisen. The number of such legal cases, if instituted, would be large and the litigation process is protracted. In any case, it is well known that it is extremely difficult in actual practice to dislodge a person in possession. The representations received from various parties are considered by the competent authority with reference to the circumstances in which the default has taken place and other relevant considerations. If this aspect is kept in view, it would be appreciated that it will be difficult to lay down any rigid norms in regard to disposal of such representations—this is so since the facts and circumstances of each case differ. Such discrimination to grant time for paying the dues is available to officers in other organisations, like Collector or the Assistant Collector of the Revenue Department of the State Governments. Besides, it has been represented by the Port Trust Authorities that in such cases, the parties are not willing to pay the rentals at the enhanced rates, and in view of this, such a party would naturally not abide by the stipulation that he should pay the rental at the enhanced rate pending the decision on his representation directed against the enhanced rent.

It needs to be emphasised that many difficulties and deficiencies in the functioning of the Estate Department have been experienced on account of the Port Trust not being in a position to evict the unauthorised occupants on its lands or persons becoming, as a result of their action, unauthorised occupants though initially they got land

with the permission of the competent authority. This position would change after the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 is amended to include lands and properties of the Port Trust in the definition of the expression "Public Premises". As desired by the PAC, action to amend this Act is being taken by the Ministry of Works and Housing."

1.12. In a later reply dated 6 May 1981, the Ministry of Shipping and Transport have informed the Committee that the Report of the Administrative Staff College, Hyderabad on the working of the Estate Department of the Bombay Port Trust is already in the hands of the Port Trust authorities and full use of this report would be made in streamlining the procedure of the Estate Department.

1.13. The Committee of Officers consisting of (i) Joint Secretary and Legal Adviser, Ministry of Law's Branch Secretariat, Bombay, (ii) Director (Development) Ministry of Shipping and Transport and (iii) Deputy Chairman, Bombay Port Trust which was appointed in December, 1979 to scrutinise cases involving grant of land of Bombay Port Trust to different parties and to suggest measures for bringing about improvements in the working of the Estate Department, submitted its interim report in April, 1981.

1.14. The Committee note that as per their recommendation the Ministry of Shipping and Transport have in December, 1979 constituted a Committee of 3 Officers consisting of Joint Secretary and Legal Adviser, Ministry of Law's Branch Secretariat, Bombay; Director (Development), Ministry of Shipping and Transport and Deputy Chairman, Bombay Port Trust, Bombay. The Committee of Officers is to examine cases of irregularities in the matter of settlement of cases of unauthorised occupation of Port Trust land by private parties and on the basis of its findings suggest steps aimed at improving the functioning of the Estate Department. This Committee of Officers submitted its interim report in April, 1981.

1.15. With a view to bringing about the desired improvements in the Estate Department, the Port Trust had also requested the Administrative Staff College of India, Hyderabad to undertake a detailed study of the working of the Estate Department, its set up, documentation, lease deeds and other allied matters. The Ministry of Shipping and Transport have informed the Committee on 28 February, 1981 that the above report "has since been received by Bombay Port Trust and after its approval by the Board of Trustees,

the recommendations contained therein would be implemented". From the scrutiny of the Report a copy of which has been obtained from the Ministry on 27 March, 1981, it is seen that the Administrative Staff College of India, Hyderabad in their report have made a number of revealing observations about the deficiencies and loopholes in the working of the Estate Department of the Port Trust. Several remedial measures have been suggested in the report to rectify and remove the shortcomings in the Department. The Committee would like to be informed in detail whether suggestions made by the Administrative Staff College of India, Hyderabad and the Committee of Officers have been accepted and implemented.

1.16. As the problems relating to management of Port Trust lands in all major ports will be of similar nature, the Committee would suggest that the recommendations of the Administrative Staff College, Hyderabad and of the Committee of Officers should be made available to all major port trusts so as to enable them to bring about improvements in their systems and procedures. The Ministry of Shipping and Transport should also ensure that necessary remedial measures are taken by all the major port trusts to improve the functioning of their Estate Departments.

CHAPTER II

RECOMMENDATIONS AND OBSERVATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation

It is seen that the number of ship days lost, i.e. days for which ships had to wait for berth in the docks at Bombay was 2882 in 1975-76, 1907 in 1976-77 and 9731 in 1977-78. This is a very alarming situation particularly the one during the year 1977-78. The number of days for which a ship had to wait for berth was upto 30 days for fertiliser cargo and 35 days for general cargo in the year 1977-78. The average detention of a ship was as much as 6.92 days for fertiliser cargo and 4.43 days for general cargo. The Committee are of the view that the Government and the Port Administration should not have allowed such a situation to arise. The Committee strongly feel that with proper coordination with the shipowners, charterers, as also Government departments handling bulk cargo, by fixing proper priority in the matter of allotment of berths and by having an efficient system of handling loading and unloading operations in the docks much of the ship days lost could have been avoided. The Committee would like the Government and the Port Trust authorities to seriously address themselves to this matter and make concerted and coordinated effort to improve the present system so as to reduce ship delays to the minimum and save considerable loss to national economy.

[Sl. No. 1, para 2.35 of Appendix to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The problem of congestion at Bombay Port is not a new phenomenon. This port has to face congestion of varying dimensions for quite a number of years. The Port has been functioning beyond its capacity as would be clear from the following Table:

Year	Capacity including Bundars	(In Million Tonnes) Traffic
1977-78	6.00	7.05
1978-79	6.00	7.63
1979-80 (from 1-4-79 to 31-7-79)	6.00	2.66 (in 4 months)

In the above context it is not possible to avoid completely ship delays.

The port being required to work beyond its capacity it is also apparent from the fact that the berth occupancy at Bombay varied between 76 to 89 per cent during the past several years. While working at such high berth occupancy rates, the port has had no cushion to absorb any disturbances in the normal flow of traffic. Such disturbances occurred in the past as may be seen from the following figures of mandays lost:—

Year	Mandays lost
1970-71	876
1971-72	4168
1972-73	6225
1973-74	25813
1974-75	133040
1975-76	1310
1976-77	2970
1977-78	55964
1978-79	298004

The port has been required to handle on priority basis bulk items like fertilisers and fertiliser raw materials, vegetable oil, cement, steel, etc. The amount of traffic relating to these commodities handled during the past three years is as follows:—

Commodity	Traffic in tonnes		
	1976-77	1977-78	1978-79
1. Fertiliser and Fertiliser raw materials	10,00,386	9,91,192	10,60,461
2. Vegetable oils	2,29,486	8,49,376	6,79,827
3. Cement	2,420	89,557	2,77,245
4. Iron & Steel	2,51,974	2,73,545	5,28,159

In view of the availability of suitable infrastructural facilities the importers/exporters are interested in utilising Bombay Port to the maximum extent. As indicated earlier also with a view to reducing congestion at Bombay Port Government had appointed a Standing Committee on Rationalised distribution of cargo to various ports. This Committee has been planning the port of entry/exit in respect of bulk items of imports and exports on Government account since February 1978. Efforts are being made to make use of Bombay to the minimum possible in respect of routing of bulk items of imports/exports after holding discussions with the concerned Ministries/Depts. and Public Sector Undertakings. Besides above, the various recommendations of Mehta Committee appointed by the Government have been acted upon to reduce congestion at Major Ports.

The magnitude of congestion suffered by the Bombay Port during 1977-78 was very severe but the port worked with a high degree of efficiency as may be observed from the figures given below:—

Number of packages discharged and delivered during the period from 1-4-1975 to 31-8-79

Period	Discharged	Delivered
1-4-75 to 31-3-76	10,477,516	10,562,841
1-4-76 to 31-3-77	7,419,676	7,263,712
1-4-77 to 31-3-78	8,073,804	8,064,162
1-4-78 to 31-3-79	18,777,474	18,402,825
1-4-79 to 31-8-79 (five months)	8,456,110	8,801,662

It may be seen that the trend of traffic at Bombay Port is on high side.

However, as a result of various measures taken by the Government of India and port authorities, the port conditions came back to near normalcy by the end of July, 1979 when no general cargo vessel was waiting for berthing on 25th July, 1979. As a result of this, the congestion surcharge imposed by the Karmahom Conference, which was as high as 50 per cent from 12th February, 1979 to 31st May, 1979, was progressively reduced and it stands at 15 per cent on imports and 10 per cent on exports with effect from 10th August, 1979.

The observations of PAC have been noted and coordinated efforts by all concerned will continue to be made to maintain normalcy to the extent possible at Bombay Port.

[The Ministry of Shipping & Transport O.M. No. PTL-100/79
dated 31st March, 1980]

Recommendation

It was reported by non-official witnesses who gave evidence before the Committee, that often the Cargo handling equipment, such as cranes, forklifts etc. were not in working order and this affected the operations in the docks. Also, some equipments were out-dated. The cranes in the Prince's and Victoria docks were stated to be nearly 80-years old. The Committee would like the Government and Port Trust Authorities to go into the question of modernisation of the equipment so that clearance of cargo is not adversely affected by these factors.

[Sl No. 3 para 2.37 of Appendix VI to the 139th Report of the PAC

(Sixth Lok Sabha)]

Action Taken

In order to facilitate clearance of cargo, the question of modernisation of cargo handling equipment has been reviewed by the Bombay Port Trust authorities in detail after taking into consideration the recommendations made by V. R. Mehta Committee, set up by the Government to study the problems of Bombay Port congestion, and the following equipment is being acquired by the Port on priority basis:—

- (1) 8 mobile tower cranes of 20 tonne capacity.
- (2) 5 Fork-lifts of 35 tonne capacity for handling containers.
- (3) 60 fork-lifts of 3 tonne capacity.
- (4) 10 fork-lifts of 2 tonne capacity.
- (5) 2800 hand-carts.
- (6) 7 weigh-bridges of 30 tonne capacity.

2. Bombay Port has plans for acquisition of Gantry cranes and transtainers for handling and stacking containers in the docks.

[Ministry of Shipping & Transport O.M. No. PW/DCB-68/79
dated 14th December, 1979]

Recommendation

The Committee have learnt that the practice of leaving cargo in the custody of the Port Trust is very common. It has often been noticed that the customers leave the cargo in the transit sheds of the Port Trust and prefer to pay demurrage because they do not themselves have arrangements for keeping such cargo in warehouses and the present arrangement is found by them to be cheaper. This is evidently very unsatisfactory state of affairs. The Committee are of the view that the customers should not be enabled to take undue advantage of the present arrangement at the cost of the Port Trust and add to the problem of congestion in the transit sheds. Government should therefore, examine whether the present rate of demurrage charge should be enhanced so as to act as deterrent to the owners of cargo from resorting to such practices.

[Sl. No. 4 para 2.38 of Appendix VI to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The demurrage charges at Bombay Port have been enhanced with effect from 28th June, 1979.

[Ministry of Shipping & Transport ID No. PGR-78/79 dated
21st January, 1980]

Recommendations

It has also been reported that customs clearance at the Port takes unduly long time resulting in not only congestion in the transit sheds of the Port but also causing considerable inconvenience to the clients besides involving payment of demurrage by the clients for no fault of theirs. The Committee consider that a suitable method should be urgently evolved in consultation with the customs authorities so that no undue delay is caused in clearance of cargo.

[S. No. 5 para 2.39 of Appendix VI to 139th Report of PAC
(6th Lok Sabha)].

Action Taken

The question of reducing delay in clearance of import cargo to the minimum has been considered by the Bombay Port Trust in consultation with the Customs Authorities. Various steps have since been taken to ensure that all avoidable delays are obviated. With this end in view, the Customs have been given suitable places inside

the docks for their offices. Assistant Collectors are now posted in the docks proper and are available to solve the difficulties of the importers on the spot. The Customs have posted two Assistant Collectors so that one officer is available during the day time and the other officer is available in the second shift. In addition, close coordination is maintained at the level of the Addl. Collector and the Collector of Customs in individual cases where consignees, ready and willing to take deliveries, face any problems. As a result of the coordination between the Customs and the Port Trust, new additional areas outside the docks, measuring 11040 sq. metres, have been established for storage of import cargo mainly containers and the Customs have since approved these areas for storage of import/export cargoes. The Customs have also agreed to move containers loaded with import cargo to any place outside the docks provided they are sealed at the time of passing out. This has improved the position in as much as this cargo would have otherwise remained in transit sheds and warehouses in the docks, reducing the available space for receipt of import and export cargo. Meetings with the officers of the Customs and the Port Trust are now a regular feature.

2. The Customs Department, in consultation with the Port Trust, have also taken a number of measures with a view to expediting clearance of imported cargo from the docks. The following measures in particular have since been introduced by the Customs:

- (a) Permission to discharge bulk cargo midstream into barges for subsequent discharge and delivery from P. & V. Docks and/or Bunders.
- (b) Notification of four sheds admeasuring 11040 sq. metres as Customs areas for storage of import cargo and stuffing export cargo.
- (c) Unrestricted movement of containers outside the docks area for storage outside within the Port area.
- (d) Direct delivery of cargo of uniform type, such as edible oil, newsprint, sulphur, rock phosphate, cement, etc.
- (e) Facility for processing the Bills of Entry in advance of the arrival of a vessel is being extended to the importers.
- (f) Release of 90 per cent of large consignments of uniform cargo like fibre etc. in anticipation of test result of the random samples.

(g) Extension of the validity period of the samples from one to two years.

(h) Processing the Bills of Entry without lodgement of manifest.

[Ministry of Shipping and Transport No. PW-PGA-38/79 dt. 21-1-1980].

Recommendation

The Committee find that the number of uncleared/unclaimed goods remaining after sale was 2,29,285 at the end of 1976-77 and this had increased to 4,00,833 at the end of 1977-78. The Committee are greatly perturbed at this heavy accumulation of uncleared packages in the Port Trust premises. The Committee would like the Port Trust authorities to make all out efforts to clear these heavy accumulations. If considered necessary, the procedures relating to sale of unclaimed goods should be simplified.

[S. No. 6 para 2.40 of Appendix VI to 139th Report of PAC (6th Lok Sabha).]

Action Taken

With a view to clearing the accumulation of cargo lying in the transit sheds the following measures have been taken:—

- (i) Number of auctions of uncleared cargoes have been stepped up. Advertisements are being issued through leading newspapers published from six metropolitan cities in various languages. In addition, negotiated sales with the Government Corporations are also being resorted to.
- (ii) Speedy disposal of packages confiscated under S.I.I.B. investigation and adjudication which otherwise remain in the port premises, was taken up by Bombay Port Trust with the Customs with the prime object of ensuring final disposal.
- (iii) The Customs authorities have agreed to synchronise the timings of the working of their office with those of Bombay Port Trust by advancing the commencement of time of working of Customs personnel by half-an-hour in the morning and the lunch hour of the Customs personnel coinciding with that observed by the port.
- (iv) In addition to ensuring that presence of these packages does not cause obstruction to the handling of fresh arri-

vals, packages are being removed from the Docks to the godowns away from the Docks area. Customs too have removed a large number of packages. As a result of these measures, 13,400 sq. metres of space have been released.

- (v) A Trustees' Sub-Committee has been constituted with a view to simplifying the procedures regarding the auction sales to ensure quicker disposal of accumulated packages.

The objections of Audit

It is seen from the table paper of the Trustees meeting of 14-8-1979 that the total No. of packages uncleared as on 14-8-1979 increased to 4,15,417 out of which packages lying uncleared for more than two months was 1,57,309.

[Ministry of Shipping & Transport No. PW-PGA-39/79 dt. 31-1-1980]

Further information furnished by the Ministry of Shipping and Transport, New Delhi

Subject:— Action taken notes on the recommendation contained in the 139th Report of the Public Accounts Committee (1978-79) 6th Lok Sabha on Bombay Port Trust.

The undersigned is directed to refer to Lok Sabha Secretariat O.M. No. 30/3/78/PAC dated 8 May 1980 on the above subject and to say as follows regarding the efforts made by the Bombay Port Trust and this Ministry for the clearance of cargoes accumulated for over two months in the port's warehouses and transit sheds.

General

(i) The Cabinet Committee on Cargo handling and congestion at Bombay Port, in its deliberations on 3 March, 1979, had identified accumulation of packages as one of the causes of congestion and requiring immediate action. In their subsequent meetings held on 15 and 23 March 1979, it was decided that the Port should auction these packages under the powers vested by the Major Port Trust Act 1963.

As a follow up of these decisions, the port was instructed to invoke the powers vested under the Major Port Trust Act and effect disposal of packages by sale by auction. Simultaneously, this Ministry addressed the administrative Ministries in charge of public sector undertakings for issuance of instructions to the public sector units that may buy packages of interest from the Bombay Port Trust at negotiated prices.

The results of the sale by public auction as well as efforts made through public sector undertakings were reviewed regularly. The measures adopted by the Bombay Port Trust have been:—

- (a) wide publicity to the auctions in all the leading newspapers,
- (b) circulation of the sale lists of packages to public sector units and the Railways,
- (c) personal contacts with the public sector units with invitation to inspect the articles before sale by negotiations.

The progress of sale through public auction in recent past is at Annexure I.

One inhibiting factor, which come in way of substantial disposal by public auction, had been the lack of adequate bids to match the fairprice or the reserve value of the articles put up for auction.

Present position

Of late it has been noticed that the sales through public auction is picking up and the Port Trust have sold in the months of July and August and September 1980, 13876 and 108,68,9700 approximately packages respectively against the average of 6,000 packages earlier. This has been due to further intensification of the drive to clear the port trust warehouses and also as a result of the introduction of the revised guidelines, to the Sales Committees issued by the Bombay Port. In the Revised guidelines, the emphasis has been on clearance within a certain period and to sell packages at the highest price through tender after they fail to fetch fair price in two auctions. Besides, goods constituting a 'lot' if valued at Rs. 15,000 or more, are to be disposed of under the revised guidelines through tenders.

As the disposal efforts have to be synchronised with the Customs authorities, the Chairman, BPT holds periodic consultations with the local customs authorities to streamline the procedures so as to facilitate large number of packages being listed for sale. Discussions were held with the Customs at the Ministry's level also on 16 October 1980 to expedite the pace of disposal.

The Bombay Port Trust is continuing the drive for disposal of packages and the full impact of the recent measures like revision of guidelines would take time before they produce full impact.

A comparative table is given below to indicate the fluctuations in packages lying over two months old since 1976-77:—

(in lakhs)

Period	Packages landed	Packages delivered	Total balance at the end of the year	Packages lying for		
				Free period	Under two months	Over two months
1976-77 .	74.1	72.6	4.57	1.25	1.97	1.35
1977-78 .	80.7	80.7	4.67	0.96	1.95	1.75
1978-79 . .	187.7	184.0	8.42	2.26	4.38	1.78
1979-80 . . .	179.8	182.6	5.55	0.99	2.67	1.89

The above table indicates the facts that the BPT has had continuously an accumulation of about one lakh or more packages over two months and that the position regarding total number of packages lying uncleared has somewhat improved during the 1979-80 (although number of uncleared packages lying uncleared above two months had slightly increased). The position has improved further to some extent during current financial year and as on 1-9-80, about 4.46 lakhs packages were lying uncleared break up of which is as under:—

Within free-period	. . . . .	1.57 lakhs
Upto 2 months .	. . . . .	1.44 lakhs
Over 2 months .	. . . . .	1.45 lakhs
TOTAL		4.46 lakhs

[The Ministry of Shipping and Transport O.M. No. PG A-39/79 dated 13-11-1980]

ANNEXURE I

Year	Special Sales	Total No. of including auction	No. of packets sold	Amount realised (in lakhs)
1976-77 .	8	60	12450	393.00
1977-78 .	6	58	57077	172.54
1978-79 . . .	9	61	115603	178.50
1979-80	12	64	51717	370.76

Recommendation

An inter-ministerial meeting was held on 24-3-1979 to discuss the recommendations of the Committee (Mehta Committee) to study the problems of Bombay Port congestion to divert some quantities of bulk cargo from Bombay to other ports. At this meeting certain arrangements were envisaged whereunder some quantities of finished fertilisers, fertiliser raw materials, edible oils, imported cement; foodgrains and steel would be diverted from Bombay to other ports. The Committee are of the opinion that the problem of congestion at the Bombay Port is not a new development and the question of diversion of bulk cargo, especially that on Government account, should have been thought of long back. It seems to the Committee that until recently no coordinated effort involving the concerned Ministries and Departments of the Government was made and matters were allowed to drift. The Committee would like to be informed how far the decisions taken in this regard have been implemented.

[Sl. No. 7 para 2.41 of Appendix to 139th Report of PAC
(6th Lok Sabha)].

Action Taken

It is true that the problem of congestion at Bombay Port is not a new development. The Port had been faced with increasing loss of shipdays for last several years but the problem became acute in November/December 1977. The factors contributing to this phenomena were sudden rise in import of bulk commodities, the falling standards in labour productivity, lack of clearance of facilities from ports, and the fact that the Port had no spare capacity to absorb the increases in in-coming traffic. Therefore, to coordinate the import/export requirements, a Standing Committee was constituted in February 1978, comprising the user ministries, under the Chairmanship of Joint Secretary of this Ministry. The 'Standing Committee on Rationalised Distribution of Cargo' was to act as a Clearing House for planning of imports/exports through Major Ports (where the quantity exceeds one lakh tonnes). The constitution and terms of reference of the Committee are attached at Annexure I. This Committee plans in advance the port of entry/exit for the bulk cargo quantities in order to relieve the pressure at Bombay by diverting the cargoes. The Committee has been holding its meetings regularly and continues to operate under the terms of its reference. The scheme of diversion of cargo from Bombay Port was, therefore, well under way as one of the interim measures.

2. However, the problem of congestion in Bombay, considered in its total implications required a more lasting solution. It has been the view of this Ministry that a three tier solution to meet the problem of congestion at Bombay consisting of the following measures needs to be devised:

- (i) Long-term measures
- (ii) Medium-term measures
- (iii) Short-term measures

3. As for the long-term measures, the need for a Satellite Port has been long since felt and after various studies the site at Nhava Sheva had been chosen. A 40 per cent increase in the arrival of ships in Bombay over the past years underscores the point that long-term solution to the congestion in Bombay Port lies in the provision of alternative facilities at Nhava Sheva. The Ministry is trying its best to have this project sanctioned. This will depend on other priority and financial constraints.

4. Among the medium-term measures capable of being implemented over a period of 2—4 years, apart from the device of diverting cargoes to other ports, Bombay Port Trust are going in for containerisation equipment. The acquisition of this equipment is planned for 1980-81, although, as an immediate measure, the Port has entered into an agreement with a foreign firm for handling containers. To examine the full import of medium-term measures, in August 1978 an Inter-Ministerial Committee was appointed to study the problems of Bombay Port congestion and recommend diversion of cargo to other ports under the Chairmanship of Shri V. R. Mehta. The constitution of the Committee was so arranged as to include the user ministries, the Customs, Railways and Planning Commission etc. The Committee submitted a comprehensive report in December 1978. The Committee recommended diversion of cargo, acquisition of handling equipment and identified the problems which needed to be looked into by various Ministries. The Report has been generally accepted and implementation of the recommendations initiated.

5. The quantities of cargoes to be diverted were formalised at an Inter-ministerial meeting on 24-3-79 (enclosed for reference at Annexure II). The Ports of Tuticorin, Mormugao and New Mangalore are now handling increased quantities of bulk fertilizers. As

would be seen from the following table, more cement is being handled now at Kandla, Calcutta, Madras, Goa and similarly greater quantities of edible oils is being handled at Calcutta and Visakhapatnam.

Fertilizers

Mangalore		Goa		Tuticorin	
78-79	79-80	78-79	79-80	78-79	79-80
0.93	1.08	0.45	0.62	0.50	0.66

Cement

Madras		Calcutta		Kandla		Goa	
78-79	79-80	78-79	79-80	78-79	79-80	78-79	79-80
1.66	1.81	0.25	0.75	0.53	0.96	0.26	0.32

Edible Oils

Calcutta		Vizag	
78-79	79-80	78-79	79-80
0.69	0.85	0.24	0.34

(The above figures are in lakh tonnes, and relate to period from April to October).

6. It is relevant to mention that there has been considerable loss of mandays since April, 1977 and this has adversely affected the continuity and efficiency of port operations. This was sought to be tackled through short-term measures, like examining the possibility of commissioning the semi-mechanised facility for handling fertilizers or finding a solution to the labour not reporting in time at the call stands. Efforts were initiated to resolve these issues but on account of attitude taken by the Unions the efforts have not been successful.

7. Nevertheless, in spite of tight constraints and adverse operating conditions in view of the action taken right from February 1978 to relieve pressure at Bombay, more effective utilisation of limited port capacities at other ports became possible. Currently also the accent continues to be on the acquisition of cargo handling equipments and efforts are being made to raise labour productivity.

[The Ministry of Shipping and Transport O.M. No. PTL-100/79
dt. 31-3-1980]

ANNEXURE I

Government of India

Ministry of Shipping & Transport

(Transport Wing)

No. PTO-1/78.

TRANSPORT BHAVAN

NEW DELHI, the 21st February, 1978

OFFICE MEMORANDUM

SUBJECT:—Rationalised distribution of imports/export cargoes to Major Ports in India—Planning the port of entry in consultation with the Clearing House set up in the Ministry of Shipping and Transport.

The undersigned is directed to say that the problem of steep decline in traffic in certain major ports in India and congestion at some other ports like Bombay and Cochin has been engaging the attention of this Ministry for some time past. This problem has arisen largely on account of importing/exporting of large quantities of cargo without spacing out the cargo throughout the whole year and planning the port of entry without prior consultation with this Ministry.

2. The question of rationalised and equitable distribution of bulk cargo between different ports was discussed in the meeting of Shipping interests, Ministries/Departments of Government of India and Port Chairmen called by Minister of Shipping and Transport on 9-2-78. It was recognised by all that imports//exports should be assessed and anticipated well in advance so that this could be properly spaced out during the whole year and port of entry could be planned taking into account the existing facilities at each of the ports. For achieving this end, it was decided to constitute a Standing Committee in the Ministry of Shipping and Transport to act as a Clearing House for planning all imports|exports through major ports where the quantity exceeds one lakh tonnes. The Standing Committee would consist of the following:—

1. Joint Secretary (Ports),
Ministry of Shipping and Transport as Chairman.
2. Chief Controller of Chartering,
Ministry of Shipping and Transport.
3. Representatives of the concerned Ministry.

4. Representative of the Railway Ministry.

5. One representative each from the Shipping Corporation of India and Indian National Shipowners Association.

3. Ministry of Commerce etc. are requested to note the appointment of this Committee. They are requested to ensure that whenever imports/exports of cargoes in bulk quantities exceeding 1 lakh tonnes, are contemplated, these are intimated to the Joint Secretary (Ports), Ministry of Shipping and Transport for advance planning of ports of entry/exit. Details as follows should be furnished:—

- (i) Total quantity and the period during which this quantity will be shipped from/arrived at Indian Ports.
 - (ii) the monthly break-up of quantity.
 - (iii) origin/destination in overseas countries;
 - (iv) destination/origin within India;
 - (v) special facilities of equipment and/or storage required at the ports.
 - (vi) contemplated method of clearance from/to the ports to/from the inland destinations i.e. by road or by rail or by barge etc.
 - (vii) recommended ports for entry/exit of goods to/from India.
- Please acknowledge receipt.

Sd./- S. P. JAIN

Deputy Secretary to the Govt. of India.

To

All Ministries|Department of the Govt. of India

(with 3 spare copies each).

ANNEXURE II

NOTE ON DIVERSION OF BULK CARGO FROM BOMBAY TO OTHER PORTS

An inter-Ministerial meeting was convened on 24-3-1979 by the Transport Secretary to discuss the recommendation of Mehta Committee regarding diversion of bulk cargoes from Bombay Port to reduce the congestion there. The following arrangements are envisaged.

Finished fertiliser

Mehta Committee have recommended that the following quantities should be handled at Bombay. The quantities to be diverted to other major ports have also been indicated.

	In lakhs tonnes
Bombay	8.00
Mormugao	1.60
New Mangalore	2.00
Cochin	1.50
New Tuticorin	1.50
Madras	7.00
Vizag.	7.00
Paradip	1.00
Haldia	1.50
Calcutta	7.50 to 10.00
*Kandla	9.00 to 10.00
TOTAL	47.60 to 51.00

(Not covered by Mehta Committee's report but figures on the basis of the past performance there)

The above mentioned quantities for Bombay and diversion to other ports were accepted. However, some of the points made at the meeting were—

FCI were of the view that the quantities allotted at Bombay with earmarking of 3 berths were on the assumption that normalcy will prevail and a daily ship unloading and clearance of 1000 to 1200 tonnes per day per berth would be achieved against the present daily rate of 600—700 tonnes. BPT authorities confirmed that this average rate can be achieved if normal labour productivity conditions prevailed and a matching rate of clearance was maintained.

- (ii) The commissioning of semi-mechanised fertiliser plant at Bombay will provide additional fertiliser handling capacity of the berth No. 14A.

(iii) Rail movement of fertilisers from southern ports to North India via Ballarshah will be within 100—125 B.G. wagons daily.

(iv) Road movement will be organised for destination within 500 kms. of ports.

2. Fertiliser Raw materials

Mehta Committee have recommended/mentioned the following allotment to Bombay and for diversion to other ports.

Bombay	3.5 to 4 lakh tonnes
Cochin	4 to 7 lakh tonnes
Madras	2 lakh tonnes
Vizag.	4.10 lakh tonnes

Above distribution and recommendation about diversion of 50,000 tonnes for Kumari's factory from Bombay to Vizag. were accepted.

3. Edible oils

Mehta Committee have recommended the following allotment to Bombay and for diversion to other ports.

	In lakh tonnes
Bombay	6.00
Madras	0.50
Vizag.	0.50
Calcutta/Haldia	2.00
@ Kandla	3.00
TOTAL	12.00

(@Not covered by Mehta Committee report but on the basis of past performance).

These were accepted.

It was also agreed that STC will provide rake loading facilities at Buj Buj (Calcutta) and move quantities from Madras and Vizag. by road.

4. Imported cement

Mehta Committee have recommended the following quantities for Bombay Port and for diversion to other ports—

	(In lakh tonnes)	
Bombay .	5.00	
Mormugao .	1.00	(Road clearance)
New Mangalore .	1.00	Do.
Cochin . .	3.00	Do.
New Tuticorin	..	
Madras .	2.00	Do.
Vizag. .	3.00	Do.
Paradip	1.00	Do.
Haldia .	1.50	Do.
Calcutta . . .	3.50	Excluding coastal movement of indigenous cement.
£ Kandla . . .	1.00	lakh tonnes
TOTAL .	22.00	lakh tonnes

(£Not mentioned in Mehta Committee Report).

Ministry of Industrial development wanted an allocation of 9 lakh tonnes at Bombay in view of higher imports in the current year. It was pointed out that the Ministry of Industrial Development did not provide any data to the Mehta Committee inspite of being requested to do so. BPT authorities, however, pointed out that in view of the present position at the port they cannot handle even the full quantity recommended by Mehta Committee report and it has to be scaled down to 2.50 lakh tonnes.

It was agreed that in order to utilise the capacity at Calcutta fully ships for that port should be planned (i) for lightening at Vizag. and Haldia and (ii) in sizes and drafts suitable to negotiate the river Hooghly upto Calcutta. STC and Transcharter will make arrangements accordingly.

It was pointed out that the quantity recommended by Mehta Committee for Haldia will have to be reduced to 0.5 lakh tonnes as one berth, in a post Mehta Committee report development, has been reserved for coking coal imports.

5. Foodgrains

Mehta Committee have recommended the following quantities for diversion to other ports.

	In lakh tonnes
Madras	3.00 to 4.00
Vizag	3.00
*Kandla	3.00
**New Tuticorin	1.00
TOTAL	10.00 to 11.00

*Not mentioned in Mehta Committee report.

**Mehta Committee recommended that some extra quantities of foodgrains could be exported through New Tuticorin without indicating the quantities.

Department of Food indicated that they necessarily need a capacity of 4 lakh tonnes annually (immediate 1.65 lakh tonnes) at Bombay for export of wheat from Port's hinterland. It was indicated that no capacity is available at Bombay Port for this cargo with earmarking of three berths for finished fertilisers and Deptt. of Food could consider exporting this quantity from Calcutta. Railways representative indicated that there would be no difficulty in moving wheat from Northern States to Calcutta for this purpose.

6. Sugar

It was agreed that around 50,000 tonnes to 1 lakh tonnes of Sugar should be handled at Bombay as general cargo. The Deptt. of Food, however, said that the quantity that they would require to handle at Bombay would be 2.50 lakh tonnes since sugar produced in Maharashtra is cheaper and more competitive in the international market than sugar produced elsewhere. It was stated on behalf of the Ministry of Shipping and Transport that this would not be possible without putting a serious constraint on the Port's capacity leading to further congestion.

It was agreed that 50,000 tonnes of sugar would be handled at Haldia (Mehta Committee had envisaged handling of 1 lakh tonnes at Haldia) but this will no longer be possible with the handling of coking coal at the Port, which is a post Mehta Committee development. It was also agreed that Mormugao will be able to handle 0.8 lakh tonnes, Vizag 2.4 lakh tonnes, Madras 1.3 lakh tonnes and Kandla 1.5 lakh tonnes of sugar per annum.

7. *Steel*

It was agreed that 7.50 lakh tonnes of steel would be handled at Bombay as part of general cargo. No berth would, however, be kept reserved.

3. Ministry of Commerce indicated that in case the rate of discharge for handling bulk commodities is slow due to various reasons, the availability of General cargo berths should not be curtailed. This was agreed to.

4. A statement placed below gives port-wise/commodity wise details.

Division of Bulk Cargo through Ports recommended/mentioned in the Mehta Committee Report

(In lakh tonnes)

Commodities	Bombay	Calcutta/ Haldia	Kandla	Vizag.	Cochin	Madras	Mormu- gao	New Mangalore	New Futicorin	Paradip	
1	2	3	4(E)	5	6	7	8	9	10	11	
Fertiliser (Finished)	.	8.00	7.5 to 10.00/1.5	9.00 to 10.00	7.00	1.50	7.00	1.60	2.00	1.50	1.00
Fertiliser (Raw-materials)	3.5 to 4.0	.	.	4.10 (A)	4.00 to 7.0	2.00 (A)	..	..	..	..
Edible Oil	6.00 (G)	2.00 (D)	3.00	0.50 (A)	.. (A)	0.50 (A)	.. (A)	.. (A)	..	..
Cement (Imported)	5.0	3.50/1.50 (H)	1.00	3.00	3.00	2.00	1.00	1.00	..	1.00	
Foodgrains	Nil (I)	3.00 (K)	3.00	3.00 (C)	3.00 to 4.00	3.00 to 4.00	..	..	1.00*	..
Sugar	(B) 0.50 (J) to 1.0 (F)	1.00 (D) (Haldia)	1.50	2.40	..	1.30 (B _J)	0.80	..	..	..
Steel	7.50(B) (F)	..	..	..	..	..	..	..	..	..

(A) To be cleared by Road.

(B) Mehta Committee had not specified the quantity. The quantity was decided during the meeting.

- (C) Mehta Committee mentioned 2000 T/month.
- (D) Due to the post Mehta Committee development of import of coking coal, now this will stand reduced to 0.50 lakh tonnes.
- (E) Mehta Committee did not cover Kandla.
- (F) To be handled as part of General cargo.
- (G) More than 2.50 lakh tonnes will be at the expense of other cargo.
- (H) In addition there will be coastal movement of indigenous cement.
- (I) Need is to export 1.65 lakh tonnes immediately and 4.00 lakh Tonnes annually.
- (I) Quantities required to be handled is 2.50 lakh tonnes.
- (K) CPT and Rlys. can handle this quantity Deptt. of Food has to agree.

Recommendation

The Committee find that in May 1971 the Ministry of Shipping and Transport again approached the Ministry of Works & Housing requesting that the Port Trusts premises be included in the definition of public premises in the Public Premises (Eviction) Act. The Ministry of Shipping and Transport also sent several reminders during 1971 and 1972 but the Ministry of Works and Housing did not acknowledge any of these communications nor did they send any reply to the Ministry of Shipping and Transport. The Committee deplore this inaction on the part of the Ministry of Works & Housing and would like to be informed why the Ministry of Works & Housing did not observe the basic office procedure of acknowledging and sending replies to communications received in the Ministry.

S. No. 13 (Para 5.17) of the 139th Report of the P.A.C. (6th Lok Sabha)1.

Action Taken

The Committee's observations have been noted for guidance and suitable instructions have been issued to avoid recurrence of such procedural lapses in future.

[The Ministry of Works & Housing O.M. No. G-25015/3/79—81—dated 7-1-1980].

Recommendation

The Committee note that there are heavy outstandings against certain departments under the Ministry of Defence and also against some Government Undertakings. The outstanding against the Ministry of Defence as on 30 September, 1978 alone were over Rs. 76 lakhs. Though the matter had been neglected for a very long time, the Committee appreciate the recent steps initiated by the Ministry of Shipping and Transport to have these outstanding settled through arbitration. The Committee expect that now expeditious steps would be taken in the arbitration proceedings and the Committee apprised of the outcome thereof.

[Sl. No. 15 para 6.5 of Appendix to 139th Report of PAC (6th Lok Sabha)1.

Action Taken

Government of India have appointed Shri V. N. Lokur, retired Jt. Secretary to the Government of India and Legal Adviser to the Ministry of Law, Justice and Company Affairs as Sole Arbitrator to settle the dispute between the Bombay Port Trust and the Ministry of Defence. The Port Trust Advocates have filed on 26-7-1979 the Port Trust's statement of claim with the Arbitrator. Time for making the award of arbitration has been extended up to 31-12-1979. Necessary instructions have been issued to the Bombay Port Trust to settle these outstanding dues expeditiously by pursuing the matter vigorously.

[The Ministry of Shipping & Transport O.M. No. PTL-100/79 dated 31-3-1980].

Recommendation

The Committee are disturbed to observe that as on 30-9-78 the outstanding against private parties amounted to Rs. 259.28 lakhs. Asked to state the action taken to realise the outstandings, the Port Trust have offered only vague remarks like, "legal actions being taken", "matter is being examined", "suits are being filed" etc. The Committee were not satisfied with these vague and evasive replies and decided to go further into the details of some of these cases to ascertain what the real position was. The Committee have in the later part of this Report made their observations and recommendations on a few selected cases examined by them. At this stage, the Committee cannot but deprecate the tendency on the part of the Bombay Port Trust Authorities to furnish vague replies as mentioned above to the Committee. They expect that in future the Port Trust would ensure that in such cases the replies furnished to the Committee are clear and complete.

[Sl. No. 16 para 6.7 of Appendix to 139th Report of PAC (6th Lok Sabha)]

Action Taken

The observations of the Public Accounts Committee have been noted.

2. The Bombay Port Trust authorities are being advised that henceforth replies should give complete details. (The B. P. T. authorities have indicated, however, that there was no intention of giving evasive or vague replies).

[The Ministry of Shipping & Transport O.M. No. PTL-100/79 dated 31-3-1980].

Recommendation

The Committee note that M/s. Western India Oil Distributing Co. Ltd. were allotted a plot of land in the Bombay Port Trust Estate on a 50 year lease commencing from 27-4-1932. On 25-2-1975, the Port Trust authorities observed that there was sub-letting by the firm without prior permission, which constituted breach of lease terms. In the circumstances fresh negotiations commenced for novation of the lease agreement. On 19-8-1975, the Port Trust authorities offered to the firm the revised terms and conditions, including payment of additional rent and a penalty. The firm disputed the payment of additional rent and a Notice dated 15-3-1976 was served on the firm calling upon them to clear the arrears as also to remove the subletting. Even after this the Port Trust authorities accepted their payments, i.e. Rs. 1.25 lakhs on 2-4-1976, Rs. 1.00 lakhs on 14-7-1977 and Rs. 2.00 lakhs on 1-8-1978. Besides, the Port Trust have been accepting the rent at the rate of old lease of Rs. 1875/- per mensem regularly. As regards the advisability of accepting "compensation" in lieu of rent after expiry of notice served on a party, the Port Trust authorities have placed reliance on an advice given by M/s. Mulla & Mulla and Craigie and Caroe, Port Trust Solicitors in 1955 that the Port Trust should not accept any amount offered as rent after the expiry of the notice to quit and unless the tenant agrees in writing to pay the same as "compensation" for use and occupation. It is significant that the Port Trust authorities unilaterally decided that the money they were accepting was a compensation and there is no evidence that the tenant anywhere agreed in writing to that effect. Further in the instant case of M/s. Western India Oil Distribution Co. Ltd., M/s. Patel & Cama, Port Trust Advocates have opined that: (1) No amount should be accepted towards rent or compensation between the date of forfeiture and the date of declaration of plaints; and (2) there is no objection to accept the payment if tendered as rent/compensation in the pending suit cases. During evidence, the Legal Adviser of the Bombay Port Trust stated that the issue was controversial and different High Courts had different views. The Committee would suggest that besides the legal steps already being taken in this particular case, the matter relating to acceptance of compensation may also be got fully examined, in consultation with the Ministry of Law.

[Sl. No. 17 para 7.27 of Appendix to 139th Report of PAC (6th Lok Sabha)].

The Ministry of Law have been consulted. A copy of the opinion recorded by them is enclosed as Annexure.

2. They have opined that the acceptance of rent tendered by M/s. Western India Oil Distributing Co. Ltd., after the issue of notice of forfeiture, by the Bombay Port Trust, amounted to waiver of notice of forfeiture which had been issued earlier. Thus the Bombay Port Trust had correctly given a fresh notice of forfeiture before filing a suit for arrears and eviction.

3. Further, the Ministry of Law have advised that there is no legal objection to the Port Trust demanding certain amount as "compensation" (as distinguished from rent) in the notice of forfeiture or notice calling upon the party to quit the premises after the expiry of the period specified in the notice. With reference to such a demand for payment of 'compensation', if the party agrees to pay the amount as 'compensation' and makes the payment as such, the Port Trust could accept such payment. The fact of such payment been made (as 'compensation' amount) will not affect adversely the right of the Port Trust to institute eviction proceedings against the party. The acceptance of such payment on behalf of the Port Trust should be done through a proper receipt, the text of which has been suggested as follows:—

"Received from Shri————Rs.———— only as compensation and/or as mesne profits for wrongful use and occupation entirely without prejudice to the notice to quit dated———— and which notice is not waived by such acceptance and this receipt of compensation/mesne profits should not be regarded as an assent on the part of the Board of the Trustees of the Port of Bombay to your continuing in possession of the premises."

3. The Ministry of Law have approved the words, suggested by the Legal Adviser of the Bombay Port Trust, to be used in the forms of bills to be sent to the parties in such cases. These are:—

"This bill is presented towards compensation/mesne profits for wrongful use and occupation of the premises mentioned herein, without prejudice to the notice to quit bearing No.—— dated—— already served upon you and presentation of this bill should not be regarded as an assent of the Board of Trustees of the Port of Bombay to your continuing in possession of the premises and will not be treated as a waiver of the notice to quit already served."

The advice given by the Ministry of Law would be followed by the Bombay Port Trust.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-80]

ANNEXURE

Ministry of Law, Justice and Company Affairs (Department of Legal Affairs) Advice (A) Section

The PAC's objection at Annexure 'A' raises two issues:

- (i) whether the amount paid by M/s. Western India Oil Distributing Co. Ltd. as deposit towards arrears of rent and acceptance of the same by the Bombay Port Trust would amount to a waiver U/s 116 of the Transfer of Property Act; and
- (ii) whether the acceptance of the amount as compensation after the notice of forfeiture was given under an agreement would keep the right of the lessor alive.

2. U/s 116 of the Transfer of Property Act, after the notice of forfeiture if the rent or any part thereof is accepted by the lessor as rent it would amount to a waiver unless there is an agreement that the amount is paid without prejudice to the right of the lessor. In view thereof, since the amount was received as deposit towards additional rent from M/s. Western Indian Oil Distributing Co. Ltd., and not an amount under agreement, it would amount to a waiver. In view thereof, the Bombay Port Trust has correctly given a fresh notice before filing a suit for eviction.

3. As regards the advisability of accepting the compensation in lieu of rent after expiry of the notice period, there may be no legal objection if in the notice of forfeiture or in the notice to quit, a demand is made for compensation after the date of notice to quit at a certain rate and the lessee agrees to make payment of such compensation, the same may be received against a receipt on the lines contained in the note of Shri K. R. Dixit on p. 4 or on similar lines. This would reserve the right of the lessor to initiate eviction proceedings against the lessee. The above stand may be taken in view of the expression "in the absence of an agreement to the contrary" appearing in section 116 of the Transfer of Property Act. In that case it may be contended that the right of the lessor to receive such compensation was without prejudice to his right to initiate eviction proceedings for a wrongful use of premises under lease.

4. It appears that in certain cases the Bombay Port Trust is unilaterally treating the amount paid by the lessee as compensation for wrongful use and occupation. In the absence of any agreement,

that amount would impliedly be treated as the amount towards payment of rent.

Sd/- S. K. Bahadur,
Jt. Secy. & Legal Adviser

28-11-79

[The Ministry of Shipping and Transport, Ministry of Law,
Justice & Company Affairs (Deptt. of Legal Affairs) UN No.
16402/79 Adv.(A) dated 28/11]

Recommendation

The Committee note that the Estate Manager failed to inform the legal Adviser about the amount of Rs. 50,000/- accepted by the Port Trust as deposit while the eviction notice was pending. As the Legal Adviser and the Port Trust Advocates were processing the case for filing a suit, the Committee see no reason why this very material information regarding acceptance of Rs. 50,000/- as deposit by the Port Trust authorities was not communicated to the Legal Adviser at the time of informing him about receipt of Rs. 75,000/- as 'compensation'. This omission on the part of the Estate Department is deplorable.

[Sl. No. 18 Para 7.28 of Appendix to 139th Report of PAC
.. (6th Lok Sabha)].

Action Taken

The Committee's observation has been noted.

[The Ministry of Shipping & Transport O.M. No. PTL-130/79
.. dated 31-3-1980]

Recommendation

The Port Trust Advocates dealing with this case have advised that there was no provision in the lease document for revision of rent. Hence a suit for recovery of rent or rejection was not likely to succeed. The Advocates have advised settlement with the party. On the other hand, the Port Trusts case is that there was sub-letting in the plot of land under occupation of the party and therefore it was a breach of lease terms which could entitle the Port Trust authorities to charge additional rent and to impose penalty. The arrears due from the party up to 28-2-79 have amounted to Rs. 7.83 lakhs. So far, no suit has been filed in this case. As the

dispute has been pending for about four years, the Committee would like the Port Trust authorities to have the matter finalised without further delay.

[Sl. No. 20 para 7.30 of Appendix to 139th Report of PAC (6th Lok Sabha)]

Action Taken

A suit bearing the small causes Court Suit No. 254/367 of 1979 for eviction and recovery of arrears has been filed by the Bombay Port Trust on 24-7-1979.

[Ministry of Shipping and Transport O.M. No. PTI-1100/79 dated 31-3-1980].

Recommendation

The Committee note that lease in respect of the plot of land assigned in favour of M/s. Vegetable Vitamin Foods Co. (Pvt.) Ltd., expired on 16-8-1976. It is regrettable that no action was taken by the Port Trust authorities for renewal or termination of the lease before the date of the expiry of the lease.

[Sl. No. 21, para 7.36 of Appendix to 139th Report of PAC (6th Lok Sabha)]

Action Taken

The observation of the Committee has been noted.

2. The Chairman, Bombay Port Trust has been advised that the final decision of the competent authority in such cases should be obtained and duly communicated to the party well in advance of the date of expiry of lease.

[Ministry of Shipping and Transport O.M. No. PTL-100/79 dated 31-3-1980].

Recommendation

Although a belated action was initiated on 13-9-1976, i.e. after the expiry of the lease, by sending the proposal for renewal of the lease to the Secretary, Bombay Port Trust, the Board of Trustees sanctioned the proposal on 11-10-1977, i.e. 14 months after the lease had expired and the party was still continuing to be there. The Committee deprecate this inordinate delay in taking a decision on

this proposal especially when it was known that the lease had expired and the least that could be done at that stage was to take an immediate decision.

[Sl. No. 22, para 7.37 of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The observations of the Committee have been noted.

2. It may be added that, as recommended by the PAC in para 7.41 of the Report, an enquiry to investigate this case is being made.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31-3-1980].

Recommendation

The matter did not end at that. Even after the Board sanctioned the proposal on 11-10-1977, the Estate Department proceeded leisurely and took another 4 months in communicating the revised terms and conditions to the lessee. This is highly regrettable.

[Sl. No. 23, para 7.38 of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The observations made by the Committee have been noted.

The Bombay Port Trust are being advised to dispose of matters expeditiously so as to avoid delays.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31-3-1980].

Recommendation

The Committee was informed that the lessee has represented to the Board of Trustees for reduction in the proposed rent but the Board has not taken a decision as yet. It is understood that the claim of the Port Trust will get time-barred from August, 1979.

[Sl. No. 24, para 7.39 of Appendix 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The Committee's observations have been noted.

2. It may be added that the Bombay Port Trust authorities have reported that as per the legal opinion, the Trust is not entitled to claim the revised rent until the lessee agrees to pay the revised rent. As such, if a suit is filed for arrears of the revised rent, the Court is likely to decree only the contractual rent, and not the revised rent. It has also been reported that the lessee has been paying the rent at the contractual rate.

3. We should like to add further that as recommended by the Committee in para 7.41 of its report, an enquiry is being made to investigate this case.

[Ministry of Shipping & Transport O.M. No. PTL-100/79
dt. 31-3-1980]

Recommendation

The Committee are informed that on 22-3-1979, the Estate Department has sent the papers to the Legal Department for drafting notice to quit. It is significant that the urgency of the matter was felt by the Port Trust only after the Committee took note of these cases and asked for further information before calling the officials of the Port Trust to give evidence.

[Sl. No. 25, para 7.40 of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The observations made by the Committee have been noted.

2. It may be added that as recommended by the Committee in para 7.41 of its Report, an enquiry is being made to investigate this case.

[Ministry of Shipping and Transport O.M. No. PTL-100/
79 dt. 31-3-1980]

Recommendations

During evidence taken by the Committee on 17th March, 1979, the Estate Manager, Bombay Port Trust had informed the Committee that in the standard lease form used in the office of the Bombay Port Trust, no mention was made about the period after

which action can be initiated in the case of default. Even when the Committee pointed out that the lease documents contain a specific period (usually expressed in months) in the clause relating to right of re-entry, the Estate Manager insisted that "Specific months are not given; the period is not given". Later, on 27th March, 1979 a letter of regret was received from the Estate Manager through the Ministry of Shipping and Transport saying: "As the documents were not readily available, the above information was given from memory only and which on going through the office documents is found to be incorrect for which I am sorry. I have, therefore, to request that I may kindly be excused for the above inadvertence on my part". The Secretary of Ministry of Shipping and Transport conceded in evidence that the wrong information given by the Estate Manager could not be treated as an inadvertent mistake.

The Committee need hardly emphasise the necessity of supplying correct information to the Committee either through written replies or during evidence tendered before them. In the instant case, the Committee have come to the inescapable conclusion that the Estate Manager had not cared to study the basic provisions of the standard lease forms in use in the Estate Department of which he was in-charge and was expected to be conversant with in his day-to-day work. The Committee deplore the most careless manner in which this officer was dealing with the questions put by this Committee and the Committee expect that the Ministry of Shipping and Transport would take serious note of it.

[Sl. No. 27 and 28 para 7.50 and 7.51 of Appendix to 139th report of PAC (Sixth Lok Sabha)]

Action Taken

The observations of the Committee have been noted. The Chairman, BPT has been asked to administer stern warning to the officer for his lapse.

[Ministry of Shipping and Transport O.M. No. PTL-100/79 dated 31st March, 1980]

Recommendation

M/s. Chheda Private Ltd. were allotted a piece of land in Port Trust Estates on casual occupation basis for a period of 15 days, under letter dated 13th December, 1974 issued by the Bombay Port

Trust to the party. Alongwith this letter, a prescribed form, i.e., Certificate of Occupation, was enclosed. The Party was required to return this form duly signed, showing the area occupied by it, date of occupation and giving the prescribed undertakings. The Port Trust authorities allowed the party to occupy the land allotted to it without insisting on the furnishing of the Certificate of Occupation. The Chairman, Bombay Port Trust conceded during evidence that in the absence of this certificate, "we will not have the necessary weapon in our hands as we ought to have, and from what has happened it appears that there has been no insistence that this is complied and the record is maintained up-to-date before the person is put in possession of these lands". The Committee regret to reserve that the matter was dealt with by the Port Trust authorities in a most casual manner and no care was taken to observe the procedure in this regard, which later led to unauthorised occupation of the land by the party and non-payment of the rent ever since February 1975.

[Sl. No. 29 para 7.70 of Appendix to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The observation of the Committee has been noted.

2. As desired by them in para 7.73 supra, the matter has been referred to the Central Bureau of Investigation for investigation.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31st March, 1980]

Recommendation

In the letter of permission issued by the Port Trust authorities on 13th December, 1974, it was made clear that permission was granted for temporary use of the land and the party was liable to be evicted at any time after 24 hours' notice. Although permission for occupation of land on and from 25th January, 1975 was not granted and the party had not vacated the land and had also defaulted in payment of rent, the Port Trust authorities did not take any action for well over 10 months and it was only in December, 1975 that action was initiated to serve notice on the party. The notice was actually served in April 1976, i.e., after a further delay of 4 months. In July, 1976, action was initiated to file a suit for eviction and recovery of arrears but the suit could not be filed for a long time as the Port Trust Advocate felt that there was no

proper contract concluded with the party and it would not be possible to recover the rent at the revised rate without the prior acceptance by the unauthorised occupant. However, after a long-drawn correspondence, suit for eviction only was filed on 23rd December, 1977 and was given suit number by the court on 1st March, 1978. Suit for arrears of rent was not filed at that time as the Port Trust Advocate felt that there was no hope of recovery of arrears and the financial position of the firm was not known. The suit for arrears has since been filed on 17th March, 1979.

[Sl. No. 30 para 7.71 of Appendix to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The observation of the Committee has been noted.

2. As desired by them in para 7.73 supra, the matter has been referred to the Central Bureau of Investigation for investigation.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31st March, 1980]

Recommendation

It is evident from the chronology of events of this case that the urgency for taking legal steps against the party was felt only after the Committee took note of this case and asked for detailed information.

[Sl. No. 31 para 7.72 of Appendix of 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The observation of the Committee has been noted.

2. As desired by them in para 7.73 supra, the matter has been referred to the Central Bureau of Investigation for investigation.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31st March, 1980]

Recommendation

The Committee highly deplore the inaction and negligence on the part of Port authorities in not initiating legal action against the party immediately after it became an unauthorised occupant and

had defaulted in making payment of rent. There is absolutely no justification for the Port Trust authorities having delayed action against the party for well over four years by which time the arrears due from the party have mounted to more than Rs. 24 lakhs. The Committee suspect that the reason for delay in this case may also be deeper than what has been explained. The Committee desire that this case should be investigated by CBI.

[Sl. No. 32 para 7.73 of Appendix to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The observation of the Committee has been noted.

2. As desired, the matter has been referred to the Central Bureau of Investigation for investigation.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
22nd May, 1981]

Further information furnished by the Ministry of Shipping and Transport on Paras 7.70 to 7.73

The undersigned is directed to say that in pursuance of recommendations made by the PAC contained in paras 7.70 to 7.73 of Appendix to their 139th Report (Sixth Lok Sabha) the Central Bureau of Investigation had investigated the case. The CBI authorities had suggested that regular departmental action for minor penalty against Shri M. B. Deshmukh, Estate Manager may be initiated. It was also suggested in the Central Bureau of Investigation report that Shri A. V. Sabnis, Advocate on the panel of Bombay Port Trust may be removed from the panel. The Chairman, Bombay Port Trust has informed us that after due consideration of all the factors, "displeasure" had been conveyed to Shri Deshmukh, Estate Manager, Bombay Port Trust.

2. The Bombay Port authorities have also withdrawn all the cases entrusted to Shri A. V. Sabnis, Advocate and his name has been removed from the panel of Advocates of the Bombay Port Trust. This completes action on the recommendations of the PAC stated above.

[Ministry of Shipping and Transport O.M. No. PW|PTL|69|79
dated 22nd May, 1981]

CHAPTER III

RECOMMENDATIONS AND OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN THE LIGHT OF THE REPLIES RECEIVED FROM GOVERNMENT.

Recommendation

One of the factors which has led to increase in congestion in the Bombay Port is the low productivity of labour. It is seen that the average output per man-hour has decreased from 0.82 in 1977 to 0.66 in 1978 in respect of port labour; from 1.32 in 1977 to 1.07 in 1978 in respect of general cargo; and from 1.83 in 1977 to 1.39 in 1978 in respect of dry bulk cargo. (All figures are for the months January to August). Another criterion for judging the productivity is service time per 1000 tonnes of cargo. In this respect, it is seen that the average service time per 1000 tonnes of cargo (total time at berth) increased from 65.95 hours in 1977 (January—August) to 74.64 hours in 1978 (January—August) in respect of general cargo. In respect of dry bulk cargo the corresponding figures were 31.81 hours in 1977 (January—August) and 35.45 hours in 1978 (January—August). The Committee are perturbed at the steadily deteriorating productivity trend of labour in the Bombay Port. From the evidence given by the non-officials, the Committee gather the impression that there is some slackness among the labour force in reporting for work or starting work in time. The Committee are of the view that with better management and labour relations, the productivity of labour can be increased.

[Sl. No. 2 para 2.36 of Appendix to 139th Report of PAC
(Sixth Lok Sabha)]

Action Taken

The issue regarding late attendance of shore labour has not yet been resolved and the matter, which was in conciliation for over a year, has ended in a failure. Further effort is being made to see whether a solution could be found before a formal report of failure is sent to the Government. However, settlements were reached with labour on many outstanding issues including new piece-rate

schemes as a result whereof productivity in general cargo has shown improvement during January—September, 1979. Average service time per 1000 tonnes of general cargo has also shown improvement. Labour productivity in dry bulk cargo has, however, not shown any improvement. The reason for this is that labour is not happy with the method of enumerating actual weight of bulk cargo. The Port Administration, therefore, recently fitted a measuring guage to one of the cranes handling bulk fertilisers. The performance of the instrument was satisfactory and the labour leaders also expressed their satisfaction. Since then, 9 cranes handling bulk fertilisers have so far been fitted with such devices. This step is expected to further improve the productivity in dry bulk cargo if similar device could be extended to the ship's winches.

The figures of labour productivity and average service time for the months January, 1979 to September, 1979 and the corresponding months of 1978 are given in the accompanying statement (Annexure).

[Ministry of Shipping and Transport O.M. No. LDO-185/79
dated 29th November, 1979]

ANNEXURE

Labour Productivity— Man-hour output

(in tonnes)

Month	Port Labour		Dock Labour			
	General 1978	Cargo 1979	General 1978	Cargo 1979	Dry Bulk Cargo 1978 1979	
January .	0.75	0.85	1.22	1.38	1.60	1.1
February .	0.85	0.79	1.37	1.29	1.98	1.52
March .	0.91	0.82	1.46	1.33	2.09	1.58
April .	0.62	0.79	0.99	1.27	1.27	1.18
May .	0.66	0.70	1.14	1.08	1.29	1.12
June .	0.51	0.70	1.14	0.82	1.20	1.37
July .	0.51	0.54	0.85	0.90	1.06	0.94
August .	0.58	0.52	0.94	0.83	1.30	0.96
September .	0.62	0.67	1.01	1.10	1.02	0.79

Average service time per 1000 tonnes of Cargo

(Total time at berth)

(In hrs.)

	General Cargo		Dry Bulk Cargo	
	1978	1979	1978	1979
January . . .	71.17	48.43	31.89	37.79
February . . .	65.69	57.89	23.33	37.79
March . . .	58.26	50.51	22.08	47.01
April	86.89	53.24	39.10	48.57
May .	82.91	67.19	39.19	42.21
June .	94.34	65.24	41.90	46.10
July .	87.57	78.56	49.24	50.26
August . . .	72.91	93.73	89.94	49.31
September . .	74.57	68.52	57.89	46.86

Recommendation

The Committee find that the question of having a Satellite Port at Nhava-Sheva was initiated in 1968. In September, 1978, three Working Groups of the Planning Commission were appointed to consider different aspects of the scheme relating to development of port facilities at Nhava-Sheva and other related matters. The Working Groups submitted their reports in December, 1974 i.e. after about 15 months. Different estimates were furnished by the Working Groups of the Planning Commission, other agencies of the Government, Consultants appointed by the Port Trust and the State Government. Another Working Group has been appointed in the Planning Commission in June 1978 for making a detailed appraisal of the Nhava-Sheva Scheme. The Committee are surprised at the appointment of one Working Group after another within a short period to study the same matter. This has delayed taking a decision. As the matter has been pending for quite some time, the Committee would like this matter to be processed expeditiously and arrive at a final decision.

The Committee find that the Planning Commission has, in January 1979 given its clearance for the preparation of a Detailed Project Report for the development of port facilities at Nhava-Sheva. A provision of Rs. 60 lakhs has been agreed to for the preparation of

the Detailed Project Report. However, the project itself has not yet been cleared by the Planning Commission. The Committee are of the view that the decision to go ahead with the preparation of the Detailed Project Report at a cost of Rs. 60 lakhs even before the project is cleared is not correct in as much as this expenditure would become infructuous if later the project is not sanctioned. The proper course would be to carry out preliminary study taking into consideration the facilities already available at the Bombay Port and those required for handling the traffic more efficiently. Also, traffic projections for Bombay Port as also other Major Ports in the country should be made in an integrated manner. If all these justify development of port facilities at Nhava-Sheva, then only the costly venture of preparing a detailed project report should be attempted.

[Sr. Nos. 8 and 9, paras 3.14 and 3.15 of Appendix to the 139th Report of the PAC (Sixth Lok Sabha)]

Action Taken

The planning process envisages preparation of feasibility study and detailed project reports before taking an investment decision in regard to any major development project. The question whether the present dock system of Bombay Port is suitable/capable to meet the requirements of increased traffic and modern trend in shipping and cargo handling has been engaging attention of Government for quite sometime. As early as 1967 a study was commissioned by the Bombay Port Trust through M/s. Bertlin & Partners, Consulting Engineers, who submitted in 1970 the master plan for development of Bombay Port. This master plan recommended construction of a satellite port to Bombay at Nhava-Sheva on the eastern side of the existing harbour consisting of six berths in the first instance—five for handling bulk commodities and one for handling containers.

2. As a final investment decision can be taken only on the basis of a detailed project report, it is now proposed to prepare a DPR for setting up of port facilities at Nhava Sheva for handling bulk cargo and containers.

3. The Detailed Project Report would review the master plan prepared for the Port of Bombay in 1970 and prepare a long-term plan for development of Port facilities at Nhava-Sheva in phases. It will carry out a detailed analysis of the facilities required in the first phase and prepare a detailed layout of the terminal including cost estimator, economic viability etc. The DPR will furnish all relevant information for taking an investment decision.

4. The Planning Commission have already agreed to provide a sum of Rs. 60 lakhs during the Plan period (1979—83) for preparing the detailed project report for the Nhava Sheva Port Project. On receipt of PAC's recommendation, the Planning Commission has again been consulted. The Commission has no objection to the commissioning of the DPR subject to the condition that the traffic estimates to be given to the consultant firm should be those finalised by Working group on Nhava Sheva constituted by the Planning Commission. Thus the DPR will take into account the latest traffic estimates. Further the preparation of the Detailed Project Report for the Nhava Sheva Project will be taken up with the approval of the Public Investment Board as provided under the Rules. The PAC's recommendation will also be brought to the notice of the PIB before a decision is taken in the matter.

5. Based on the recommendations of the consultants, final decision for the development of Port facilities at Nhava Sheva will be taken with the approval of the Public Investment Board/Cabinet as per rules.

[M/o Shipping & Transport (PW) O.M. No. PW/DCB/43/79
dt. 18-1-1980]

Recommendation

The Committee have been informed that difficulties were experienced by the Port Trust in evicting tenants or lease holders, if they did not accept revised rates or if there was breach of the terms and conditions of the tenancies or leases. In a note furnished to the Committee in March, 1979, the Ministry of Works and Housing had stated that "A proposal regarding inclusion of the Premises of Major Port Authorities within the definition of Public Premises under the Public Premises (Eviction of Unauthorised Occupants) Act, 1971 was received from the Ministry of Shipping and Transport in May 1971". When the Committee discussed the matter during evidence on 6-4-79 the representative of the Ministry of Works & Housing stated: "As I mentioned earlier, the original reference came in 1971. That was actually wrong. I find from the note that it was from June, 1967 that the Ministry of Shipping and Transport had made an initial reference to the Ministry requesting that the lands and properties belonging to the various port authorities of the major ports be included in the definition of Public Premises Act". The Committee regret to note that the Ministry of Works & Housing furnished wrong information about the year in

which reference on this matter was initially made by the Ministry of Shipping and Transport. The Committee would like the Ministry to fix responsibility for this mistake and take suitable action.

[Sl. No. 11 (para 5.15) of the 139th Report of the PAC
(6th Lok Sabha)]

Action Taken

It is true that the Ministry of Shipping and Transport (Transport Wing) vide their u.o. No. 2-PG(43)/66, dated 5-6-1967, addressed to the Dte. of Estates, desired that the lands and properties belonging to the Port Authorities of major ports should also be included in the definition of Public Premises in Section 2(b) of the Public Premises (Eviction of Unauthorised Occupants) Act, 1958. After ascertaining the exact status of the various Port Trusts, the proposal to amend the definition of Public Premises to include the premises of the Port Trusts within the definition of Act was referred to the Law Ministry for advice. The Ministry of Law on 27-1-1968 advised us as follows:—

“Various port trusts like those of Bombay, Calcutta and Madras are created by respective Acts and are Statutory bodies corporate. They are, no doubt, covered by the definition of local authority in General Clauses Act, 1897, but by no means they can be called Government Companies as defined in Companies Act, 1956. We may also state that summary provisions exist in various Port Trust Acts and also in Major Port Trust Act for eviction of persons in unauthorised occupation of the Port properties and hence these may be kept in view if it is decided to include their premises in the P. P. Act.”

The above position was intimated to the Ministry of Transport on 2nd February, 1968, and that Ministry was requested to examine why it was not possible to take action against the unauthorised occupants under the respective Port Trust Acts. In January, 1969, the Ministry of Shipping and Transport vide their letter No. 2-PG(43)/66, dated 10-1-1969, informed that the powers available under the various Port Trust Acts were limited only to the eviction of the employees of the Port Trusts in the event of cancellation of the allotment of Port Premises. The Ministry of Transport, therefore, desired that the properties of Major Port authorities should be brought within the definition of Public Premises (Eviction of Unauthorised Occupants) Act, 1958, by a suitable amendment.

The Ministry of Works & Housing informed the Ministry of Shipping and Transport vide Office Memorandum dated 23-8-1969, about the difficulties in bringing forth amendments to the Public

Premises Act to include the port properties within the definition of Public Premises, as the Act had already been amended in 1968 enlarging the definition of Public Premises to cover public sector undertakings, Municipal Corporation of Delhi and Delhi Development Authority and it was also suggested to them that it would not be worthwhile to reopen the issue. There was no further reference from the Ministry of Shipping and Transport for a long time. The next reference from Shipping and Transport was only in May 1971, vide Office Memo. No. 2-PG(43/66, dated 7-5-1971. During the oral evidence the representative of the Ministry of Works & housing came across the earlier reference of the Ministry of Shipping and Transport concerning the very issue and it was thought appropriate at that time to inform the Committee about this earlier reference. It is regretted that the earlier history of the case, as given above, was not brought out in the Note of Director of Estates' submitted to the Committee. This was an unintentional mistake.

[Ministry of Works & Housing O.M. No. G-25015/3/79-
dated 7-1-1980]

Recommendation

Initial reference from the Ministry of Shipping and Transport was made to the Ministry of Works & Housing in June, 1967. Although the Public Premises (Eviction) Act was amended in 1968 and a new Act was also enacted in 1971 and the Ministry of Law had advised as early as 1968 that the proposal of the Ministry of Shipping and Transport to include port trust lands and properties within the definition of public premises, should be kept in view, the Ministry of Works & Housing did not care to bring up the proposal during this period of about four years. This is most regrettable. The Committee would like to be informed why the Ministry of Works and Housing did not consider the proposal during this period and also fix responsibility.

[S. No. 12(Para 5.16) of the 139th Report of the P. A. C. (6th Lok Sabha).]

Action Taken

Ministry of Law in their advice dated 27th January, 1968 reproduced above, suggested that the existing summary eviction provisions in the Port Trust Acts should be kept in view if it was decided to include Port properties in Public Premises Act because same subject could not be dealt with differently in different Acts of

Parliament. Ministry of Law did not suggest that Ministry of Transport's proposal to include Port Trust properties within the definition of Public Premises Act should be kept in view by the Ministry of Works and Housing. In fact, the position was to be examined by the Ministry of Transport who administer the Port Trust Acts. They sent their reply on 10-1-1969 after the passage of 1968 amendment of the Public Premises Act explaining that these summary powers were limited to port employees only. Ministry of Transport were informed on 23rd August, 1969 that the Public Premises Act had already been amended on 17-8-1968 and it would be difficult to reopen the issue as Ministry of Law had verbally expressed their apprehension about inclusion of port properties within the definition of the public premises under Public Premises Act.

1958 Public Premises Act had to be re-enacted in 1971 without any substantial changes only to remove certain constitutional infirmities. At that time no substantive change could be considered as the legislation had been struck down by the High Courts and pending cases had to be saved by re-enactment of the Act at the earliest. The next reference from the Ministry of Transport was in any case received only on 7-5-1971 after the Government decision to re-enact the Act was taken on 22nd April, 1971.

[Ministry of Works & Housing O.M. No. G-25015/3/79-
dated 7-1-1980]

Recommendation

In this connection the Committee also perused the Rent Register showing the rent deposited by the party and also the rent outstanding. It was noticed that separate entries were not made in the registers showing clearly the amount received as rent, compensation etc. The inescapable conclusion is that no proper check has been exercised at any level in the Estate Department for the proper maintenance of Rent Registers. The Committee would like that responsibility be fixed for these serious lapses.

[Sl. No. 19 (Para 7.29) of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The Bombay Port Trust authorities have stated that it is true that the Sundry Debtors Ledger maintained by them does not provide for separate columns for the recovery of 'rent' and 'compensation'. Clarifying the position, they have stated further that in the cases

where the amount is received as compensation for the use and occupation from a particular tenant|lessee, a remark to that effect is invariably recorded, with the use of a rubber stamp, under the 'remarks' column of the relative folio. It has been reported that the checking section of the Department carries out regular inspections of these registers.

It would be seen from the above that in the existing system now in vogue at Bombay, the separate columns are *not provided* for 'recovery of rent' and 'compensation'. This has been the practice in Bombay since past several years and the existing incumbents have been following the past practice and keeping the registers in the form prescribed for many years. Keeping this in view, it does not appear necessary to fix responsibility for the present flaw in the system on any person.

However, as the Public Accounts Committee in its above observation has suggested an improvement in existing system, we have advised the Bombay Port Trust to maintain Sundry Debtors Ledger in the manner desired by the Committee.

[Ministry of Shipping & Transport O.M. No. PTL-100|79
dt. 31-3-1980]

Recommendation

The Committee would like an enquiry to be made as to why the question of renewal of lease in this case was not initiated in time, and what steps were taken from August, 1976 onwards to expedite the case. Also, suitable action should be taken against the persons responsible for the delay.

[Sl. No. 26 (Para 7.41) of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The observations of the Committee have been noted.

Necessary action has been taken to have an enquiry in the matter through a senior officer of this Ministry. Further action will be taken in the light of the Report of the Enquiry Officer.

[Ministry of Shipping and Transport O.M. No. PTL-100|79
dt. 31-3-1980]

Further information furnished by the Ministry of Shipping and Transport

Brig. Gobinder Singh, Additional Director General (Roads) in this Ministry who was asked to conduct an enquiry in the case relating to renewal of lease of M/s. Vegetable Vitamins Food Company Limited, has submitted his Report and the same is under consideration.

[Ministry of Shipping & Transport O.M. No. PW/PTL-100/79
dt. 28-2-1981]

The undersigned is directed to refer to the Lok Sabha Secretariat O.M. No. 30/3/78/PAC dated 24th December, 1980, and this Ministry's O.M. of even number dated 28th February, 1981 on the subject mentioned above and to state that the Report of Brig. Gobinder Singh, Additional Director General (Roads) in this Ministry has been examined. Clarifications on certain points have also been obtained from the Bombay Port Trust. The lease in this case was due to expire on 26-8-76. The Estate Manager in the Bombay Port Trust initiated action on 30-4-76 to obtain requisite information from various authorities in accordance with the normal procedure for processing the case of extension of lease. After ascertaining requisite information from the Chief Engineer and Docks Manager of Bombay Port Trust, Bombay Municipal Corporation and the lessee and calculating the rates in accordance with the guidelines laid down by the Port Trust Board in March 1976, the proposal to quote the rates and terms and conditions of renewal to the lessee was submitted by the Estate Manager to the Chairman on 24-8-76. Normally, the procedure is to quote these terms and conditions of renewal and obtain sanction of the Port Trust Board subsequently after obtaining consent of the lessee. However, since it was the first case in which rent was being revised according to the guideline laid down by the Board of Trustees in March 1976 and it involved a steep increase in the rent, the Chairman directed on 26-8-76 to place the matter before the Board of Trustees. There was some difference of opinion between the Estate Manager and the Chief Accountant (outside Audit Branch) in regard to the rent to be recovered in this case. After the matter was examined in various departments of the Port Trust, the Chairman gave his directions on 3-3-77. The matter was thereafter placed before the Port Trust Board on 22-3-77. The consideration of the matter was deferred in the meeting on 22-3-77. One of the Trustees desired information regarding particulars of cases which had been decided on the basis of the land values already adopted. This information was sent to the Trustee on 20-7-77. The matter was again placed before the Port Trust Board on 11-10-77 after the new

Chairman, who had assumed office in July 1977 had discussed the matter with the Dy. Chairman and the Estate Manager. Particularly in the context of suggestion for modifying the earlier guidelines of the Port Trust Board, a decision on the proposal was taken by the Port Trust Board on 11-10-77. The decision was conveyed by the Secretary's Office to the Estate Department on 31-10-77. After calculations etc. were checked the terms and conditions of the lease were quoted by Estate Department to lessee on 20-1-78.

3. The Enquiry Officer has held that the case of renewal or termination of the lease was taken up by the Port Trust Authorities a few months before the date of expiry of the lease i.e. sufficiently well in time for normal circumstances. Later on, however, it turned out to be the first case of its type involving abnormally high revision or rates as well as some basic issues of policy. Such importance was appreciated by the Chairman, Bombay Port Trust, who therefore directed the case to be placed before the Board of Trustees. It can reasonably be said, visualised to enable its initiation even earlier than it had been initiated. At best, not initiating the case earlier than 4 months from the date of the expiry of the lease can be treated as an error of judgement. No individual can be held responsible. The Enquiry Officer has also held that no one can be blamed for the delay in processing the case after August 1976 or for the case being treated in a routine manner. He has added that there is no evidence to reflect any element of abnormal delay other than that inherent in the prevailig system.

4. In view of the findings of the Enquiry Officer mentioned above, no action can be taken against any official of the Bombay Port Trust for delay in this case. The Enquiry Officer has made certain suggestions to ensure timely action on similar cases in future. The Bombay Port Trust Authorities are being asked to consider these suggestions so as to avoid delays in handling of similar cases in future.

[Ministry of Shipping & Transport O.M. No. PW/PTL-100/78
dt. 13-4-1981]

Recommendation

The Committee note that the party, Shri S. L. Jaiswal, was allotted a piece of land measuring 120 sq. metres in the Port Trust premises for a period of 15 days expiring on 21-6-1973. The party did not vacate the land and has been occupying it unauthorisedly since then. When the party moved the trial court and later appealed in the Bombay High Court, the latter court in its order dated

21-10-1975 decided in favour of the party on the ground that Bye-law No. 9 of the Bombay Port Trust provided for taking action for clearing obstructions on roads, thoroughfares or pathways and did not cover the area which was allotted to the party by the Port Trust for storage of materials. The plea of the Port Trust that Annexure 'A' to Bye-law No. 9 indicates various places and rates of rental and the Port Trust could take action against the defaulting party under this Bye-law read with Annexure 'A' was not accepted by the Appellate Court. Subsequently, the Port Trust has amended Bye-law No. 9. The Committee regret to note that there was a lacuna in Bye-law No. 9 on the basis of which the case was defended by the Port Trust in the trial court and the appellate court, inasmuch as reliance was placed on this bye-law which did not give clear authority to the Port Trust to evict persons who were allotted land on casual occupancy basis.

[Sl. No. 33 para 7.84 of Appendix to 139th Report of PAC
(6th Lok Sabha)]

Action Taken

The observations made by the Committee have been noted. It may, however, be stated that the amended bye-law of Bombay Port came into force from 7-2-1977. According to a legal opinion obtained, even the amended Bye-law if challenged in the Courts, may not be legally valid. The effective remedy is to extend the provisions of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971, to the major Ports. The question of making the provisions of Public Premises Act applicable to the properties of the Port Trust is being processed by the Ministry of Works, Housing and Urban Development.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dt. 31-3-1980]

Recommendation

- (iii) The Committee learn that in many cases the Port Trust Land is occupied unauthorisedly without the knowledge of the Port Trust Authorities. Only after the unauthorised occupation comes to the notice of the Port Trust authorities, and often at quite a late stage action is initiated for obtaining a formal application from the unauthorised occupant and the occupation of the area is regularised. The Committee regret to observe that such undesirable practices regarding misuse of Port Trust Lands have been allowed to continue unabated. They would like the Port

Trust management to activise its inspection wing so that such malpractices are stopped and responsibility be fixed in cases of glaring dereliction of duty.

[Sl. No. 37 para 7.86 (iii) of Appendix to 139th Report of P.A.C. (6th Lok Sabha)]

Action Taken

The observations of the Committee have been noted.

However, explaining the position the Bombay Port Trust have reported that it is a common phenomenon that both the vacant lands and footpaths in the whole of Bombay City are encroached upon by unauthorised hutment dwellers and hawkers. Such encroachments on Port Trust estates are removed by the Port Trust's Demolition Squad frequently. In spite of removal of such unauthorised occupation, they have been re-appearing at the same place or some other location.

The number of encroachments removed by the squads during the last five years are as under:

1974-75	..	997
1975-76	..	2711
1976-77	..	2781
1977-78	..	4094
1978-79	..	2734

The entire Port Trust estate is divided into 12 units and each unit is supervised independently by an Inspector, who is an outdoor official. He visits the area under his jurisdiction daily and makes notes and takes measurements of both authorised and unauthorised casual occupations with the assistance of a watchman and an outdoor peon. The watchman posted during the day shift for each unit takes rounds over the entire area of the unit and reports unauthorised occupations, if any, to the Inspector concerned. The Jr. Asstt. Managers and the Divisional Managers pay surprise visits to the various units under them and counter check the work done by the Inspectors. Thus unauthorised occupations do not escape detection. When any unauthorised occupation is noticed, an 'unauthorised Occupation Memo' is served on the spot and the persons concerned are billed at the penal rate till they vacate their occupations. Where such occupants approach for obtaining permission, the merits of each case are considered and permission for casual occupation is either granted or refused. In cases where permission is granted, the occupant is charged at the penal rate upto the date of granting of permission.

The Bombay Port Trust authorities, however, are being requested to ensure that the Inspection Wing is effective.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31-3-1980]

Recommendation

- (iv) The Committee were informed that permission for casual occupation of Port Trust land is given by officers below the rank of Estate Manager and that the Estate Manager is not informed about it. In a few cases examined by the Committee, it was found that the financial condition of the occupants against whom rental bills were outstanding was not known. Even if there is such delegation of powers to officers below the rank of Estate Manager, the Committee would like the Port Trust authorities to evolve a system of proper supervision by the Estate Manager in all cases where powers are delegated to the subordinates. The Committee deplore that this is not being done.

[Sl. No. 38 para 7.86(iv) of Appendix to 139th Report
of P.A.C. (6th Lok Sabha)]

Action Taken

The observations of the Committee have been noted. The Chairman of the Bombay Port Trust has been advised suitably.

However, it may be mentioned that according to information given by the Bombay Port Trust authorities, under the delegated powers, the Divisional Managers (who are under the Estate Manager) are authorised to grant permission for a period not exceeding 15 days for casual occupations. Such permissions are granted after taking full payment in advance for the period for which permission is granted. Any extension beyond this period is granted with the specific approval of the Estate Manager. It is also reported that whenever such extensions are granted by the Port Trust, advance payments to cover the charges for the period of extension are also taken.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31-3-1980]

CHAPTER IV

RECOMMENDATIONS AND OBSERVATIONS REPLIES TO WHICH HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION

Recommendation

The Committee find that the financial results of the working of the Bombay Port Railway have, except for one or two years shown large deficits for more than last 25 years. The Public Accounts Committee in their 113th Report (4th Lok Sabha) had adversely commented upon deficits in the years 1965-66, 1966-67 and 1967-68 which amounted to Rs. 72.58 lakhs, Rs. 85.79 lakhs and Rs. 95.09 lakhs respectively, if certain notional credits taken in the accounts by the Port Trust on account of oil traffic, Dock wharfage and revenues derived from railway—served plots are excluded. At present the Committee find that the loss during the year 1977-78 was Rs. 173.31 lakhs as compared to Rs. 105.42 lakhs in 1976-77.

The Committee are unhappy to find that though the Port Railway was carrying surplus staff for the past 10 years and even more, to the extent of about 600 out of a total staff strength of less than 2000, the Port Trust Administration has not succeeded in absorbing such surplus staff against vacancies which arose during this period. The reason given is that this is due to the resistance from the Port Railway employees. The Committee would like the Port Trust to analyse the causes and bring about improvements in the working of the Port Railway. As regards absorbing surplus staff against future vacancies, the Committee see no rationale for not doing so and would like the Government to re-examine the matter with a view to take a firm decision.

[Sl. No. 10 para 4.16 of Appendix to 139th Report
of P.A.C. (6th Lok Sabha)]

Action Taken

Bombay Port Trust Railway have been sustaining heavy losses from the inception. One way of offsetting this loss is by increasing the Port Railway rates and the Bombay Port Trust has been proposing revision of rates for long time, but this revision of rates would adversely affect the import/export trade. Thus, the importers and

exporters have been protesting against the enhancement in the railway rates. As the Ministry of Railways (Railway Board) is competent to sanction railway rates under the Indian Railways Act, 1890, the proposal of Bombay Port Trust for revision of rates was sent to Railway Board, but they did not agree on the ground that proposed revised rates are on the high side as compared to the Trunk Railway rates for the same service. However, to bring about possible improvement in the working of the port railways, a Committee of Trustees headed by the General Manager of the Central Railway (he is one of the Trustees) has been appointed. It is expected that the Report of the Committee would be received in the near future.

3. So far as reduction in the staff employed on the Bombay Port Trust Railway, the port authorities abolished 68 class IV posts on 1-10-1975 i.e. during the emergency. Later on (after the emergency was lifted) Class IV Railway Operative staff of Indira Dock Station, who are members of the BPT Employees Union (Dr. Shanti Patel), suddenly struck work on 11-9-78. The Union had earlier, on 19-8-78 sent a strike notice in regard to the following demands:—

- (i) Restoration of 68 posts of railway line staff reduced during the Emergency.
- (ii) Restoration of old practice of reporting for duty at Loco shed, Wadala, instead of reporting at various places where wagons are stabled.
- (iii) Relaxation in the prescribed standard of vision for loco drivers and certain other categories of line staff.

The main demand of the Union was as mentioned at (i) above and it was taken in conciliation. This strike had seriously affected transportation of furnace oil meant for certain power stations and fertilizer factories in the Northern region. The strike continued for 40 days and it was called off from the midnight of 20-10-1978 after discussions by Shri Chand Ram, the then Minister of Shipping and Transport, with Dr. Shanti Patel. Minister gave an assurance that all the posts of Class IV operative staff including posts of Gatemen of the BPT Railways which had been actually operated by the Railway Manager for the last several years would be restored with immediate effect to the same extent as were prevalent prior to their abolition, curtailment or discontinuance during emergency. A list of the strikes during last ten years by the port workers belonging to Port Railways of Bombay Port when the main demand was for over-time to be given to the existing staff on duty to make up any casual absenteeism or leave vacancies, is attached at Annexure 'A'.

In view of above, it is difficult to reduce the staff strength on BPT Railway. Though the recommendation of PAC in regard to absorption of surplus staff is acceptable in principle but we regret that it is not possible to absorb the surplus staff against future vacancies as it is felt that any step in this direction would lead to major trouble.

[Ministry of Shipping and Transport O.M. No. PTL-100/79
dated 31-3-1980]

ANNEXURE 'A'

Statement giving the details of strikes by the Bombay Port Railway employees during the last ten years when their demand was for overtime to be given to existing staff on duty to make up any casual absenteeism or leave vacancies

Sl. No.	Period	No. of workers who went on strike
1	21-3-1969 to 27-3-1969	636
2	5-8-1969 to 6-8-1969	43
3	18-8-1969 to 19-8-1969	264
4	3-11-1969 to 5-11-1969	114
5	27-3-1972 to 5-4-1972	556
6	7-6-1972 to 8-6-1972	164
7	1-1-1973 to 2-1-1973	53
8	24-1-1973 to 1-2-1973	22
9	2-1-1974 to 3-1-1974	859
10	24-9-1976— one day strike	86
11	5-4-1977— One day strike*	17
12	7-4-1977— One day strike	18
13	12-4-1977— One day strike	5
14	15-4-1977— One day strike	22
15	26-4-1977— One day strike	16
16	10-5-1977 to 21-5-1977	642
17	11-9-1978 to 20-10-1978	620

*Based on information given by the Railway Manager, Bombay Port Trust).

Recommendation

In the cases examined by the Committee, it was found that in the case of defaults in payment by the parties, Estate Department moved very casually and leisurely in pursuing the matter with the parties. Unreasonable discrimination between the parties was also in evidence. On the basis of information placed before the Committee through written replies and also during evidence, the Committee have gained the impression that the Estate Department is functioning inefficiently and ineffectively in these matters. Even for filing of suits against defaulters, instead of initiating action at the right time, years pass before any action is taken by the Estate Department. In these cases also there is evidence of discrimination between parties. The Committee consider this as a highly unsatisfactory state of affairs.

The Committee learnt that sometimes a defaulting party sent in a representation to the Chairman of the Port Trust objecting to payment of enhanced rent and on that basis the Estate Department stopped taking any further action until the disposal of the representation. It also came out in evidence that these matters were often decided arbitrarily by the Chairman in an ad hoc manner and disposed of at such time and on such terms as suited his sweet will. The Committee would like the Port Trust authorities to streamline the procedure in this regard so that the representations are disposed of expeditiously and proper norms are laid down and there is no scope for unreasonable discrimination and exercise of arbitrary authority. In such cases it should be insisted that the parties go on making deposits at the enhanced rate, subject to adjustment on the disposal of their representations by the Chairman.

The Committee have, in this Report, dealt with only a few cases of irregularities in the matter of settlement of cases relating to unauthorised occupation of Port Trust lands by private parties. All these cases appear to be unsatisfactory. The Committee apprehend that there are many other cases with similar irregularities. The Committee recommend that an Inquiry Committee consisting of three Senior officers, one from the Bombay Port Trust, one from Ministry of Shipping and Transport and one from the Ministry of Law may be appointed to examine the working of the Estate Department of the Bombay Port Trust and suggest measures for bringing about improvements therein.

[Sl. No. 39 to 41 para 7.86(v), 7.86(vi) and 7.87 of Appendix to 139th Report of PAC (6th Lok Sabha)]

Action Taken

The above three recommendations and/or conclusions are being dealt with together as they aim at improving and streamlining the functioning of the Estate Department of the Bombay Port Trust.

2. On reading recommendation No. 41 in entirety, it appears that Public Accounts Committee have recommended constitution of a Committee of three senior officers to examine the working of the Estate Department of the Bombay Port Trust with a view to find out whether there are other cases which involve irregularities of the kind pointed out by the Public Accounts Committee in cases examined by it in its report, and, further on the basis of such scrutiny, suggest measures for improving the functioning of the Estate Department. On this basis, a Committee of three officers, i.e. (i) Joint Secretary and Legal Adviser, Ministry of Law's Branch Secretariat, Bombay; (ii) Director (Development), Ministry of Shipping and Transport; and (iii) Deputy Chairman, Bombay Port Trust, Bombay, has been constituted. This Committee would examine other cases under the Estate Department and on the basis of its findings, suggest steps aimed at improving the functioning of the Estate Department.

3. It should be added that the Bombay Port Trust, for bringing about the desired improvement in the Estate Department, have requested the Administrative Staff College of India, Hyderabad, to undertake a detailed investigation in to the working of the Estate Department, its set up, documentation, lease deeds and other allied matters. The Administrative Staff College of India have agreed to undertake the study and they will require six months to complete it. Corrective measures would be implemented by the Bombay Port Trust on the basis of the recommendations made as a result of this professional study. It is likely that some of the recommendations made by the Administrative Staff College of India may raise issues that would require legal examination. Such recommendations would be duly examined in consultation with the Ministry of Law before taking action on them.

4. In regard to the defaulted dues, it has been explained by the B. P. T. authorities that the primary consideration guiding them has been to effect the recovery of the dues by persuasion or by grant of instalments or time. In this regard, it will be appreciated that it is far more desirable for the Port Trust, which is a public body, to try to recover its dues by granting adequate instalments to the defaulter

for payment of the dues rather than instituting legal action for recovery after the cause of action has arisen. The number of such legal cases, if instituted, would be large and the litigation process is protracted. It any case, it is well known that it is extremely difficult in actual practice to dislodge a person in possession. The representations received from various parties are considered by the competent authority with reference to the circumstances in which the default has taken place and other relevant considerations. If this aspect is kept in view, it would be appreciated that it will be difficult to lay down any rigid norms in regard to disposal of such representations—this is so since the facts and circumstances of each case differ. Such discretion to grant time for paying the dues is available to officers in other organisations, like Collector or the Assistant Collector of the Revenue Department of the State Governments. Besides, it has been represented by the Port Trust authorities that in such cases, the parties are not willing to pay the rentals at the enhanced rates, and in view of this, such a party would naturally not abide by the stipulation that he should pay the rental at the enhanced rate pending the decision on his representation directed against the enhanced rent.

5. It needs to be emphasised that many difficulties and deficiencies in the functioning of the Estate Department have been experienced on account of the Port Trust not being in a position to evict the unauthorised occupants on its lands or persons becoming, as a result of their action, unauthorised occupants though initially they got land with due permission of the competent authority. This position would change after the Public Premises. (Eviction of Unauthorised Occupants) Act, 1971 is amended to include lands and properties of the Port Trust in the definition of the expression "Public Premises". As desired by the PAC, action to amend this Act is being taken by the Ministry of Works and Housing.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-1980]

**Further Information furnished by the Ministry of
Shipping & Transport**

The undersigned is directed to refer to the Lok Sabha Secretariat O.M. No. 30|3|78|PAC dated 2nd March and 19th March, 1981 on the subject mentioned above and to state that the inquiry committee set up in pursuance of recommendation No. 41(7|87) of Appendix to 139th Report of PAC on Bombay Port Trust to

examine the working of the Estate Department of Bombay Port Trust and suggest measures for bringing out improvements therein, is still functioning. The Chairman of the Committee has stated that since the work involved is voluminous and time consuming, it could not finalise its report so far. However the Committee is likely to submit its interim report very shortly, and as desired five copies of the interim report would be supplied to the Lok Sabha Secretariat, as soon as the same is received from the committee.

2. As desired five copies of the report submitted by the Administrative Staff College of India, Hyderabad, on the working of the Estate Department of Bombay Port Trust are sent herewith.

[The Ministry of Shipping & Transport O.M. No. PW|PTL|106|79
dt. 27-3-1981]

CHAPTER V

RECOMMENDATIONS AND OBSERVATIONS IN RESPECT OF WHICH GOVERNMENT HAVE FURNISHED INTERIM REPLIES

Recommendation

It seems that after a lapse of 6 years from 1967, the Ministry of Works & Housing woke up in May 1973, and instead of considering the proposal of the Ministry of Shipping and Transport, sent an office memorandum to all the Ministries asking for their views regarding the difficulties experienced by them in the implementation of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. Reminders were also sent in April, and September, 1974, to Ministries which had not sent their replies. In February, 1976, certain proposals for amendment of the above Act were referred to the Ministry of Law. One of the proposals was to amend this Act to cover the premises belonging to autonomous bodies and statutory corporations within the definition of Public Premises. Correspondence on these proposals is still going on between the Ministry of Works and Housing and the Ministry of Law. The Committee are perturbed at the delay that has taken place in finalising this matter. After wasting 6 years from 1967 to 1973 by doing nothing in the matter, the Ministry of Works & Housing started a roving enquiry asking all the Ministries to inform whether they had experienced any difficulties in the implementation of the Public Premises (Eviction of Unauthorised Occupants) Act, 1971. The reason given during evidence for making such a reference was that it was done to avoid piecemeal legislation to amend the Act. It is significant to note in this connection that piecemeal legislation for the same had, in fact, been brought forward in respect of some other Ministries and Departments. The Committee see no reason as to why in this case it has taken almost six years from 1973 to get replies from the Ministries and complete consultations with the Ministry of Law and other concerned Ministries. The matter has been under correspondence with the Ministry of Law, etc., and a draft of the note for the Cabinet which was prepared in July 1976, has not yet been finalised for placing before the Cabinet for one

reason or another. It is highly regrettable that a proposal initiated in 1967 has remained pending for 12 years and is still not finalised. The Committee desire that a probe should be conducted into this case of inordinate delay which has caused loss of several lakhs of rupees to Bombay Port Trust.

The Committee desire that at least now, the Ministry of Works and Housing should speed up the proposals and bring forward necessary legislative measure without further loss of time.

[S. No. 14 (Para 5.18) of the 139th Report of the P.A.C.
(Sixth Lok Sabha)]

Action Taken

It is submitted that the factual position is that as explained in the Action Taken Note in para 5.15, against the earlier reference from the Ministry of Shipping and Transport a reply was sent on 23rd August, 1969. Thereafter, when the Ministry of Shipping and Transport again raised the issue in May 1971, a reply, though belatedly, was sent to them on 30th August, 1972, in which it was explained to them that in the event of amending the Act to include the properties of Port Trusts within the definition of "Public Premises", there will be two forums in respect of the properties already covered under the Port Trust Acts—one under the Port Trust Act and the other under the Public Premises Act. This was likely to be challenged in the Court of Law and also likely to be struck down being discriminatory. It was further explained to them that it was for similar reason that the earlier Act of 1958 as amended in 1968 was declared *ultra vires* Article 14 of the Constitution. It was, therefore, suggested to the Ministry of Shipping and Transport that it would be better if the provisions of Port Trust Acts as well as Major Port Trust Acts were amended and all the properties under the Port Trust and their occupants brought under the purview of those Acts. It was only in March, 1973, vide their U.O. No. 19-PGB(6)/73, dated 17-3-1973 that the Ministry of Shipping and Transport made a further reference to the Min. of Works & Housing for further reconsideration and take steps to amend the definition of the term "Public Premises" in the Act to cover the Port Trust properties. That Ministry also stated that as and when the Public Premises Act, 1971, was extended to cover Major Port Trust, the relevant sections of the Port Trusts Acts will be deleted, if necessary.

The Ministry of Works and Housing then took the view that since it would not be desirable to go frequently to Government

and the Parliament for piece-meal legislation, it would be advisable and imperative to elicit from other Ministries|Departments as to the difficulties and bottlenecks which were being experienced by them (including Corporations, Companies etc., under their Administrative Control) in the implementation of the various provisions of the Public Premises Act, 1971. Accordingly, a circular was issued on 2nd May, 1973 to the various Ministries and departments of the Government of India to intimate the problems, if any, faced by them in the implementation of the various provisions of the Act and furnish concrete proposals in the prescribed proforma after consulting the Ministry of Law and Justice.

Although in the circular dated 2-5-1973 all the Ministries and Departments were asked to furnish the requisite information within two months, it took a considerably longer period (upto June 1975) that too after issuance of several reminders to obtain the necessary information from all the concerned Ministries|Departments. In the meantime, a proposal from the Lok Sabha Secretariat relating to empowering gazetted officers of the Lok Sabha Secretariat with the powers of the Estate Officer under the Public Premises Act for properties belonging to the Lok Sabha Secretariat and another proposal relating to the problem of squatting as well as temporary encroachment on Public Premises|Government lands were considered for suitable amendment to the Act and these were separately processed in consultation with the Law Ministry, and ultimately an amendment Bill was introduced in the Rajya Sabha on 24-8-1976. The proposals for amending the various provisions of the Act including the inclusion of the premises of the Major Port Authorities within the definition of "Public Premises" were separately processed, through the Law Ministry in March, 1976. At the final stages of examination of these proposals, the Law Ministry in February 1977, suggested that the Bill already introduced in the Rajya Sabha on 24-8-1976, may be withdrawn and a consolidated Bill incorporating all the amendments under consideration could be introduced in due course. The bill introduced in the Rajya Sabha was, therefore, withdrawn on 27-7-1977. Later, when the proposal for consolidated amendments was sent to the Law Ministry on 27-3-1978, the file had to be subsequently withdrawn on 22nd May, 1978, as the Ministry of Home Affairs raised a fresh issue desiring amendment to the Act to make squatting on public land a cognisable offence. Consideration of this issue caused further delay in processing of the case in respect of other amendments which were under consideration.

Later, a consolidated proposal for amending the Public Premises Act was approved by the Government on 6-7-1979. Since then, the

draft Bill for amending the Act has been prepared by the Law Ministry. It is proposed to introduce the Bill in the next Session of the Parliament.

The Committee's desire that a probe should be conducted into the case of inordinate delay which has caused loss of several lakhs of rupees to the Bombay Port Trust has been noted for action.

[Ministry of Works & Housing O.M. No. G-25015|3|79-Bt.
dated 7-1-1980]

.. Recommendation

The Committee also find that the orders of the High Court were passed on 21-10-1975 restraining the Port Trust from evicting the party except by the process of law. Thereafter, a period of more than three years was taken in correspondence with the Legal Adviser of the Port Trust and the Advocates and suit for eviction and arrears of rent (amounting to over Rs. 7 lakhs upto February, 1979) was filed only in December, 1978. From the chronology of events in this case, it is seen that the Estate Department took several months in processing the case at every stage. This raises suspicion in the mind of the Committee. The responsibility for part of the delay is also to be shared by the Legal Department in as much as cases were held up in that Department at various stages. Meanwhile, the party has sub-letted the premises to 8 other parties. The Port Trust is also accepting a monthly rent of Rs. 1650/- to Rs. 1700/- as against the bill of Rs. 9271.80 to Rs. 9580.86 per mensem. The Committee express their unhappiness at the leisurely or almost indulgent manner in which this case has been allowed to linger on since orders were passed by the Bombay High Court in October, 1975. The fact that the suit could be filed only in December, 1978 clearly indicates that the Port Trust started feeling the urgency of the matter only after the Committee took up examination of this case along with other cases of similar nature. This is regrettable. The Committee would like the Port Trust authorities to have the matter finalised expeditiously.

[SI. No. 34, Para 7.85 of Appendix to 139th Report of PAC (6th Lok Sabha)]

..Action Taken

The Bombay Port Trust are being advised to have the matter finalised expeditiously.

The Bombay Port Trust have, however, reported that the undue delay had occurred in filing the suit as a view was taken that it would not be worthwhile to file a suit for recovery of arrears since the party did not possess any assets. Subsequently, the BPT decided, as a matter of policy, to file suits for arrears in such cases as it was felt that the local enquiries made may not be adequate to come to definite conclusion regarding the financial status of the defaulter.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-1980]

**Further Information furnished by the Ministry of
Shipping & Transport**

Recommendation No. 34 (Para 7.85)

The court case against Shri S. L. Jaiswal for eviction from port premises and for recovery of arrears of rent is still going on and the next date of hearing has been fixed on 3-4-1981.

[The Ministry of Shipping & Transport O.M. No. PW/PTL—
100/79 dt. 28-2-1981]

Recommendation

Some of the glaring omissions that have come to light as a result of examination of only a few cases pertaining to outstandings against private parties in respect of Estate rentals are mentioned below:—

- (i) Land is allotted to private parties on casual occupancy basis initially for a period not exceeding 15 days. No care is taken to ensure that the Certificate of Occupation which is required to be furnished by the allottee is actually obtained by the Estate Department before the allottee is allowed to occupy the area. This is very irregular. The absence of a proper agreement with the allottee results in long drawn litigation/when the allottee defaults in payment of rent and refuses to vacate the area. The Committee desire that proper instructions should be issued so that such irregularities are stopped forthwith.

[Sl. No. 36, para 7.86(i) of Appendix to 139th Report of
PAC (6th Lok Sabha)]

..Action Taken

The observation of the Committee has been noted.

2. The Bombay Port Trust have been advised to ensure that the Certificate of Occupation is obtained from the allottee before he is allowed to occupy the area. It may, however, be mentioned that the Bombay Port Trust have reported that the entire procedure of allotting land on casual occupancy basis, the form in which such permission is given and the terms and conditions subject to which the permission is given are being reviewed in consultation with the Legal Department. The recommendation of the Administrative Staff College of India, Hyderabad, who have been asked to undertake a study of the Estate Department will also be taken into consideration while finalising the revised procedures.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-1980]

**Further Information furnished by the Ministry of
Shipping & Transport**

The Bombay Port Trust have already issued instructions with regard to obtaining of Certificate of Occupation from the allottees before actual occupation of port premises. As regards finalisation of the revised procedure for allotment of land on casual occupancy basis, the Report of the Administrative Staff College, Hyderabad is under consideration of the Port Trust and its recommendations would be implemented after the approval of the Board of Trustees has been obtained.

[The Ministry of Shipping & Transport O.M. No. PW/PTL—100/79
dated 28-2-1981]

Recommendation

..

- (ii) The Committee were informed that in many cases land is allotted on casual occupation basis for a period not exceeding 15 days on Bye-law rates fixed by the Bombay Port Trust. Thereafter the occupation continues. There are no formal applications from occupants for extension of the period of allotment. The Estate Department does not bother about this. After some time, this Department starts sending monthly bills to the occupants for payment of rent and thus starts treating them as monthly tenants. Thus, the whole basis on which permission is granted

initially changes. After treating the occupants as monthly tenants, the Port Trust authorities find it difficult to evict the occupants on 24 hours' notice as per original condition under which the land is allotted on casual occupancy basis. The Committee highly deprecate that such irregularities have been allowed to continue in the Estate Department which is apparently run in a very slipshod manner. They would like the Port Trust authorities to re-examine this system of allotment of land on casual occupancy basis. Where land is required by a party for a longer period, the prescribed procedure for entering into proper agreements should be followed.

[Sl. No. 36, para 7.86 (ii) of Appendix to 139th Report of PAC (6th Lok Sabha)]

..Action Taken

The observations of the Committee have been noted.

As already stated in reply to Para 7.86(i) the question of revision of the entire system of allotment of land on casual basis is under consideration by the Bombay Port Trust.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-1980]

. Further Information furnished by the Ministry of .. Shipping & Transport

As mentioned in the case of Recommendation No. 35, the Report of the Administrative Staff College, Hyderabad is under consideration of Bombay Port Trust and the recommendations would be implemented after approval by the Board of Trustees.

[The Ministry of Shipping & Transport O.M. No. PW/PTL—100/79
dated 28-2-1981]

Recommendation

The Committee are of the view that the Bombay Port Trust should also take suitable action against the officers concerned for committing various irregularities and delays causing loss of revenue to the Port Trust.

[S. No. 42, para 7.88 of Appendix to 139th Report of PAC (6th Lok Sabha)]

..Action Taken

The Bombay Port Trust authorities have reported that appropriate action will be taken against persons found to have caused loss of revenue through delays, negligence or mala fide intentions.

For this purpose, the Chairman has ordered a careful scrutiny of different cases involving grant of land to various parties. This scrutiny covers over 3500 cases involving grant of land for varying periods of time and subject to different terms and conditions.

[The Ministry of Shipping & Transport O.M. No. PTL—100/79
dt. 31-3-1980]

Further Information furnished by the Ministry of Shipping & Transport

The cases involving irregularities and delay causing loss of the revenue to the Port Trust are being scrutinised by Bombay Port Trust at various levels. Out of the 3500 cases about 1327 cases had been scrutinised by 13-2-81. Since the work involved is voluminous, it would take time in finalising the scrutiny of all the cases.

[The Ministry of Shipping & Transport O.M. No. PW/PTL—100/79
dated 28-2-1981]

The undersigned is directed to refer to this Ministry's O.M. No. PW/PTL—100/79 dated the 28th February, 1981 on the subject mentioned above and to say that in pursuance of recommendation No. 42 (Para 7.88) of 130th Report of PAC on Bombay Port, the Port authorities have been scrutinising cases involving leases of land of various parties with a view to detect irregularities/lapses on the part of staff/officers of the Port leading to loss of revenue to the Port.

2. As on 10-4-81 scrutiny of 1608 cases out of 3500 cases has been completed. The Chairman, BPT has, in the meantime, undertaken assessment of result achieved through scrutiny of cases. He has stated that out of the scrutiny of the check-lists numbering 369, finalised upto the period ending 12-9-1980, minor lapses came to notice only in 15 cases. In 14 cases the lapse was delay in filing suit and in one case the lapse was delay in regularisation of breach. No officer has been found responsible for causing loss of revenues to the Port.

3. The Chairman has given instructions to the staff and officers of the Port Trust to deal properly with such cases in future. The Chairman, BPT is of the view that the outcome of such an elaborate investigation by Inspectors and other officers who are otherwise heavily loaded with litigation work, etc. is not commensurate with the objective of the relevant recommendation of PAC. He has stated that the small number of cases where lapses have been noticed and the minor nature of the same do not warrant continuation of the present procedure of scrutiny of individual cases. He has, therefore, suggested to discontinue the scrutiny of further cases.

4. The Report of the Administrative Staff College is already in the hands of the Bombay Port Trust authorities and full use of this report would be made in streamlining the procedure of the Estate Department. Since a fairly large number, of cases viz. over 1600 have already been scrutinized, the Chairman, Bombay Port Trust is being permitted to discontinue the scrutiny of further cases so that the staff of the Estate Deptt. can concentrate on dealing with current cases of grant & renewal of leases, recovery of dues, litigation work etc. This may kindly be brought to the notice of the Public Accounts Committee.

[The Ministry of Shipping & Transport O.M. No. PW/PTL—83/79
dt. 6-5-1981]

NEW DELHI;

August 25, 1981.

Bhadra 3, 1903 (S).

SATISH AGARWAL

Chairman

Public Accounts Committee

APPENDIX

STATEMENT OF CONCLUSIONS/RECOMMENDATIONS

Sl. No.	Para No.	Ministry/Department	Conclusions/Recommendations
1	2	3	4
1	1.4	Ministry of Shipping and Transport	<p>The Committee expect that final replies to those recommendations or observations in respect of which only interim replies have so far been furnished will be made available to them expeditiously, after getting them vetted by Audit.</p> <p>The Committee note that with a view to bringing about possible improvements in the working of the Port Trust Railway, a Committee of Trustees headed by the General Manager of the Central Railway has been appointed. The Committee hope that the recommendations of the Committee of Trustees would be given a serious consideration for implementation as early as possible. A copy of the Report of the Committee of Trustees may also be furnished to the Committee soon after it is received by the Ministry.</p>
2	1.8	-do-	
3	1.9	-do-	<p>As regards the absorption of surplus staff in the Port Railway, the Committee do not agree with the approach of the Ministry of Shipping and Transport that ".....it is not possible to absorb the</p>

1 2 3

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surplus staff against future vacancies as it is felt that any step in this direction would lead to a major trouble." The Committee still feel that without abolishing the surplus posts steps can be taken to negotiate with the Unions for the deployment of the surplus staff against future vacancies. The Committee while reiterating their earlier recommendation would emphasise that concerted efforts should be made in consultation with the Unions to effect economy and efficiency in the running of the Port Railways.

4 1.14 Ministry of Shipping and Transport

The Committee note that as per their recommendation the Ministry of Shipping and Transport have in December, 1979 constituted a Committee of 3 officers consisting of Joint Secretary and Legal Adviser, Ministry of Law's Branch Secretariat Bombay; Director (Development), Ministry of Shipping and Transport and Deputy Chairman, Bombay Port Trust, Bombay. The Committee of Officers is to examine cases of irregularities in the matter of settlement of cases of unauthorised occupation of Port Trust land by private parties and on the basis of its findings suggest steps aimed at improving the functioning of the Estate Department. This Committee of Officers submitted its interim report in April, 1981.

5 1.15 -do-

With a view to bringing about the desired improvements in the Estate Department, the Port Trust had also requested the Administrative Staff College of India, Hyderabad to undertake a

detailed study of the working of the Estate Department, its set up, documentation, lease deeds and other allied matters. The Ministry of Shipping and Transport have informed the Committee on 28 February, 1981 that the above report "has since been received by Bombay Port Trust and after its approval by the Board of Trustees, the recommendations contained therein would be implemented". From the scrutiny of the Report a copy of which has been obtained from the Ministry on 27 March, 1981 it is seen that the Administrative Staff College of India, Hyderabad in their report have made a number of revealing observations about the deficiencies and loopholes in the working of the Estate Department of the Port Trust. Several remedial measures have been suggested in the report to rectify and remove the shortcomings in the Department. The Committee would like to be informed in detail whether suggestions made by the Administrative Staff College of India, Hyderabad and the Committee of Officers have been accepted and implemented.

As the problems relating to management of Port Trust lands in all major ports will be of similar nature, the Committee would suggest that the recommendations of the Administrative Staff College, Hyderabad and of the Committee of Officers should be made available to all major port trusts so as to enable them to bring about improvements in their systems and procedures. The Ministry of Shipping and Transport should also ensure that necessary remedial measures are taken by all the major port trusts to improve the functioning of their estate departments.