

P.A.C. No. 47

**PUBLIC ACCOUNTS COMMITTEE
(1974-75)**

(FIFTH LOK SABHA)

CALCUTTA PORT TRUST

HUNDRED AND SEVENTY-FIFTH REPORT

**[Audit Report on the Accounts of Calcutta Port Trust
for the years 1968-69 to 1972-73]**



सत्यमेव जयते

**LOK SABHA SECRETARIAT
NEW DELHI**

April, 1975/Vaisakha, 1897 (Saka)

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SECRETARIAT

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Shri N. Sunder Rajan—Senior Financial Committee Officer.

INTRODUCTION

I, the Chairman, Public Accounts Committee having been authorised by the Committee, do present on their behalf this Hundred and Seventy-Fifth Report on the Audit Reports on the Accounts of Calcutta Port Trust for the years 1968-69 to 1972-73.

THE AUDIT REPORTS

(The Audit Reports on the Accounts of the Calcutta Port Trust were laid on the Table of the House as given below:—

1968-69	.....	7.8.70.
1969-70	.....	29.5.72.
1970-71	.....	26.3.73.
1971-72	.....	23.7.73.
1972-73	.....	12.8.74.)

2. The Committee examined the representatives of the Calcutta Port Trust, Ministry of Shipping & Transport, Railway Board, Department of Company Affairs, Ministry of Finance, (Department of Revenue & Insurance), Reserve Bank of India, Shipping Corporation of India and Tea Board on the 29th January, 14th March, 15th March, and 17th March, 1975. The Committee wish to express their thanks to the officers of these Ministries|Departments|Corporations for placing before them the material and information which they desired in connection with the examination of the subject and for giving evidence before the Committee.

3. At their sittings held on 28th January, 4th March, and 15th March, 1975 the Committee also examined the representatives of the West Bengal Dock and Port Mazdoor Union, Calcutta and Centre of Indian Trade Union, Calcutta. The Committee wish to express their thanks to the General Secretary of the West Bengal Dock and Port Mazdoor Union, the President, Centre of Indian Trade Union and the Working President of the West Bengal Dock and Port Mazdoor Union, Calcutta for furnishing memoranda to the Committee and also for giving evidence and making valuable suggestions.

4. The Committee also wish to express their thanks to all the associations and individuals who furnished memoranda to the Committee.

5. The Report was considered and finalised by the Committee at their sitting held on the 29th April, 1975.

6. The Committee would like to record that the information on points arising out of evidence tendered before the Committee was received only in the 3rd and 4th weeks of April, 1975 with the result that the whole information could not be made use of and the Report is therefore not as exhaustive as the Committee would have liked it to be. The examination of the Accounts of the Calcutta Port Trust has brought to surface several deficiencies and irregularities of a serious nature. The Committee leave it to their successor Committees to examine in depth the Audit Reports of the other major ports in the country so that the deficiencies in the working of those ports are also discussed and uniform measures suggested to improve their functioning.

7. A statement showing the summary of the main conclusions/recommendations of the Committee is appended to the Report—Appendix V.

For sake of facility, the recommendations of the Committee have been printed in thick type in the body of the Report.

8. The Committee would like to place on record their appreciation of the assistance rendered to them in the examination of the Audit Reports of the Calcutta Port Trust by the Comptroller and Auditor General of India.

JYOTIRMOY BOSU,
Chairman,
Public Accounts Committee.

NEW DELHI;
April 30, 1975.

Vaisakha 10, 1897 (S).

CHAPTER I

ACTIVITIES & FINANCIAL RESULTS OF WORKING

Audit Paragraphs

Activities

1.1. The main activities of the Calcutta Port Trust fall broadly under the following four categories:

- (a) Cargo handling and storage;
- (b) Port and dock facilities for shipping including pilotage service and river dredging and maintenance;
- (c) Railway working; and
- (d) Management of land and buildings.

Financial and working results

1.2. After independence, during the seventeen years from 1947-48 to 1964-65, there were revenue surpluses except during 1950-51, 1951-52, 1953-54 and 1954-55 when the deficits varied between Rs. 27 and 82 lakhs. But notwithstanding the successive upward revision of charges every year, except in 1971-72, the yearly deficit rose steeply from Rs. 174.30 lakhs in 1965-66 to Rs. 745.07 lakhs in 1972-73, even after adjusting subsidy at 80 per cent of the expenditure on river dredging and maintenance which Government is paying since 1968-69. The total accumulated uncovered revenue deficit as at 31st March, 1973 stood at Rs. 1,800.76 lakhs.

1.3. The principal reasons for the recurring deficits over the eight years since 1965-66 are:

- (i) fall in traffic mainly because of diversion of traffic to other ports owing to draft restrictions caused by deteriorating condition of the Hooghly; and
- (ii) heavy increase in expenditure on :—
 - (a) establishment on account of upward wage revisions, awards of industrial tribunals, enhanced dearness and house rent allowances *ex-gratia* payments in lieu of bonus, etc.;

(b) dredging and river maintenance due to heavy silting in Hooghly. (The Farakka Barrage Project designed to supply 40,000 cusecs of water through the Feeder Canal is yet to be completed; and

(c) interest charges on loans taken for port development under the five year plans.

1.4. An analysis of income and expenditure on revenue accounts for the four years ending 1972-73 under broad headings, showing also the transfer to reserves, etc. is given below:—

	1969-70	1970-71	1971-72	1972-73
<i>Income:</i> (Rupees in lakhs)				
Cargo handling and storage charges including rivers dues	1,301.79	1,343.83	1,941.22	1,694.65
Port and dock charges (including pilotage fees)	387.05	336.76	389.74	323.00
Railway Earnings	266.78	264.72	288.65	311.72
Estate rentals	249.72	260.58	259.33	258.20
	<u>2,205.34</u>	<u>2,205.89</u>	<u>2,878.94</u>	<u>2,558.26</u>
<i>Less Expenditure :</i>				
Cargo handling and storage	861.55	842.09	911.21	950.68
Port and dock facilities for shipping (including pilotage)	873.37	931.26	961.09	1,061.98
Railway workings	295.15	343.39	372.37	379.57
Rentable land and buildings	43.09	42.68	45.00	50.18
Management and General Administration (not directly attributable to a particular activity)	659.31	631.65	702.95	832.27
	<u>2,732.47</u>	<u>2,791.07</u>	<u>2,992.62</u>	<u>3,274.68</u>
Operating deficit	(—)527.13	(—)585.18	(—)113.68	(—)686.42

	1969-70	1970-71	1971-72	1972-73
	(Rupees in lakhs)			
<i>Add</i>				
Finance and Miscellaneous income	619.14	160.18	163.13	164.84
<i>Less</i>				
Finance and Miscellaneous expenditure	550.77	473.51	550.94	571.52
Net deficit (including pilotage account)	(—)458.76	(—)898.51	(—)501.49	(—)1,093.3
<i>Add</i>				
Contribution from Government towards expenditure on river dredging and maintenance	..	290.00	970.88	464.00
<i>Less</i>				
Differentials at enhanced rate for the previous years adjusted against accumulated uncovered revenue deficit	..	..	506.88	..
Net deficit including contributed from Government towards expenditure on river dredging and maintenance	(—)458.76	(—)608.51	(—)37.49	(—)629.30
<i>Add</i>				
Amount withdrawn from reserves etc.	..	..	204.00	260.09
<i>Less</i>				
Transfer to reserves etc.	..	..	345.20	375.80
Uncovered revenue deficit transferred to balance sheet	(—)458.76	(—)608.51	(—)118.61	(—)745.07

1.5. The accounts of the year 1969-70 have taken credit of Rs. 5 crores as income on account of subsidy from Central Government, while in the accounts of 1968-69 there was no such credit. Upto 1968-69 contributions to a sinking fund for repayment of loans obtained by the Port Trust were being debited to revenue expenditure from 1969-70 this practice has been stopped. Further, for depreciation no debit was being made to revenue upto 1968-69, while from 1969-70 depreciation on historic cost basis is being charged to revenue.

1.6. Implementation of the recommendations of the Wage Board for Port and Dock Workers with effect from 1st January, 1969 had an impact on the Port's revenue in 1969-70 to the extent of Rs. 4.20 crores; there was no such expenditure in the previous year. Excluding this disparate items from the accounts of 1968-69 and 1969-70 the revenue income and

revenue expenditure for the Port Trust in 1968-69 and 1969-70 were as follows:—

	1968-69	1969-70
	(Rupees in crores)	
Revenue: income	23.47	22.28
Revenue: Expenditure	25.01	24.95

The actual amount provided in the accounts of 1969-70 for depreciation (on historic cost basis) is Rs. 2.58 crores while depreciation on replacement cost basis would have been Rs. 4.20 crores.

[Paragraph 1(a) of the Audit Report for 1969-70, 1 of the Audit Report for 1970-71, 1 of the Audit Report for 1971-72 and 1 and 2 of the Audit Report for 1972-73]

1.7 Under the Calcutta Port Act, 1890, which was in force till February, 1975, and the Indian Ports Act, 1908, the functions and composition of the Commissioners for the Port of Calcutta were as follows:—

Functions:

- (1) Provide facilities for berthing/mooring and loading/unloading of ships, sheds, and warehouses for storage of cargo and various ancillary facilities for a receipt and delivery of cargo.
- (2) Provide necessary staff for carrying out the above functions as also maintenance of operation of various gears and equipment.
- (3) Maintenance and dredging of the navigable channel reading to the Port as also within the docks.
- (4) Provide pilotage to ships from sea to the port and vice-versa.

Composition

Chairman	Appointed by Central Govt.
Deputy Chairman	Do.
Collector of Customs, Calcutta	Ex-officio

Chief Executive Officer of the Municipal Corpn. for the City of Calcutta	Do.	
General Manager, Eastern Railway	Ex-officio	
Director of the Railway Board at Calcutta (Post now vacant)	Do.	
One representative of the Mercantile Marine Dept.	Chosen by the Central Govt.	
One representative of the Defence Services	Do.	
One representative of the State Government	Chosen by the State Govt.	
Two representatives of the Labour	Chosen by the Central Govt. after consultation with the R g l. Trade Unions composed of persons employed in the port.	
13 elected Commissioners	These are filled by election by the following bodies :	
	(1) Municipal Corporation of the City of Calcutta	1
	(2) Howrah Municipality	1
	(3) Bengal National Chambers of Commerce & Industry	3
	(4) Indian Chamber of Commerce	2
	(5) Bengal Chamber of Commerce and Industry	2
	(6) Merchants Chamber of Commerce	1
	(7) Bharat Chamber of Commerce	1
	(8) Oriental Chamber of Commerce	1
	(9) Indian National Ship-owners' Association	1

(NOTE : On the enforcement of the Major Port Trusts Act, 1963 with effect from the 1st February, 1975, the Commissioners for the Port of Calcutta became the 'Board of Trustees of the port of Calcutta'. From 1st April, 1975, the Board of Trustees of the Port of Calcutta was reconstituted and it now consists of 18 Members (including the Chairman out of whom the two represent the labour employee in the port and five members represent the Chambers of Commerce/Shippers' Council Clearing Agents' Association.)

1.8. The Chairman and the Deputy Chairman are full time officials appointed by the Central Government. The Chairman is the executive head of the organisation and is responsible for the administration and management of the affairs of the Port in accordance with the provisions of the said Act. For administrative purposes, the administration of the Port is divided among the following 13 heads of Departments:

- (1) Secretary
- (2) Financial Adviser and Chief Accounts Officer
- (3) Traffic Manager

- (4) Chief Engineer
- (5) Chief Engineer, Haldia
- (6) Director, Marine Department
- (7) Chief Mechanical Engineer
- (8) Controller of Stores
- (9) Chief Medical Officer
- (10) Chief Hydraulic Engineer
- (11) Land Manager
- (12) Legal Adviser
- (13) Labour Adviser and Industrial Relations Officers.

1.9. The Committee have been informed during evidence that the estimated revenue deficit for 1973-74 was Rs. 12 crores.

1.10. A scrutiny of the Accounts relating to the Calcutta Port Trust shows that while they do get some net surplus on (i) cargo handling and storage charges including river dues and (ii) Estate rentals from rentable land and buildings, they continue to incur heavy losses from year to year on (i) Port and dock charges/facilities and (ii) Railway earnings/workings. As a result, uncovered revenue deficits have to be transferred to the balance sheet, notwithstanding the fact that 80 per cent of the expenditure on river-dredging and maintenance are being paid by way of subsidy by the Central Government. As stated in the Audit paragraph, the recurring deficits are attributable to the fall in revenue (due to fall in traffic) and heavy increases in expenditure on establishment, dredging/river maintenance and interest charges on loans taken for port development under the Five Year Plans.

The following table shows the position about the cargo handled by the Port:—

	1963-69	1969-70	1970-71	1971-72	1972-73
	(In thousand metric tonne).				
Import	4,000	3,399	3,247	4,750	4,148
Export	3,955	3,487	2,767	2,609	2,522
Inland Warehouses	570	529	384	510	514
TOTAL	8,525	7,415	6,398	7,869	7,194

1.11. During evidence, the Chairman of the Port Trust has stated: "... the trend in India since independence for shipping traffic is on the bulk cargo. Indian traffic has gone up from 18 million tonnes at the time of independence to 65 million tonnes today. When it was 18 million tonnes, Calcutta handled about 9 to 10 million tonnes. When it is now 65, million tonnes, Calcutta is handling roughly 7 million tonnes.

1.12. The Committee desired to know as to why the expenditure on cargo handling etc., port and dock facilities and management and general administration had increased whereas the traffic had come down. In their reply, the Ministry of Shipping & Transport have stated as follows:

"As most of the employees of the Commissioners are borne on their permanent establishment it has not yet been possible to reduce the number of employees commensurate with much lower level of traffic; on the other hand the cost of various concessions awarded to employees as well as steep rise in the cost of materials have pushed up the Commissioners' expenditure considerably. These factors account for the general rise in expenditure including that on such activities like cargo handling etc. Port and Dock facilities and Management and General Administration when the traffic has come down. The important reasons are:—

- (1) Implementation of the recommendations of the Wage Board with effect from 1st January, 1969.
- (2) Enhancement of Additional Dearness Allowance and per-revision thereof on the basis of six monthly average of consumer price index.
- (3) Expenditure on account of higher rates of incentive under the provision of the price rate scheme.
- (4) Ex-gratia payment in lieu of Bonus from 1971-72.
- (5) Enhancement in municipal tax consequent upon revision of rates.
- (6) Increase in debt charges.
- (7) Increase in the cost of consumable stores.
- (8) Interim relief to non-marine Officers in terms of Desai Committee's award.
- (9) Implementation of the recommendations of the Desai Committee.

- (10) Increase in expenditure on retirement benefits in view of enlargement of definition of pay for Class III Officers.”

I.13. About the reasons for losses in the working of the Port Railways and the steps taken by the Port authorities to effect improvement, the Ministry have, in a written note furnished to the Committee, stated as follows:—

“The volume of traffic handled by the C.P.C. Railways has dropped from 7.3 million tonnes in 1964-65 to 4.5 million tonnes in 1972-73. This steep decline in traffic handling is one of the major factors contributing towards the loss in running the Railway system. Apart from the fall in traffic, the cost of operation has gone up considerably which has further increased the gap between income and expenditure. The rate of terminal charge payable by the Indian Railways to the Port for performance of terminal services by the latter is not adequate to meet the expenditure incurred for providing the services in a costly city like Calcutta. The matter has been taken up with the Railway Board for revision of rates with effect from 1st April, 1971.

The C.P.C. Railway extends over a very large area and serves a large number of industrial and commercial sidings apart from the transit sheds and yards which cater to the sea-borne traffic. The facilities created to handle traffic earlier cannot be reduced correspondingly according to the decline in traffic excepting in certain spheres of railway working in view of the lay out of the C.P.C. Railway system. Efforts are however being made to effect economy wherever it is possible. The following steps have so far been taken towards reducing the expenditure:

- (a) Total restriction on the recruitment of staff.
- (b) Reduction of wagons owned by the C.P.C. thereby reducing the cost of maintenance.
- (c) After a detailed study, decisions have been taken to amalgamate some stations in the Northern Section to reduce operating cost as also to close or hand over to the S.E. Railway Shalimar Section which is unremunerative.
- (d) Joint efforts are being made by all Indian ports to raise the terminal charges payable by the Indian Railways which, if it succeeds, will raise the income to some

extent. For improving the work of the C.P.C. Railway, studies are being undertaken in consultation with the Indian Railways."

1.14. The above reasons being only of a conventional type, the Committee also heard some non-official witnesses with a view to identify other factors responsible for putting the finances of the Calcutta Port into a very bad shape and to find out appropriate measures to plug the loopholes and improve the position.

1.15. During the course of their tour to Calcutta in October, 1974, the Committee also had occasion to see the functioning of the Port and hold informal discussions with the Port Commissioners in that regard.

1.16. The information that was gathered by the Committee pointed out the need for detailed examination of the procedures both in regard to assessment and collection of Port dues and remission/refund of amounts by the Port authorities to the users of the Port, as it was reported that the Port authorities were not at all watchful in the former and did not bother much in the latter as a result of which there was considerable leakage of revenue and increase of expenditure of the Port which in turn contributed to a considerable extent to the present bad shape of its finances, for which the present management is responsible.

(A) *Assessment and collection of Port charges*

1.17. The evil of under-invoicing of exports resulting in huge losses of foreign exchange to the country and tax and Port charges, is now being frequently referred to at public platforms and in Parliament. In June, 1971, the Report of the Study Team on Leakage of Foreign Exchange through Invoice Manipulation, appointed by the Government of India under the chairmanship of Shri M. G. Kaul (in pursuance of a recommendation made by the Public Accounts Committee in their 56th Report—1968-69) had referred to the magnitude of the problem in the following terms:—

"2.17. * * * * * It would thus appear that, the range of manipulation would differ from commodity to commodity. We have taken into account all these considerations and have come to the conclusion that the under-invoicing of exports in a year is probably in the range of Rs. 40 to 50 crores.

2.18. * * * * * , the leakage of foreign exchange through over-invoicing of imports is not, in our view, likely to exceed Rs. 10 to Rs. 15 crores in a year.

* * * * *

2.20. The overall picture that emerges from this examination is that the leakage of foreign exchange due to under-invoicing of exports, and other malpractices through trade channels would at present be roughly of the order of Rs. 50 to 70 crores in a year."

1.18. The Committee understand that apart from the adverse effect of under-invoicing and over-invoicing on the charges of the Port, the practice of mis-declaration of the description of contents and weights of consignments passing through the Port is very much rampant at Calcutta. It appears to be nobody's serious concern to check thoroughly whether the weight indicated by a shipper in the Shipping Bill is the true weight of the cargo in question. Similarly, the description classification or category of the contents of a shipment is taken for granted by the Port authorities and they have practically no machinery to do the checking which is surprising. Still more amazing is the revelation to the Committee that whereas the false weights declared in the Shipping Bills and Dock challans, on the basis of which the CPT charges are assessed and collected, pass through the Customs and the Port without any check worth its name, the Shipping Companies at any rate realise their freight charges on the basis of the true weights of the consignments.

On export consignments, the Port charges are in the first instance recovered on the basis of weights/quantities given in the Dock challans/shipping Bills. It is only at the time of post-audit when the steamer is far outside the reach that these documents are linked with the Steamer Manifests and bills for under-charges raised where necessary. Even in post-audit all misdeclarations are not detected and where detected the only penalty is realisation of the dues by raising under-charge bills. This has assumed menacing proportions.

1.19. The Committee desired to know from the Ministry as to the procedure prescribed for checking the weights of consignments in Dock-sheds, the percentage of consignments test-weighed daily and the staff detailed and actually required for the purpose. The reply received from the Ministry is reproduced below:—

"(A) Whenever it appears at the time of assessment of Port charges that the weight or measurement on which the charge has to be assessed has been under-declared on a Import Jetty Challan or an Export Dock Challan, an endorsement is made by the Collection Office on the challan to the effect that the consignment in question has to be check-weighed or measured before shipment or delivery as the case may be. When the Importer or the Shipper presents at the shed the challan which bears

such an endorsement, the traffic shed staff immediately requisition the services of the staff who are there for doing check measurement/weightment (designated as measuring staff) and see to it that the consignment in question is got check-weighed/measured. In case it is found that the weight or measurement has been short declared, the shed staff raise an undercharge bill and the party is made to pay the bill before he is allowed to take delivery of the cargo or before his cargo is allowed to be shipped. Besides this, the Shed Foreman has also the discretion to get any consignment check-weighed or measured, in case it appears to him that the weight or measurement has been misdeclared on any challan. In respect of some consignments measured by one of the Licensed Measures, CFT are also obtaining copies of weightment certificates.

(B) It may be mention here that for due recovery of Port charges it is not necessary to check measure or weigh all the consignments offered for shipment or imported through this Port. In cases of certain types of cargo, the Port charge is realised on unit basis, while in certain other cases a survey is made to ascertain the quantity loaded into ships and the charge is realised on the quantity as ascertained by such survey. Again is the case of shed shipments, exporters submit at the time of payment of Dock charges a copy of the Shipping Bill and where the Customs Authorities recover duty on the basis of weight or measurement, the Port Trust gets the opportunity of checking up with the quantity/measurement declared in the Shipping Bill at the time of collection of charges. So, only in the rest of the cases a check-weightment or measurement is called for in order to safeguard against leakage of revenue, and in such cases about 10 per cent of the consignments are now being subjected to check measurement or weightment.

(C) 6 UD Clerks (designated as Measuring clerks) and 6 peons have been detailed for carrying out check-weightment/measurements."

The Committee have also been informed that there are 34 transit sheds in the Calcutta Port and 41 weighing scales owned by the Port authorities in those sheds.

1.20. So far as checking by the Customs is concerned, the Collector of Customs, Calcutta, has informed the Committee during evidence that the percentage of cargo checked varies from the nature of the cargo, the lowest being as low as 1 per cent and the highest being 90 to 10 per cent.

In reply to a question about the average percentage of checking, the witness has stated, "I suppose, 5 per cent will be the collection." The Member (Customs), Department of Revenue and Insurance has clarified that "It is a percentage check only. Complete weighing takes place only when we find that the check weighing shows that there is need for further weighing."

As regards the checking staff of the Customs provided at the Calcutta Port, the Collector of Customs, Calcutta, has admitted during evidence that "Not sufficient staff are there to cope with the cargo."

In a written note furnished to the Committee, it has been stated that in the Calcutta Dock and Jettis there are 24 weighing scales belonging to the customs for which the total number of weighing staff engaged by them is six. The number of officers deployed for checking of import and export cargo in the Docks is 45. In addition, about 50 Preventive Officers are posted in two shifts everyday for carrying out preventive checks and other day to day work.

1.21. In respect of overside shipment of cargo, no Dock Challan was prescribed before May 1973, and the Port authorities depended entirely on the entries made in the Shipping Bills on the basis of which Customs realised their duty. The Committee therefore, desired to know the details of the arrangements between the Port and the Customs in this regard. In reply, the Committee have been informed:—

"Although there is no arrangement between the Port Trust and Customs under which the latter is required to notify the former about the cargo shipped overside, there is a long standing reciprocal arrangement between them for safeguarding the collection of their respective dues. Under this arrangement the Port Trust sees to it that no consignments on which the Customs Duty has not been paid are allowed to be shipped through the sheds. On the other hand, Customs authority have to ensure that no overside shipment is allowed to be effected for which the port dues have not been paid.

Freight Manifests for cargo shipped are obtained from Steamer Agents. Particulars declared by the shippers in the port documents namely, overside Dock Challan and Shipping Bill on which port charges have been recovered, are compared with the details of consignments shipped as appearing in the Freight Manifest, to ensure that the port charges have been recovered in full."

1.22. Two of the more important commodities exported through the Calcutta Port are Jute and Tea, and the values of their exports during the last two years were as follows:—

	1972-73	1973-74	1974-75 (April to Sept.)
	(In crores of Rupees)		
Jute Yarns & manufactures	250	227	169.4
Tea	147	145	88.1

1.23. The following procedure is followed by the Port in respect of shipments of jute:—

“Consignments of jute/gunnies after being loaded in boats from the mills are brought alongside a vessel for shipment. It is a matter for the exporter to finalise payment of Customs duty and to comply with other formalities involved. The shipment in majority of cases takes place from overside and Port Charges are recovered on the basis of the Shipping Bills on which Customs recover their duty. The Port Trust accepts the declaration made by the Shipper which is verified by the Customs and the Port Trust has no separate machinery to verify the quality or the weights. As the Port Trust are concerned with declaration in the Shipping Bills, a document of sea customs, they have no separate coordination with the Land Customs.”

From May 1973, the Port authorities have prescribed a Dock Challan for all overside shipments (as in the case of Shed shipments). It has, however, been stated that the Calcutta Customs have not agreed to ensure that a Dock Challan showing that the Port charges have been paid is attached with the bill before permitting shipment. The Port authorities propose to pursue the matter further with the Department of Revenue and Insurance.

1.24. During evidence, the Committee desired to know in brief as to the procedure for checking of jute consignments for export from the starting point (namely the Jute Mill) to the point of arrival at the port. The Collector of Central Excise (Shri Roy Choudhury) has stated in reply:—

“.....in regard to the clearance under SRP.....when an export takes place, the mills take a clearance for export on their own. Our officers do not exercise any check. A.R. 4

shows destination, quantity, quality and value etc. Then a Central Excise gate pass is issued which goes to the customs side and subsequent checks are done by them.

Then there is a second mode of clearance that is, the physical part of it. For this, there is requisitioning of the services of Central Excise Officers for physical check. The idea is that if the Central Excise Officers give a clearance by exercising physical checking, then checking at the Customs point is waived unless there is a dispute or a suspicion that something is wrong. The Customs Officers at the Customs will carry out the verification part of it."

Asked whether there was anything more than that, Shri Roy Choudhury added. We have got the 'checking prior to clearance'."

Asked further whether there was any co-ordination of activities to check malpractices in respect of jute goods on their way from the Mill to the Port, Shri Roy Choudhury stated, "Yes, we have got a mobile preventive party to check transit consignments."

1.25. By the very nature of the mobile preventive party, they cannot certainly detect all the cases of malpractice en-route from the Mill to the Port. Details of cases during 1974 involving evasion of a total duty of Rs. 2,02,884.60P, furnished by the Collectorate of Central Excise are given in the succeeding paragraphs.

(a) Out of the total number of 73 Jute Mills in West Bengal fourteen Jute Mills are within the jurisdiction of the West Bengal Collectorate of Central Excise and Customs and an idea of what is actually happening in the area can be had from the following cases actually detected by the said Collectorate during the years 1969 to 1974:—

Particulars of detection of cases relating to Jute manufactures in the Collectorate of Central Excise, West Bengal during the years 1969 to 1974

Sl. No.	Name & address of Manufacturer (with Name of Directors)	Place and date of detection	Nature of offence	Quantity of Jute goods involved (M.T.)	Value		Central Excise duty involved Rs.	Remarks
					Rs.	P.		
1	Hastings Mills Ltd., Rishra, Hooghly. (Bhangur Brothers, 14, Netaji Subash R. Calcutta)	Mill premises 9-1-69	Consumption of jute manufactures within the factory without payment of Central Excise duty.	14,571	30,000	4,000	Adjudicated	
2	M/s. Angus Jute Works, Angus, Hooghly. (Shri G. L. Mehta, 4, Clive Row, Calcutta)	Do. 14-1-69	Do.	10,031	20,062	2,758	Do.	
3	M/s Samnuggur Jute Factory Co. Ltd. (North) (Do)	Do. 17-1-69	Do.	14,859 2,842	29,718 11,368	5,493	Do.	
4	M/s. Victoria Jute Mills Teli- npara, Hooghly (Do.)	Do. 21-1-69	Do.	10,712 2,293	21,424 6,879	5,511	Do.	
5	M/s. Ganges Manufacturing Co. Ltd. P.O. Barshberia, Hooghly, (Sh. B. H. Singhania, 7, Council House Street, Calcutta)	Do. 30-1-69	Do.	28,536 10,746	56,000 30,000	13,476	Do.	
6	M/s. North Broke Jute Co. Ltd., Champiani, Hooghly [Bird & Co. (now Sh R. N. Ganoriwalla) Chartered Bank Building, Calcutta].	Do. 17-12-69	Do.	6,418 2,831	12,900 8,500	4,184	Do.	

1	2	3	4	5	6	7	8
7	Wellington Jute Mill, Rishra (Sh. Gordhan, 2, Netaji Subhas Rd. Calcutta)	Mill premises 4-1-69	Consumption of jute manufactures within the factory without payment- Central Excise duty.	1,458	3,000	401	Adjudicated
8	Victoria Jute Works, Telini- para, Hooghly. (Sh. G.L. Mehta, 4, Clive, Row, Calcutta.	Boat at anchor at... the jetty of the Mill 20-9-69	Surreptitious removal from factory.	15,400	28,050	4,235	Do.
9	M's Samnugger Jute Factory Co. Ltd. (North Bhadeswar, Hooghly. (Do).	Uttarpara Bally Khal area. 16-4-71	Removal without the cover of proper Central Excise document.	6,596	19,787 6,000	2,638.40	Do.
10	M's. Victoria Jute Works, Mill Telini para, Hooghly (Do)	premises 10-2-72	Loading of goods in cargo under unsigned gate- pass. Removal with- out payment of C.E. Duty.	68,880	89,963	41,728	Do.
11	M. s. Gondalpara Jute Mill, Gondalpara, Hooghly. (Sh. G. D. Kothari, 5, Judges Court Rd. Calcutta-27.	Do. 5-5-72	Removal without payment C.E. Duty	10,796	43,184 25,000	6,477.60	Do.
12	M/s. Ganges Manufacturing Co. Ltd., P. O. Bausbberia, Hooghly (Sh. B. H. Singhania, 7 Council House, St. Cal- cutta.	Do. 19-5-72	Clearance of more qty. than shown in gate pass.	6,350	..	210	Do.
13	Victoria Jute Works Telini para, Hooghly. (Sh. G.L. Mehta, 4 Clive, Row, Calcutta.	Serampore 27-10-72	Removal without the cover of proper C. E. document.	9,596	27,397 40,000	5,757.60	Do.

1	2	3	4	5	6	7	8
14	India Jute Co. Ltd., Scramapore, Hooghly. (S/Shri T. R. Jallan, N. K. Mukherjee, S. S. Kataria, Niren Sen, N. S. Lecha, 16, Strand Road, Calcutta.	Mill premise 17-1-73	Excess qty. cleared without payment of duty.	0.952	2,300	571.20	Adjudicated
15	Not known (Unclaimed)	5-10-74 Beat No. MKC of M. K. co. at anchor at the Jetty of M.s. Sammuger Jute Factory Co. Ltd., North.	Found without the cover of any Central Excise documents.	1.161	4,116	966.6c	Do.
16	M/s. North Bocke Jute Co. Ltd., Champiani, Hooghly. (Sh. R. N. Gauriwalla, Chartered Bark Bunking, Calcutta-1.	3-10-74 Baidyabati Railway Level Crossing, Hooghly.	Do.	0.830	2,530	498.00	Under adjudication.

As regards the cases detected en-route to Calcutta during the last three years, the Collectorate have informed the Committee as follows:—

“ONLY IN THE YEAR 1972 SOLITARY CASE INVOLVING 18 BALES WEIGHING 10,796 MT OF HESSIAN CLOTH VALUED RS. 43,184/- EN-ROUTE CALCUTTA PORT FOR SHIPMENT WAS DETECTED BY THE MOBILE PREVENTIVE PARTY OF CENTRAL EXCISE FROM M/S GONDALPARA JUTE MILLS, GONDALPARA, HOOGHLY AFTER THE SAME WERE CHECKED AND CLEARED BY THE EXCISE OFFICER AT THE MILL PREMISES (.) THE GOODS WERE SEIZED NOT AGREEING WITH THE IDENTITY OF THE GATE PASS ISSUED BY THE FACTORY MANAGEMENT (.) THE CASE WAS ADJUDICATED AND AN AMOUNT OF RS. 15,000/- WAS IMPOSED AS REDEMPTION FINE, RS. 5,000/- WAS IMPOSED AS PENALTY, IN ADDITION DUTY AMOUNTING TO RS. 6,477.60 P WAS DEMAND-ED (.) THE CARGO BOAT WAS CONFISCATED AND A REDEMPTION FINE OF RS. 2,000/- WAS IMPOS-ED (.)”

(b) The remaining Jute Mills in the area are in Calcutta and Orissa Collectorate of Central Excise. This Collectorate have informed the Committee that the Centralised Prevention Organisation, Calcutta, booked 17 cases of dutiable jute manufactures and jute twine valued at Rs. 89,67,066.83 involving Central Excise duty amounting to Rs. 10,93,877.50 during the years 1972, 1973 and 1974. Out of these, four cases were detected in transit and were meant for export during the year 1974. The details of these cases are given below:—

Centralised Preventive Organisation

Sl. No.	Name of party	Date of detection	Commodity	Nature of offence	Quantity Value	Duty involved	Action taken
1	2	3	4	5	6	7	8
1	M/s. Budge Budge Amalgamated Mills (Unit Delta Howrah)	4-6-74	Jute Manufacture	Removal from the factory for export without entry in statutory records	116.988 M.T. Rs. 5,76,157.00	Rs. 70,192.80	Show Cause Notice has been issued.
2	M/s. Prem Chand P. O. Chachasi. Dist Howrah	15-6-74	Do.	Removal from the factory for export without observance of Central Excise formalities.	41,578 M.T. Rs. 1,52,728.60	Rs. 24,952.20	Do.
3	M/s. Gouripur Co Ltd., Garifa, Naihati, 24 Parganas.	18-6-74	Do.	Removal from the factory without Gate pass-export consignment in 4 burges.	123,016 M.T. Rs. 638,487.00	Rs. 73,800.00	Do.
4	M/s. Titagarh Jute Factory Co Ltd., Mill No. 1, Titagarh 24—Parganas	7-11-74	Do.	Removal without Gate Pass and without payment of duty.	50,566 M.T. Rs. 2,96,588.40	Rs. 33,939.60	Show Cause Notice under issue.

As regards happenings at the Port, in reply to a question whether any malpractices in the declaration of weights of overside shipments had come to the notice of the port authorities, it has been stated:—

“Some cases of misdeclaration of weights and measurements had come to the notice of the Port Trust. These cases were duly enquired into and where necessary, undercharge bills had been raised to collect the port charges earlier short-recovered due to such wrong declaration.”

1.26. The fact that the Port of Calcutta is losing considerable amount of revenue on account of mis-declaration of weights by the shippers is evident to the Committee from the huge lists given to them by non-official witnesses who came from the various corners of the country. Some more were given when they appeared before the Committee and some were given even privately.

1.27. The representative of a non-official organisation connected with the functioning of the Calcutta Port has stated before the Committee :—

“The main thing for which I have come before you is to highlight the economic offences being committed by the vested interests, which are detrimental to the port’s interest. The shippers avoid paying the proper port dues when they load the cargo. The C.P.C. does not have any representative to check what is loaded. They are entirely dependent on the customs for supplying them all the necessary materials. In practice, a large quantity of cargo which is shipped is not notified by the customs to the C.P.C. and as a result the C.P.C. are losing crores worth of rupees which are due to them. The only way in which the C.P.C. can find out what is in fact being shipped is by checking with the customs the shipping bills, but actually less than 1 per cent of the shipping bills are checked by the C.P.C. From the above, it is clear that corrupt business community in league with the customs and port officials have deprived the national exchequer crores of rupees worth of foreign exchange and as well as crores of rupees worth of income-tax revenue. It is very interesting to know that the steamer agents, instead of informing the Government about such malpractices, have been directly involved in these economic offences and these would be revealed if a proper investigation into the matter is ordered.”

The witness has further stated—“Unless the Steamer Agent helps the shipper, under-invoicing cannot take place... The maximum quantity of cargo that is under-invoiced is the cargo which is shipped through Mackinnon Mackenzie & Co. Vessels”.

The witness has added:—

“Actually the cargo put on the board is more than the declaration made by the shoppers. .the Fort Commissioners never check. They have to depend on the documents supplied by the shippers generally”.

Asked to furnish any specific cases, the witness while giving photostat copies of one document has added:—

“This is a case of Cash Export Challan. It is a well recognised customs document. This is necessary for shifting of the cargoes. The Window Glass Company has shipped. At the time of sending the cargo they declared 75 metric tonnes. After weighment it has been found to contain 84 metric tonnes. This is the position. The difference is 9 metric tonnes. In regard to this quantity, our country has been deprived of its legitimate money in terms of foreign exchange. . . . This company has got another record also. That is, this company has already sent the cargo of 64 tons in lieu of their declaration of 32 tons.”

The witness has further stated:—

“At the time of sending the goods, the shipping companies are realising the charges on behalf of the ship owners. Naturally shipping companies know everything in detail, particularly in the context of under-invoicing. But they are expected to inform the Customs authorities that the tonnage declared in the shipping bill is much less than what has been shipped. Here the company has realised the money but the country has been put to loss”.

Quoting another instance, the witness has stated:—

“Then ‘Dodsel’ No. 30—Pioneers Shipping Agency—Instead of 297 bags of mica scrap, 480 bags mica scrap have been sent.”

Another interesting case has been thus described by the witness:—

“As far as Ludlow & Company is concerned, it is very interesting to note that they are generally sending carpet rolls on board the vessel. But unfortunately, for your information, this very important item has never been measured and instructions are given to the officers not to do it. Previously, some measurement was there. They have stopped at very recently, say, at least more than five years ago.”

About the total effect of the malpractices on the revenues of the Port, the witness has stated:—

“As per records which I am holding pertaining to waiving of claims, pilfering of goods from port, in regard to hazardous cargo becoming non-hazardous by certain interested quarters and in regard to land Manager’s Department and many other incidents, the port is losing not less than Rs. 10 to 15 crores per year.”

1.28. The representatives of Government have also admitted the existence of the malpractice of mis-declaration of weights and descriptions of cargo by the shoppers. Thus, the Collector of Customs, Calcutta, has stated in evidence:—

“There are occasional cases where there are differences between what the people physically declare and what is declared in the documents and what is found on verification.”

The Collector of Customs, Calcutta, has further stated:—

“I recollect a particular case of a very important business house who had exported a certain machinery part on the plea that they were going for the repair. But, when it came back it was found out on a very minute examination—it was detected—that these were actually not defective ones which had been sent for repair but they were absolutely new ones that were coming back in their place.”

1.29. The Committee were informed that some cases had been brought to the notice of the Customs and the Port authorities through news items in the Press, in the year 1972. Referring to these cases, the Collector of Customs, Calcutta, has stated during evidence:—

“Hindustan Standard came out with a report and nine cases in the process were referred to us. Out of these nine cases, in four cases, we have not been able to co-relate the particulars of the party. So we are in touch with the Port Trust to find out further details.

These are all old cases brought through the courtesy of the Press. It was due to their action and initiative for which we are grateful to them. They brought it to the surface. In none of these cases, customs duty was involved. Of course, foreign exchange will be involved. Three or four of them are being looked into by us.’

Asked whether prosecution had been launched against any of the parties, the witness has stated:—

“No case has reached a stage where we are in a position to launch prosecution.”

1.30. The particulars of three of the nine cases mentioned above, in which the misdeclaration of weight had effected the Port charges and papers in respect of which are available with the Port authorities, are given below:—

Sl. No.	Name of Ship	Voyage	Dock Challan No.	No. of packages shipper as Dock Challan	Weight as per Dock Challan	Weight as per Ship Manifest	Remarks
1	2	3	4	5	6	7	8
1	S.S. Thomas Everett	Oct. 72	42	10,000	54 M.G.T.	58 M.T.	Under charge bill raised on 4 M. T. vide No. S/1235/VIII of 7-8-73. Rs. 69.34 Realisation particular CZ/8195 of 30-3-74
2	S.S. Make Everetec	Oct. 72	53	150	75 M.T.	85 M.T.	Under charge bill on 10 M. T. (85-75) was raised vide bill No. S/1401/VIII of Aug., 1973 Realisation particulars CZ/3544 of 14-1-74 Rs. 170.67.8
3	S.S. Teak Bank	Sept., 71	Overside	294 Bales Gunnies as per dock Challan, actually shipped 197 Bales gunnies.	137 M.T.	94 M.T. (for 197 B/s Shipped)	Port charges refunded of 13 M.T. (137-94) Short shipped. Refund Docket No. 523 of 1-6-1972.

1.31. During evidence, the Committee asked the Reserve Bank authorities also to furnish details of cases, if any, of economic offences at the Calcutta Port, that came to their notice. The information furnished by the Ministry of Finance in the last week of April, 1975, is reproduced below:—

“Economic malpractices relating to exports and imports generally relate to valuation of goods declared by exporters and importers to the Customs authorities. The valuation of goods which is undertaken by the Customs (who have the necessary expertise) has its effect on two sides—one relating to valuation for purposes of Customs Act, particularly where export or import duty is involved and the other for ensuring repatriation of full export value of the goods in respect of exports or for remittance of only the real value of the imports. The valuation checks both for the purposes of levying Customs duty as well as from the Exchange Control angle are exercised by the Customs authorities and the Reserve Bank relied entirely on the expertise and judgement of Customs regarding the amount required to be repatriated from the overseas buyers by the Indian exporters or the amount that can be allowed to be remitted to overseas suppliers by the Indian importers. Ordinarily, therefore, cases of under-invoicing/over-invoicing of exports/imports do not come to the Reserve Bank’s notice, excepting where its attention has been specifically drawn by the Customs. Sometimes, anonymous letters may also be received by the Bank bringing to its attention the malpractices of the exporters/importers. Such reports are gone into by the Bank carefully and wherever, a *prima facie* case of violation of exchange control regulations is observed, the case is reported by the Bank to the Enforcement Directorate, Cabinet Secretariat, Government of India, for necessary investigation and such action as they may deem fit to take in the matter. A statement showing details of cases of under-invoicing/over-invoicing of exports/imports through the Calcutta port, which came to the notice of Reserve Bank, the action taken thereon and the present position of the cases is as follows:—

Sl. No.	Name & address of exporter	Details of the case	Nature of action taken	Present position of the case
1	2	3	4	5
1.	Euresian Equipments & Chemicals Ltd., 13, Brabourne Road, Calcutta-1. (Directors are members of the Jajodia Family).	The Customs authorities brought to the notice of the Reserve Bank, Calcutta in May 1971 that a search of the premises of the company at 13, Brabourne Road and 4, Jagmohan Lane Calcutta, revealed incriminating documents showing misdeclaration of exports and contravention of Customs Foreign Exchange regulations. The Customs also reported the case to the Enforcement Directorate for investigation of the matter and the Bank received a reference from the Directorate on 8-6-71 enquiring details of outstanding exports of the company. From the background correspondence between the Customs and the Enforcement Directorate it appears that the company had made some shipments of Magnesium Silicate, a cheap chemical by declaring it as Bismuth Citrate BPC 300, a high value chemical so as to derive cash assistance @ 10% of L.o.b. value and import licence @ 74% of L.o.b. value of inflated value. It appears that the price of Magnesium Silicate is about Rs. 3/- per kg. and it was exported at values ranging from Rs. 90/- to Rs. 150/- per kg. in different consignments.	On scrutiny of the Bank's records of shipments outstanding for more than 6 months, the following shipments were noticed : <i>Form No.</i> Cac 68c818 68c819 643387 <i>Date of shipment</i> 16-6-70 29-6-70 26-5-70 <i>Description of good</i> —Bismuth Citrate— 1000kg 945 kg 900 kg <i>Invoice value</i> US\$ 18,000 US\$ 16,200 ₹ 7669.18.10 (817,010/-) <i>Destination</i> Hongkong. Ex-emption of time for repatriation of the export proceeds was granted upto 30-10-71. No further extension of time was granted. The company was Caution listed on 14-7-72 as further correspondence with the exporters/their bankers (Dena Bank, Calcutta) did not reveal justifiable grounds for non-realisation of proceeds. Besides, the Bills had been returned unpaid by the drawees (viz., Modist Cor-	Show Cause notice has been issued by the Enforcement Directorate New Delhi under Section 12(2) of the old Act by their No. II (19)72 dated 15-9-72 on grounds of non-realisation of proceeds. It is understood from the local office of the Directorate that the case is pending adjudication.

- poration, Hongkong) and the exporters professed ignorance about the whereabouts of the goods.
- Case papers were forwarded to Enforcement Directorate for further action on 8-3-72.
2. Shri Banwari Lal Dhanuka, 123, Chittaranjan Avenue, Calcutta. An anonymous letter dated 22-4-72 was received by the Reserve Bank, Calcutta, from "Lovers of the Country" complaining that among other malpractices of income tax evasion, smuggling etc. Shri Dhanuka was indulging in corrupt practices by exporting various Indian goods to West European countries from Calcutta at considerably low prices and disposing of foreign exchange in the black market. No details were furnished.
3. Victory Iron Works (Pvt.) Ltd. and Paharimata Iron Work (Pvt.) Ltd., 48, Bipalbi Rash Behari Bose Road, Calcutta. An anonymous letter dated 20-9-74 was received by the Reserve Bank Calcutta from 'Informer' a Citizen complaining that the companies belonging to the Kajaria family living at 278, Chittaranjan Avenue, have been under invoicing their exports of cast iron goods to USA and West Germany and accumulating foreign currency illegally abroad. No details were furnished.
4. Palriwala Bros. (Pvt.) Ltd., 14, N.S. Road, Calcutta-1. Enforcement Directorate, Calcutta, reported to the Reserve Bank, Calcutta, by their letter No. IV(4)332/72/Cal/DI B'3052 dated 23-4-74 that the premises of the company were searched and a number of incriminating documents had been
- Complaint was forwarded to the Deputy Director, Enforcement Directorate, Calcutta on 2-5-72 for such further action as deemed necessary.
- Complaint was forwarded to the Deputy Director, Enforcement Directorate, Calcutta on 25-9-74 for such further action as deemed necessary.
- The blanket exchange permit has not been renewed after its expiry viz. 3-9-72.
- It is understood from the Directorate that necessary enquiries were made and the allegations could not be substantiated.
- It is understood from the Directorate that enquiry is in progress.
- The Enforcement Directorate has issued a Show Cause notice on 5-4-75. No reply has yet been received by the Directorate. Meanwhile

seized showing various violations of the Foreign Exchange Regulation Act. The letter requested that these circumstances might be taken into account while renewing the blanket permit for release of exchange.

The records with the Enforcement Directorate, Calcutta, appear to reveal that several jute goods shipments to West Europe and Latin American countries, had been under-invoicing by the company. Against 100 shipments, the total invoice value was £291,065.97 and US. \$13,898 as against the contract value of £302,268.94 and US. \$14677 thereby showing under-invoicing by £11,202.97 and US. \$779.

Shri Satya Narain Palriwala, a Director has been detained under Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 on various grounds including under-invoicing of exports.

1.32. Numerous cases of misdeclaration of weight that have been brought to the notice of the Committee by non-official organisations are appended to this Report (Appendix I).

1.33. The fact that the Port of Calcutta is losing considerable amount of revenue on account of mis-declaration of weights by the shippers is also accepted by the Port authorities and they have themselves been discussing the matter from time to time. On the 6th December, 1972, a meeting was held by the Traffic Manager with representatives of the trade, and the opening para of the minutes of that meeting read as follows:—

“Opening the meeting the Traffic Manager invited the attention of everyone present to the recent Press releases regarding incorrect declaration of weight|measurement and under-invoicing of Export cargo passing through the Port of Calcutta. Consequent on such under declaration of weights|measurements there was loss of Commissioners’ revenue and loss of Customs Duty|Foreign Exchange was also apprehended. The matter was thoroughly enquired into by an officer of Customs and also an officer of the Calcutta Port Commissioners and many of the cases of under-declarations cited in the Press release were found to be correct for both shed and overside cargo. This was very disconcerting and was creating a bad reputation for the Port of Calcutta. The matter was discussed in several meetings with the Customs and the Shipping Agents and it was suggested that the loss of Customs duty|Foreign exchange aspects of the problem be dealt with by Collector of Customs|Central Excise at their level and the Commissioners might deal separately with the question of loss of their charges.

It is stated at another place in these Minutes that in respect of Engineering Goods—

“Shri S. N. Lal of the Engineering Association of India stated that C.I. goods did not exactly conform to the declared weights of the shippers since these were manufactured according to contract specification with tolerance according to I.S.I. standard. Moreover, the container or the case played a vital role in determining the gross weight of the consignment. He, however, agreed that this should not lead to such wide variations (difference of 20—30 tons in the declared weight and C.L.M’s. ascertained weight) as cited.”

At the same meeting, the representative of the Calcutta Jute Fabric Shippers’ Association (Sri A. Haq) also accepted the variations in weight

in respect of Jute shipments. The relevant portion in the Minutes read as follows:—

“Sri A. Haq. stated. The difference between the declared weight and the weight as ascertained by C.L.M. or others came up because of the nature of the cargo and the age old trade practices. Since Jute products were not manufactured by any precision instrument deviation from the theoretical data was not unlikely. In detailing the procedure he added that the declaration on the shipping bill was made on the basis of the contract and the tare of the consignments and the Commissioners charges were paid on such theoretical weights. This was likely to be so, since the consignments might be in the process of manufacture in the mills, and the shippers might have no access to the actual cargo while declaring weight on the shipping bill on the basis of theoretical data. Such variation of weight within certain tolerance was allowed by I.S.I. and the declared weight was never guaranteed. Since underweight consignments were always rejected for shipment, there was always a tendency for the weight to be slightly on the higher side so that nothing was rejected for shipment because of underweight. The shippers were willing to pay the legitimate dues of the Commissioners provided the procedure did not retard the easy flow of shipment.”

The following measures were suggested at the meeting by the Traffic Manager:—

- (a) that the steamer agents should submit freight manifestos for all steamers incorporating all weightments|measurements particulars by Calcutta Licensed Measures or other sworn weighers to the Financial Adviser & Chief Accounts Officer for audit and recovery of undercharges wherever due.
- (b) Calcutta Port Trust's measuring staff would intensify check weightment|measurement of export cargo.

The question of imposition of penalty for under-declaration of weight was also discussed at this meeting and the views voiced by one of the representatives of the trade were recorded as follows:—

“He vehemently objected to imposition of any kind of penalty for under-declaration of weight since the shippers were declaring weights in good faith on the contract data and the actual weight was very likely to be different from the declared weights.”

The Traffic Manager concluded the meeting by stating that the final decision as regards imposition of any fine had not yet been taken and the matter was under consideration of the F.A. & C.A.O.

1.34. The question of under-invoicing and under-weighing of cargo at the Calcutta Port was also discussed at a meeting held on the 16th February, 1973, by the Joint Secretary, Ministry of Shipping and Transport with the Secretary, Central Board of Revenue, Ministry of Commerce and the Calcutta Port Commissioners. The minutes of the said meeting referred to the magnitude of the problem as follows:—

“Opening the discussion, Shri Shivaraj stated that since the Port Commissioners had themselves mentioned that under-invoicing and under-weighing were extensive at Calcutta Port, it was necessary to review the position carefully with a view to plugging the loopholes and eliminating the malpractices.”

In respect of Shed shipments, the following decision was taken at the above-mentioned meeting:—

“4(b)—**Shed Shipments.**—Shri Guha explained that even in the case of shed shipments, hundred percent check on weights and measurements was not undertaken. Test checks are conducted by the Port Commissioners only if such a check is ordered by the Superintendent of Collection at the time of collection of C.P.C. charges on Dock Challan or requests made by the Shed staff. They do so only where they have any doubts or suspicions. Payments are received on the basis of shipping bills duly endorsed by the Customs Authorities and Dock Challans are tallied with the Shipping Bills. He stated that a hundred per cent check would not be possible as it would delay shipments and necessitate the employment of considerable additional staff. Shri Sivaraj then pointed out that since the Customs were also not making any check except at random, it would not be possible for the C.P.C. to depend on the shipping bills for receiving payments. It was, therefore, decided that the Port Commissioners should consider introducing hundred per cent test checking for a period of three to six months to find out whether it would be economical to introduce this as a regular practice and to gauge the extent of under-weighment, etc.”

1.35. About the action taken on the above decision, the Committee have been informed as follows:—

“C.P.C. could not carry out 100 per cent test checking even for a limited period due to paucity of weighment staff and weighment scales. The possibility of getting this work done through

outside agencies was investigated but was not found feasible as it was likely to delay shipments seriously.”

In the case of overside shipments, for which no Dock Challans were being prepared and in respect of which the C.P.C. charges were being realised only on the basis of particulars indicated in the Shipping Bills, it was *inter alia* decided that the C.P.C. would introduce a Dock Challan (as in the case of Shed Shipment). This system of submission of Dock Challans for overside cargo was introduced by the C.P.C. in May, 1973 and between May 1973 and February, 1975, a total of 62,987 such challans were submitted. The total number of shipping bills filed during the said period is, however, not available with the Port authorities.

In the year 1974-75, as many as 1265 cases of variations between figures shown in the Dock Challans and in the Freight Manifests were detected for which the only action taken was the raising of uncharge bills for a total sum of Rs. 43,377.

1.36. During evidence, the Committee desired to know the concrete steps taken by the Port authorities after the meeting held at the Port on the 6th December, 1972, and the meeting held in the Ministry on the 16th February, 1973. In reply, the Chairman of the Port Trust has stated—

“We had examined the matter and as far as sheds and transit sheds were concerned, we took certain steps for test checking of measurements.”

In regard to action on overside shipment, the witness has stated—

“We took certain steps. The old procedure was accepting the declaration made in the statements; these documents were certified by the Customs. We accepted that as correct documents. When these things came to our notice, we started the check. We put some men on this particular job; we did some surprise checks wherever we had doubts etc. We had a meeting with the Customs and we decided to have the Dock Challan as we have that on the shore.”

In a written note furnished to the Committee in the third week of April, 1975, it has been stated that—

“Incidentally it may be mentioned that in the last meeting of the Board of Trustees held on the 29th March, 1975, a resolution has been made to impose penalty charges in respect of under-declaration of weights and measurements to the extent of four times the normal charges.”

1.37. The Committee have been given to understand that the Clearing Agents functioning at the Port are given licences by the Customs and on that basis only registration of their names is done by the Port authorities.

Asked whether the Port authorities had any control over them so that at least cancellation of licence could be one in the case of anyone found indulging in malpractices, the Chairman of the Port Trust has stated in evidence:

“No. But we intend to have a suitable bye-law for that.”

1.38. Since the evils of under-invoicing and mis-declaration of weights etc. of the export cargo do not affect only the Port charges but also result in a loss to the nation, the Committee desired to know what co-ordination, if any, existed between the Customs, the Port Commissioners, the Reserve Bank, the Revenue Intelligence, the Enforcement Directorate, the Weights and Measures Department etc. to fight the evils. During evidence, the representatives of the Reserve Bank of India (Shri C. L. Thareja, Collector, Exchange Control Department) has stated that “We depend on the expertise of the Customs and judgment exercised by them. We do not take an independent evaluation ourselves. Nor have we got means or machinery to do that because the goods do not come in our physical examination.”

Shri V. V. Badami, Director, Directorate of Inspection (Investigations) has stated—

“On this very point the Board has been seized of the matter. We have placed before them the necessity of strengthening the Intelligence Wing. At the moment, as things stand, the information has to come to us and it is processed. We do not have field officers who go to various places to gather intelligence which is primarily necessary for any intelligence wing to furnish.”

Asked whether his Establishment did any exercise as far as under-invoicing and over-invoicing of cargo was concerned, Shri Badami stated: “In the sense you put it, no exercise was done.”

About the role played by the Customs, Shri M. A. Rangaswamy, Member (Customs), Central Board of Excise and Customs, has stated that “It is a percentage check only. Complete weighment takes place only where we find that the check weighment shows that there is need for further weighment.”

1.39. The Committee ~~cannot but~~ express their surprise at the non-existence, at a port of the importance of Calcutta, of a proper and more adequate machinery, including weighing scales and tallying staff (at present there are 41 scales in 34 sheds with only six tally clerks and six peons) for making a thorough verification of the quantities and descriptions of the goods as declared by the shippers in the papers filed by them, on the basis of which the dues of the Port and finally the internal revenue and foreign exchange are assessed and realised. The position is made still more deplorable by a similar absence of such machinery in the Customs organisation which has only 24 weighing scales with six persons as weighing staff, on whose checking the Port authorities rely for the purpose of calculating their dues. As a result, considerable foreign exchange and revenue due to the Port and Revenue authorities are being lost. It is, therefore, no wonder that the Port Trust is sustaining heavy losses in its working from year to year, and proper realisation of tax and foreign exchange is not being done. The Committee feel that there is urgent need for the Port and the Customs authorities to pay serious attention to this vital issue and provide adequate number of machines and expert staff in sufficient numbers to make it possible for them to exercise a thorough check, between them, of the contents, weight, measurement etc. of consignments passing through the Port. And to ensure this, the Port Trust should in particular provide adequate incentives to the staff so that they may ensure that false declaration of weights, measurements etc. is not resorted to by the shippers. The Committee consider that effective detection will be possible only if there is adequacy of competent and honest staff to prevent malpractices. The Committee consider that something like 700 tally clerks plus an equal number of Class IV staff would be necessary for the purpose on a rough and ready basis.

1.40. The Committee note from the earlier composition of the Commissioners for the Port of Calcutta, under the 1890 Act, that out of a total of 24 Commissioners, as many as 11 were from the Chambers of Commerce and Ship-owners. It is, therefore, not surprising that the Shippers and Shipping lines dominate the functioning of the Port Trust. The Committee are glad to note that as from 1st April, 1975, the Board of Trustees are to have five members from private Trade and the remaining thirteen from Government Departments, Municipal Corporations and Public Undertakings. The Committee hope that this change in composition will soon have its positive effects on the financial affairs of the Port.

1.41. In the matter of general interests of the nation as a whole, the Committee feel deeply concerned over the complete lack of co-ordination between the different agencies of Government for eradicating the evil of economic offences being committed by those engaged in the import and export trade. The Committee need hardly remind the Government that

according to the report of the M. G. Kaul Study Team, the nation is being put to huge loss every year on account of only one of the economic offences, namely under-invoicing of exports. The Committee would accordingly suggest that the Government should give serious thought to the problem and evolve without any delay a co-ordinated machinery capable of curbing effectively those indulging in different types of economic offences in the import and export trade. That the existing machinery is not effective will be clear from the fact that, during the last three or four years, only one case of malpractice in respect of jute consignments enroute from the mill to the Calcutta Port for export was detected.

1.42. Reverting to the role of the port and the Customs authorities, the Committee are surprised at their being in total darkness as to what was actually going on around their areas of operation in the matter of descriptions, weights etc. of the export cargo passing through the Calcutta Port. It is indeed surprising that they should have learnt about this menacing problem of misdeclaration of weights and details of export cargo only through reports in the Press. It is fortunate that a journalist of the Hindustan Standard, Calcutta, detected and highlighted this. The Committee also appreciate that a number of patriotic non-official witnesses came forward and placed their experiences and knowledge of the working of the Port before the Committee.

It is equally painful that after holding meetings in December, 1972 and February, 1973, at the Port and the Ministry level respectively, to deal with the evils of misdeclaration of weights etc. no follow-up action was taken on the decisions arrived at these meetings. As admitted by the Member (Customs) during evidence, two years were lost in the process. At the meeting held in the Ministry of Shipping and Transport on the 16th February, 1973, it was decided that the Port Commissioners should consider introducing a hundred per cent check for a period of three to six months to find out whether it would be economical to introduce this as a regular practice and to gauge the extent of under-weighment. The Port authorities were not able to carry out 100 per cent checking on their own admission because they did not possess sufficient weighment staff and weighing scales. The Port Trust investigates the possibility of getting this work done through outside agencies. This was, however, not found feasible as it was felt that shipments might be delayed seriously. This is illustrative of the kind of defeatist attitude of the Port Commissioners. What is even more surprising is that a check on a random sample basis with the existing men and machinery had also not been thought of. Similarly there was much talk at the meeting held at the Port on the 6th December, 1972 about the imposition of a fine on misdeclaration of weights, but no decision was taken for more than two years. And yet when the Public Accounts Committee raised this matter in the course

of evidence and expressed its serious concern, it became possible for the Board of Trustees to take a decision in the meeting of the Board on the 29th March, 1975 to impose penalty charges in respect of under-declaration of weights and measurements to the extent of four times the normal charges. In the circumstances, the Committee desire that the failure to give effect to the decisions taken at the meetings referred to above should be gone into carefully with a view to fixing responsibility and taking suitable action.

1.43. The Committee suggest that till such time as a co-ordinated drill for various agencies concerned with the prevention of economic offences is laid down at the national level, as recommended by the Committee, there should be complete co-ordination between the Customs and the Port authorities at the Calcutta Port in the matter of realisation of their dues on shipments passing through the Port. There should be complete coordination and cooperation between the Customs and the Port authorities in respect of realisation of port dues on over-side shipments.

1.44. The Committee would also suggest that the Customs and the Port authorities should keep a watch over the function of the clearing agents who are licenced and registered by them to work at the Calcutta Port and ensure that a clearing agent who is found guilty of indulging in an economic malpractice should have his licence cancelled or not renewed, apart from any other punishment to which he may be liable under the law and the rules. Similarly, a close watch should also be kept on the functioning of the Shipping lines particularly foreign ones operating at the Port.

(B) Waiver/Remission/Refund of Port Dues

1.45. Both in the written memoranda furnished to the Committee by non-official organisations connected with the functioning of the Port and during evidence of the representatives of such organisations, the Committee have been informed that the Calcutta Port authorities give enormous subsidy to the traders by way of liberally waiving the Port charges. The total amounts so waived are not shown in the annual accounts of the Port. Also the Port does not claim from Government Departments the charges that are waived by the Port at the instance of those Departments and which should legitimately be borne by them. For example, the Port charges waived on Nepal, Bangladesh cargo and on cargoes of the UNICEF and Red Cross are not claimed by the Calcutta Port authorities from the Central Government. The loss of revenue in such cases is another factor responsible for deficits in the functioning of the Port.

Some interesting cases of this nature that have come to the notice of the Committee are discussed in the succeeding paragraphs.

(i) *Consignment of Masoor Dal for export to the U.A.R.*

1.46. In April/May, 1969, three consignments of Masoor Dal (total weight 1,342 M/T, contained in 13,407 bags of 100 KG each) were brought to Calcutta Port by some parties from Nepal for export to the UAR.

The Customs having doubts about the origin of the cargo, confiscated the same and litigation started and one of the parties went upto the Supreme Court.

The Customs lost the case in the original Court, won it on appeal to the Division Bench of the High Court and again lost it in the Supreme Court in the end of November, 1971.

1.47. During this period, the cargo continued to lie at the Port and deteriorated in quality, having been ultimately declared as unfit for human consumption but fit to be utilised as cattle feed.

Upto the end of January, 1972, rent charges amounting to Rs. 60,28,937.00 became payable to the Calcutta Port on the three consignments.

1.48. On the question of delivering possession of the goods, the Supreme Court in their judgment on the appeal filed by one of the parties, had observed as follows:—

“Now coming to the question of issuing a Writ of Mandamus directing the respondents or any of them to deliver possession of the seized dal we would have found no difficulty in issuing the Mandamus asked for if the seized goods had been in the possession of the Customs authorities. But admittedly those goods are in the possession of the Port Commissioners. In law they have a lien over the goods for the rent and other charges due to them. Some one has to pay those charges before taking possession of the goods. Consequently, we cannot issue a Writ of Mandamus to the Port Commissioners to deliver the goods in question nor can we issue a writ to the other respondents to deliver possession of those goods as they are not in possession of the same. This is undoubtedly a hard case. The appellant has been unlawfully deprived of the possession of his valuable goods because of the illegal action of the customs authorities and thereby he could not

fulfil the terms of his contract with the Cairo firm as a result of which he must have suffered considerable loss. In addition, he cannot now take possession of the goods which were seized from him without paying the charges due to the Port Commissioners. We were given to understand that the charges due to the Port Commissioners amount to more than the value of the goods themselves. It is only fair and just that the customs authorities who are responsible for this situation should bear the burden, but in this Writ Petition we cannot give any relief in that regard. We can only leave the matter to the good sense of the customs authorities to take the appropriate steps and avoid possible further litigation.”
(Dated 22nd November, 1971)

1.49. On February 21, 1972, the Hon'ble Mr. Justice T. K. Basu of the High Court of Calcutta, passed orders on the other two cases. In that order, the Hon'ble Mr. Justice Basu observed as follows:—

“Pursuant to the judgement of the Supreme Court, the Customs authorities had the good sense to issue a certificate on 2nd January, 1972 in the name of * * * * * to the following effect:—

‘Certified that the above-mentioned goods in transit from Nepal and sought to be exported to U.A.R. by x x x were detained at the Port of Calcutta from 24th April, 1969 x x x for thirty two months and thirteen days, on account of the following formalities:—

Between 24th April, 1969 to 30th October, 1969 the detention occurred due to adjudication proceedings started by the Customs House and completion thereof. Thereafter the party filed a writ petition * * * *. The party filed an appeal before Hon'ble Supreme Court on 25th August, 1970 and the judgement dated 22nd November, 1971 was delivered directing release of the goods.’

I am informed by xxx xxx that this certificate has been communicated to the Commissioners for the Port of Calcutta who are in actual custody of these goods.

I am happy to record that the Customs authorities have shown adequate respect to the observations of Their Lordships of the Supreme Court by granting the certificate as aforesaid in the case of * * * * *

It is in my view only fair that the Commissioners for the Port of Calcutta should give their most serious consideration to the question whether this is a fit case for the exercise of powers under Section 109-A of the Act in view of the observations of the Supreme Court of India in order to avoid possible future litigation."

1.50. The parties and the Collector of Customs made requests to the Calcutta Port Commissioners for delivery of the goods free of rent charges.

1.51. The Traffic Manager of the Calcutta Port made it clear that no concession was admissible for detention of export cargo by the Customs, and the following communication to the Legal Adviser of the Port by the Traffic Manager is on record:—

.. "As per the Commissioners' Schedule of charges concession in rent charges is allowed on the strength of detention certificate of imported goods. For detention of export cargo by the Customs no concession is admissible as per the Schedule of charges. The quantum of relief in rent charges desired to be afforded under Section 109-A of the Calcutta Port Act may be decided by the Administration."

1.52. On the request from the Customs, dated 23rd December, 1971 for remission of the Port dues, the F.A.&C.A.O. had recorded as follows on 14th January, 1972:—

"Apparently it appears that rent charges accrued exceed the value of the goods. We may at the best agree to deliver the goods on realisation of an amount equivalent to the market value of the goods as rent charges."

1.53. On the Administration side of the Port, it was agreed to by the Chairman to deliver the goods on payment of 50 per cent of the value of the goods as rent by the party. The relevant portions in the communication sent by the Chairman to the Collector of Customs on 14th February, 1972 read as follows:—

"Although there has been no lapse on the part of the Commissioners, we are advising our Traffic Manager to allow delivery of the material on recovery of 50 per cent of the value of the goods as rent charges. We are doing this only in consideration of the fact that the party also is not in fault in any way, and that the rent accrued has far exceeded the value of the goods.

I would, however, like to point out that the Commissioners have been made to suffer such a substantial loss of revenue due evidently to a mis-judgement of the position on the part of Customs authorities, leading to the confiscation by them of the consignment. Further, as the Port Commissioners were impleaded in the case, there has been no option on their part but to defend the suit at a considerable cost, which is also an uncalled for burden on us.

As you are aware, Wharf Rent Exemption Certificates are issued by the Customs only in respect of import cargo, and the Commissioners waive rent charges on the basis of such certificates. It is not understood how the Customs issued an exemption certificate in this case. There is no provision in our Schedule of Charges for waiving rent charges on export cargo on the basis of such certificates, and in the present case, the issue of the Exemption certificate deviating from the normal practice has placed us in an embarrassing situation.

I will request you, as a Port Commissioner, to take suitable steps to avoid such situation for the Port in future. In all fairness, the Customs should offer to compensate us for the loss of revenue suffered by us on their account by reimbursing the amount to us. In its judgement, the Supreme Court has also observed that the Customs authorities should bear the burden themselves instead of passing it on to the Port Commissioners. I would request you to consider this point as well and let us have your reaction."

1.54. The Customs asked for a reconsideration of the decision regarding realisation of 50 per cent of the original value of the consignment as rent charges, and requested for full remission of the charges of the Port.

Finally, the Port Commissioners on further representation from the Solicitors of the party decided to recover only 33.1/3 per cent of the present value of the dal as rent charges instead of 50 per cent of the original value.

1.55. The Port Commissioners also took action to have the consignment examined from Marine Surveyors & Insurance Loss Agents (M/s. Lardnor North & Co.) who came to the following conclusion in their Survey Report dated 26th May, 1972:—

"Evidence of insect infestation and excreta/droppings being found, in our opinion, the contents of the above consignments are not considered fit for human consumption but, to the best of our knowledge, the same could be utilised for cattle feed.

Adjudging by the current wholesale price of catt'e feed and allowing for reasonable margin of profit and percentage of processing costs, we assess the valuation of the above consignments at the rate of Rs. 25.00 (Rupees Twentyfive) per quintal. The actual price fetched, if sold, would depend on the prevalent market at the time of such sale and need of the buyer/buyers for his/their particular purpose."

1.56. The proposal to allow delivery of the consignments on realisation of 33.1/3 per cent of the assessed value of the dal as rent charges, was considered and approved by the Finance, Establishment & Traffic Committee of the Port Commissioners, *vide* their Resolution No. 1036, dated the 16th June, 1972.

The total charges approved for recovery in the above mentioned Resolution amounted to Rs. 1,11,833.35.

The above-mentioned Resolution makes no mention of that part of the judgment of the Supreme Court which stated that 'it is only fair and just the Customs authorities who are responsible for this situation should bear the burden.'

The above-mentioned Resolution stated *inter alia* as follows:—

* * * * *

The parties have now applied for delivery of the goods free of rent charges. The Collector of Customs has also made a similar request. Besides Justice Mr. T. K. Basu of the Calcutta High Court, while passing orders in respect of the other two cases, has observed that the Commissioners should give their most serious consideration to the question whether this is a fit case for the exercise of powers under Section 109-A of the Calcutta Port Act. As a decision could not be taken without first ascertaining the present value of the dal, arrangements were made to have the dal surveyed by a recognised surveyor. The survey was conducted by Messrs. Lardner North & Co., who have declared the dal to be unfit for human consumption. They have assessed the present value of the dal at Rs. 25/- per quintal. In view of the above and the facts that the parties are in no way responsible for the delay in clearance and that they have also been subjected to heavy financial loss due to no fault of theirs, it is proposed to recover 33.1/3 per cent of the assessed value of the dal as rent charges and waive the balance. Other charges including the cost of survey will be payable by the parties. The

rent charges accrued on the three consignments upto the 31st January, 1972 were about Rs. 12,94,754.50 P, Rs. 39,70,737.00 P and Rs. 7,63,445.50 P, respectively."

Asked to state as to how did the Port authorities become responsible for disposing of the consignments, the representative of the Calcutta Port Trust stated during evidence:—

"This was in transit. This was meant to be exported to Middle East countries and the Customs confiscated it as they had suspicion about the origin of the cargo and the party went on appeal. Later on, after the Supreme Court's decision, Customs released it and the party sold it. They allowed the party to dispose of it locally. At this stage only we came in."

1.57. The Committee note that the Port Trust authorities had to collect a rental of Rs. 60 lakhs for the period for which the masoor dal was stored in their godowns. The Port Trust authorities recovered Rs. 1 lakh from the owners of masoor dal and waived Rs. 59 lakhs which, according to the judgment of the Supreme Court, they were entitled to recover from the Customs who had stored the masoor dal in their behalf. They did not do so even when the Supreme Court had opined that the Customs authorities who were responsible for the situation should bear the burden. The Port Trust authorities, however, decided to waive the amount.

Surprisingly, the Port Trust authorities also handed over the masoor dal which was damaged and considered to be unfit for human consumption to the owners without imposing any condition on them and without informing the health authorities so that they in their turn could have imposed some suitable conditions preventing the owners from disposing of the masoor dal for human consumption in order to get a better price.

The Committee cannot but express the view that the Port Trust authorities did not exercise in this matter the care and thought that they should have done both to safeguard their own financial interests and also to prevent a possible health hazard.

Considering the circumstances of this case, the Committee are of the opinion that a thorough probe is essential to fix responsibility for the various lapses and taking appropriate action against the officials concerned.

(ii) *Consignments of Wines and Provisions*

1.58. In 1970, 36 consignments of wines and provisions were imported by the Empire Stores, New Delhi. The rent charges in respect of 32 of them, the papers relating to which are available with the Port authorities, worked out to Rs. 1,08,580.80 P. 50 per cent of this amount was

waived by the Port authorities. For this waiver of an amount of Rs. 54,290.40 P., the following reasons have been furnished to the Committee:

“Owing to labour unrest at the Port, the vessels with import cargo were diverted to other ports and ultimately, these consignments were brought forward by other vessels necessitating amendment of the manifest and preparation of fresh documents. M/s. Fairmacs Trading Company, the clearing agents represented that they received the Shipping documents late from the importers in New Delhi and that there had also been labour/staff trouble in their Calcutta office, which prevented them from effecting timely clearance of the consignments. In view of the above and the fact that the consignments were meant for embassies and were issued on the payment of customs duty, orders were issued on the 8th November, 1971 to allow delivery on recovery of 50 per cent of the rent charges accrued upto the date of delivery.”

1.59. The Committee are not convinced with the adequacy of the grounds on which the Port charges were waived by the Port authorities in this case. The Committee cannot help feeling that the expressively soft attitude of the Port authorities in such cases is one of the important factors responsible for their unsatisfactory financial position. The Committee would accordingly recommend that clearcut criteria on sound business lines for waiver of the Port charges should be laid down and scrupulously observed by the Port authorities while dealing with requests for such waiver.

(iii) *Consignments of 60 drums of Citric Acid:*

1.60. The facts relating to this consignment, as furnished by the Port authorities are as follows:

“60 drums of citric acid were landed from S.S. Gissenkerk in February, 1968 and the Central Bank of India represented before Port Authorities for waiver of rent charges in June, 1970. The total rent charges due in this case were Rs. 52,870.80 P.

The consignment in question was imported by Messrs. Amava through the Central Bank of India Limited, and the latter appointed Messrs. Yagnick & Sons for clearance of the consignment and advanced necessary funds for the purpose. The clearing agents did not, however, take any action and the consignment was removed by Calcutta Port Commissioners

to the sale Godown for auction. It was twice withdrawn from sale at the request of the Bank. The Bank then appointed another firm of clearing agents, viz. Messrs. Jeena & Co. for clearance of the consignments. In the meantime, heavy rent charges had accrued on the consignment and the Bank requested that delivery be allowed free of rent charges on the ground that the consignment had deteriorated due to long storage resulting in heavy loss to them. The CIF value of the consignment was Rs. 14,160.20 P. and the loss due to deterioration was assessed to be about Rs. 4,025. Delivery was, therefore, allowed in July, 1971 on recovery of 50 per cent of the CIF value, viz. Rs. 7,080.10 P. towards rent charges. The rent charges waived in this case were Rs. 45,790.70 P.

The party would not have taken delivery of the consignment worth about Rs. 10,000 (taking the deterioration in consideration) on payment of about Rs. 52,870 as rent charges. The only course then open to the Commissioners would have been to auction the consignment. In that event, in accordance with a standing arrangement with the Customs, the Commissioners would have got only 4 months' rent which worked out to Rs. 3,600 approximately. In the circumstances, allowing delivery of the consignment of recovery of 50 per cent of its C.I.F. value was in the interest of the Commissioners."

1.61. Before waiving the rent charges, no steps seem to have been taken by the Port authorities to obtain expert advice as to whether actual deterioration of the acid had taken place. During evidence, the Committee desired to know whether there was any explanation for the fact that if the consignment had actually deteriorated, then the Central Bank would not have requested twice for its withdrawal, from the auction list. No reply was given in this regard by the representatives of the Port Trust.

Notwithstanding the fact that the Port authorities did realise a sum of Rs. 7,080, the Committee feel that the case is indicative of the manner in which the Port authorities take things for granted while dealing with requests for remission of the charges due to them. In this particular case, since the Bankers had twice requested for withdrawal of the consignment from the auction list, there is no reason to doubt that they would have cleared the same even if the Port authorities had insisted on a higher amount of rent charges. The Committee expect the Port authorities to be more vigilant of their own interests and manage their affairs in a commercial rather than a charitable manner.

(iv) *Cancellation of Undercharge Bills in respect of Hazardous Cargo:*

1.62. In the Calcutta Port Trust Schedule of charges, higher rates for landing, rent and removal of freight have been laid down in respect of hazardous cargo. The Port have also got a list of cargo which are to be treated as hazardous for the purpose. There are four grades of hazardous cargo and the charges for gradations 1 and 2 are higher than those for gradations 3 and 4. If the Port charges are not levied at the prescribed higher rates in any case, the difference is realised from the party at the time of check by the F.A. & C.A.O. by raising under charge bills where necessary.

1.63. It has been brought to the notice of the Committee by a non-official organisation that there were cases in 1970-71 and 1971-72 where such under-charge bills of the order of Rs. 40,548.27 P and Rs. 35,146.59 P respectively were cancelled by the Traffic Manager's office by declaring the cargo as non-hazardous. The details of the said cases are given at Appendix II.

1.64. During evidence, the representative of a non-official organisation has pointed out to the Committee:

"The usual procedure to declare the cargo as hazardous is such that the Port employees have very little scope to put their nose into the affairs, Assistant Superintendent, a Class II officer, is supposed to mark manifest of the vessel to declare them hazardous and the gradation for this purpose from 1 to 4. It so happens that if the cargo belongs to hazardous grade 2, it may be marked as hazardous grade 4 by the officer concerned; nobody has the power or authority to point it out."

1.65. The Committee feel that the loopholes in the calculation and realisation of Port dues in respect of hazardous cargo should be plugged. It would be helpful if all the concerned workers of the Port Trust are informed about the manner in which hazardous cargo are identified by suitable gradation marks so that any wrong gradation or misdeclaration in respect of such cargo comes to notice prominently. Such an arrangement would serve as a deterrent for the officers who resort to marking a lower gradation than the actual gradation of hazardous cargo and thus would ensure the realisation of Port dues on the basis of the correct gradation of the hazardous cargo.

(C) *Revenue from lands and estates of the Port Commissioners:*

1.66. The Port Commissioners have got a vast area of land and warehouses and godowns (excluding Haldia) the leasing out of which to other

parties brings in a considerable amount of revenue. The total area so leased out and the annual income therefrom are as under:—

(i) Total area of P.C. Land (excl. Haldia) leased out	1,200 acrs.
(ii) Total area of P.C. godowns and warehouses leased out (excluding Haldia)	3,51,000 sq. metres (Approx.)
(iii) Annual income 1973-74	Rs. 3,01,77,223 (Excl. Haldia)

Land—Rs. 1,57,79,785 Godowns etc.—Rs. 1,22,98,142.

The entire Port Estate is divided into 60 zones, including Howrah and Budge Budge and there is separate schedule of rent for each such zone.

1.67. Subletting of the land (bare) and buildings are not permitted but the Commissioners allow sub-letting of the structures erected by the lessees on the demised premises subject to certain conditions including payment of additional monthly charges in the form of permission fee.

1.68. The allotment of lettable lands and buildings (other than those under the operational control of the Traffic Manager) is done on the recommendations of a Committee, consisting of the following members who consider all proposals for renewal of leases, transfer of leases etc., as per the guidelines framed by the Commissioners-in-meeting:

1. Land Manager
2. Legal Adviser
3. Deputy Chief Engineer
4. Deputy Traffic Manager
5. Deputy Chief Accounts Officer (Sr.).

1.69. Hill recently, it was not the practice to issue notices of Press advertisements whenever any building or land was to be leased out. Specific mention may be made of a case where a plot of land, measuring 19,732.60 square metre (or 295 cottahs approximately) at Sonapur Road was taken over by the Port authorities from the Eastern Railway. Without the issue of any advertisement or notice, applications from 54 parties were received and considered by the Standing Land & Buildings Allotment Committee at their 19th meeting held on the 19th November, 1973. For purposes of allotment, the land was divided into 19 plots. In the proposals of the Land Manager, which formed the basis for discussions in the Committee, the following statements were made—

“(iii) Due to delay in handing over possession of the above land by the Railways, many applications requesting allotment of large and small plots in and around Hide Road area have accumulated. It is felt that instead of allotting the entire

land to two/three parties having requirements for large areas, it may be sub-divided into a number of plots in order to accommodate more small/medium sized industrial units.

- (iv) Two big drains are passing through the above land. Unless the said drains are diverted, as shown in green in the plan to be exhibited at the time of the meeting, the plots of land cannot be put into use by the prospective lessees. If the Commissioners are required to take up the work of diversion of drains themselves, it will involve delay in handing over possession which will result in loss of revenue. Alternatively, if we require the prospective lessees to get the work of diversion of drain done at their cost to the satisfaction of the Commissioners' Chief Engineer, some concession in rent should be granted to the prospective lessees for a fixed period."

[A statement showing particulars of the applicants and their demands was also appended to the proposal, along with their original applications.]

In the proceedings of the Committee, their decisions were recorded as follows:—

"15(i) The Committee considered the proposal in the context of the Land Manager's notes as at paras (iii) and (iv) of the proposal and recommended the following* allotments:

Name of the prospective
allottees

Area and Plot No.

** (18 plots to 18 parties)

- (iv) As regards plot No. 10, measuring more or less 10 cottabs, it was decided that this plot may be kept reserved for allotment in future."

1.70. No detailed reasons for selection of the particular applicants or for rejection of the others were indicated in the proceedings.

1.71. Even at the meetings of the Commissioners, the proposals for allotment to the respective parties were approved one by one, and the proceedings of these meetings show that the points considered were not the reasons for selecting the particular party but the terms and conditions of allotment.

*List at appendix II—A to this Report.

1.72. The following reasons have been furnished by the Port authorities in respect of their policy of non-issue of notices or press advertisements for allotment of lands or buildings:—

“Since the land in the Port estate is mainly leased for commercial and industrial purposes, regular enquiries are received from the interested parties for lease of land. The land is mainly leased out on the merit of the individual cases and is allotted according to its availability. However, notices were usually issued to the Chambers of Commerce when no prospective lessees were readily available for taking lease of a particular land. Besides in the event of the lessees terminating their tenancy by prior notice, the Chambers of Commerce were informed accordingly.”

1.73. The Chairman, Calcutta Port Trust, has informed the Committee during evidence that they have now decided that the fresh land should be allotted either through an advertisement or through sealed tenders.

In 1956, the Port Commissioners had the Port property exempted from the application of the West Bengal Premises Rent Control (Temporary Provisions) Act, 1950, by an amendment to the said Act. Thereafter, new rent schedules, framed on a scientific basis in order to maintain a parity with the market rate structure, were introduced from April, 1962 and it has been their practice to revise the schedule every five years and make the revised rates effective immediately in case of all existing monthly leases and licences and new lettings and also in case of long term leases when they come up for renewal or for fixation of rent during the tenure of the schedule.

In case of leases for period of 10 years or more, there is a provision for revision of rent every 10 years upto 25 per cent or the schedule rent then prevailing, whichever is less.

1.74. In accordance with this practice revision of rents was due in April, 1972 but this was delayed and the revised rates were put into effect only from April, 1973.

Asked as to what were the reasons for this delay, the Chairman, Calcutta Port Trust, has stated during evidence:—

“In the past we had also revised it after five years or sometimes six years. This year also, in 1972 when it became due, the Land Manager was asked to put up the papers. He did put

up the papers about February, 1972. Thereafter it was sent to our Accounts Department who did not agree with certain things and therefore it was asked to do further examination. Therefore, by these examinations these proposals were delayed.

* * * *

Our Accounts Department felt that the time had changed and we should adopt a new procedure. That means certain areas should be made as vulnerable area and certain area could remain as normal area. All these things were well pointed out and the delay took place on account of the fact, as I remember, that we approached certain valuers and this took some time."

Asked about the loss of gain to the Port Commissioners on account of the one year's delay in taking a final decision and introduction of the revised rates of rent, the Chairman of the Port Trust stated: "I would say that we had lost something like Rs. 20 lakhs."

1.75. The Committee have been assured that instead of making allotments of their land, 'on the merit of the individual cases' as in the past, the Port Commissioners have at least now decided that fresh land should be allotted either through an advertisement or through sealed tenders.

The Committee have referred elsewhere in this Report to the question of review of the rent and allotment procedure of the lands and buildings of the Calcutta Port Commissioners in order to remind them that this is a potential source of revenue for them. The Port Commissioners should keep themselves fully abreast of the market trends for lands and buildings and secure the maximum return from their properties.

1.76. The Committee cannot help feeling that notwithstanding the need for a detailed examination of proposals regarding increase in rent prepared and submitted by the Land Manager early in 1972, the process of review should have been completed in April, 1972, thus avoiding the loss of additional revenue which has been assessed by the Port authorities themselves at about Rs. 20 lakhs in a year. As a matter of fact this figure of Rs. 20 lakhs is much too low as is clear from the fact that the income from lands and buildings as a result of the revised rates put into effect from 1st April, 1973 actually went up from Rs. 209 lakhs in 1968-69 to Rs. 309 lakhs in 1973-74.

The Committee are not at all convinced from the documents that have been placed before them that the Port Trust authorities had been really serious and enthusiastic in enhancing the rents for the Port Trust properties so as to be in keeping with the prevalent market rates. Because of

this failure, the Port Trust must have lost a substantial amount. The loss on this account was about Rs. 100 lakhs for one year alone and this has been going on for years.

The delay in the revision of the schedule of rents is a very serious matter justifying an immediate and thorough probe into all cases of rentals of Port Trust lands and buildings, fixation and enhancement of rates and rents and all matters connected therewith by a Central probing agency for fixation of responsibility for suitable action against the officials responsible for the loss of revenue to the Calcutta Port Trust. Government may decide how far back it would be possible for the probe to extend. The Committee would await a further report of the action taken in this regard.

1.77. As for the future the Committee feel that it is necessary that the procedures for the allotment and fixation of rentals of land and buildings of the Port Trust should be specifically laid down by a Committee consisting of a senior officer of the Ministry, the head of the Land and Property Department of the Life Insurance Corporation at Calcutta, a senior representative of the C.P.W.D., Calcutta, the Land Acquisition Collector, West Bengal Government and an officer on deputation from the Audit Deptt. All vacancies of lands and buildings should be notified to Central and State Governments as well as to Public Undertakings, Government owned companies and Statutory bodies.

1.78. Since most of the properties of the Port Trust are given out on a term lease, the Committee find no reason why royalty (salami) should not be charged for letting out such properties. In any case nothing should be given out without advertising for it in all the local and regional newspapers in at least three consecutive issues. Offers should be invited through sealed tenders to be opened by a Committee headed by an official not lower in rank than the Deputy Chairman and should have in it, the Financial Adviser and Chief Accounts Officer amongst others.

Rent of Godowns in Strand Road Area:

1.79. The Committee desired to know the basis on which the rent of their warehouses in the Strand Road area which is a very high rent fetching office area in Calcutta was being fixed by the Port authorities. It has been stated in reply that there has been no separate standard adopted for the purpose and that the usual schedule which was revised from time to time was also applicable for the godowns in the Strand Road area.

The Committee have been informed during evidence that the present rate of rent of the Port Commissioners' pucca godowns in this area is only 50 paise per sq. ft. per month. The Committee understand that this rate is very low for the area and could be enhanced substantially.

1.80. The Committee would strongly suggest that the Port authorities should explore on a top priority basis the possibility of deriving more income from their properties in the Strand Road Area which is in Dalhousie Square where the prevailing market rent of offices is understood to be about Rs. 2 to Rs. 2.50 per sq. ft. per month as fixed by the Hiring Committee of Calcutta.

The Committee would suggest that the Port Commissioners should also consider the advisability of constructing multi-storeyed building from Howrah Bridge to Chandpal Ghat; this could be to the financial advantage of the Port Trust.

The Government Departments also hire a lot of Private accommodation and they may be approached for financing such construction work.

Allotment of Land to Officers of the Port:

1.81. It was brought to the notice of the Committee that several High ranking officers of the Calcutta Port Trust, including the Zonal Manager and an Ex-Deputy Chairman, formed a Co-operative for Calcutta Port Commissioners' officers and got for themselves plots of the Port land in new Alipore at extremely low prices.

The representative of the Port Trust has stated during evidence:

"We had a plot of land without a road access not in new Alipore but in old Alipore. That land was originally given, long ago, to the British High Commissioner at a very nominal rent. Certain port officers at that time wanted to have it for their housing purposes. So we took over the land from the British High Commissioner and leased it to the Port Officers Co-operative Society. It was then divided into eight plots and Mr. S. K. Ghosh (Then Deputy-Chairman of the C.P.T.) was allotted one of the plots by the Cooperative Society."

The Committee desired to know whether there were any such co-operative societies for Class III and Class IV employees of the Port Trust and whether they were also given any land. The witness replied, 'No, Sir, they have not asked for it either. We have given it to the recognised unions.'

1.82. The Committee are not at all satisfied that the present practice of allotting land to cooperative societies formed by Port Trust Officers is a defensible practice. This may be gone into in detail by the Port authorities. In any event, such a practice can become defensible only if the same facility is made available to Class III and Class IV personnel, assuming that the practice is legal. The Committee would suggest that the Class III and Class IV personnel of the Port Trust may be encouraged to form house-building co-operative societies.

CHAPTER II

TEA WAREHOUSE

Audit Paragraph

2.1. A multistoried tea warehouse (Libyan Tea warehouse) was constructed by the Port Trust for Rs. 1.25 crores in pursuance of an agreement with the Tea Board. The Tea Board guaranteed occupation of the warehouse for 60 years immediately after completion of construction at a contractual rent of (a) Rs. 300 per 100 sq. ft. per month for 4400 sq. ft. of office accommodation and (b) Rs. 200 per 1000 sq. ft. per month for 6 lakh sq. ft. of godown space. Construction of warehouse was completed and it was ready for occupation from 14th October, 1965. The Tea Board itself did not occupy the warehouse but arranged with a local firm (Balmer Lawrie and Co. Ltd.) to take a part of it on lease temporarily. According to the agreement with the Tea Board, total rent due from 14th October, 1965 to 31st March, 1970 was Rs. 65.45 lakhs but the amount realised upto 31st March, 1970 was Rs. 34.14 lakhs only. The question of compensating the Commissioners for loss in rent is stated to have been taken up with the Chairman Tea Board. The result of reference is awaited (October, 1971).

(Paragraph 4 of Audit Report for 1969-70)

2.2. During evidence, the Committee desired to know the background for construction of the Libyan Warehouse by the Port Commissions and the Chairman of the Tea Board (Shri Broca) stated:—

“Actually, in 1954, the Government constituted a Committee on Tea Auctions. This Committee submitted a report in 1955. In that report, it was mentioned that the requirements dictated by prudence were of the order of 1 million chests at a time. This was followed by the report of the Plantation Inquiry Commission in 1956. ****They also endorsed the view of the Committee on the Auctions. It was as a result of this that the arrangement was arrived at between the Tea Board and the Calcutta Port Commissioners for the construction of additional public warehousing capacity for the storage of tea.”

2.3. The Committee find that when the arrangements for construction of the warehouse were being negotiated between the Tea Board and the

Calcutta Port Commissioners, the then Chairman of the Tea Board, in his letter No. 12-Sectt/58/2051, dated the 14th March, 1960, addressed to the Chairman, Calcutta Port Commissioners stated *inter-alia* as follows:—

“The Board shall take over the entire new warehouse with approximately 6 lacs sq. ft. of floor area immediately the same is constructed and made ready for occupation, and shall continue to hold the same for a period of sixty years from the date of occupation of the following terms and conditions:

(a) The rent shall be—

- (i) Rs. 300 per 1000 sq. ft. per month for 4400 sq. ft. of office accommodation.
- (ii) Rs. 200 per 1000 sq. ft. per month for godown space on the ground floor as well as other floors.

The ceiling limits mentioned in (a) above would be without prejudice to the Commissioners' right to raise the rent of land occupied by the proposed tea warehouse every ten years according to the rent schedule prevailing at the time.

* * * *

(b) The Board will be at liberty to sub-lease with the prior written approval of the Commissioners any portion of the proposed new tea warehouse which at any time might be found surplus to the Board's requirements for the warehousing of tea.

(iii) The Board and the Commissioners shall execute and complete such document or documents as may be necessary in this connection.

I shall be glad to hear from you in confirmation of the above at an early date.”

2.4. No formal agreement on the above lines was executed between the parties concerned, but it appears that on the 17th March, 1960, the Chairman, Calcutta Port Commissioners, wrote to the Chairman, Tea Board, as follows:—

“This is to confirm the terms and conditions set forth in your letter.”

2.5. During evidence, no specific reasons were given by the representatives of the Calcutta Port Commissioners for not executing the agreement. The Secretary, Ministry of Shipping and Transport, summoned up

the position as follows:—

“If I may intervene for a moment, although no legal document as such has been executed as contemplated in this letter, both the parties agreed on the terms and procedure for constructing the warehouse.”

2.6. The construction of the Warehouse was completed (at a cost of Rs. 1.25 crores) in 1965, but the Tea Board, inspite of their guarantee, vide their letter of 14th March, 1960, did not occupy the same.

They, however, arranged with a local firm (Balmer Lawrie and Co. Ltd.) to take a major portion of the warehouse on lease temporarily (out of the total floor space of 50,380 square meters, an area of 49,522 square meters was under occupation of the said Company). No lease agreement was executed with the firm by the Port Commissioner although the arrangement was confirmed by formal exchange of letters. The rates of rent realised from the firm compared with those guaranteed by the Tea Board as follows:—

	Rate guaranteed by Tea Board	Rate charged from M/s. Balmer Lawrie & Co.
Upto 30th Sept. 1967	Rs. 300 per month per 1000 sq. ft. for 440 Sq. ft. of office accommodation. Rs. 200 per month per 1000 sq. ft. for godown space. With Port Commissioners right to raise the rent of land occupied by the warehouse every ten years.	Rs. 175 p.m. per 1000 sq. ft. for any space, (on the basis of scheduled rate of rent)
From 1st October, 1967 to 23-10-1971 when it was vacated by the firm	Do.	Rs. 215 p.m. per 100 square metre of godown spacing and Rs. 325 per month per 100 sq. metre of office accommodation (viz. 119 sq. metres)
		(Identical with the rate agreed to by the Tea Board, converted into sq. metres.)

2.7. As to the reasons for non-occupation of the Warehouse by the Tea Board, the Chairman, Tea Board, has stated during evidence that:—

“The whole thing must be looked at from its historical perspective. From early 1940s the business of tea warehousing was done by Balmer Lawrie. They had already leased two public warehouses from the Port Commissioners. One of them was the Sale Tea Warehouse. When the Tea Auction Committee

made an inquiry into this matter, they came to the conclusion that more space was needed. It was then that the Port Commissioners wanted same guarantee. On receipt of guarantee from the Tea Board the construction was made. When it was ready for occupation various alternatives were considered. One alternative was that this should be given over to the public sector undertaking, the Central Warehousing Corporation. After a long correspondence, they eventually did not take over these warehouses. So the Board had to find out some other method by which this could be done. Evidently, as I mentioned earlier, as a result of the Barooah Committee's recommendations which were accepted by Government it was finally decided that it would be entrusted to the same Company which was already maintaining the public warehouses.

Since the warehouse was ready sometimes in October, 1965, as a result of the Pakistani aggression of that year, a lot of seized goods were kept on the ground floor of this warehouse temporarily. After this was vacated by the Customs, Balmer Lawrie took over the ground floor which was then ready for occupation and gradually Balmer Lawrie came into the picture and eventually when the full warehouse was ready they took it over. It is not as if some new firm or somebody who had nothing to do with the tea warehousing was being re-introduced into this business. It was really a continuation of the existing business of public warehousing."

2.8. As already mentioned in the Audit paragraph, upto 31st March, 1970, the rent realised from M/s. Balmer Lawrie & Co. was Rs. 34.14 lakhs only as against the total rent of Rs. 65.45 lakhs according to the agreement with the Tea Board.

M/s. Balmer Lawrie vacated the warehouse on 23rd October, 1971, and the total rent recovered from them for the entire period of their occupation upto 23rd October, 1971 amounted to Rs. 53,32,341.77 paise.

2.9. In terms of the percentage returns realised by way of rent and other charges on the investment made (Rs. 1.27 crores) on the by a Tea Warehouse, the position was as follows:—

1965-66	. . . . .	1.8%
1966-67	. . . . .	3.8%
1967-68	. . . . .	7%
1968-69	. . . . .	6.5%
1969-70	. . . . .	7.9%
1970-71	. . . . .	9.6%

The warehouse remained entirely vacant from 24th October, 1971 to 12th July, 1972. In the meantime, two other warehouses, viz. the Sale Tea Warehouse (constructed in 1907 and in occupation of M/s. Balmer Lawrie on a monthly rent of Rs. 40,565/- giving a return of 43.98 per cent) and Hyde Road Warehouse (constructed in 1927 and in occupation of M/s. Balmer Lawrie on a monthly rent of Rs. 39,140/ giving a return of 25.91 per cent) were also vacated by M/s. Balmer Lawrie & Co. in January, 1972. Normally, these two warehouses were also due to be taken over by the Tea Board since in their letter of the 14th March, 1960, referred to earlier, they had given a guarantee to utilise these warehouses too for the storage of tea up to the period ending on 31st March, 1990 from the date of termination of the lease in favour of M/s. Lawrie & Co. Ltd., at the then prevailing (in 1960) rate of rent of Rs. 133.33 per 1000 sq. ft. per month. The Tea Board, however, did not take over these two warehouses also. For the period for which the warehouses were lying vacant, no bills were raised by the Port authorities against the Tea Board.

2.10. Accordingly, the whole question of utilisation of the three warehouses was discussed on the 2nd June, 1972, at a meeting between Secretary (Foreign Trade), Secretary (Expenditure) and Secretary (Transport) at which some other officers of the said Ministries, the Chairman, Port Commissioners, the Chairman, Tea Board and the Managing Director, Central Inland Water Transport Corporation were also present. The following decisions were taken at this meeting:—

- (a) that Hyde Road warehouse will immediately be surrendered to the Port Commissioners and the Tea Board will be released from an binding so far as this warehouse was concerned. This warehouse will not be used for storage of teas.
- (b) Port Commissioners will forego rent as on date of all these 3 warehouses for the period they have remained vacant either before or after vacation by M/s. Balmer Lawrie & Co.
- (c) C.I.W.T.C. will immediately take over Sale Tea and Libyan Warehouses upto a period Desember, 1973 as an interim arrangement.
- (d) 555 retrenched employees of M/s. Balmer Lawrie and Co. will be taken over by the C.I.W.T.C. on their terms and conditions and not on those enjoyed by them with their previous employers. West Bengal Government will be intimated accordingly.
- (e) The losses, if any, incurred by C.I.W.T.C. in running the warehouses will be reimbursed to them fully by the Ministry of Foreign Trade (Tea Board).

- (f) All teas belonging to gardens directly or indirectly controlled by the Government will be warehoused in these two warehouses.
- (g) Ministry of Foreign Trade will start negotiations with Central Warehousing Corporation for their taking over the public warehouses.
- (h) In case no satisfactory arrangement was reached, with them, the Tea Trading Corporation as and when it comes into being (but before December, 1973) will take over these warehouses.

2.11. On a perusal of the detailed minutes of the above-mentioned meeting, the Committee find that though the then Chairman, Port Commissioners (Shri K. K. Roy) mentioned about the legal force behind the guarantee given by the Tea Board, he ultimately gave up his claims in that direction. The relevant part of the minutes reads as follows:—

“Reverting to the subject of the guarantee offered by the Tea Board in 1960, Shri Roy said that this was clearly a valid and enforceable guarantee, and can be relied upon to protect the interests of the Port Commissioners. He pointed out that reimbursement of any loss suffered on account of the rent agreed to be paid by the Tea Board under the guarantee given by the Tea Board is a legitimate claim of the Port Commissioners and the Accountant General, Central, who had been pressing for realisation of the arrear rent had made out an audit para on this issue and this had to be answered. Shri Ray, however, agreed subject to the sanction of the Commissioners in a meeting that as pressed by the Secretary (Foreign Trade), and agreed to by the Secretary (Expenditure) there was no other alternative than to comply with the wishes of the Government to forego the rent all the three warehouses for the period they had been lying vacant and there could be no claim on the Tea Board for past shortfall or arrears in order to solve the present tangle which was becoming more and more complicated.”

Earlier in the minutes, it has also been recorded that—

“Shri K. K. Ray * * * said that the rent agreed to with the Tea Board was already on a concessional basis and they were already making losses on these warehouses inspite of a rental of about 26 lakhs per annum. He said that the agreement which Tea Board had entered into was not at all to their advantage as the market rents had since escalated and were bound to go up further with the passage of time. According to him, the expenditure on these warehouses by way of municipal taxes, interest and amortisation charges and service charges was more than the rent reliable from the Tea Board and hence it would not be fair to ask them to share any further losses.”

2.12. The Libyan Tea Warehouse and the Sale Tea Warehouse remained in the occupation of the C.I.W.T.C. from 12th July, 1972 to 30th April, 1974 after which they were taken over by the Tea Trading Corporation. The Committee have been informed that no formal agreement was entered into by the Port authorities with the C.I.W.T.C. Also, the terms and conditions of occupation by the Tea Trading Corporation have not yet been finalised.

2.13. Upto 31st December, 1973, the following amounts of rent became due from the C.I.W.T.C. for which bills have been raised by the Port authorities:

Libyan Tea Warehouse	Rs. 20,54,314.02
Sale Tea Warehouse	Rs. 8,23,087.49

Actual payment has not yet been received by the Calcutta Port authorities as the C.I.W.T.C. are raising some counter claims against the former.

2.14. As regards utilisation and payment of dues for the period of occupation of the Warehouses by M/s. Balmer Lawrie & Co., the Committee have been informed that no sub-letting was done by the Company, that the warehouses were used by them only for the purpose of storage of tea, and that no arrears of rent are due from the company. However, claims amounting to Rs. 1,64,000 by way of damage to buildings etc. are stated to be under correspondence with the present administration of the said Company, which has since been taken over by Government.

2.15. The total amount of shortfall in rent realised by the Calcutta Port Commissioners in respect of the Libyan and Sale Tea Warehouses, which was agreed to be waived at the meeting held on 2nd June, 1972, was Rs. 30,01,695.80. (The Hyde Road Warehouse having been taken over by the Port Commissioners on vacation by M/s. Balmer Lawrie & Co., there was no such shortfall in the case of that Warehouse).

2.16. According to the figures of total rent finished by the Ministry, the percentage return from 1971-72 onwards on the investment made as the construction of the Libya Tea Warehouse Works out as follows:—

1971-72	5.03%
1972-73	7.9%
1973-74	11%

2.17. The Committee cannot help observing that the whole drill followed by the Port Commissioners in respect of the Libyan Tea Warehouse constructed by them for the Tea Board at a cost of Rs. 1.25 crores in the sixties, as also the other two Warehouses after their vacation by M/s. Balmer, Lawrie & Co. early in 1972, reflects a chain of departure from the orderly path prescribed for a sound profitable management

of estates, namely execution of formal lease deeds, provisions for timely payment of rent, interest on delayed payments, provision regarding damages to buildings, etc., and an unconditional surrender of their legitimate rights in order to accommodate the wishes of other agencies like the Tea Board, in utter disregard of their own financial interests. For the non-execution of a formal agreement with the Tea Board before actual commencement of construction of the Libyan Tea Warehouse, there appear to be no valid reasons.

After waiver of the shortfall in rent amounting to over thirty lakhs of rupees, which was legitimately due from the Tea Board, the Port Commissioners are now chasing the Central Inland Water Transport Corporation, to whom the Warehouses were leased out—again without executing a formal agreement—for the payment of Rs. 30 lakhs of rent due from them for the period July 1972 to December 1973. Even with the Tea Trading Corporation to whom the Warehouses were leased out after 30th April, 1974, the terms and conditions are yet to be finalised.

The Libyan Tea Warehouse was constructed by the Port Commissioners after prior settlement with the Tea Board that the latter shall hold it for a period of sixty years on rates of rent settled in advance, with the option of sub-letting any portion thereof with the prior written approval of the Port Commissioners. At the meeting of Secretaries concerned on the 2nd June, 1972, the Port authorities permitted this basic position to be reversed, allowed the Tea Board to completely absolve themselves of this responsibility, and put themselves in the unenviable position of having to chase the future lessees for realisation of rent—a task which was legitimately the function of the Tea Board.

This is a clear case of unbusiness-like management of properties of the Port Trust.

CHAPTER III

NON-REALISATION OF PORT CHARGES ON COASTAL CARGO DISCHARGED OVERSIDE

Audit Paragraph

3.1. In terms of Part IX of the Calcutta Port Act, 1890, read with the schedule of charges framed thereunder, port charges are leviable on coastal cargoes discharged outside Rs. 3.71 lakhs still remained unrealised on March 1970 as port charges on timber, salt and other commodities discharged outside as detailed below :—

Period for which due	Nature of cargo	Amount Rs.
April 1967 to September 1967 (16-9-1967)	Salt	96,025
October 1967 to March 1969)	Salt	44,520
April 1969 to March 1970	Salt	53,870
November 1967 to March 1969	Timber	70,141
April 1969 to March 1970	Timber	86,716
November 1967 to March 1968	Other commodities	413
April 1968 to March 1969	Other commodities	11,310
April 1969 to March 1970	other commodities	7,762
		<u>3,70,757</u>

The amounts of outstanding dues for the period prior to April 1967 for salt and for timber and other commodities for the period prior to November, 1967 were not furnished to audit as no records were stated to have been kept therefor.

[Paragraph 5 of Audit Report for 1969-70]

3.2. The Port Commissioners framed a Bye-law (Bye-law No. 39A), effective from 16th October, 1967 enjoining on the owners or Masters or Agents of the vessels not to load or discharge such cargo to the parties without first ensuring that the port charges had been fully paid. In default the owners or Masters or Agents of the vessels were liable for payment of unrealised port charges, with interest thereon at 6 per cent per annum, calculated from the date the vessels started discharging or loading of such cargo upto the date of payment of port charges thereon. A continued breach of the bye-law would result in the denial of the port facilities to the defaulting vessels.

3.3. The position about outstanding port charges in respect of coastai cargoes (as on 31st March, 1974) is as follows :—

Outstanding port charges on Salt Cargo for the period :

	Rs.
April 1957 to September, 1967	9 6,024.60
October 1967 to March 1969	38,094.00
April 1969 to March 1970	Nil
April 1970 to March 1971	Nil
April 1971 to March 1972	13,977.60
April 1972 to March 1973	1,31,207.80
April 1973 to March 1974	1,36,157.20

Outstanding Port charges on Timber for the period.

November 1967 to March 1969	18,558.80
April 1969 to March 1970	55,398.40
April 1970 to March 1971	35,942.40
April 1971 to March 1972	87,317.60
April 1972 to March 1973	45,590.40
April 1973 to March 1974	8,824.60

Outstanding Port charges on other commodities discharged overseide

November 1967- to March 1968	413.20
April 1968 to March 1969	6,489.90
April 1969 to March 1970	2,283.70
April 1970 to March 71	3,564.15
April 1971 to March 1972	674.50
April 1972 to March 1973	191.30
April 1973 to March 1974	154.70

3.4. The Committee desired to know whether any penal action had been taken against the defaulters under the bye-law No. 39A framed in October, 1967. It has been stated in reply that—

“Calcutta Port Commissioners have not found it practicable to take any penal action against Steamer agents under bye-law No. 39A. Suitable procedural changes have been made so that port clearance is not granted before ensuring that the overseide charges have been recovered. This has already resulted in the outstanding on account of overseide charges being substantially reduced.”

3.5. The Committee desire that the machinery for realisation of overside charges should be so geared up that no port clearance is given till the said charges have been actually realised. It is also very necessary that immediate suitable arrangements are made to check and verify the overside cargo, no matter what the obstacles are. The Committee would also suggest that the provisions of bye-law No. 39-A should be reviewed so as to remove all lacunae because of which the Port authorities did not find it practicable to take any penal action against the defaulters.

CHAPTER IV

LOSSES ON WORKING OF PORT RAILWAY

4.1. The position in respect of earnings/workings of the Calcutta Port Railway during the years 1969-70 to 1972-73 was as follows :—

		(In lakhs of Rupees)			
		1969-70	1970-71	1971-72	1972-73
Income	. .	266.78	264.72	288.65	311.72
Expenditure	. .	295.15	343.39	372.37	369.57
Deficit (—)	. .	29.37	78.67	83.72	67.85

4.2. The continuing losses in the operation of the Calcutta Port Commissioners' Railway system have been attributed by the Port authorities to the following factors :—

- (a) Drop in volume of traffic handled from 7.3 million tonnes in 1964-65 to 4.5 million tonnes in 1972-73;
- (b) Considerable increase in the cost of operation;
- (c) Inadequacy of the terminal charges, payable by the Indian Railways to the Port for performance of terminal services by the latter, to meet the expenditure incurred for providing the services in a costly city like Calcutta.

4.3 Asked about the steps taken to improve the working results of the Port Railway, the Port authorities have informed the Committee that—

“The C.P.C. Railway extends over a very large area and serves a large number of industrial and commercial sidings apart from the transit sheds and yards which cater to the sea-borne traffic. The facilities created to handle traffic earlier cannot be reduced correspondingly according to the decline in traffic excepting in certain spheres of railway working in view of the lay out of the C.P.C. Railway system. Efforts are however being made to effect economy wherever it is possible. The

following steps have so far been taken towards reducing the expenditure :—

- (a) Total restriction on the recruitment of staff.
- (b) Reduction of wagons owned by the C.P.C. thereby reducing the cost of maintenance.
- (c) After a detailed study, decisions have been taken to amalgamate some stations in the Northern Section to reduce operating cost as also to close or hand over to the S.E. Railway Shalimar Section which is unremunerative.
- (d) Joint efforts are being made by all Indian ports to raise the terminal charges payable by the Indian Railways which, if it succeeds, will raise the income to some extent. For improving the work of the C.P.C. Railway, studies are being undertaken in consultation with the Indian Railways."

4.4. The Commission on Major Ports had observed that the proposals for revision in the rates of Port Railways required the approval of the Railway Board and these approvals were given after considerable delays, which had adverse effect on the earnings of Port Railways. The Commission had accordingly recommended that the Railway Board should take special steps to see that such delays were avoided. The Port authorities have informed the Committee that—

"The recommendation of the Major Ports Commission was brought to the notice of Railway Board, who were requested to take appropriate action in the matter. The proposal for enhancement of supplementary charge from 6 per cent to 9 per cent and merger of supplementary charge with basic rate over the Northern Section of the C.P.C. Railway was forwarded under cover of Chairman's letter No. 3208 dated 17th June, 1971 to the Railway Board and it was requested that the above proposal to be given effect to from April 1968 when the rate of supplementary charge was raised from 6 per cent to 9 per cent over the trunk Railways. After repeated reminders from the Commissioners, the above proposal was ultimately sanctioned by the Railway Board under cover of their letter No. TCR/1078/71/4 dated 13th November, 1973 giving effect from 1st December, 1973 which was subsequently changed to 1st January, 1974."

With regard to terminal charges received by the Port Railways the Commission on Major Ports had recommended that the Ministry of

Railways should view the claim of the Port Railways more pragmatically and the revisions from time to time in the railway freight rates should be simultaneously followed by a *protanto* adjustment in the terminal charges paid to the Port Railways.

4.5. In reply to a recommendation of the Public Accounts Committee 113th Report—4th Lok Sabha), the Ministry had informed (November 1970), that the revised increased rates of remuneration by the Railways to the Port Trust would remain valid during 1st April, 1968 to 31st March 1971 and that a further meeting would be held to evolve a new rates from 1st April, 1971.

However, the rates of terminal charges payable by the Railways to the Indian Ports from 1st April, 1971 have not yet been fixed. The Ministry of Shipping and Transport has taken up this issue with the Railway Board and a few meetings have since been held in this connection which were also attended by the Chairman of the Ports. The Railway Board have been requested by the Ministry to expedite decision. Pending final decision, the Railways are continuing to pay the Port Trusts at the rates applicable upto 31st March, 1971.

4.6 The Committee are unhappy that the operation of the Port Railway is resulting in a loss of about Rs. 70 lakhs per year to the Port authorities. It can not be a matter of satisfaction to anyone that while the rate of supplementary charge over the trunk Railways was raised from 6 per cent to 9 per cent with effect from April, 1968, the Railway Board took two and a half years (from 17th June, 1971 to 13th November, 1973) to agree to a similar proposal of the Calcutta Port authorities in respect of the Northern Section of the Port Railway, for which the increase was ultimately allowed only from 1st January, 1974.

In regard to the revision of terminal charges payable by the Railways to the Indian Ports from 1st April, 1971, the Committee are disappointed to note that in spite of the recommendation made by the Commission on Major Ports that revisions from time to time in the Railway freight rates should be simultaneously followed by a temporary adjustment in the terminal charges paid to the Port Railway, the question of revising the terminal charges payable to the Ports from 1st April, 1971, is still hanging fire. The Committee recommend that the matter should be vigorously pursued by the Ministry with the Railway Board and a standing arrangement arrived at for an automatic increase in the terminal charges payable by the Indian Railways to the Port Railways immediately on a revision of freight charges by the former. The Committee consider it most desirable that the Railway Board should also be required to clear such references within a specified period. The Committee would suggest this period to be six months.

CHAPTER V
DEFICITS IN PILOTAGE ACCOUNTS

Audit Paragraph

5.1 The receipts and expenditure on pilotage account have been merged with the general accounts. However, proforma pilotage income and expenditure account, prepared to comply with the requirements of section 7 of the Calcutta Port Pilotage Act, 1948, is reproduced below :—

1968-69 : (Rs. Lakhs)		1969-70 (Rupees lakhs).
	<i>Income</i>	
71.08	Pilotage Fees	61.49
2.25	Night Navigation fees	2.13
0.74	Miscellaneous	2.03
74.07	<i>Less Expenditure :</i>	65.65
	Direct Expenses :	50.53
	Indirect Expenses :	58.02
67.67	Surplus(+) Deficit(—)	108.55 (—)
(+)6.40		42.90

5.2. The deficit in the pilotage account during 1969-70 was due to (a) fall in the registered tonnage of the vessels calling at the port from 5.89 million tons in 1968-69 to 5.26 million tons in 1969-70, and (b) apportionment of indirect expenses under revised system of accounting adopted from 1969-70.

[Paragraph 1(b) of the Audit Report for 1969-70]

5.3. Proforma pilotage income and expenditure account from 1970-71 to 1972-73 is given below :—

1970-71		1971-72	1972-73	
		(Rupees in lakhs)		
	<i>Income</i>			
54.73		61.92	54.41	Pilotage fees
1.89		1.62	1.30	Night Navigation Fees.
1.82		4.05	4.14	Miscellaneous
58.44		67.59	59.85	

<i>Less Expenditure</i>						
53·43	.	.	.	56·02	59·26	Direct Expenses
54·71	.	.	.	60·50	62·56	Indirect Expenses
108·14				116·52	121·82	
(—)49·70				(—)48·93	(—)61·97	Deficit (—)

5.4. The Committee have been informed during evidence that in 1973-74 the income from pilotage was Rs. 57.75 lakhs against a total expenditure of Rs. 78 lakhs (Rs. 64 lakhs direct and Rs. 14 lakhs indirect). The Committee have also been informed that the Calcutta Port have got 64 Pilots on their active list and that there is some shortage of Pilots and they are trying to recruit more. In reply to a question, the Traffic Manager of the Port has stated that 'Detention of ships because of non-availability of pilots does take place... for one or two days only'. The Chairman, Calcutta Port Trust, has stated that the loss was because of the number of ships going down and that they have now decided to increase the charges by 20 per cent and have also requested the trustees to agree for further revision of charges after examining the report which has been received from the Costing Cell. The Secretary of the Ministry has also stated in evidence that Government have asked all the Ports, including the Calcutta Port, to review all their charges and then suggest the way to cover the costs to the maximum possible extent.

5.5. The Committee need hardly point out that the delay in revising the Pilotage charges to an appropriate higher level is resulting in a recurring loss of Rs. 20 to 60 lakhs per year to the Calcutta Port. The Committee would accordingly suggest that instead of dealing with the matter in a routine manner, the Port authorities should fix their pilotage charges on 'cost plus' basis without any further delay whatsoever and ensure that at no time any loss should be incurred on this count.

CHAPTER VI
COAL TRIMMING OPERATIONS

Audit Paragraph

Coal trimming operations on board the coal ships

6.1. As the arrangement for trimming operations on board the coal ships by a firm of labour contractor was considered unsatisfactory, in June, 1951, the Port Trust, at the request of the coal trade, took over this work as well as the workers employed by the contractor. There was an assurance from Government that two million tonnes of coal could move through this Port annually. The resolution passed in September, 1950 for taking over trimming operations stipulated that as trimming was not a statutory obligation of the Port Trust, the arrangement for taking over this function must be covered by suitable standing agreements with the steamer agents in the case of regular steamer lines and *ad hoc* agreements in the case of odd steamers with a view to fixing their liability to bear the losses to the Port Trust on providing this ancillary service. But no such agreements were ever entered into with the steamer agents.

6.2. Coal intended for consumption of the Railways in South India used to move by sea through this Port. Movement of coal for use by the Railways in the South stopped, as the Railways themselves were looking for additional traffic consequent on gradual laying of double track upto Madras. Consequently, there was substantial reduction in coal shipments from this Port. Coal shipment from this Port during the last decade are shown below:—

	(Thousand tonnes)		
	<i>Export</i>	<i>Coastal</i>	<i>Total</i>
1962-63	163	1,955	2,118
1963-64	139	1,793	1,932
1964-65	272	1,489	1,761
1965-66	256	1,115	1,371
1966-67	353	768	1,121
1967-68	364	541	905
1968-69	434	475	909
1969-70	323	647	970
1970-71	487	172	659
1971-72	189	597	786

6.3. Due to decline in coal traffic and periodical rise in labour cost (save that vacancies due to death and retirement have not been filled up, the trimming establishment has been retained in its entirety), the coal trimming operations are running at loss. The Port Trust had to increase the trimming charges in February 1965 and July, 1966 and in June, 1970 levy a surcharge of 33 1/3 per cent on the basic rate in order to reduce the difference between the income and expenditure under this account. But the increases in the trimming charges were not adequate, average annual receipt of Rs. 22.34 lakhs from trimming operations being much less than average annual recurring expenditure of Rs. 34.07 lakhs. Deficit of Rs. 125.26 lakhs thus accumulated during 1961-62 to 1971-72, of which Rs. 115.31 lakhs were written off between March, 1969 and March, 1972. The Port Trust stated (December, 1972) that although trimming levy is not a statutory charge, it had approached Government in 1968 for increasing the charges as coal was a sensitive commodity and enjoys concession from Government, and Government did not agree to the proposed increase.

[Paragraph 3 of the Audit Report for 1971-72]

6.4. The deficits in the coal trimming operations continue to persist, the figures for the years 1972-73 and 1973-74 being Rs. 26.81 lakhs and Rs. 32.85 lakhs, respectively.

6.5. The Committee desired to know as to why no agreements were executed by the Port Commissioners with the Steamer agents at the time of taking over the functions of coal-trimming operations in June, 1951. It has been stated in reply that it was not practicable to enter into agreement with various steamer agents, because there were a large number of shipowners involved and they also used to change the steamer agents. However, the matter was discussed with shipowners and steamer agents and an oral agreement was reached, which was passed by the Port Commissioners in meeting. It has not been disputed by the Steamer agents so far.

6.6. The Committee have been informed that when the Port Commissioners pressed in 1968 for an increase in the trimming charges on foreign shipment coal from Rs. 1.50 per tonne to Rs. 3/- per tonne and on coastal shipment coal from Rs. 5/- per tonne to Rs. 6/- per tonne, the matter was referred by the Ministry of Transport with the Ministry of Commerce who objected to the increase once again on the ground that increase in charges on foreign shipment coal would affect exports and would also put the M.M.T.C. into losses which the latter could not bear. The Ministry of Transport also objected on the ground that increase in trimming charges on coastal shipment would necessitate larger payments of subsidy to consumers receiving coal by sea route and requested the Calcutta Port Commissioners to re-examine the matter in the light of the views expressed by

the Ministry of Commerce. The Port Commissioners dropped their proposal to increase the trimming charges and only a surcharge of 33-1/3 per cent was imposed with effect from 25th June, 1970 on the trimming rates then prevailing. As this was in no way a solution to the problem of deficits, the Port Commissioners again approached the Ministry of Transport for agreeing to raising of the trimming charges on export coal to the level of that on coastal coal. That Ministry took up the matter again with the Ministry of Foreign Trade who gave the following reply on the 3rd January, 1972:—

“The matter was examined in consultation with the concerned Commodity Division and the MMTC on account of the intense competition from other sources of supply, export of coal from India is restricted mainly to the nearby markets (of Burma and Ceylon). The import by Ceylon of sel. ‘A’ grade coal is already on the decrease on account of dieselisation of railways. New export markets have to be found which may not be possible to secure unless we can keep our exports price down.

* * * *

In such circumstances it would be a definite disincentive to the promotion of export of coal if the trimming charges are raised

This Ministry would propose that so far as export of coal is concerned, the OPC should differ the increase in trimming charges for some time till the exports are diverted to Haldia Port.....”

(D.O. letter No. 8/1/69-Transport dated 3rd January, 1972 from Ministry of Foreign Trade to Ministry of Shipping and Transport).

6.7. In December, 1972, a proposal was submitted to Government for their concurrence to increase the trimming charges to Rs. 6/- per tonne on coastal shipment and Rs. 4.50 per tonne on foreign shipment coal, exclusive of the 33-1/3 per cent surcharge. In April, 1974, Government agreed to the rate of Rs. 6/- per tonne on coastal coal and Rs. 4/- per tonne on export coal inclusive of surcharge.

6.8. From 1st October, 1974, the Calcutta Port on their own revised the rate of trimming charges bringing them to the uniform rate of Rs.7.50 per tonne on both export and coastal shipment coal.

6.9. The Port authorities have informed the Committee that even these revised rates will not cover the cost of operations and that they propose to take steps to further increase the charges to offset the losses.

6.10. The Committee are surprised to see the manner in which the Port Commissioners have been going round with a begging bowl for increasing the rates on a service which is not their statutory responsibility and which was taken over by them on the understanding given by the shipping lines that they would not be called upon at any time to bear any loss that might accrue on this account. It is also amazing that none of the other parties, including the Steamer Agents and the Ministries concerned in the Government of India, ever tried to find a solution to the problem of the Port Commissioners and only presented their own difficulties in case any increase was made in the trimming charges by the Port. Still more amazing is the fact that the Port authorities, being all the time aware of their continuing losses, exercised their right to make the increase 'on their own' from as late a date as October, 1974, by which time they had already suffered losses of hundreds of lakhs of Rupees.

The Committee see no justification for burdening the Port of Calcutta with the Coal trimming responsibility and the additional financial liability it involves. The Port Trust must be fully paid for the service they render.

CHAPTER VII

UTILISATION OF DREDGERS

7.1. The Calcutta Port have got a big fleet of 12 Dredgers. Of these, six are River Dredgers acquired between 1950-51 and 1966-67 at costs varying from Rs. one to four crores. The other six are Port Dredgers acquired between 1928-29 and 1967-68 at costs varying from Rs. 9 lakhs to Rs. 1.5 crores.

7.2. The annual cost of Dredging has been going up from year to year, with the result that from Rs. 168.98 lakhs in 1964-65, it rose up to Rs. 388.91 lakhs in 1973-74.

During the last two years (1973-74 and 1974-75), the Port have paid a sum of Rs. 1275.00 lakhs to private companies as hire charges for dredging the Approach Channel leading to Haldia, out of which Rs. 637.66 lakhs were paid in foreign currency. In addition, a sum of Rs. 198.79 lakhs was paid to a Yugoslav firm to carry out dredging in the Dock Basin at Haldia during the said two years.

7.3. From 1968-69 to 1973-74, 80 per cent of the cost of maintaining and servicing of the river Hooghly was subsidised by the Government of India and the question of continuance of the subsidy is under consideration of the Government. But for this the CPI would have been subjected to much higher deficit than what it is.

7.4. In their Hundred and Thirteenth Report (Fourth Lok Sabha), the Public Accounts Committee (1969-70), had drawn attention to the following observations made by a Study Team of International Association of Ports and Harbours, 1963, in respect of Dredging operations at Calcutta Port:

“Of more immediacy, however, is the matter of the utilisation of Calcutta’s existing dredging resources. In view of the critical nature of the draft restrictions in the Hooghly, we were most disturbed by the limited utilisation of Calcutta’s existing dredging capabilities.”

“The team has examined detailed records of the number of hours that the ten vessels dredging fleet has been operative. Within the dock system, we found that the hours worked during the

year 1965-66 totalled only 6,788. Compared with this, total time available for dredging, after allowing for Public holidays, Sundays and refit times, would range from approximately 20,000 dredging hours on a single 8 hour shift basis to approximately 60,000 hours if the dredgers worked around the clock. Therefore, it is clear that, at least within the Dock System, the existing dredging fleet is working far below its capacity.

In view of the magnitude of the dredging problems in and around Calcutta, we simply cannot understand why dredgers are restricted to one shift per day operation. We urge that a programme be initiated immediately to reorganise and rationalise the dredging potential already available at this Port."

The Committee had, therefore, recommended that 'it is of particular importance that the existing dredging resources are put to optimum use.'

7.5. In may, 1972, the Government of India (Ministry of Shipping and Transport) set up a Dredger Utilisation Committee under the Chairmanship of Brig. O. P. Narula. The Committee submitted their report in March, 1973. The Committee have been informed that about the use of Dredgers at Calcutta Port, the Dredger Utilisation Committee had *inter alia* recommended—

"The Committee considers that all dredgers should be operated for a minimum of 5280 hours per annum."

7.6. The Ministry have in the middle of March, 1975, furnished the following information by way of comments of the Calcutta Port Trust| action taken on the above mentioned recommendation of the Dredger Utilisation Committee:—

"CPT feel that the measure of utilisation of a dredger is not related to hours of work and quantities dredged but the fact that the dredger is available to carry out the requisite work in the overall dredging requirement and the dredger having actually done so. They have also pointed out that the river dredgers work on 10 days out of 5 days in town cycle and the cycle was worked out on the monthly norm of work set by various Committees. The CPT have been asked by the Ministry to make necessary changes in the existing system and to increase working hours for all the river dredgers."

During evidence, the Dy. Chairman, Calcutta Port Trust, has stated that:—

“The number of hours does not reflect the dredging actually performed by a Dredger. In 1970-71, when we did the largest amount of dredging by hours, we did almost 70 per cent of the dredging that we did in the later year.”

The witness has added: “So far as the Calcutta Port is concerned, any shortfall in dredging has no influence on the turn-round time. Dredging is purely to keep the drought of the river; and there has not been any occasion to my knowledge, where a ship has been detained because of non-dredging on any part of the river.”

7.7. From the full text of the observations of the dredger Utilisation Committee, it is seen that they had themselves very much taken all the relevant factors into view, and had thus given their finding in respect of utilisation of Dredgers at Calcutta Port—

“They can be accomplished by dredging is dependent on many variables. Some are dependent on Laws of Nature and vacancies of weather. Others are the suitability of equipment and performance of men connected with the operations of the equipment. For dredgers working with the Port of Calcutta, in view of serious deterioration in depths in recent years, we consider that 220 days per year and round the clock operation of dredgers should have been achieved. This norm was recommended by Major Ports Commissions. Accordingly in normal conditions the reasonable hours worked by a dredger should have been 5280 per annum.”

7.8 The question before the Committee is whether the two reports do not practically demolish the Calcutta Port Trust's contention and reveal serious mismanagement, lack of planning and proper execution on the part of the top executives requiring a through probe and fixation of responsibilities, particularly, in the context when huge amounts are paid to foreigners as hire charges of dredgers which practice should be put an end to for all times to come.

From the non-official communications that has come to the notice of the Committee it was alleged that Port Trust authorities kept their dredgers idle so that private foreign company's dredgers could be hired at fabulous costs including payment of huge amounts in foreign exchange.

7.9 The present position of utilisation of the dredgers, as intimated by the Port authorities is—

“The port dredgers work only during the day. X X night work by port dredgers will involve excessive idle time as in addition to shipping movement, there is considerable lighter movement in and out of all docks at night. X X X

Of the five river dredgers now operating, one is worked round-the-clock, one 16 hours per day and the other three during day light hours. In the upper reaches of the river viz. between Diamond Harbour and Calcutta, * * * it was not possible to carry out dredging operations at night due to navigational hazards.”

The Port authorities have clarified that—

“Comparison with other Major Ports is not possible as the dredging conditions in the river Hooghly are totally different from those encountered in all the other major ports. Dredging areas of the river are far away from the base in Calcutta, where dredgers have to return for fueling, undertaking repairs, provisioning and for granting shore leave to the crew. As regards the dredgers working in and near the dock areas, dredging is frequently interrupted due to bore tides and shipping movements.”

The Ministry of Shipping and Transport have stated that they have asked the Port authorities to investigate if they could overcome the navigational hazards by installing additional navigational aids (between Diamond Harbour and Calcutta where dredging operations at night are hindered by such hazards).

7.10. As regards the average number of days of utilisation, the Committee have been informed that for the six River Dredgers the average utilisation for the period 1971—74 was 163.2 days per dredger per year. In the case of the six Port dredgers, the average utilisation was 130 days per dredger per year.

7.11. The Committee asked the Port authorities to furnish a statement of performance of two Dredgers—one with the highest and the other with the lowest record, and the information furnished by them for the

period 1968-69 to 1973-74 is reproduced below—

Vessel	Year	Days out of Commission	Days available	Days utilised	Spoil lifted in Million tons
S.D. 'Churni'	1968-69	63	302	222	2·960
S.D. 'Mohana'	1972-73	80 (plus 20 days breakdown on several occasions).	265	191	15·214
S. D. 'Jalengi'	1973-74	256	109	82	0·530

7.12. The following reasons have been given for the gap between days available and days utilised:—

“There are 14 major Bars on the Upper Rweaches of River Hooghly requiring regular servicing. Each of these Bars is subject to seasonal and tidal fluctuations and in addition has a physical peculiarity of its own. The depths required to be maintained on these bars are inter-related but not uniform. Based on a very complex nature of navigation, dredgers are deployed to maintain navigable depth on the governing bar and appropriate co-related depths on other bars. It also needs to be emphasised that the problem of maintaining adequate depths is basically one of hydraulic imbalance and not of the quantum of dredging. The hydraulic conditions and the bed materials of this river are such that additional dredging will not necessarily yield additional depth. Furthermore, out of proportion deepening of one or more bars in comparison with the governing bar will not lead to any extra benefit for the shipping. Based on past experience, dredgers are, therefore, deployed in a cyclic fashion to obtain the best results and increase in dredging hours merely for the sake of utilisation will lead to unnecessary expenditure.”

It has been added that in the past there was no rigid norm of days spent down river by dredgers and trips were usually of 12 to 14 days duration or even longer if required. However, due to the fixation of a norm of 20 days by the Guha Roy Committee longer trips are no longer possible at present. An incentive scheme for the staff to increase the days of utilisation is being examined.

7.13. From the Annual Dredging Statement (River Suction Dredgers) furnished to the Committee, it is seen that the time worked and time dredged by the six River Dredgers then in operation during the year 1973-74 were as follows:—

<i>Name of Dredger</i>	<i>Time worked (hrs)</i>	<i>Time Dredged (hrs)</i>
Mohana	2151.3	780.5
Churni	2376.5	1282.8
Bhagirathi	851.9	606.3
Jalengi	600.6	289.3
Subarnarekha	1657.9	813.8
Maitena	1012.0	510.5
TOTAL	8650.2	4283.2

7.14. The Committee note that the utilisation of the dredgers owned by the Port authorities is very low. Two expert Committees have already examined this question. The Study Team of the International Association of Ports, had found on a detailed examination that within the Dock Systems the hours worked by Dredgers during 1965-66 totalled only 6,788 as against the total time of 60,000 hours available for dredging if the dredgers worked round the clock and 20,000 hours on an 8 hour shift basis. The Dredger Utilisation Committee, 1973, came to the conclusion that the Dredger fleet at Calcutta was working far below its capacity. The Committee do not, therefore, consider it a happy situation at all that against a norm of 5280 hours of working per annum by a dredger suggested by the Dredger Utilisation Committee, 1972-73, the time worked by the River Dredgers at Calcutta Port ranged between 600 and 2151 hours in 1973-74 the actual dredging time being between 300 and 1203 hours.

The findings of the above two expert Committees practically demolish the contention of the Port authorities that dredging has no influence on the turn-round time. The non-official communications also indicate that the Dredger Utilisation at Calcutta has been miserably low and the same has affected the navigability at the Port. The poor utilisation of the Calcutta Port Trust's own dredgers reveals serious mismanagement and lack of planning and ability to execute on the part of top executives which

requires through prople and fixing of responsibility, particularly in the context that high amounts (including Foreign Exchange) are being paid by the Port as hire charges to foreign firms for dredging operations here.

7.15. In the opinion of the Committee, it should be made compulsory that the Dredgers at Calcutta Port, acquired and being maintained at a high cost, should for no part of time be kept unutilised, except where absolutely unavoidable for reasons of periodical check-up, repairs etc. The fact that while on the one hand the Dredgers of the Port are being put to very low utilisation, and on the other hand the Port authorities paid to foreign and private companies during the last two years (1973-74 and 1974-75) a sum of Rs. 1275.00 lakhs (including 637.66 lakhs in foreign currency) and a sum of Rs. 198.79 lakhs to private firms by way of hire charges for dredging the Approach Channel leading to Haldia and the Dock Basin at Haldia respectively, shows lack of managerial efficiency resulting in a situation which is not at all desirable and naturally gives rise to suspicious of undue patronage to outside firms. This practice has, therefore, to be reduced, if not done away with altogether.

7.16. The Committee would suggest that the question of over-coming of navigational hazards for operation of Dredgers at night times between Diamond Harbour and Calcutta, as also the scheme for grant of incentive to the dredging staff for increase in working hours, should be dealt with on a top priority basis and solutions found to ensure that the Dredgers at the Calcutta Port are put to three-shift working in order to achieve maximum output from them. It is expected that with the release of Farakka water, the dredging task in the Hooghly will be minimised. The Committee would await the result with interest.

7.17. Keeping in view the financial position and situation of the Calcutta Port and the fact that it is a riverine port which has to serve the entire Eastern and North Eastern parts of the country, the Committee recommend that it would not be quite fair to burden Calcutta Port Trust with the cost of dredging the River Hooghly at all and accordingly the rate of subsidy paid by the Central Government on that account should be raised from 80 per cent to 100 per cent, subject to the maximum utilisation of the existing dredgers of the Port Trust. Alternatively the Central Government might consider the feasibility of creating a dredger pool for all dredging works in the country. A Dredger Corporation could also be set up for this purpose.

CHAPTER VIII

CORRUPTION CASES

Case relating to removal of condemned ship's stores from 'B' KGD to Chetla siding

8.1. The Committee desired to have information relating to cases of corruption, thefts, pilferage etc. and the reply indicating such cases during the years 1968-69 to 1973-74, included mention of one case as follows:—

“(5) Sarvashri Nirendra Nath Mukherjee, Assistant Superintendent, Bijoy Kumar Bose, Head Shed Clerk, Pran Ranjan Sarkar, Forwarding Clerk, Surya Kumar Chowdhury, Shed Writer, Dipak Kumar Biswas, Shed Clerk, and three outsiders entered into a criminal conspiracy between 10th March, 1967 and 18th May, 1967 and tried to remove a quantity of unconnected cargo from 'B' Shed, K. G. D. (N.S.D.) by using forged documents.

All the five employees are facing trial in the court.”

8.2. The Committee understood that the case had been gone into in detail by the Vigilance Officer of the Calcutta Port who had made a detailed report on the subject. The Committee accordingly called for the Vigilance Report. The need for this report of the vigilance office had arisen from a complaint received by the Port authorities which *inter alia* alleged that Shri B. K. Kapur, Deputy Docks Manager, K.G. Docks was very much involved in the matter but that the Prosecution Section strangely enough had dealt with the case in such a manner (under guidance of Shri B. K. Kapur) that the complicity of the part played by Shri Kapur in dealing with the condemned Ship Stores was not reflected.

8.3. The facts of the case as revealed to the Vigilance office from the records are as follows:—

“On 24th April, 1967 Sh. Habib of Sh. Habib & Co. of 3, Chandni Chowk, Calcutta—13, filed an application to Shri B. K. Kapur the then D.D.M.G., K.G.D., addressed to Docks Manager, praying to allow delivery of 50 pieces Steel Sheets, 200 Pes. Steel Rods and 8 Nos. Old Chains on Jetty Challan after paying all usual charges on P.C. Shri Kapur appears to have endorsed the case to Assistant Superintendent 'B', K.G. Docks, with the remark 'Allow delivery on recovery of all charges'”

on the same date. A/S., 'B' K.G. Dock in his turn endorsed the same on the date to Head Shed Clerk (Shri Bijoy Kumar Bose) with the remark 'Please comply as per order of D.D. M.G., K.G.D.'. A representative of Sh. Habib appears to have contacted Sri Ashish Kumar Mukherjee of K.G.D. Collection Office with the duplicate copy of Bill of Entry No. C. 409 I.F. of 10th March, 1967 of S/S Jalaprakash, Rotation No. 1175/66 and the Jetty Challan No. 409 I.F. of 10th March, 1967 of S.S. Jalaprakash, Rotation No. 1175/66 for realisation of P.C. dues.

After that representative of Sh. Habib produced the above two documents along with the application and measuring certificate to Shri Bejoy Kumar Bose, Head Shed Clerk on 5th May, 1967 for acceptance. Shri Bose in his turn accepted the documents in question without making any further query on seeing himself other connected documents like Vessel Register, Boat Note Register and the documents in relation to the purchase of the said goods. Shri Bose after acceptance of the documents, handed over the relevant document to Shri Suriya Kumar Chawdhury one of the Counter Shed Writer of 'B' K.G.D. who prepared the rent bill for the period 24th April, 1967 to 8th May, 1967 in two stages. P.T.R. along with the corresponding bill of entry was then submitted to Shri Oranranjan Sarkar, Forwarding Clerk by a representative of Sh. Habib & Co. Shri Sarkar as in practice made an endorsement on P.T.R. Provisionally seen and eventually got it accepted by Shri N. Mukherjee, A/S on 8th May, 1967.

The loading of the said material was carried out during the period 12th May, 1967 to 13th May, 1967 in the P.C. Wagon No. 3331 in the presence of Shri Dipak Kr. Biswas, Assistant Forwarding Clerk under advice of Shri Sarkar Forwarding Clerk

X	X	X	X
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While the party was unloading the material at Chetla siding the police intervened in the matter and stopped delivery. Sh. Habib is understood tried to convince the Police that the transaction was genuine. The Police then came to 'B' K.G.D. to see for themselves in respect of the corresponding documents which were seized by the Police on the same date. The Police thereafter released the consignment and the Party at Chetla.

The delivery of the said consignment was however stopped by the C.P.C. authorities pending certain enquiries by them, as no

booking of cargo from Docks were allowed to any non-Depot holder at Chetla siding.

The Police thereafter, received further information on 18th May, 1967 that the transaction was allowed on forged documents such as Bill of Entry and Jetty Challan. They contacted M/S Scindia Steam Navigation Co., Ltd., and Customs on 19th May, 1967 and ascertained that the sales of the said steel goods had never been allowed to M/S. Sh. Habib & Co. Delivery of the said materials had been effected by means of forged documents.

Necessary enquiry was also made by the Prosecution Section. It reveals from their report that M/S. Scindia Steam Navigation Co., Ltd., did not bring any such cargo through S.S. Jalapraakash for landing at the Port under Rot. No. 1175/66 but the vessel came in ballast only. The vessel was lying at off 29 K.P.D. since September, 1966 and sometimes first week of May, 1967 came to K.G.D. The Captain of the vessel rejected 50 empty paint drums and a lot of condemned manila rope in pieces which were sold to M/S. Sh. Habib & Co. for Rs. 531.50 on 10th March, 1967. In the Original Bill of Entry, the Manila Rope and Empty Drums were mentioned. But the duplicate bill of entry was found tampered with an entry of 50 PCS. of steel Plates, 200 PCS. of Steel Rods and 8 PCS. of Chains were mentioned therein for which Sh. Habib applied for delivery and does not appear to have landed at 'B' K.G.D."

8.4. The Vigilance Report has dealt with the whole case in detail and the summary of the points made therein is given below:—

- (1) Shri Kapur in his evidence in the Court stated that G. Berth K.G.D. was under him and admitted that normally condemned Ship's Stores were not dealt with at "B" K.G.D. It would have therefore been proper on the part of Shri Kapur to guide and check of the working of the A.S. and staff of 'B' K.G.D. in respect of the said consignment before issuing such order.
- (2) Shri Kapur being in-charge of K.G.D. it can be expected that he was conversant with the departmental order in respect of dealing with condemned Ship's stores. But it appears that he had not acted upon accordingly.

Reference No. (1) GZU. 508 dated 16th May, 1959 from T.M. to all concerned (2) 21-224/67A/27671 dated 18th December, 1967 from

Asstt. Collector of Custom to Dy. D.M.G.K.D. (3) S. 1657 dated 24th May, 1967 from the D.M.G. to T.M. is referred to.

3. As the unloading of the cargoes from Boat to any berth necessitates permission either from the Dy. Docks Manager or the Supdt., Sri Kapur should have been aware of it. If it was not within his knowledge, he could have rotated the Party's application through Supdt. K.G.D. or could have made an enquiry to Supdt. K.G.D.

4. When this transaction was uncommon and irregular traffic, instead of taking decision, he could have obtained permission from the Docks Manager to whom the application was addressed.

5. In the Party's application, the party had not mentioned the Boat No., when the Boat was unloaded at "B" K.G.D. The Party's application was not supported by the documents in connection with the purchase of the said goods. Apart from that the party preferred to take delivery on Jetty Challan only. When there exist so many flaws in the Party's application the matter should have been clarified by Sri Kapur and Sri Mukherjee, A.S. before accepting the Party's application. Application of M/S. S. K. Habib & Co. is referred to.

6. The party in his application had mentioned the name of the vessel S.S. JALAPRAKASH to which the condemned Ship's Stores were alleged to belong. Sri Kapur, being the Dy. Docks Manager (operational) for K.G.D. should have definitely known more than any subordinate officer as to whether S.S. Jalaprakash had come to K.G.D. or not. If the vessel had come to K.G.D. then to verify about the entry of the said Ship's boat. A contact with the Dock Master's Office would have revealed whether any boat containing condemned Ship's Stores of S.S. Jalaprakash had entered in to K.G.D. through K.G.D. Lock Gate.

7. Instead of taking action as detailed in the foregoing paragraphs, Sri Kapur gave a clear and specific order on the body of the Party's application directing the A.S. to allow delivery on recovery of charges. In all fairness, he should have at least asked for a written report from A.S. through Sectional Supdt. or he could have even asked A.S. to look into the application and disposed it after proper verification.

8. As regards delivery of the goods, the party should have no reason to approach to Dy. D.M.G. direct. As in practice, the party should have filed the application direct to H.S.C. As such Sri Kapur, when received the application could have easily transmitted it to shed concerned for disposal without offering his comment "Allow delivery on recovery of all charges."

9. "Confirmation from A.S." before accepting the Party's application as revealed from the evidences of Sri Sunil Ghose, Prosecution Supervisor and Sri Kapur, seems to me a story after thought. Sri Sunil Ghose appears to have learnt this from Sri Kapur on 26th May, 1967, Sri Srinivasan, the then A.S. Prosecution, submitted his last report on 16th June, 1967. He has never mentioned in his report on this issue. Rather he categorically stated that the motive of the Party would have come to light even at that stage, had there been any enquiry made regarding the circumstances under which the boat was unloaded at "B" K.G.D. The then D.M.G. is also understood to have not initiated any report in regard to confirmation made by Sri Kapur before accepting the Party's application. Even Sri Kapur in his explanation to D.M.G. dated 15th June, 1967 did not mention anything regarding confirmation.

10. M/S. Apeejay lines appears to have submitted a petition dated 11th April, 1963 for taking delivery of the condemned Ship's Stores to Sri Kapur. Sri Kapur made an endorsement dated 11th April, 1963 to one Sri M. K. Bhattacharjee "Pl. get facts". M/s. Apeejay Lines has certain *locus standi*. But M/s. S. K. Habib & Co. in my opinion has no *locus standi*. When Sri Kapur made endorsement on the application of the firm, who has *locus standi*, he could have, in all fairness, made same type of endorsement on the application of M/s. S.K. Habib & Co. (Application of M/s. Apeejay Lines dated 11th April, 1963 is attached).

11. In spite of detention of the case of M/s. S.K. Habib & Co. the Sircar's Licence No. 11211 of S.K. Habib was not cancelled. On the contrary, it was renewed twice. Ref. No. G.5163 dated 9th March, 1971 and the evidence of Sri Dulal Ch. Mukherjee at the Court is quoted.

12. In my opinion Sri Mukherjee, A.S. get a peremptory order from the Dy. Docks Manager. Still it would be proper for him to make enquiry before passing it to the Head Shed Clerk Sri Bijoy Kr. Bose. But it was not done by him.

13. The report, filed by the Police appears to have not represented the correct fact. Rather they had not been made known the procedures, orders and instructions issued from time to time, in respect of dealing with the condemned Ship's Stores. Prosecution Section, who assisted the Police, should have made them conversant with the departmental order Ref. No. (1)GZU.508 dated 16th May, 1959 from T.M. to all concerned is cited in addition to other procedures.

8.5. During evidence the Chairman of the Calcutta Port Trust has informed the committee that Shri B. K. Kapur has been asked to retire and he has since retired.

Asked as to why it was that the senior officer was treated leniently and smaller people were treated more harshly, the witness stated—

“That was not the reason actually, because in all probability, his retirement had nothing to do with this particular case. x x x x
We made him retire compulsory due to various reasons.”

8.6. The Committee are surprised to note that even on the clear conclusion of the Vigilance Office regarding complicity of Shri B. K. Kapur Dy. Dock Manager in the matter, no action whatsoever was taken against him. The conclusions arrived at by the Vigilance officer prima facie reveal that Shri Kapur was the brain behind the episode, and to protect him the Port administration made some junior persons scapegoats instead of prosecuting Shri Kapur in the Court of Law. They should have been more severe with the senior-most person, as more senior the officer, more serious notice should be taken of lapses on his part.

The Committee recommend that the Port authorities should obtain expert legal opinion immediately in the matter of prosecuting Shri Kapur (even after his retirement) on the basis of the facts as revealed by the Vigilance Report, and take further necessary action in that direction at the earliest.

Those junior officers who have been prosecuted have been kept under suspension since 1967. It is most unfair to keep officers under suspension for such a long period of time. Every effort should be made to see that this is finalised within the shortest possible time.

CHAPTER IX

PROVIDENT FUND DUES OF EMPLOYEES OF THE PORT

9.1. It was brought to the notice of the Committee that a very large number of low paid retired employees of the Port Trust has not been paid back their Provident Fund dues after retirement. In a written note from the Port authorities, the Committee have been informed as follows:—

“In most cases payments of P.F. due to retired employees are made well within six months from the date of retirement of the employees.

However, some delays take place in cases of payments of Provident Fund dues of deceased employees mainly due to the late submission of Death Verification Report by the Police/disputes arising from such reports/contesting claims by the heirs of the deceased employees. Further, the procedural requirement of referring settlement cases to different points, e.g., loan fund, credit society, Cash & Pay Section, Labour Accounts Section, Outdoor Audit Section etc. etc. are also often time-consuming, especially if any discrepancies or disputes are involved. All these factors may in a small number of cases lead to delays occurring in Commissioners offices, interest on the balance amount of the P.F. A/c. is allowed after the expiry of 6 months from the date of retirement of the employee.

Calcutta Port Commissioners have taken steps to streamline the procedure of work and to eliminate all avoidable delays.”

9.2. During evidence, the representatives of the Port Trust has informed the Committee that a circular is being issued so that the retired employees could draw promptly on the date of their superannuation 90 per cent of their total accumulation, that is, Port's contributions plus their own contributions. The witness has assured the Committee that steps shall be taken to enforce this procedure as the authorities also feel that it is wrong to delay such payments.

9.3. The Committee would strongly suggest that a small cell should be created to clear all the cases that have been pending for more than 2 to 3 months. A proper machinery should also be evolved to ensure that in future every retiring employee not only gets 90 per cent of his dues promptly on his retirement but also the remaining ten per cent within 2 to 3 months of his retirement.

CHAPTER X

STEVEDORING

10.1. The handling of cargo at the Calcutta Port is at present being attended to by two agencies. Between the ship's hold and the quay, the cargo handling is done by the Stevedores, and from that point (the quay) the Port authorities and their workers take custody of and handle the cargo until it is finally delivered to the importer.

10.2. The workers engaged for loading and unloading and Chipping & Painting on board the vessels are governed by the following three Schemes:

- (a) Calcutta Dock Workers (Regulation of Employment) Scheme, 1970;
- (b) Calcutta Chipping & Painting Workers (Regulation of Employment) Scheme, 1970.
- (c) Calcutta Dock Clerical & Supervisory Workers (Regulation of Employment) Scheme, 1970.

There are various categories of workers in each Scheme.

10.3. Both the workers and the employers (the Stevedores) are registered with the Dock Labour Board. The Board is a tripartite body for taking policy decisions within the framework of the Scheme, under the control and supervision of the Government of India at present Ministry of Shipping and Transport). The Board maintains different pools of workers who are collectively the workers of different Stevedores.

10.4. The different categories of workers are requisitioned by the individual Stevedores in every shift from the common pool of the Board according to their requirements, against payment of stipulated daily wages for such workers to the Board along with levy thereof, calculated on the basis of certain percentages of the group wages. Such levy is required for maintenance of the Board establishment, shortfall between the monthly minimum guaranteed wages and the actual wages earned by workers against work, and payment of other amenities viz. leave, retirement benefits, welfare measures etc.

10.5. There are at present 24 Stevedores functioning at the Calcutta Port, and the firms are generally family business passed on from father to son. Regarding the functioning of the Stevedores at Calcutta, the Tripartite Expert Committee to which a reference has been made later in this chapter, had observed—

“In the Calcutta Port, the majority of the Stevedores seem to function as mere middlemen or labour suppliers rather than stevedores.”

10.6. Suggestions have been made to the Committee that with the formation of the Dock Labour Board, the institute of Stevedores has outlined its utility and the business should be nationalised, for the following reasons:—

- (1) There is a big gap between the ‘liner rates’ paid by shipping companies to the Stevedores for cargo stevedoring and the actual handling cost of Stevedores including payment of levy by them to the Dock Labour Board. This amount is pocketed by Stevedores. On nationalisation, this profit could be diverted to Government or lower rates could be offered to the shipping companies;
- (2) The Stevedores invariably default in the discharge of their various obligations under the various Schemes of Regulation of Employment of the workers. Such defaults generally consist of—
 - (i) Non-payment of money due from them to the Dock Labour Board;
 - (ii) Non-payment of bonus dues;
 - (iii) Issue of cheques, which are dishonoured by the Banks—thus delaying payment of their dues;
 - (iv) Engagement of monthly workers for more than the prescribed number of shifts in the Schemes;
 - (v) Inducing the staff of the Port into corrupt practices through illegal gratifications (like using the port machinery without payment of full charges etc.);
 - (vi) Non-cooperation with Port authorities in bringing about improvements in the functioning of the Port.

10.7. The Committee have been informed that with a view to regulating the employment of Stevedores in the Port of Calcutta and ensuring a high level of efficiency, a system of licensing was introduced in August,

1960, by the then Calcutta Port Commissioners by incorporation of a By-law No. 4A in the By-laws of the Port, with the sanction of Government. Under that By-law, the necessary qualifications laid down for stevedoring firm to obtain a licence were:—

- (a) Maintenance of qualified and fully trained staff and proper gear;
- (b) Possession of adequate financial resources to meet day to day obligations; and
- (c) Furnishing of documentary evidence to show that a steamship company or a charter of vessels are prepared to enter into a contract with the applicant firm for stevedoring of vessels.

After operating the By-law for about ten years, it was found that the By-law as it stood could not sort out the difficulties of firms engaged by Steamer Agents only for the supply of riggers or for stevedoring of salt ships. It was, therefore, found necessary to amend the By-law No. 4A as originally adopted.

10.8. In the meanwhile, the Government of India set up an Expert Tripartite Committee to go into the working of the Dock Labour Board. The Committee, in its report divided the services rendered to vessels at Ports into various categories. The report prescribed for issuing a separate licence for each service that an individual, firm or company proposed to render in the Port. In view of these developments, By-law No. 4A as revised in May, 1969, needed further suitable amendment and as such an amended By-law was adopted with due sanction of the Commissioners-in-meeting and that of the Govt. of India. This amended By-law 4A became effective from 10th December, 1970.

10.9. In the old By-law there was a provision in the pre-ample, which empowered the Commissioners to revoke or cancel or refuse to renew any licence without assigning any reasons. But the Government before conveying their approval to the amendment to By-law No. 4A, taking into account the recommendations of the Committee on Subordinate Legislation suggested that before a licence was revoked, cancelled or suspended, the firm concerned should be given an opportunity to state its case. Accordingly, in the amended By-law, provisions were made for

- (a) issue of a separate licence for every service rendered to vessels, and
- (b) opportunity being given to a firm holding a licence to state its case before its licence is revoked, cancelled or suspended.

10.10. In spite of Government approval to the amended By-law, no licence could be issued to Stevedores since April, 1971, as this By-law was challenged by some Stevedores in Court. The validity of the provisions in the By-law were upheld by the Court, but an appeal preferred by the Stevedores is still pending, as a result of which the operation of the By-law has been kept suspended. The Appeal Court has now directed that the appeal would appear for hearing on 19th May, 1975 at the top of the list subject to any continuing part-heard matter.

10.11. The Committee have also been informed that the Dock Labour Board consists of 15 members, five from the labour side, five from the officials and five from shippers and stevedores. The Chairman is appointed by Government from among the members representing the Government on the Board. The Chairman, Port Commissioners, is the Chairman of the Board.

10.12. There is also an Administrative Body, in respect of which a non-official organisation connected with the functioning of the Dock Labour Board at Calcutta has represented to the Committee as follows:—

“The scope for making fortune by the Stevedores at the cost of the Calcutta Port is inherent in the Scheme itself, particularly levy on wages and not on tonnage, as provided for in the Scheme is a curious method, which is suicidal for the Board as well as for the trade. The Administrative arrangement is also peculiar. All officials excepting Chairman, Dy. Chairman etc. are placed under direct control and supervision of the Administrative Body of employers. The responsibility to collect dues from the employers and also to avert unfair practices indulged by the employers, lies with the employers themselves in the capacity of the Administrative Body of the employers, of course under the supervision of the Chairman and Dy. Chairman.”

10.13. During evidence, Shri K. K. Ray, an ex-Chairman of the Dock Labour Board and of Port Commissioners, new Secretary Company Law, has stated—

“..... I agree that the Stevedores is a powerful organisation and dominate the whole show. The Dock Labour Board comes into the picture but it is a body consisting of different interests and the Dock Labour Board has to carry on its function. If people are at logger heads and the work comes to a standstill then nobody will benefit.

My feeling was that the Stevedores should be kept out of the picture and the whole thing taken over by another agency which is found suitable. **** I am constrained to say that the image of the Stevedores has not been good and has been commented upon by all expert committees and this is under the consideration of the Government. ***

As Chairman of the Dock Labour Board I tried to do certain things about Stevedores within the existing framework of the rules and regulations but in that work sometimes we were defeated by constant litigation ***.”

10.14. The Committee desired to have actual cases from the Port Commissioners relating to defaults by the Stevedores and the following statements received from the Port authorities are appended to the Report:—

- (1) Statement showing the names of the Employers removed from the Register for defaulting in payment of Dock Labour Board's dues during 1968—1975. (Appendix III).
- (2) Statement showing cases with names and amounts of dishonoured cheques (including return for representation) by Banks issued by the Stevedores during the last three years. (Appendix IV).

10.15. The Committee desired to know the figures of tonnage handled by the registered labour during the last four years as per records of the Dock Labour Board and also as per Port Trust's records and the information furnished by the Port authorities is given below:—

Year	As per CDLB	As per Port Trust
1970-71	35,05,939	39,79,000
1971-72	44,73,952	47,16,000
1972-73	35,72,896	39,19,000
1973-74	34,62,125	36,70,000

10.16. It had also been reported to the Committee that “the honest officials (of the Board) are mere onlookers and abetors, under pressure of circumstances, of rampant unfair illegal activities of the stevedores with the introduction of the provisions in 1970 Scheme for a post of Chief Executive Officer of the Administrative Body of the Employers

(appointed and paid by the Stevedores) and retired Traffic Manager of the Calcutta Port Trust has been appointed to pull up the honest officials under the Administrative Body, to ensure necessary assistance from the Calcutta Port Trust personnel (his former subordinates) in their unfair and illegal activities and also to sabotage the only public sector stevedoring concern, the C.I.W.T.C., which was registered with the Board as employer few years back. This fat salaried officer has been very much successful in his mission. The C.I.W.T.C. have closed down their stevedoring business. The closure of the stevedoring business of C.I.W.T.C. is mysterious particularly at a point when the same was offered a business of handling 3 lac tons of pig iron by the Hindustan Steel. Handling of 3 lac tons of pig iron is absolutely permissible and fair methods would fetch a gross profit, as estimated, of about 12 to 15 lacs of rupees”.

In regard to the appointment of a retired Traffic Manager as Chief Executive Officer, the Port authorities have stated as follows:—

“Shri B. M. Singh, a retired Traffic Manager, Calcutta Port Trust, was appointed as the Chief Executive Officer of the Administrative Body of employers in terms of Clause 13 of the Calcutta Dock Workers (Regulation of Employment) Scheme, 1970 by the Master Stevedores Association (Administrative Body of the Scheme) and his pay and allowances are not paid from the Board's Fund but paid by the Employers' Association.”

So far as the closure of the stevedoring business by the Central Inland Water Transport Corporation is concerned, the Ministry have stated that—

“The fact of the matter is that profits in stevedoring depend upon the speed with which you load or unload cargo by employing monthly or registered pool workers. As this business has been all along handled by private stevedores, all sorts of malpractices have crept into the system. With his eye on profits, a stevedore will resort to all sorts of methods to speed up the handling of cargo. This includes payment of “speed money” at all points, which is only an euphemism for bribery. The Captain of the ship and some of his assistants have also to be taken special care of in the process.

For a private firm there is no inhibition or difficulty in finding money for all such under-hand practices. But a public sector undertaking, which has to account for every penny spent by it, finds itself wholly handicapped in this respect. Leaving

aside the mechanics of these transactions, even ethically it will be indefensible for a Government concern to resort to such sharp practices.

Secondly, C.I.W.T.C. is the only Government concern which tried to enter this exclusive preserve of private operators. Consequently all of them joined hands against C.I.W.T.C. to ensure that it finds it impossible to survive as a stevedore. For instance, when its first ship berthed in Haldia for unloading, C.I.W.T.C. was surprised to find that not a single winchman was available for doing the job. Unloading operations were much delayed and the services of winchmen procured with great difficulty. Later, it was informally learnt that the winchmen had been heavily bribed by private stevedores to make themselves scarce at the time of this ship's arrival.

Owing to the foregoing reasons, C.I.W.T.C. found it impossible to earn any profits in stevedoring and, ultimately, gave up this business out of helplessness."

10.17. The Committee have been informed during evidence by the ex-Chairman of the Dock Labour Board and of the Port Commissioners that under his direction, a report on the subject of Stevedoring at Calcutta Port had been prepared by the Deputy Chairman which was sent to the Ministry with a forwarding letter by him. The report *inter alia* stated that—

"In view of the present situation of the stevedoring industry in Calcutta which refuses to co-operate with the port and the Government in any of its measures for improvement of the working of the port and transport industry and also in view of the recommendations of the various expert bodies which have gone into the problem of the ports, I see no alternative but to recommend taking over the stevedoring industry by the Government and formation of a State Stevedoring Corporation under a statutory authority to manage its affairs. The matter, of course, will have to be gone into in greater depth by the Government after a decision is taken on an all-India basis."

10.18. Relevant extracts from the above mentioned Report are reproduced below:—

"In comparison with their counterparts in other Ports of the World, the scope of activities of the Indian stevedoring firms are quite limited. The stevedores' activities in India are generally limited to handling of cargo between the ship's

hold and the quay. From that point the state-controlled Port Trusts and their workers take custody of and handle the cargo until it is finally delivered to the importer. This division of responsibility and management on the quay apron results in disputes and breeds irresponsibility and inefficiency in both private sector stevedoring concerns and the state-controlled Port Trusts' personnel. A view has, therefore been expressed by such expert bodies as I.A.P.H. Team and the Commission on Major Ports that a single agency should be responsible for both stevedoring and for handling cargo between wharf apron, transit shed and inland transport mode.

I would like to quote the following from the report of the Tripartite Expert Committee which clearly gives the present picture of the stevedoring industry so far as the Calcutta is concerned—

* * * *

'In the Calcutta Port, the majority of the stevedores seem to function as mere middlemen, or labour suppliers rather than stevedores.'

Again the Committee states—

'The Committee is of the view that today Calcutta has an excessive number of registered employers some of whom have little or no supervisory staff and who do not function efficiently. The general view is that Calcutta would be well served by not more than two thirds of the present number of registered employers.'

I would like to quote in this connection from the Report of the Study Team of the International Association of Ports and Harbours. Page 96 of the Report contains the following observations:

* * * *

'Many stevedores stated that it was not their responsibility to provide mechanical cargo handling equipment and, that all such equipment should be acquired by the Port Trusts and made available to stevedores for their use. Others said they were not willing to make such expenditures because of their fears, apparently with some foundation, that the stevedore business is highly susceptible to nationalisation. In no case did we find a stevedore willing to invest the funds necessary to improve his operation.'

The Shipping interests at Calcutta also felt the necessity of effecting organisational changes in the management of stevedoring labour in Calcutta. Shri M. R. Das representing the shipping interest in Calcutta on the Tripartite Expert Committee, expressed the following view in connection with the total decasualisation of the work force under Dock Labour Board:—

‘Basically, however, it is the opinion of Shri Das that a man must know for whom he is working and the employer, whether private or public, should have both the “stick” and the “carrot” in his possession. In case it is felt that this is a council of perfection with practical difficulties such as undue cost etc., Shri Das wishes to state that he is primarily of the opinion that the final total cost will be little or not at all higher than the present system with its astronomic levy charges. If his view is incorrect and the cost does in fact increase, he nevertheless feel that shipping interests would benefit from the better discipline and output.’

Shri Das very strongly felt that the workers of the Dock Labour Board should within a stipulated period be transferred to the direct monthly employment under individual employers as have been done in London. Failing this, he would even prefer a public employer to take over this labour to serve the shipping interest which he felt would benefit through better discipline and output under a direct management system. With the refusal of the employers in Calcutta to take over the labour under the direct monthly employment as recommended by the Expert Committee, there appears to be no alternative other than a take over by a public employer as suggested by Shri Das and others of the Expert Committee.

The Commission on Major Ports also came to a similar conclusion while dealing with this question of employment of labour in Ports. They found that the main problem in relation to the employment of labour in the Port was that of co-ordination and proper utilisation of the labour force. This problem they have attributed to the conflicting interests of the various employing agencies and their respective labour groups with their multilateral pulls.

One of the main reasons leading to idle time in cargo handling in the Ports is non-synchronisation of the activity of 2 or more groups of labour under different styles of management and method of work organisation. This cumulative effect of the deficiencies in the present system, the Commission stated, cannot be overcome except by consolidating the employing agencies or at least bringing them under similar management and

reward system. It is against this background that the Commission recommended the concept of a single employing agency with dual functions, namely—

- (1) to consolidating the employment of labour,
- (2) to take direct responsibility for improving productivity.

The Commission concluded that the logical choice of an unified agency for control of labour in the port will be the Port authorities themselves.

It is, therefore, felt that the ultimate object of bringing the entire Ports under one unified control would have to be carried out in phases. In the first phase of this transformation, it is suggested that the entire stevedoring functions in the port be brought under a fully state-controlled organisation having similar management objectives as that of the Port Trust.

Today, with the registration of the Dock Clerical and Supervisory Workers of the stevedores under the Dock Labour Board there is hardly any aspect of stevedoring work including commercial documentation connected with the loading and unloading of ships, which is not being done by the workers of the Dock Labour Board. The entire expertise of the loading and unloading operations of ships is available to the Dock Labour Board in Calcutta. The cargo handling workers, the derrick fitters and operators, the hatch cleaners, carpenters, the clerical and supervisory workers even some of the shore staff of the stevedores have come within the fold of the Dock Labour Board. Very little of stevedoring work is left to the initiative of the stevedore himself, other than perhaps securing of the contract from the shipping company and accounting work connected with the recovery of money from the principals and payment of Dock Labour Board dues. As such, it will not be difficult for a single organisation employing the entire work force of the existing Dock Labour Board to carry out successfully the functions of the stevedoring industry as it is being done today at Calcutta.

The Deputy Chairman would continue to be a whole time Officer of the Board of Management having been directly appointed by the Government. This would of course be a statutory body set up under a specific act of the Parliament. This act would specify the functions and responsibilities of the Chairman, Deputy Chairman and the Board of Management.

The staff and labour of the existing Dock Labour Board would be employed by the new Corporation under terms and conditions of service the same as or similar to what it is under the Calcutta Dock Labour

Board. The existing method of operation, employment of labour, supervision, payment of wages and salaries, disciplinary procedures and reward system etc. could, by and large, remain the same with minor modification wherever necessary. The details of these could perhaps be worked out separately.

The Corporation may have to take over certain number of the office staff of the stevedores in order to organise that part of the Corporation's office which would deal with steamer companies and charterers of vessels for realisation of Corporation dues from them and/or meeting their requirements.

* * * *

I am sure that if the Shipping Companies agree to offer the same rate of stevedoring as they do with the private stevedores today, there would be no reason to doubt the ability of the Corporation to manage its own finances without depending upon loans and subsidies from other quarters. Today the direct handling cost per ton of stevedoring labour inclusive of pool rate of levy for general cargo is about Rs. 18. The 'liner rates' given by some foreign shipping companies for general cargo stevedoring, it is learnt, is about Rs. 52 per ton plus levy on actuals. This would amount to an all inclusive rate of Rs. 65.50 per ton. The margin of profit for the stevedore is thus tremendous. This margin is even further increased when the stevedore uses his monthly gangs paying only 16 per cent levy to the Board. The Stevedoring Corporation could thus offer rates to the shipping companies which could be less than half of the present rate. Even for the Indian Companies, the stevedoring rate is about 50 per cent to 60 per cent more than the direct handling cost of Dock Labour Board labour inclusive of 'pool' levy. It can thus be clearly seen that the shipping industry in general could benefit substantially with the nationalisation of stevedoring provided of course standards of performance are maintained at the existing level.

* * * *

In the present system, however, the change over is not so radical because more than 95 per cent of the work in the industry today is being done by workers who are, for all practical purposes, state-employed and state-controlled.

* * * *

This point would have to be countered by the workers themselves by weighing it against the tremendous benefits they would derive from the socialization of the entire industry.

* * * *

The Committee appreciate the report, based on first hand experience and thorough study of the then Chairman of the Dock Labour Board with the assistance of the present Chief Executive of Dock Labour Board which inter alia points out that 95 per cent of the work in the industry is already being done by workers who are, for all practical purposes, already State employed and State controlled. The Committee, therefore, see no reason as to why the labour should still be left at the mercy of the Stevedores.

The Committee have no doubt at all that with the nationalisation of the dock labour, the overall efficiency of labour in the industry would ultimately improve and reach new heights. The interest of the Stevedores—exploited labour, who mostly come from Bihar, U.P., Orissa and Andhra Pradesh would also be safeguarded to some extent.

In view of the present situation of the Stevedoring business in Calcutta, which refuses to cooperate with the Port Dock Labour Board and the Government in any of the measures to improve the working of the Port and Transport industry and also in view of the recommendations of the various expert bodies which have gone into the problems of the Ports, the Committee strongly support the suggestions made by the then Chairman of the Dock Labour Board for taking over of the Stevedoring work by the Government and formation of a State Stevedoring Corporation under a statutory authority to manage its affairs. The Committee accordingly recommend that the matter should be finalised by the Government urgently and suitable steps taken in that direction.

10.21. The Committee also recommend that in view of the unsatisfactory labour situation at Calcutta Port and the consequent need for application of undivided attention by a whole-time officer, not burdened with any other affairs of the Port, there should be separate Chairman for the Dock Labour Board and the Port Trust.

CHAPTER XI

HOUSING FOR DOCK WORKERS

11.1. In their hundred and seventeenth Report (Fifth Lok Sabha) the Public Accounts Committee (1973-74) had dealt at length with the Housing schemes for Dock Workers at various Ports in the country. It was pointed out in that Report that as on 31st March, 1973, the percentage of workers provided with houses at the Calcutta Port was 2.7 per cent as against 7.66 per cent at Bombay, 20.2 per cent at Madras and 24.79 per cent at Visakhapatnam. While drawing attention to the above mentioned low percentage at Calcutta Port, the Committee had also observed—

“The Committee note with great concern that the problem of finding suitable land has still not been solved at the Calcutta Port. The Dock Labour Board, Calcutta with 14,077 registered workers (the largest in the country) has been able to provide houses to only 2.7 per cent of workers. The Committee regret that this Board proceeded in the matter of acquiring land in a very casual manner. Although they advertised for purchase of land in June, 1965 and September, 1967 without success, for about 5 years thereafter no serious attempts have been made to acquire land. It was only in April, 1972 that the question of purchasing land from Calcutta Port Commissioners was taken up by them, again without success. They are reported to be still making efforts to secure land adjacent to the Port area from the Government of West Bengal. The Committee desire that the matter should be taken up immediately by the Ministry of Labour with the State Government at the appropriate level.”

The Deputy Chairman of the Dock Labour Board, Calcutta, has stated during evidence that “Land has not been given. Only fifteen bighas of land were given to us in the year 1965 by the Port Commissioners. We needed much more. But more land could not be spared at that time because the port had other developmental projects in the neighbourhood.”

11.2. The Secretary of the Ministry of Shipping and Transport has stated during evidence that—

“In terms of number, the progress of housing (at Calcutta Port) is not bad but in terms of percentage it is the lowest taking into account the amount of traffic that is going on. Take for

example Bombay. There the number of registered workers is 4,800 and odd. The total of registered and listed workers taken together would come to more than 8000 and odd. Also the bulk traffic of fertilisers, foodgrains and so on should also be borne in mind. Of course I am not pleading that in justification for this low percentage at all. I am only submitting that if you will kindly bear with me for a minute, there are a number of other factors too that contributed to this slow progress of the scheme in Calcutta. In fact the Committee itself might know all these things and in their last report, one of the points that was correctly pointed out by them was the non-availability of land and the tardiness in acquiring the land from the Calcutta Port Trust for this purpose. There were more important problems one is of course the liability of the Dock Labour Board to meet the contribution. A recommendation was also made that the scheme should be revised and a higher subsidy given to lower the contribution to be made by the Board. That is the point. The other point is this. The ceiling cost of the building which is put down in the scheme does not at all tally with the prevailing costs. After 1972, when the matter was being further examined, the housing construction itself came under a ban. Unfortunately during the last two years, we have come to a stage where the housing construction has been given a low priority. Certainly, something has to be done to improve this. But, as soon as general policy questions are cleared by the Government of India, I think this land question might not stand in the way and we can push it further."

11.3. The Committee are most unhappy over the position that while 7.6 per cent of the Dock labour at Bombay, 20.2 per cent at Madras and 24.79 per cent at Visakhapatnam have been provided with residential houses, at Calcutta the percentage in this regard is as low as 2.7 which is next to nothing. The main difficulty has been stated to be the delay in provision of land by the Port Trust to the Dock Labour Board. It is indeed strange that, as mentioned earlier in this report, while land is being given freely by the Port authorities to private parties without even advertising and high officers of the Port, they did not give any land for the last ten years for putting up residential houses for the poor labour working at their own Port.

In view of the present financial position of the Calcutta Port, the Committee attach great importance to the provision of residential accommodation to the Dock Labour functioning at that Port. The Com-

mittee feel that if this serious hardship of the Dock labour force is removed, it will help in improving the efficiency of the Port.

The Committee do not accept the position that once the general policy questions (about housing construction) are cleared by the Government of India, the land question might not stand in the way. Unfortunately, the past experience in the matter of acquisition of land does not bear out that belief. The Committee would, therefore, request that the question of allocating land for putting up residential houses for the Dock labour at the Calcutta Port should be examined in detail and responsibility fixed for dealing with the matter in a casual manner in the past. For the future, the matter should be vigorously pursued with the authorities concerned so that land is actually available and construction of houses for the labour is not held up on this account.

APPENDICES

APPENDIX I

(Vide Para 1-32)

Cases of Mis-declaration of Weights brought to the Notice of the Committee.

Dock Challan No./ Name of Vessels/Voyage	Shippers' Name	Quantity and Des- cription of Cargo	Tonnage ob- tained by Calcutta Licensed Measures	Weight declared by Steamer Agent Manifest Freight List	Tonnage declared by Shippers
(1)	(2)	(3)	(4)	(5)	(6)
125/S.S.State of Kutch/S:pr. '70	Cil-Cox Syn-licite	50 cases Glass Sheet	35·800 M.T.	35·783 M.T.	32·800 M.T.
82/ Do.	Win to Glass Ltd.	50 cases Glass sheet	64·000 M.T.	63·085 M.T.	38·616 M.T.
112/ Do.	G.D. Traders	421 Bales Papers.	83·000 M.T.		80·000 M.T.
118/ Do.	Orient Paper Mills Ltd.	70 Bales White Pulp Boards	13·000 M.T.		11·500 M.T.
3/ Do.	Arun Mukherjee & Co.P. Ltd.	60 cases Glass Sheets	68·320 M.T.		66·840 M.T.
17/ Do.	Do.	100 cases Glass Sheets	89·750 M.T.	89·750 M.T.	81·800 M.T.
166/ Do.	Ravi Shipping & Clearing Agency	75 Crates Cast Iron Valves	10·000 M.T.		8·500 M.T.
37/S.S. Weybank/Novr. '70	Popular Shipping Agency	21 Crates Cast Iron Goods	12·636 M.T.		11·415 M.T.
38/ Do.	Do.	21 Do.	17·105 M.T.		15·442 M.T.
57/ Do.	Do.	207 Crates Cast Iron Goods	129·857 M.T.		113·905 M.T.

(1)	(2)	(3)	(4)	(5)	(6)
77/S.S. Weybank/Novr. '70	G.D. Traders	145 Crates Cast Iron Soil Pipes	71.519 M.T.		49.780 M.T.
114/	Do.	Do.	230	Do.	96.748 M.T.
101/	Do.	Ceylon Calcutta Trading Corpn.	3600 Bags Zinc Ash	208.220 M.T.	205.591 M.T.
30/S.S. State of Panjab/Jany. '71	Pioneer Shipping Agency	297 Bags Mica Scrap	25.750 M.T.	24.205 M.T.	24.205 M.T.
31/	Do.	Do.	480 Bags Mica Scrap	26.000 M.T.	24.480 M.T.
86/	Do.	M.M. & Co. Pvt. Ltd.	31 Bales Woolen Carpets	22 Cubic Metres	25.110 C.B.M. 19 Cubic Metres
37/S.S. Karimata/Jany. '71	Overseas Corpn.(P) Ltd.	164 Rolls Woolen Carpets	73 Cubic Metres	72.198 C.B.M.	70 Do.
86/S.S. Irene Xilas /Jany. '71	Bengal National Agency (Intern. Overseas Corpn. Ltd.)	133 Drums Colophony B.P.	49.650 C.B.M.	36.760 M.T.	27 Do.
6/S.S. Mitra/Jany. '71	B.N. Elias & Co.	1000 Chests Tea	139.650 Cubic Metres		129.025 Do.
337/	Do.	D.C. Ghosh & Co. (A) P. Ltd.	250 ,, ,,	34.214 Cubic Metres	32.250 Do.
283/	Do.	Williamson Magar & Co. Ltd.	140 ,, ,,	17.864 Cubic Metres	16.800 ,, ,,
333/	Do.	Harrisons & Crosfield Ltd.	200 ,, ,,	29.772 Cubic Metres	27.648 ,, ,,
270/	Do.	Williamson Magar & Co. Ltd.	100 ,, ,,	15.060 Cubic Metres	13.520 ,, ,,
25/S.S. Jalavijay/July '71		151 Boxes Aluminium Bricks		145.546 M.T.	125.962 M.T.

(1)	(2)	(3)	(4)	(5)	(6)
26/S.S. Jalavijay/July '71 . .		284 Boxes Aluminium Bricks	275.480 M.T.	274.993 M.T.	239.459 M.T.
7/S.S. Jalazzad/July '71 . .		670 Bundles Leather	71.938 M.T.	74.735 M.T.	54.000 M.T.
3/S.S. Beach Bank/Sept. '71 . .	G.D. Traders	556 Crates C.I. Goods	223.042 M.T.	310.858 M.T. (against DC. No. 30 & 121)	206.570 M.T.
122/ Do. . . .	Shri Krishna P. Ltd.	579 " " "	210.154 M.T.	293.663 M.T.	201.371 M.T.
163/ Do. . . .	Do.	117 " " "	84.474 M.T.		81.085 M.T.
121/ Do. . . .	G.D. Traders	286 " " "			93.519 M.T.
15/S.S. Vishva Usha/Octr. '71	P.D. Prasad & Bros.	58 cases Tanini Goat skin	13.668 M.T.	9.280 M.T.	9.240 M.T.
7/S.S. Vishva Usha/Octr. '71	P.D. Prasad & Bros.	35 Do	8.914 M.T.	5.600 M.T.	5.600 M.T.
42/ Do. . . .	Do.	42 " "	9.111 M.T.	6.720 M.T.	6.720 M.T.
15/ Do. . . .	India Laminates Ltd.	767 Rolls Printed Lino- huan	98.608 M.T.	} 264.470 M.T.	94.618 M.T.
19/ Do. . . .	Do.	1626 " "	171.974 M.T.		169.852 M.T.
73/S.S. Claim Macilwraith/ Octr. '71	R.S. Iron & Industries Pvt. Ltd.	80 Crates C.I. Manhole Covers	51.800 M.T.		50.160 M.T.
23/S.S. Vishva Prabha/ Do.	Banwarilal Parushattam- das	9 Crates C.I. Goods	2.099 M.T.		1.523 M.T.
Overside Cargo/S.S. State of Gujarat/Novr. 71	Thomsas Duff & Co. (I) Pr. Ltd.	375 Bales Gunnyes	132.700 M.T.		127.770 M.T.
Do. . . .	Do.	300 " "	105.500 M.T.		102.216 M.T.
Do. . . .	Do.	100 " "	35.200 M.T.		34.072 M.T.

(1)	(2)	(3)	(4)	(5)	(6)
Do.	Kant & Co. Pr. Ltd.	150 " "	47.850 M.T.		46.850 M.T.
Overside Gargo/S.S. Vishva Ghetana/Nov. '71	F. Gangjee & Company	50 Bales Gunnyes	26.800 M.T.		25.750 M.T.
Do./S.S. Teak Bark/Do.	Thomas Duff & Co. (I) P. Ltd.	100 " "	47.900 M.T. }		42.259 M.T.
Do.	Do.	97 " "	46.075 M.T. }	93.891 M.T.	44.871 M.T.
Do./S.S. Steel Maker/Do.	Ludlow Jute Co. Ltd.	168 R/S Jute Carpet Backing		95.361 M.T.	92.871 M.T. 89.823 Nett
Do.	Do.	40 R/S " "		20.090 M.T.	19.380 M.T. 18.654 Nett
Do.	Do.	31 R/S " "		17.497 M.T.	16.967 M.T. 16.404 Nett
Do.	Do.	50 R/S " "		25.341 M.T.	24.478 M.T. 23.570 Nett
Do.	Do.	25 R/S " "		13.054 M.T.	12.523 M.T. 12.080 Nett
Do.	Do.	2 R/S " "		1.015 M.T.	0.988 M.T. 0.952 Nett
Do.	Do.	4 R/S " "		2.045 M.T.	1.974 M.T. 1.901 Nett
Do.	Do.	90 R/S " "		44.731 M.T.	43.811 M.T. 42.178 Nett
Do.	Do.	173 R/S " "		88.423 M.T.	86.294 M.T. 83.156 Nett

(1)	(2)	(3)	(4)	(5)	(6)
Overside Cargo/S.S. Jalamorari/ July '72	✓ The Dalhousie Jute Co. Ltd.	22 R/S Carpet Backing Cloth		<u>18·365 M.T.</u>	17·859 M.T. 17·019 Nett
Do.	Dinanath-Kanoria & Co.	333 B/S Cotton Bagging Cloth		<u>190·093 M.T.</u>	187·296 M.T. 181·245 Nett
Do.	The Eastern Manufactur- ing Co. Ltd.	175 Tusses Jute Webbing		16·100 M.T.	15·043 M.T. 14·805 Nett
Do.	Kant & Co. Pr. Ltd.	25 B/S Hessian Cloth		10·042 M.T.	9·885 M.T. 9·568 Nett
Do.	Murlidhar Ratanlal	100 B/S Jute Cotton Bag- ging		29·357 M.T.	28·486 M.T. 27·216 Nett
Do.	✓ ✓ The North Brooke Jute Co. Ltd.	28 Rolls Carpet Backing Cloth		<u>19·061 M.T.</u>	18·787 M.T. 18·087 Nett
Do.	✓ Union Jute Co. Ltd.	R/S " "		<u>21·371 M.T.</u>	19·813 M.T. 18·813 Nett
Do.	✓ Do.	50 R/S " "		<u>26·962 M.T.</u>	25·186 M.T. 24·186 Nett
Do.	The Easter Manufacturing Co. Ltd.	22 Trusses Jute Webbing		2·105 M.T.	1·986 M.T. 1·959 Nett
Do.	✓ Jardine Handerson Ltd.	<u>25 B/S Hessian Cloth</u>		<u>11·100 M.T.</u>	10·948 M.T. 10·631 Nett
Overside Cargo/S.S. Jalajaya/ July '72	✓ Ladlow Jute Co. Ltd.	296 Trusses Jute Yarn		20·124 M.T.	310 Trs.—18·447 17·463 Nett
Do.	Palriwala Bros. P. Ltd.	25/B/S Hessian Cloth		12·562 M.T.	2·932 M.T. 2·616 Nett

(1)	(2)	(3)	(4)	(5)	(6)
Do.	Modern Carpet Backing Co.	25 " "		14.012 M.T.	13.443 M.T. 13.268 Nett
Do.	Duncan Brother & Co. Ltd.	537 B/S Cotton Bagging		80/263 M.T.	77/930 M.T. 73.059 Nett
				<u>Wt/M.T.</u> <u>BY C.P.C.</u>	
25/S.S. Capetown Maru/ June '71	Cal-cox Syndicate	4100 Bags Calcozed Kyunobe		205.540 M.T.	202.050 M.T.
159/S.S. Vishva Mahima/ July	Bird & Co. Ltd.	1600 Pkg's. Hen Yarn		56.000 M.T.	51.000 M.T.
4/S.S. State of Kerala/July '71	O. Transport & Co.	334 Cases A.S. Batteries		97.902 CBM	85.000 CBM
33/S.S. Vishva Maya/July '71	J.C. Bose & Sons	20 Lifts G.I. Pipes		27.700 CBM	11.327 CBM
S.S. HAZEL BANK/AUG. '71	H.N. Doshi	170 Cases Bicycles Parts		36.822 CBM	11.000 CBM/10 M.T.
S.S. JALAVIJAYA/DECR. '72	Shraff Overseas Shipping Agency	480 Reels Dulux Board		372.000 CBM.	125.000 CBM./87 M.T.,
S.S. Morshansk/DECR. '72	Landing & Shipping Agency	8999 Cases Washing Powder		680.000 CBM	565.000 CBM/243 M.T.
S.S. ANAMARIA/DECR. '72	Shraff Overseas Shipping Agency	1328 pcs. Tly. Truck Eqmt.		341.000 CBM	153.000 CBM/229 M.T.
S.S. MORSHANSK/DECR. '72	Pioneer Consolidated	2635 Boxes Paint		132.000 CBM	92.520 CBM./68 M.T.
S.S. MAKEVERETT/JANY.	Arun Mukherjee	100 Cases Figure Glass		86.000 CBM	74.480 CBM/53 M.T.

(1)	(2)	(3)	(4)	(5)	(6)
S.S. MAKEVERETT/JAOY.		65 Cases Figure Glass	55.000 CBM		43.800 CBM/31 M.T.
107/JALAKALA/1-10-72	Fallon's Agency	18 Pkgs. C.I. SOIL Fillings		16.551 Kgs.	6.686 Kgs.
51/-do-/-do-	R.N. LALL & BROS. a/c S.K. Sen & Son (P) Ltd.	685 C/S Cow Hides		77.859 M.T.	61.384 M.T.
5/PHASHARGYA-WYOSA/ 28-10-72	P.C. Chatterjee & Co. (W.H. Harton & Co. Ltd.)	1470 Coil Rope		216.518 CBM	83.994 M.T.
38/MAKEVERETT 945/72- 3-11-73	Hindusthan Safety Glass Works Pv. Ltd.	15 Cases Laminated (M. Car' Safety Glass.		7303 Kilos	6821 Kilos
53/-do-/-do-	Window Glass Ltd.	150 Cases Figures Glass.		84065 "	75000 "
34/-do-/-do-	Paharpur Cooling Towers Pv. Ltd.	54 pkgs. Cooling Tower		25020 Kilos 74. 347 CBM	24602 " 65 CBM
42/-do-/-do-	Britania Biscuit Co. Ltd.	75 Cases B/Dundee Cake.		2475 Kilos 18.063 CBM	2475 Kilos 7.875 CBM
94/-do-/-do-	METAL BOX CO. (I) LTD. (Cal)	1 Case Sealer Equipment		4.014 CBM	950 Kilos.
77/THOMASEVERETT 984/ 72-11-11-72	Hindusthan Glass In. Ltd.	130 Cases Engrs. Steel File		7620 Kilos	6080 Kilos.
42/-do-/-do-	Window Glass Ltd.	100 Cases WG Brand F. Glass		57660 "	54000 "

(1)	(2)	(3)	(4)	(5)	(6)
114/-do/-do-	Modella Textiles Ind. P. Ltd.	350 Bales Blanket Woollen		47.555 CBM	33 CBM
18/TEAK BANK/12-8-72		250 Bdis. Bicycle Rims.		47.025 CBM	17 ,,
1/VISHVA SANDESH/30-5-72	Window Glass Ltd.	100 Cases F. Glass		69100 Kilos	59500 Kilos
2/-do/-do-	Do.	Do.		55670 ,,	50200 ,,
67/-do/-do-	Do.	Do.		55690 ,,	50250 ,,
196/GWARDIA LUDOWA/ 27-5-72	Furnishing Fabrics. For Overseas Corpn. P. Ltd.	70 Bales Woollen Carpets		19.447 CBM	12 CBM
17/STATE OF KUTCH 9-70	555/70 Arun Mukherjee	100 Cases Sheet Glass		89750 Kilos	81800 Kilos
82/-do/-do-	Window Glass Ltd.	50 Cases ,, ,,		63080 Kilos	38616 Kilos
52/VISHA KALYAN/30-11-72	A.C. Sen Gupta & Sons	181 Bales Hide Cuttings		28360 ,,	24384 ,, 196 B/S
8/KARACHI/17-6-72	Hindusthan Pilkington Glass Works Ltd.	85 Cases Coloured Glass		64.269 CBM	37.740 CBM
28/JALAKENDRA/21-5-72	Minik Agencies	447 B/S Crude Drugs		17316 Kilos	11025 Kilos
36/-do/-do-	Bengal Heptive Exporting Co. Pvt. Ltd.	7 B/S Buffalos Hides		7570 Ki-os	1570 Ki'os
125/SHIRRA BANK/29-4-72	Shree Hanuman Steel Work	5 pkgs. G.I. Pipe Figs.		1255 Kilos	883 Kilos
58/-do/-do-	Him tlaya International Co.	150 B/S Heavy Cass		70827 ,,	46450 ,,
33/JALADHARATI/7-4-72	S.K. Sen & Sons Pvt. Ltd.	200 B/S Cow Hides		25870 ,, 29.555 CBM	20882 ,,

(1)	(2)	(3)	(4)	(5)	(6)
52/VISHVA KALYAN/30-11-72	A.C. Sen Gupta & Sons	181 B/S Hide Cuttings		28360 Kilos	24384 Kilos 196
1/JALAYAMGONA/28-2-73	Shree Hanuman Iron Workers	74 Crates C.I. Soil Pipes		54595 Kilos	50760 Kilos
96/S/O RAJASTHAN/5-3-73	Joyshree Exporters Ltd.	66 Cases C.I. Soil Pipes		22188 Kilos	18410 Kilos 72 Cs
12/VISHVA SHOBHA/May*72	N.N. Bose & Nephew	50 Crates C.I. Soil Pipes		45999 ,,	41500 ,,
53/MAKEVERETT/3-11-72	Window Glass Ltd.	Figured Glass		84063 ,,	75000 ,,
45/MURRAY EVERETT/20-7-72	Do.	50 Cases Wire Glass		42580 ,,	36250 ,,
OVERSIDE C/O Delhi 594/71/8-71	Louis Dreyfus Co. Ltd.	25 B.S. Hessian Cloth		21512 ,,	9885 ,,
OVERSIDE C/O DELHI-594/71/8-71	Louis Dreyfus Co. Ltd.	50 B./S Hessian Cloth		43303 Kilos	19771 Kilos
-31-/JALAMANI/9-6-73	Dinanath Kanoria & Co.	333 B/S Gunny		97539 Kilos	93649 ,,
-10-/do-/do-	Do.	367 B/S Cotton Bagging Cloth		107554 ,,	107210 ,,
-10-/do-/do-	Gagabhai Jute Mills	133 B/S Do.		39683 ,,	36868 ,,
-do-/G/O DELHI/28-11-73	National Co. Ltd.	40 R/S Jute Carpet Bagging Cloth		32633 ,,	23441 ,,
-do-/do-/do-	BIRD & CO. Pr. Ltd.	90 R/S Do.		57831 ,,	53897 ,,
-do-/VISHVA TEJ/18-8-72	Murlidhar Ratanlall	166 Gunny		26 M.T.	13 M.T.
-do-/VISHVA JYOTI/23-9-72	McLeod & Co. Ltd.	167 B/S Gunny BE(D)J		99 M.T.	91 M.T.
-10-/HOEGH ELAN/22-3-72	Kant & Co. (P) Ltd.	100 B/S Gunny		46 M.T.	40 M.T.
-do-/VISHVA SAKTI/12-3-73	Gouripure & Co. Ltd.	190 B/S Gunny		106 M.T.	95 M.T.

(1)	(2)	(3)	(4)	(5)	(6)
-do-/JALA JAYA/18-7-72 ✓	Bunge & Co. Ltd.	200 B/S Gunny	62 M.T.	57 M.T.	
-do-/MAGDEBURG/17-3-72 ✓	BIRD & CO. Pr. Ltd.	150 B/S GUNNY	56 M.T.	51 M.T.	
-do-/JALA MATI/9-6-73	Do.	600 B/S Gunny	174 M.T.	169 M.T.	
-do-/NEDERWAL/22-2-72	Dinanath Kaneria	75 B/S Gunny	37 M.T.	28 M.T.	

APPENDIX II

(Vide para No. 100)

Details of cases furnished by a some official organisation where under charge Bills raised by the F.A. & C.A.O. were cancelled and the Cargo declared as non hazardous by the traffic manager's Office

1970-71			1971-72		
Import undercharge No. & Date	Rs.	p.	Import undercharge No. & Date	Rs.	p.
344/3 of 6-3-70 . . .			2790.35 428/3 of 2-3-71 . . .	1457.15	
346/3 of 6-3-70 . . .			2451.04 71/5 of 5-5-71 . . .	654.50	
283/2 of 6-2-70 . . .	2,031-05		70/7 of 17-7-71 . . .	118.80	
276/2 of 6-2-70 . . .			405.00 252/2 of 9-8-71 . . .	693.00	
306/2 of 7-2-70 . . .	489-67		189/10 of 6-10-69 . . .	214.20	
14/4 of 4-4-70 . . .	672-72		217/11 of 6-11-69 . . .	600.00	
323/3 of 4-3-70 . . .	3999-64		218/11 of 6-11-69 . . .	140.00	
348/3 of 6-3-70 . . .	759-80		58/6 of 12-6-71 . . .	128.00	
290/2 of 6-2-70 } . . .			27/5 of 6-5-71 } . . .	1767.27	
45/5 of 4-5-70 } . . .			250/2 of 9-2-71 } . . .	257.40	
108/6 of 18-6-70 } . . .	1193-60		250/2 of 9-2-71 . . .	839.60	
106/6 of 18-6-70 } . . .			57/6 of 7-6-71 . . .	23940.00	
148/8 of 6-8-70 . . .	1224-00		66/7 of 17-7-71 . . .	1010.20	
242/2 of 9-2-71 . . .	2227-60		67/7 of 17-7-71 . . .	1168.40	
PAJ. 253 of 9-2-70 . . .	22303-80		80/8 of 2-8-71 . . .	2158.07	
(20/5 of 7-5-69)					
	40,584-27			35,146-50	

APPENDIX II-A

(Vide Para 1.69)

List of Parties to whom allotment of Plots at Sonoopur Road was recommended by the Standing land and Buildings allotment Committee at their 19th Meeting held on 16th Nov. 1973.

Sl. No.	Name of the prospective allottees	Area and plot No.
1	Messrs. Ripon Chemical Coatings Pvt. Ltd.	Plot No. 1 measuring more or less 2 bighas.
2	Messrs. Neptune Electronics . . .	Plot No. 2 measuring more or less 1 bigha.
3	Messrs. Himadri Electricals. . .	Plot No. 3 measuring more or less 1 bigha.
4	Messrs. Sonodyne Corporation . . .	Plot No. 4 measuring more or less 1 bigha.
5	Messrs. Hindustan Sanitary ware and Industries Ltd.	Plot No. 5 measuring more or less 1 bigha.
6	Messrs. John Fowler (I) Ltd. . . .	Plot No. 6 measuring more or less 1 bigha.
7	Messrs. Samuel Osborn (I) Ltd. . .	Plot No. 7 measuring more or less 1 bigha.
8	Messrs. Chowdhury Industries Corporation P. Ltd.	Plot No. 8 measuring more or less 1 bigha 1 cottah.
9	Messrs. Jem P. Ltd.	Plot No. 9 measuring more or less 1 bigha. (This allotment is subject to clearance from the Commissioners' Safety Officer).
10	Messrs. Apollo Construction. . . .	Plot No. 11 measuring more or less 10 cottahs.
11.	Messrs Ramesh Ch. Tewari	Plot No 12 measuring more or less 10 cottahs.
12	Messrs. Calcutta Marine Syndicate . .	Plot No. 13 measuring more or less 10 cottahs.
13	Messrs. D Kem & Co.	Plot No. 14 measuring more or less 10 cottahs.
14	Messrs Feraco.	Plot No. 15 measuring more or less 15 cottah.
15	Messrs. General Engineering	Plot No. 16 measuring more or less 9 cottahs.
16	Messrs. P.P. Stretched Band Mfg. Co.	Plot No. 17 measuring more or less 8 cottahs.
17	Messrs. Prafulla Enterprises	Plot No. 18 measuring more or less 15 cottahs.
18.	Messrs. Indian Record Mfg. Co. (P) Ltd.	Plot No. 19 measuring more or less 13 cottahs.

APPENDIX III

(Vide para 10.14)

Statement showing the names of the employees removed from the register for defaulting in payment of Calcutta dock labours boards during 1968-1975 (15-30-75) as under the Calcutta dock workers (Regulation of Employment) Scheme 1970 and the Calcutta unregistered dock workers (Regulation of Employment) Scheme 1957 (known as listing scheme).

Sl. No.	Name of the Employer	Address	Nature of the Constitution	Particulars of the proprietors Partners/Directors	Amount of Default if any			Remarks
					Wages	& Levy	Bonus Total	
1	2	3	4	5	6	7	8	9
					((In thousands of Rs.))			
1	M/s. Calcutta Supply Agency.	8, Canning Street, Calcutta-1.	Partnership	Sri Sadhan Gopal Mukerjee	81 (appx.)	—	81 (appx.)	Case filed in Court.
2	M/s. M. Elias Pvt. Ltd.	18, Netaji Subhas Road Calcutta-1.	Private Ltd.	Directors — Capt. S.N. Bhandari Mrs. S. Beande Mrs. Rafia Mohammed Mr. Syed Majahir Hussain Mrs. Shohnay Hussain.	247 (appx.)	9 (appx.)	256 (appx.)	Do.
3	M/s. Butterworth & Ferner	82/2, Muktaram Baba Street, Calcutta-7	Partnership	Shri R.L. Rampuria Sri J.L. Rampuria Sri D.D. Saith	302 (appx.)	—	302 (appx.)	Do.
4	M/s. Banerjee & Chatterjee (Stevedores) Pvt. Limited.	13, Camac Street, Calcutta-16.	Private Ltd.	Directors — Sri Kalyan Sen Sri Milan Sen Sri S.N. Gupta	56 (appx.)	—	56 (appx.)	Do.

1	2	3	4	5	6	7	8	9
5	M/s. Chatterjee Hazra Pvt. Limited.	2 & 3 Clive, Row, Top Floor.	Private Ltd.	Directors — Sri Manindra Nath Mookerjee Smt. Marjurika Mookerjee	87 (appx.)	5.5 (appx.)	92.5 (appx.)	Do.
6	M/s. Sen Mookerjee & Co.	P-20, Radha Bazar Street Calcutta-1.	Partnership	Sri Kashipati Mookerjee Sri Kailashpati Mookerjee. Smt. Anjali Devi	206.5 (appx.)	19 (Appx.)	225.5 (appx.)	Do.
7	M/s. Hinusthan Salt Weighment Syndicate.	P-240, Kimber., Calcutta-17.		—	109 (appx.)	22 (appx.)	131 (appx.)	Do.
8	M/s. S.S. & Co.	P-240 Kimber, St., Calcutta-17	Partnership	Sk. Golam Rasul Sk. Safia Rahman	90 (appx.)	10.5 (appx.)	100.5 (appx.)	Do.
9	M/s. Samari Hossain & Co.	C/o. M/s. G. Laurie & Co., 3, Mangrove Lane, Calcutta-1.			22 (appx.)	1 (appx.)	23 (appx.)	Do.
10	M/s. Sk. Yusuf.	7, Moulana Md. Ali Road, Calcutta-23.	—	—	35.5 (appx.)	9.5 (appx.)	45 (appx.)	Do.

APPENDIX IV

(Vide para 10·14)

CALCUTTA DOCK LABOUR BOARD

Statement showing the cases with names and amounts of dishonoured cheques (including return for representation) by Banks issued by the Stevedores during the last three Years

EMPLOYER : M/s. E. C. Bose & Co. Pvt. Ltd.

Serial No.	Amount of Cheques	Date of recd. of the cheque
1	30,987·78	23-3-71
2	20,532·15	12-7-71
3	17,621·55	2-9-71
4	2,697·67	3-1-72
5	7,598·36	4-2-72
6	40,297·10	2-6-72
7	41,399·68	4-8-72
8	8,059·60	10-10-72
9	1,686·93	23-3-73
10	1,66,004·8	23-3-73
11	37,432·94	12-6-73
12	909·79	29-5-73
13	1,66,604·89	11-6-73
14	₹ 37,432·94	11-6-73
15	3,622·50	13-7-73
16	29,513·83	13-7-73
17	12,857·71	17-7-73
18	12,468·08	17-7-73
19	7,005·26	20-8-73
20	9,909·20	20-8-73
21	25,371·70	20-8-73

S. No.	Amount of Cheques	Date of rect. of the cheque.
22	2,706·31	20-8-73
23	2,634·30	31-8-73
24	3,750·01	31-8-73
25	9,576·47	31-8-73
26	1,021·50	31-8-73
27	28,931·06	5-9-73
28	41,877·61	5-9-73
29	21,948·02	5-9-73
30	30,483·12	5-9-73
31	4,430·87	12-9-73
32	1,528·03	12-9-72
33	13,146·76	19-9-73
34	76,946·81	24-9-73
35	66,748·43	24-9-73
36	50,513·16	24-9-73
37	55,251·98	24-9-73
38	9,517·59	24-9-73
39	4,495·50	24-9-73
40	3,467·26	1-10-73
41	4,900·40	1-10-73
42	12,551·51	1-10-73
43	49,426·96	12-10-73
44	53,130·40	12-10-73
45	61,787·75	12-10-73
46	16,792·84	23-10-73
47	16,283·97	23-10-73
48	2,766·00	24-10-73
49	26,396·28	20-10-73
50	32,171·91	20-10-73
51	44,626·12	20-10-73
52	7,789·64	20-10-73
53	17,602·87	20-10-73
54	17,736·01	20-10-73

Sl. No.	Amount of cheques	Date of rect. of the cheque
55	7,050·05	20-10-73
56	11,063·91	31-10-73
57	15,581·79	31-10-73
58	19,774·20	31-10-73
59	6,891·42	31-10-73
60	14,967·37	31-10-73
61	13,059·16	1-11-73
62	14,593·65	1-11-73
63	8,214·95	1-11-73
64	3,039·95	1-11-73
65	2,436·67	1-11-73
66	52,877·52	25-8-73
67	75,255·25	25-8-73
68	37,906·73	25-8-73
69	52,364·38	25-8-73
70	17,174·91	25-8-73
71	92,288·69	25-8-73
72	50,871·45	25-8-73
73	82,387·59	25-8-73
74	20,187·30	25-8-73
75	43,923·66	5-11-73
76	41,901·33	5-11-73
77	43,070·61	5-11-73
78	54,877·75	5-11-75
79	42,977·46	5-11-73
80	32,840·87	5-11-73
81	48,478·75	5-11-73
82	22,590·71	5-11-73
83	14,494·80	5-11-74
84	3,195·28	12-11-73
85	4,914·68	12-11-73

Sl. No.	Amount of cheques	Date of rect. of the cheque
86	12,145·59	12-11-73
87	2,001·33	18-10-73
88	2,838·70	18-10-73
89	7,260·37	18-10-73
90	774·44	18-10-73
91	35,957·18	16-11-73
92	52,488·35	16-11-73
93	19,547·86	16-11-73
94	15,251·29	16-11-73
95	39,188·53	16-11-73
96	8,992·46	16-11-73
97	10,178·10	16-11-73
98	32,932·70	16-11-73
99	10,823·63	16-11-73
100	6,406·77	16-11-73
101	38,219·91	16-11-74
102	15,658·23	16-11-73
103	25,218·00	16-11-73
104	1,489·50	16-11-73
105	13,750·40	16-11-73
106	12,621·12	20-11-73
107	5,052·70	20-11-73
108	3,361·36	20-11-73
109	1,346·26	20-11-73
110	2,710·61	26-11-73
111	10,011·16	26-11-73
112	3,336·82	26-11-73
113	15,393·89	26-11-73
114	64,016·26	26-11-73
115	27,389·58	26-11-73
116	30,018·65	26-11-73

Sl. No.	Amount of cheques	Date of recd. of the cheque
117	43,389.37	26-11-73
118	573.50	26-11-73
119	24,797.87	26-11-73
120	11,453.13	26-11-73
121	21,179.55	26-11-73
122	36,795.60	21-11-73
123	17,550.73	4-12-73
124	34,950.97	4-12-73
125	1,569.22	10-12-73
126	2,395.35	10-12-73
127	5,946.86	10-12-73
128	634.30	10-12-73
129	1,031.67	12-12-73
130	6,107.29	12-12-73
131	52,240.66	12-12-73
132	11,845.25	12-12-73
133	46,685.82	12-12-73
134	25,644.19	12-12-73
135	32,630.07	12-12-73
136	23,933.22	12-12-73
137	8,497.00	12-12-73
138	20,496.65	17-12-73
139	19,875.54	17-12-73
140	13,306.88	22-12-73
141	16,778.17	22-12-73
142	32,187.67	22-12-73
143	17,756.15	22-12-73
144	2,266.49	22-12-73
145	17,472.55	22-12-73
146	4,035.65	22-12-73
147	1,674.00	22-12-73

Sl. No.	Amount of cheques	Date of rec. of the cheque
148	4,366·92	22-12-73
149	43,330·95	27-11-74
150	1,20,221·18	5-12-74
151	30,285·35	5-12-74
152	15,136·35	5-12-74
153	7,153·96	5-12-74
154	64,478·52	14-12-74
155	84,479·74	14-12-74
156	24,602·74	17-12-74
157	23,857·20	17-12-74
158	1,655·95	20-12-74
159	4,320·88	20-12-74
160	885·74	20-12-74
161	406·67	20-12-74
162	27,136·31	24-12-74
163	50,769·48	24-12-74
164	45,567·25	24-12-74
165	86,867·84	24-12-74
166	77,662·34	24-12-74
167	48,047·81	7-1-74
168	22,031·19	7-1-74
169	32,067·16	7-1-74
170	20,339·39	7-1-74
171	13,133·14	7-1-74
172	15,920·44	7-1-74
173	34,460·97	7-1-74
174	9,024·17	7-1-74
175	45,399·15	11-1-74
176	20,491·22	17-1-74
177	29,668·85	17-1-74

Sl. No.	Amount of cheques	Date of rect. of the cheque
178	33,216·17	17-1-74
179	18,531·32	17-1-74
180	26,010·87	17-1-74
181	20,103·66	17-1-74
182	15,444·01	17-1-74
183	3,020·81	17-1-74
184	13,278·99	17-1-74
185	7,723·61	17-1-74
186	20,473·10	18-1-74
187	19,852·70	18-1-74
189	391·91	22-1-74
190	524·04	22-1-74
191	1,373·93	22-1-74
192	77,825·34	7-2-74
193	6,721·34	29-1-74
194	17,800·69	29-1-74
195	24,730·97	29-1-74
196	45,788·08	29-1-74
197	1,082·19	29-1-74
198	27,872·46	29-1-74
199	3,314·81	29-1-74
200	34,454·58	29-1-74
201	3,775·50	29-1-74
202	647·90	1-2-74
203	738·29	1-2-74
204	2,079·29	1-2-74
205	221·78	1-2-74
206	1,609·71	20-2-74
207	2,146·08	20-2-74
208	5,633·70	20-2-74
209	600·93	20-2-74
210	19,656·84	25-2-74

Sl. No.	Amount of cheques	Date of rect. of the cheque
211	90,112·84	25-2-74
212	6,118·33	7-3-74
213	87,558·48	16-3-74
214	20,276·67	18-3-74
215	19,662·23	18-3-74
216	1,12,355·14	2-4-74
217	1,09,283·22	13-4-74
218	1,36,598·38	25-4-74
219	9,318·54	7-5-74
220	15,128·56	7-5-74
221	64,638·52	7-5-74
222	3,805·06	7-5-74
223	16,021·64	16-5-74
224	26,495·71	16-5-74
225	1,11,555·33	16-5-74
226	[22,001·94	18-5-74
227	21,335·22	18-5-74
228	28,114·96	24-5-74
229	49,638·51	24-5-74
230	2,06,260·97	24-5-74
231	3,240·00	24-5-74
232	12,194·86	24-5-74
233	38,327·85	17-5-74
234	12,077·54	13-6-74
235	18,405·51	13-6-74
236	77,149·23	13-6-74
237	8,056·40	20-6-74
238	3,494·48	20-6-74
239	1,876·40	20-6-74
240	2,11,111·02	24-6-74

Sl. No.	Amount of cheques	Date of rect. of the cheque
241	50,452·35	24-6-74
242	31,359·26	24-6-74
243	2,669·50	28-6-74
244	4,952·07	28-6-74
245	11,432·36	28-6-74
246	2,219·46	28-6-74
247	18,687·95	4-7-74
248	32,587·66	4-7-74
249	1,36,273·48	4-7-74
250	38,488·00	11-7-74
251	2,31,007·68	15-7-74
252	55,003·23	15-7-74
253	20,177·08	17-7-74
254	18,463·62	17-7-74
255	1,990·49	30-7-74
256	2,23,431·79	2-8-74
257	1,559·35	9-8-74
258	2,931·69	9-8-74
259	6,796·57	9-8-74
260	49,840·65	7-8-74
261	2,58,377·02	14-8-74
262	75,587·01	26-8-74
263	2,78,719·53	26-8-74
264	1,092·14	30-8-74
265	5,962·97	31-8-74
266	30,896·41	4-9-74
267	53,741·54	4-9-74
268	1,93,111·83	4-9-74
269	13,176·17	4-9-74
270	2,839·10	

Sl. No.	Amount of cheques	Date of rect. of the cheque
271	6,607.66	9-9-74
272	2,71,357.72	12-9-74
273	66,085.50	12-9-74
274	53,414.10	7-9-74
275	22,348.53	18-9-74
276	20,432.94	18-9-74
277	2,08,289.47	24-9-74
278	49,954.29	24-9-74
279	28,650.47	24-9-74
280	12,309.35	24-9-74
281	43,004.42	4-10-74
282	77,207.76	4-10-74
283	77,434.57	4-10-74
284	93,035.19	4-10-74
285	84,082.75	4-10-74
286	10,872.00	4-10-74
287	19,035.35	4-10-74
288	64,021.37	4-10-74
289	18,265.73	16-10-74
290	33,779.96	16-10-74
291	63,113.09	16-10-74
292	77,296.45	16-10-74
293	64,830.11	1-11-74
294	56,913.06	1-11-74
295	21,105.98	11-11-74
296	24,328.28	18-11-74
297	23,589.12	18-11-74
298	57,426.86	19-11-74
299	76,248.33	25-11-74
300	72,702.21	23-11-74

Sl. No.	Amount of cheques	Date of recd. of the cheques
301	61,720.95	25-11-74
302	63,750.55	25-11-74
303	35,383.92	25-11-74
304	15,479.16	25-11-74
305	21,105.98	11-11-74
306	24,326.28	18-11-74
307	23,589.12	18-11-74
308	57,426.86	19-11-74
309	76,248.33	25-11-74
310	72,702.21	25-11-74
311	61,720.95	25-11-74
312	63,570.55	25-11-75
313	35,383.92	25-11-74
314	15,479.16	25-11-74
315	6,232.46	8-1-74
316	1,874.04	7-3-74
317	55,426.07	8-7-74
318	43,666.06	16-7-74
319	42,978.67	3-8-74
320	37,058.40	27-8-74
321	4,018.56	4-9-74
322	24,048.58	4-9-74
323	2,066.52	4-9-74
324	1,068.83	4-9-74
325	49,555.15	13-9-74
326	8,350.72	13-9-74
327	5,414.60	13-9-74
328	10,087.51	13-9-74
329	19,477.82	5-10-74
330	15,108.40	5-10-74
331	22,388.76	5-10-74

Sl. No.	Amount of cheques	Date of rect. of the cheques
332	1,34,989·78	9-10-74
333	43,662·82	16-10-74
334	19,845·10	16-10-74
335	76,321·22	16-10-74
336	13,483·80	16-10-74
337	13,008·50	2-11-74
338	8,623·20	2-11-74
339	77,874·12	2-11-74
340	6,631·25	2-11-74
341	18,095·98	21-11-74
342	23,215·77	26-11-74
343	11,339·60	26-11-74
344	19,508·50	26-11-73
345	42,989·00	26-11-74
346	68,064·00	26-11-74
347	12,040·54	9-12-74
348	90,028·94	9-12-74
349	15,797·34	9-12-74
350	9,210·70	9-12-74

M/S. B. M. MUKHERJEE & CO.
Ex-1956 Scheme

Sl. No.	Amount of the cheques	Date of deposit of the cheques
	Rs.	
1	37263·14	22-1-71
2	14148·05	22-1-71
3	3040·57	22-3-71
4	24376·42	13-4-71

M/S. B. M. MUKHERJEE & CO.
Ex-1956 Scheme

Sl. No.	Amount of the cheques	Date of deposit of the cheques
	Rs.	
5	27243.00	13-4-71
6	20662.71	22-6-71
7	13009.95	24-6-71
8	647.48	14-1-71
9	1842.45	18-7-72
10	2456.60	18-7-72
11	22320.90	22-12-73
12	35896.50	12-1-74
13	4771.13	19-1-74
14	4626.55	"
15	11674.25	12-3-74
16	5037.73	19-3-74
17	4885.07	"
18	15558.38	16-4-74
19	53094.36	16-5-74
20	6479.24	4-6-74
21	10338.24	"
22	60763.45	14-6-74
23	4870.50	19-6-74
24	25720.20	"
25	8963.22	5-7-74
26	14248.03	12-7-74
27	677.54	"
28	75222.7	16-7-74
29	4485.27	18-7-74
30	14113.93	24-7-74
31	32924.63	"
32	25079.79	2-8-74

M/S. B. M. MUKHERJEE & CO.
Ex-1956 Scheme

Sl. No.	Amount of the cheques	Date of the deposit of the cheques
	Rs.	
33	1592·86	2-8-74
34	1482·90	"
35	95261·85	3-8-74
36	44495·73	"
37	95·76	3-8-74
38	5774·29	"
39	7623·30	12-8-74
40	22711·05	8-8-74
41	15085·04	16-8-74
42	9025·64	"
43	70596·35	17-8-74
44	136984·80	23-8-74
45	167383·95	F 5-9-74
46	33914·72	"
47	5190·88	10-9-74
48	27099·90	"
49	109435·94	16-9-74
50	49772·00	17-9-74
51	6512·26	F 20-9-74
52	98890·78	F 25-9-74
53	53365·48	"
54	79597·22	F 5-10-74
55	214825·14	8-10-74
56	13078·07	"
57	12535·61	12-10-74
58	40655·25	4-10-74
59	125108·24	F 17-10-74
60	1806·26	"

M/s. B. M. Mukerjee & Co.
Ex-1956 Scheme.

Sl. No.	Amount of the Cheques	Date of deposit of the cheques
	Rs.	
61	22206.33	4-11-74
62	22772.71	12-11-74
63	1005.73	"
64	4188.55	16-11-74
65	3456.72	"
66	2126.72	19-11-74
67	89960.43	"
68	39090.20	"
69	5426.13	"
70	20955.78	26-11-74
71	15084.77	27-11-74
72	90887.20	"
73	5328.13	"
74	9230.43	2-12-74
75	5441.72	2-12-74
76	21000.60	30-11-74
77	22601.66	6-12-74
78	12149.62	"
79	3116.15	12-12-74
80	1859.50	"
81	12293.32	14-12-74
82	3044.95	"
83	1021.50	"
84	1427.88	"
85	715.25	"
86	57511.38	18-12-74
87	35632.08	"
88	14302.15	"
89	25479.37	26-12-74

M/s. B. M. Mukerjee & Co.
Ex-1956 Scheme.

Sl. No.	Amount of the Cheques	Date of deposit of the cheques
	Rs.	
90	3799·54	3-1-75
91	8001·44	„
92	20061·67	„
93	29383·51	7-1-75
94	2668·50	„
95	60391·90	„
96	240930·02	„
97	14264·39	„
98	2761·39	14-1-75
99	5796·94	„
100	14549·16	„
101	101671·13	20-1-75
102	72875·16	„
103	14631·79	„
104	52389·54	„
105	29127·37	12-1-75
106	4401·00	„
107	58143·83	„
108	24081·30	13-1-75
109	7562·99	27-1-75

M/S. K. P. Gorsia

Sl. No.	Amount of the cheques	Date of deposit of the cheques
	Rs.	
1.	17,159·23	30-1-71
2.	1,38,396·74	30-1-71

Sl. No.	Amount of the cheques	Date of deposit of the Cheques
Rs.		
<i>M/S. T. P. Roy Chowdhury & Co. (P) Ltd.</i>		
1	28·26	16-10-71
2	6,137·24	11-10-72
3	2,354·69	11-6-73
<i>M/S. Union Weighment & Co.</i>		
1	40,655·93	27-8-71
2	11,929·28	27-8-71
<i>M/S. Chinoy Chablami & Co.</i>		
1	42,827·05	19-9-73
<i>M/S. B. Ghosh & Company</i>		
1	14,420·46	8-9-73
2	614·24	Do.
3	1,96,296·04	24-7-74
4	18,826·16	6-1-75
5	34,559·99	Do.
6	37,588·48	Do.
7	1,710·00	Do.
<i>M/S. A. C. Roy & Co. (Pvt.) Ltd.</i>		
1	3,200·89	2-2-71
2	1,842·05	1-4-71
3	1,03,753·32	13-6-71
4	9,437·02	31-10-72
5	5,394·25	20-8-
6	8,762·81	1-7-74
7	63,283·99	9-9-74

Sl. No.	Amount of the cheques	Date of deposit of the Cheques.
<i>(M/S. Saras Chatterjee & Co. P. Ltd.)</i>		
	Rs.	
1	2,394·24	3-1-73
2	10,6,436·02	31-12-73
3	9,839·28	1-2-74
4	14,758·93	Do.
5	11,234·91	9-4-74
6	7,489·94	9-4-74
7	14,452·87	23-4-74
8	11,136·04	13-6-74
9	45,537·86	Do.
10	2,759·63	Do.
11	65,141·98	25-6-74
12	2,445·56	8-7-74
13	3,668·34	Do.
14	41,720·54	5-9-74
15	1,22,863·20	12-11-74
16	1,822·41	25-11-74
17	11,390·05	Do.
18	19,363·09	Do.
19	1,64,308·10	28-11-74
20	39,778·08	Do.
21	2,317·50	Do.
22	9,931·23	28-11-74
23	23,610·53	Do.
24	39,708·32	8-1-75
<i>(M/S. J. N. Mukherjee & Co. P. Ltd.)</i>		
1	1,647·60	12-1-71
2	931·50	16-3-74

(M/S. M. Rajan & Company)

Sl. No.	Amount of the Cheques	Date of deposit of the Cheques
	Rs.	
1	6,903·92	27-3-73
2	5,160·04	7-8-74
3	4,364·74	26-10-74
4	7,954·12	Do. . .
5	648·13	14-11-72
6	7,415·89	13-2-73

(M/S. B. Bose (Pvt). Ltd.)

1	72,047·26	7-5-74
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(M/S. Alex. Miller (S. C.) Pvt. Ltd.)

1	3,291·30	14-7-71
2	3,474·98	17-10-73
3	1,355·23	Do.
4	961·42	Do.
5	370·66	Do.
6	6,122·24	27-2-74
7	15,682·91	18-7-74
8	1,169·16	Do.
9	72,481·12	1-8-74
10	5,748·18	27-8-74
11	47,873·85	29-8-74

(M/S. C. Laurie & Co.)

1	410·06	3-11-72
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(M/S. B. L. Mukherjee & Co. P. Ltd.)

1	40·81	16-4-71
2	1,700·84	26-2-73
3	163·07	26-2-73

(M/S. *Narash Nath Mukherjee*)

Sl. No.	Amount of the Cheques	Date of deposit of the Cheques.
	Rs.	
1	1,769.32	27-1-71
2	29,434.57	31-8-71
3	15,606.58	Do.
4	8,351.81	Do.
5	13,283.38	Do.
6	908.02	Do.
7	1,712.56	Do.
8	1,245.62	24-9-71
9	991.92	15-2-72
10	1,539.09	7-9-72
11	901.81	13-9-72
12	1,201.74	Do.

A/C. BAGGERS, STITCHERS & SALT

(M/S. *Nowsher Ali Khan*)

1	41,833.38	24-3-71
2	26,341.82	23-11-71
3	21,213.58	23-12-71
4	15,027.88	23-12-71
5	5,317.51	4-1-73
6	97,046.18	15-6-73

M/S. *Union Weighments Co.*)

1	12,933.35	2-4-71
2	33,000.00	18-6-73
3	10,000.00	22-6-73
4	10,774.02	26-6-73
5	9,134.48	12-1-74

(M/s. H. D. Mukerjee & Co. Pvt. Ltd.)

Sl. No.	Amount of the Cheques	Date of deposit of the Cheques
	Rs.	
1	39,674·38	26-4-71
2	600·08	25-5-71
3	35,984·33	19-8-71

(M/s. A. C. Roy & Co. Pvt. Ltd.)

1	10,293·00	18-8-71
2	28,004·34	12-10-72
3	1,915·65	1-7-74
4	17,531·60	1-7-74
5	956·98	1-7-74

(M/s. Batey Madhub Mookerjee & Co.)

1	20,244·98	31-1-72
2	13,954·23	19-1-74
3	1,285·80	19-1-74
4	82·16	19-1-74
5	28,665·53	17-7-74
6	9,379·80	5-8-74
7	27,705·42	14-9-74
8	33,566·36	19-11-74
9	29,057·94	21-11-74
10	1,09,819·37	26-11-74
11	9,323·99	27-11-74
12	11,584·19	7-12-74
13	19,170·73	7-12-74
14	1,06,329·42	17-12-74
15	41,105·12	17-12-74
16	7,209·69	17-12-74

M/s. Baney Madhub Mookerjee & Co.

Sl. No.	Amount of the Cheques	Date of deposit of the Cheques.
	Rs.	
17	4,217.40	17-12-74
18	81.69	17-12-74
19	53.69	17-12-74
20	17,648.75	27-12-74
21	11,887.20	27-12-74
22	1,75,408.64	8-1-75
23	18,614.69	8-1-75
24	30,597.82	8-1-75
25	18,707.18	21-1-75
26	31,464.63	21-1-75
27	1,79,776.19	21-1-75
<i>(M/s. Sarat Chatterjee & Co. P. Ltd.)</i>		
1	3,185.28	27-11-74
2	884.80	27-11-74
<i>(M/s. Monshad Ali Khan)</i>		
1	21,006.89	26-2-75
2	9,366.50	26-2-75

APPENDIX V

Summary of main Conclusions/Recommendations

S. N.	Para No.	Ministry|Department concerned	Conclusions|Recommendations
1	2	3	4
1	1-39	Shipping & Transport/ Finance Deptt. of Revenue & Insurance	The Committee cannot but express their surprise at the non-existence, at a port of the importance of Calcutta, of a proper and more adequate machinery, including weighing scales and tallying staff (at present there are 41 scales in 34 sheds with only six tally clerks and six peons) for making a thorough verification of the quantities and descriptions of the goods as declared by the shippers in the papers filed by them, on the basis of which the dues of the Port and finally the internal revenue and foreign exchange are assessed and realised. The position is made still more deplorable by a similar absence of such machinery in the Customs organisation which has only 24 weighing scales with six persons as weighing staff, on whose checking the Port authorities rely for the purpose of calculating their dues. As a result, considerable foreign exchange and revenue due to the Port and Revenue authorities are being lost. It is, therefore, no wonder that the Port Trust is sustaining heavy losses in its working from year to year, and proper realisation of tax and foreign exchange is not being done. The Committee feel that there is urgent need for the Port and the Customs authorities to pay serious attention to this vital issue and provide adequate

number of machines and expert staff in sufficient numbers to make it possible for them to exercise a thorough check, between them, of the contents, weight, measurement etc. of consignments passing through the Port. And to ensure this, the Port Trust should in particular provide adequate incentives to the staff so that they may ensure that false declaration of weights, measurements etc. is not resorted to by the shippers. The Committee consider that effective detection will be possible only if there is adequacy of competent and honest staff to prevent malpractices. The Committee consider that something like 700 tally clerks plus an equal number of Class IV staff would be necessary for the purpose on a rough and ready basis.

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The Committee note from the earlier composition of the Commissioners for the Port of Calcutta, under the 1890 Act, that out of a total of 24 Commissioners, as many as 11 were from the Chambers of Commerce and ship-owners. It is, therefore, not surprising that the Shippers and Shipping lines dominate the functioning of the Port Trust. The Committee are glad to note that as from 1st April, 1975, the Board of Trustees are to have five members from private Trade and the remaining thirteen from Government Departments, Municipal Corporations and Public Undertakings. The Committee hope that this change in composition will soon have its positive effects on the financial affairs of the Port.

- 3 1·41 Finance (Deptt. of
 Revenue and Insurance
 Shipping & Transport) In the matter of general interests of the nation as a whole, the Committee feel deeply concerned over the complete lack of co-ordination between the different agencies of Government for eradicating the evil of economic offences being committed by these engaged in the import and export trade. The Committee need hardly remind the Government that according to the report of the M.G. Kaul Study Team, the nation is being put to huge loss every year on account of only one of the economic offences, namely under-invoicing of exports. The Committee would accordingly suggest that the Government should give serious thought to the problem and evolve without any delay a co-ordinated machinery capable of curbing effectively those indulging in different types of economic offences in the import and export trade. That the existing machinery is not effective will be clear from the fact that, during the last three or four years, only one case of malpractice in respect of jute consignments *enroute* from the mill to the Calcutta Port for export was detected.
- 4 1·42 Shipping & (Transport
 Finance Deptt. of
 Revenue Insurance) The Committee are surprised at the Port and the Customs authorities being in total darkness as to what was actually going on around their areas of operation in the matter of descriptions, weights etc. of the export cargo passing through the Calcutta Port. It is indeed surprising that they should have learnt about this menacing problem of misdeclaration of weights and details of export cargo only through reports in the Press. It is fortunate that a journalist of the Hindustan Standard, Calcutta, detected and highlighted this. The Committee also appreciate that a number of patriotic non-official witnesses came forward and placed their experiences and knowledge of the working of the Port before the Committee.
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It is equally painful that after holding meetings in December, 1972 and February, 1973, at the Port and the Ministry level respectively, to deal with the evils of misdeclaration of weights etc. no follow-up action was taken on the decisions arrived at these meetings. As admitted by the Member (Customs) during evidence, two years were lost in the process. At the meeting held in the Ministry of Shipping and Transport on the 16th February, 1973, it was decided that the Port Commissioners should consider introducing a hundred per cent check for a period of three to six months to find out whether it would be economical to introduce this as a regular practice and to gauge the extent of under-weighment. The Port authorities were not able to carry out 100 per cent checking on their own admission because they did not possess sufficient weighment staff and weighing scales. The Port Trust investigated the possibility of getting this work done through outside agencies. This was, however, not found feasible as it was felt that shipments might be delayed seriously. This is illustrative of the kind of defeatist attitude of the Port Commissioners. What is even more surprising is that a check on a random sample basis with the existing men and machinery had also not been thought of. Similarly there was much talk at the meeting held at the Port on the 6th December, 1972 about the imposition of fine on mis-declaration of weights, but no decision was taken for more than two years. And yet when the Public Accounts Committee raised this matter in the course of evidence and expressed its serious concern, it became possible for the Board of Trustees to take a decision in the meeting of the Board on the 29th March,

1975 to impose penalty charges in respect of under-declaration of weights and measurements to the extent of four times the normal charges. In the circumstances, the Committee desire that the failure to give effect to the decisions taken at the meetings referred to above should be gone into carefully with a view to fixing responsibility and taking suitable action.

5 1.43 Shipping and Transport/
 Finance (Deptt. of Revenue & Insurance)

The Committee suggest that till such time as a co-ordinated drill for various agencies concerned with the prevention of economic offences is laid down at the national level, as recommended by the Committee, there should be complete co-ordination between the Customs and the Port authorities at the Calcutta Port in the matter of realisation of their dues on shipments passing through the Port. There should be complete coordination and cooperation between the Customs and the Port authorities in respect of realisation of port dues on over-side shipments.

6 1.44 Do.

The Committee would suggest that the Customs and the Port authorities should keep a watch over the functioning of the clearing agents who are licenced and registered by them to work at the Calcutta Port and ensure that a clearing agent who is found guilty of indulging in an economic mal-practice should have his licence cancelled or not renewed, apart from any other punishment to which he may be liable under the law and the rules. Similarly, a close watch should also be kept on the functioning of the Shipping lines, particularly foreign ones, operating at the Port.

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1957 Shipping and Transport/
Finance (Deptt. of Re-
venue & Insurance)

The Committee note that the Port Trust authorities had to collect a rental of Rs. 60 lakhs for the period for which the masoor dal was stored in their godowns. The Port Trust authorities recovered Rs. 1 lakh from the owners of masoor dal and waived Rs. 59 lakhs which, according to the judgment of the Supreme Court, they were entitled to recover from the Customs who had stored the masoor dal in their behalf. They did not do so even when the Supreme Court had opined that the Customs authorities who were responsible for the situation should bear the burden. The Port Trust authorities, however, decided to waive the amount.

Surprisingly, the Port Trust authorities also handed over the masoor dal which was damaged and considered to be unfit for human consumption to the owners without imposing any condition on them and without informing the health authorities so that they in their turn could have imposed some suitable conditions preventing the owners from disposing of the masoor dal for human consumption in order to get a better price.

The Committee cannot but express the view that the Port Trust authorities did not exercise in this matter the care and thought that they should have done both to safeguard their own financial interests and also to prevent a possible health hazard.

Considering the circumstances of this case, the Committee are of the opinion that a thorough probe is essential to fix responsibility for the various lapses and taking appropriate action against the officials concerned.

8 1.59 Shipping & Transport

The Committee are not convinced with the adequacy of the grounds on which 50 per cent of the Port charges were waived by the Port authorities in respect of the consignments of wines and provisions imported by the Empire Stores, New Delhi, in 1970. The Committee cannot help feeling that the excessively soft attitude of the Port authorities in such cases is one of the important factors responsible for their unsatisfactory financial position. The Committee would accordingly recommend that clearcut criteria on sound business lines for waiver of the Port charges should be laid down and scrupulously observed by the Port authorities while dealing with requests for such waiver.

9 1.61 Do.

Before waiving the rent charges in respect of the consignments of 60 drums of Citic Acid in July, 1971, no steps seem to have been taken by the Port authorities to obtain expert advice as to whether actual deterioration of the acid had taken place. During evidence, the Committee desired to know whether there was any explanation for the fact that if the consignment had actually deteriorated, then the Central Bank would not have requested twice for its withdrawal from the auction list. No reply was given in this regard by the representatives of the Port Trust.

Notwithstanding the fact that the Port authorities did realise a sum of Rs. 7,080, the Committee feel that the case is indicative of the manner in which the Port authorities take things for granted while dealing with requests for remission of the charges due to them. In this particular case, since the Bankers had twice requested for withdrawal of the consignment from the auction list, there is no reason to doubt that they would have cleared the same even if the Port authorities had insisted on a higher amount of rent charges. The Committee expect the Port authorities to be more vigilant of their own interests and manage their affairs in a commercial rather than a charitable manner.

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1-65 Shipping & Transport

The Committee feel that the loopholes in the calculation and realisation of Port dues in respect of hazardous cargo should be plugged. It would be helpful if all the concerned workers of the Port Trust are informed about the manner in which hazardous cargo are identified by suitable gradation marks so that any wrong gradation or misdeclaration in respect of such cargo comes to notice prominently. Such an arrangement would serve as a deterrent for the officers who resort to marking a lower gradation than the actual gradation of hazardous cargo and thus would ensure the realisation of Port dues on the basis of the correct gradation of the hazardous cargo.

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1-75

Do.

The Committee have been assured that instead of making allotments of their land, 'on the merit of the individual cases' as in the past, the Port

Commissioners have at least now decided that fresh land should be allotted either through an advertisement or through sealed tenders.

The Committee have referred elsewhere in this Report to the question of review of the rent and allotment procedure of the lands and buildings of the Calcutta Port Commissioners in order to remind them that this is a potential source of revenue for them. The Port Commissioners should keep themselves fully abreast of the market trends for lands and buildings and secure the maximum return from their properties.

12

1.76 Shipping & Transport

The Committee cannot help feeling that notwithstanding the need for a detailed examination of proposals regarding increase in rent prepared and submitted by the Land Manager early in 1972, the process of review should have been completed in April, 1972, thus avoiding the loss of additional revenue which has been assessed by the Port authorities themselves at about Rs. 20 lakhs in a year. As a matter of fact this figure of Rs. 20 lakhs is much too low as it is clear from the fact that the income from lands and buildings as a result of the revised rates put into effect from 1st April, 1973 actually went up from Rs. 209 lakhs in 1968-69 to Rs. 309 lakhs in 1973-74.

The Committee are not at all convinced from the documents that have been placed before them that the Port Trust authorities had been really serious and enthusiastic in enhancing the rents for the Port Trust properties so as to be in keeping with the prevalent market rates. Because of

this failure, the Port Trust must have lost a substantial amount. The loss on this account was about Rs. 100 lakhs for one year alone and this has been going on for years.

The delay in the revision of the schedule of rents is a very serious matter justifying an immediate and thorough probe into all cases of rentals of Port Trust lands and buildings, fixation and enhancement of rates and rents and all matters connected therewith by a Central probing agency for fixation of responsibility for suitable action against the officials responsible for the loss of revenue to the Calcutta Port Trust. Government may decide how far back it would be possible for the probe to extend. The Committee would await a further report of the action taken in this regard.

The Committee feel that it is necessary that the procedures for the allotment and fixation of rentals of land and buildings of the Port Trust should be specifically laid down by a Committee consisting of a senior officer of the Ministry, the head of the Land and Property Department of the Life Insurance Corporation at Calcutta, a senior representative of the C.P.W.D., Calcutta, the Land Aquisition Collector, West Bengal Government and an officer on deputation from the Audit Department. All vacancies of lands and buildings should be notified to Central & State Governments as well as to Public Undertakings, Government owned companies and Statutory bodies.

14 1-78 Shipping & Transport

Since most of the properties of the Port Trust are given out on a term lease, the Committee find no reason why royalty (salami) should not be charged for letting out such properties. In any case nothing should be given out without advertising for it in all the local and regional newspapers in at least three consecutive issues. Offers should be invited through sealed tenders to be opened by a Committee headed by an official not lower in rank than the Deputy Chairman and should have in it, the Financial Adviser and Chief Accounts Officer amongst others.

15 1-80 Do.

The Committee would strongly suggest that the Port authorities should explore on a top priority basis the possibility of deriving more income from their properties in the Strand Road Area which is in Dalhousie Square where the prevailing market rent of offices is understood to be about Rs. 2 to Rs. 2.50 per sq. ft. per month as fixed by the Hiring Committee of Calcutta.

The Committee would suggest that the Port Commissioners should also consider the advisability of constructing multi-storeyed building from Howrah Bridge to Chandpal Ghat; this could be to the Financial advantage of the Port Trust.

The Government Departments also hire a lot of Private accommodation and they may be approached for financing such construction work.

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16. 1-82 Shipping & Transport

The Committee are not at all satisfied that the present practice of allotting land to cooperative societies formed by Port Trust Officers is a defensible practice. This may be gone into in detail by the Port authorities. In any event, such a practice can become defensible only if the same facility is made available to Class III and Class IV personnel, assuming that the practice is legal. The Committee would suggest that the Class III and Class IV personnel of the Port Trust may be encouraged to form house-building cooperative societies.

17. 2-17

Do.

The Committee cannot help observing that the whole drill followed by the Port Commissioners in respect of the Libyan Tea Warehouse constructed by them for the Tea Board at a cost of Rs. 1.25 crores in the sixties, as also the other two Warehouses after their vacation by M/s. Balmer, Lawrie & Co. early in 1972, reflects a chain of departures from the orderly path prescribed for a sound profitable management of estates, namely execution of formal lease deeds, provisions for timely payment of rent, interest on delayed payments, provision regarding damages to buildings etc., and an unconditional surrender of their legitimate rights in order to accommodate the wishes of other agencies like the Tea Board, in utter disregard of their own financial interests. For the non-execution of a formal agreement with the Tea Board before actual commencement of construction of the Libyan Tea Warehouse, there appear to be no valid reasons.

After waiver of the shortfall in rent amounting to over thirty lakhs of rupees, which was legitimately due from the Tea Board, the Port Commissioners are now chasing the Central Inland Water Transport Corporation, to whom the Warehouses were leased out—again without executing a formal agreement—for the payment of Rs. 30 lakhs of rent due from them for the period July, 1972 to December, 1973. Even with the Tea Trading Corporation to whom the Warehouses were leased out after 30th April, 1974, the terms and conditions are yet to be finalised.

The Libyan Tea Warehouse was constructed by the Port Commissioners after prior settlement with the Tea Board that the latter shall hold it for a period of sixty years on rates of rent settled in advance, with the option of sub-leasing any portion thereof with the prior written approval of the Port Commissioners. At the meeting of Secretaries concerned on the 2nd June, 1972, the Port authorities permitted this basic position to be reversed, allowed the Tea Board to completely absolve themselves of this responsibility, and put themselves in the unenviable position of having to chase the future lessees for realisation of rent—a task which was legitimately the function of the Tea Board.

This is a clear case of unbusiness-like management of properties of the Port Trust.

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18.	3.5 Shipping & Transport/ Finance (Deptt. of Revenue & Insurance).	<p>The Committee desire that the machinery for realisation of overside charges should be so geared up that no port clearance is given till the said charges have been actually realised. It is also very necessary that immediate suitable arrangements are made to check and verify the over-side cargo, no matter what the obstacles are. The Committee would also suggest that the provisions of bye-law No. 39-A should be reviewed so as to remove all lacunae because of which the Port authorities did not find it practicable to take any penal action against the defaulters.</p>	
19.	4.6 Railways/Shipping & Transport.		

The Committee are unhappy that the operation of the Port Railway is resulting in a loss of about Rs. 70 lakhs per year to the Port authorities. It cannot be a matter of satisfaction to anyone that while the rate of supplementary charge over the trunk Railways was raised from 6 per cent to 9 per cent with effect from April, 1968, the Railway Board took two and a half years (from 17th June, 1971 to 13th November, 1973) to agree to a similar proposal of the Calcutta Port authorities in respect of the Northern Section of the Port Railway, for which the increase was ultimately allowed only from 1st January, 1974.

In regard to the revision of terminal charges payable by the Railways to the Indian Ports from 1st April, 1971, the Committee are disappointed to note that in spite of the recommendation made by the Commission on Major Ports that revisions from time to time in the Railway freight rates

should be simultaneously followed by a temporary adjustment in the terminal charges paid to the Port Railway, the question of revising the terminal charges payable to the Ports from 1st April, 1971, is still hanging fire. The Committee recommend that the matter should be vigorously pursued by the Ministry with the Railway Board and a standing arrangement arrived at for an automatic increase in the terminal charges payable by the Indian Railways to the Port Railways immediately on a revision of freight charges by the former. The Committee consider it most desirable that the Railway Board should also be required to clear such references within a specified period. The Committee would suggest this period to be six months.

20. 5.5 Shipping & Transport.

The Committee need hardly point out that the delay in revising the Pilotage charges to an appropriate higher level is resulting in a recurring loss of Rs. 20 to 60 lakhs per year to the Calcutta Port. The Committee would accordingly suggest that instead of dealing with the matter in a routine manner, the Port authorities should fix their pilotage charges on 'cost plus' basis without any further delay whatsoever and ensure that at no time any loss should be incurred on this count.

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21. 6.70 Shipping & Transport/
Commerce.

The Committee are surprised to see the manner in which the Port Commissioners have been going round with a begging bowl for increasing the rates on a service which is not their statutory responsibility and which was taken over by them on the understanding given by the shipping lines that they would not be called upon at any time to bear

any loss that might accrue on this account. It is also amazing that none of the other parties, including the Steamer Agents and the Ministries concerned in the Government of India, ever tried to find a solution to the problem of the Port Commissioners and only presented their own difficulties in case any increase was made in the trimming charges by the Port. Still more amazing is the fact that the Port authorities, being all the time aware of their continuing losses, exercised their right to make the increase 'on their own' from as late a date as October, 1974, by which time they had already suffered losses of hundreds of lakhs of Rupees.

The Committee see no justification for burdening the Port of Calcutta with the Coal trimming responsibility and the additional financial liability it involves. The Port Trust must be fully paid for the service they render.

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22.

7-14 Shipping & Transport

The Committee note that the utilisation of the dredgers owned by the Port authorities is very low. Two expert Committees have already examined this question. The Study Team of the International Association of Ports, had found on a detailed examination, that within the Dock Systems the hours worked by Dredgers during 1965-66 totalled only 6,788 as against the total time of 60,000 hours available for dredging if the dredgers worked round the clock and 20,000 hours on an 8 hour shift basis. The Dredger Utilisation Committee, 1973, came to the conclusion that the Dredger fleet at Calcutta was working far below its capacity.

The Committee do not, therefore, consider it a happy situation at all that against a norm of 5280 hours of working per annum by a dredger suggested by the Dredger Utilisation Committee, 1972-73, the time worked by the River Dredgers at Calcutta Port ranged between 600 and 2151 hours in 1973-74 the actual dredging time being between 300 and 1203 hours.

The findings of the above two expert Committees practically demolish the contention of the Port authorities that dredging has no influence on the turn-round time. The non-official communications also indicate that the Dredger Utilisation at Calcutta has been miserably low and the same has affected the navigability at the Port. The poor utilisation of the Calcutta Port Trust's own dredgers reveals serious mismanagement and lack of planning and ability to execute on the part of top executives which requires thorough probing and fixing of responsibility, particularly in the context that high amounts (including Foreign Exchange) are being paid by the Port as hire charges to foreign firms for dredging operations here.

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23. 7.15 Shipping & Transport

In the opinion of the Committee, it should be made compulsory that the Dredgers at Calcutta Port, acquired and being maintained at a high cost, should for no part of time be kept unutilised, except where absolutely unavoidable for reasons of periodical check-up, repairs etc. The fact that while on the one hand the Dredgers of the Port are being put to very low utilisation, and on the other hand the Port authorities paid to foreign and private companies during the last two years (1973-74 and 1974-75) a sum of Rs. 1275.00 lakhs (including 637.66 lakhs in

foreign currency) and a sum of Rs. 198.79 lakhs to private firms by way of hire charges for dredging the Approach Channel leading to Haldia and the Dock Basin at Haldia respectively, shows lack of managerial efficiency resulting in a situation which is not at all desirable and naturally gives rise to suspicions of undue patronage to outside firms. This practice has, therefore, to be reduced, if not done away with altogether.

24. 7-16 Shipping & Transport

The Committee would suggest that the question of over-coming of navigational hazards for operation of Dredgers at night times between Diamond Harbour and Calcutta, as also the scheme for grant of incentive to the dredging staff for increase in working hours, should be dealt with on a top priority basis and solutions found to ensure that the Dredgers at the Calcutta Port are put to three-shift working in order to achieve maximum output from them. It is expected that with the release of Farakka water, the dredging task in the Hooghly will be minimised. The Committee would await the result with interest.

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25. 7-17 -Do.-

Keeping in view the financial position and situation of the Calcutta Port and the fact that it is a riverine port which has to serve the entire Eastern and North Eastern parts of the country, the Committee recommend that it would not be quite fair to burden Calcutta Port Trust with the cost of dredging the River Hooghly at all and accordingly the rate of subsidy paid by the Central Government on that account should be raised from 80 per cent to 100 per cent, subject to the maximum utilis-

ation of the existing dredgers of the Port Trust. Alternatively the Central Government might consider the feasibility of creating a dredger pool for all dredging works in the country. A Dredger Corporation could also be set up for this purpose.

26.

8·6

Do:

(i) The Committee are surprised to note that even on the clear conclusions of the Vigilance Office regarding complicity of Shri B. K. Kapur, Dy. Dock Manager in the matter (removal of some stores from 'B' K.G.D. in 1967), no action whatever was taken against him. The conclusions arrived at by the Vigilance Officer *prima facie* reveal that Shri Kapur was the brain behind the episode, and to protect him the Port administration made some junior persons scapegoats instead of prosecuting Shri Kapur in the Court of Law. They should have been more severe with the senior-most person, as more senior the officer, more serious notice should be taken of lapses on his part.

The Committee recommend that the Port authorities should obtain expert legal opinion immediately in the matter of prosecuting Shri Kapur (even after his retirement) on the basis of the facts as revealed by the Vigilance Report, and take further necessary action in that direction at the earliest.

(ii) These junior officers who have been prosecuted have been kept under suspension since 1967. It is most unfair to keep officers under suspension for such a long period of time. Every effort should be made to see that this is finalised within the shortest possible time.

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27.	9'3	Shipping & Transport	<p>The Committee would strongly suggest that a small cell should be created to clear all the cases (relating to payment of Provident Fund dues of retired employees) that have been pending for more than 2 to 3 months. A proper machinery should also be evolved to ensure that in future every retiring employee not only gets 90 per cent of his dues promptly on his retirement but also the remaining ten per cent within 2 to 3 months of his retirement.</p>
28.	10'20	Do.	<p>From the material before the Committee, they are left with no doubt that private stevedoring has now totally outlived its utility at the Calcutta Port. If anything, their role is of mere middlemen to pocket the huge difference between the stevedoring charges received by them from the Shipping Companies which is about Rs. 65/- per ton and the handling cost of labour including levy which works out to about Rs. 18/- per ton paid by them to the Dock Labour Board. The fact that the figures of tonnage handled by the registered workers of the Dock Labour Board as maintained by the Board differ widely from those maintained by the Port Trust (viz. 35,72,896 tonnes as per Board's records as against 39,19,000 tonnes in the Port Trust's records in 1972-73, and 34,62,125 tonnes as per Board's records as against 36,70,000 tonnes in Port Trust's records in 1973-74) is indicative of the fact that they do indulge in widespread malpractice of using the labour in extra shifts beyond the prescribed limits without the formal knowledge of the Board.</p>

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The delays in the payment of their dues to the Dock Labour Board, the issue of cheques which are dishonoured so very frequently by the Banks, the non-payment of Bonus etc., are only some of the many mal-practices indulged in by the Stevedores. They have no responsibility towards the welfare of the labour and in fact the Dock workers are in a miserable plight.

The Committee appreciate the report, based on first hand experience and thorough study of the then Chairman of the Dock Labour Board with the assistance of the present Chief Executive of Dock Labour Board, which *inter alia* points out that 95 per cent of the work in the industry is already being done by workers who are, for all practical purposes, already State employed and State controlled. The Committee, therefore, see no reason as to why the labour should still be left at the mercy of the Stevedores.

The Committee have no doubt at all that with the nationalisation of the dock labour, the overall efficiency of labour in the industry would ultimately improve and reach new heights. The interest of the Stevedores exploited labour, who mostly come from Bihar, U.P., Orissa and Andhra Pradesh would also be safeguarded to some extent.

In view of the present situation of the Stevedoring business in Calcutta, which refuses to co-operate with the Port Dock Labour Board and the Government in any of the measures to improve the working of the Port and Transport industry and also in view of the recommendations

of the various expert bodies which have gone into the problems of the Ports, the Committee strongly support the suggestions made by the then Chairman of the Dock Labour Board for taking over of the Stevedoring work by the Government and formation of a State Stevedoring Corporation under a statutory authority to manage its affairs. The Committee accordingly recommend that the matter should be finalised by the Government urgently and suitable steps taken in that direction.

29. 10.21 Shippings & Transport

The Committee recommend that in view of the unsatisfactory labour situation at Calcutta Port and the consequent need for application of undivided attention by a whole-time officer, not burdened with any other affairs of the Port, there should be separate Chairmen for the Dock Dock Labour Board and the Port Trust.

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30. 11.3 Do.

The Committee are most unhappy over the position that while 7.6 per cent of the Dock Labour at Bombay, 20.2 per cent at Madras and 24.79 per cent at Visakhapatnam have been provided with residential houses, at Calcutta the percentage in this regard is as low as 2.7 which is next to nothing. The main difficulty has been stated to be the delay in provision of land by the Port Trust to the Dock Labour Board. It is indeed strange that, as mentioned earlier in this report, while land is being given freely by the authorities to private parties without even advertising and high officers of the Port, they did not give any land for the last ten years.

for putting up residential houses for the poor labour working at their own Port.

In view of the present financial position of the Calcutta Port, the Committee attach great importance to the provision of residential accommodation to the Dock Labour functioning at that Port. The Committee feel that if this serious hardship of the Dock Labour force is removed, it will help in improving the efficiency of the Port.

The Committee do not accept the position that once the general policy questions (about housing construction) are cleared by the Government of India, the land question might not stand in the way. Unfortunately, the past experience in the matter of acquisition of land does not bear out that belief. The Committee would, therefore, request that the question of allocating land for putting up residential houses for the Dock labour at the Calcutta Port should be examined in detail and responsibility fixed for dealing with the matter in a casual manner in the past.

31. 11.3 Shipping & Transport

The question of getting land for construction of houses for Dock workers at Calcutta Port should be vigorously pursued with the authorities concerned so that land is actually available and construction of houses for the labour is not held up on this account.

Sl. No.	Name of Agent	Sl. No.	Name of Agent
WEST BENGAL		32.	Lakshmi Book Store, 42, Municipal Market, Janpath, New Delhi.
21.	Grantholoka, 5/1, Ambica Mookherjee Road, Belgharia, 24-Parganas.	33.	Bahree Brothers, 188, Lajpat Rai Market, Delhi-6.
22.	W. New Man & Company Ltd., 3, Old Court House Street, Calcutta.	34.	Jayna Book Depot, Chhaparwala Kuan, Karol Bagh, New Delhi.
23.	Firma K. L. Mukhopadhyay, 6/1-A, Banchharam Akur Lane, Calcutta-12.	35.	Oxford Book & Stationery Co., Scindia House, Connaught Place, New Delhi.
24.	Mrs. Manimala, Buys & Sells, 128, Bow Bazar Street, Calcutta-12.	36.	People's Publishing House, Rani Jhansi Road, New Delhi.
25.	M/s. Mukerji Book House, Book Seller, 8B, Duff Lane, Calcutta.	37.	The United Book Agency, 48, Amrit Kaur Market, Pahar Ganj, New Delhi.
DELHI		38.	Hind Book House, 82, Janpath, New Delhi.
26.	Jain Book Agency, Connaught Place, New Delhi.	39.	Book Well, 4, Sant Nirankari Colony, Kingaway Camp, Delhi-9.
27.	Sat Narain & Sons, 3141, Mohd. Ali Bazar, Mori Gate, Delhi.	40.	M/s. Saini Law Publishing Co. 1899, Chandni Chowk, Delhi.
28.	Atma Ram & Sons, Kashmere Gate, Delhi-6.	MANIPUR	
29.	J. M. Jaina & Brothers, Mori Gate, Delhi.	41.	Shri N. Chaob Singh, News Agent, Ram Lal Paul High School Annex Imphal.—MANIPUR.
30.	The Central News Agency, 23/90, Connaught Place, 5, New Delhi.		
31.	The English Book Store, 7-L, Connaught Circus, New Delhi.		

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