

**ESTIMATES COMMITTEE
(1967-68)**

SEVENTEENTH REPORT

(FOURTH LOK SABHA)

**MINISTRY OF TRANSPORT AND SHIPPING
(DEPARTMENT OF TRANSPORT)**

Action taken by Government on the recommendations contained in the Sixty-ninth Report of the Estimates Committee (Third Lok Sabha) on the erstwhile Ministry of Transport Vishakhapatnam and Tuticorin Ports.



**LOK SABHA SECRETARIAT
NEW DELHI**

November, 1967

Kartika, 1889 (Saka)

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CORRIGENDA

To

Seventeenth Report of the Estimates
Committee (Fourth Lok Sabha)

Page V, line 2, for "Seveteeth" read
"Seventeenth".

Page V, line 11, for "Stuly" read "Study".

Page 6, line 1, insert "to" before "enter".

Page 6, line 1, delete "to" after "enter".

Page 8, line 23, for "30.5.1956" read
"30.5.1966".

Page 12, under recommendation Serial No.10,
line 3, add "800'x100'x30'" after
"capacity of".

Page 16, under recommendation Serial No.18:

(i) line 2, add "Tuticorin" before
"Port".

(ii) line 9, delete "to" after "enable" and
add it before "function".

Page 16, under recommendation Serial No.20,
line 5, for "posts" read "ports".

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**ESTIMATES COMMITTEE
(1967-68)**

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Shri G. D. Sharma—*Under Secretary.*

INTRODUCTION

I, the Chairman of the Estimates Committee having been authorised by the Committee, present this Seventeenth Report of the Estimates Committee on the Action taken by Government on the recommendations contained in the Sixty-Ninth Report of the Estimates Committee (Third Lok Sabha) on the erstwhile Ministry of Transport-Vishakhapatnam and Tuticorin Ports.

2. The Sixty-Ninth Report was presented to the Lok Sabha on the 14th April 1965. Government furnished their replies indicating the action taken on the recommendations contained in this Report between 30th May 1966 and 3rd July 1967. The replies were examined by the Study Group 'F' of the Estimates Committee at their sitting held on the 3rd August 1967. The draft Report was adopted by the Committee on the 8th November, 1967.

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

- I. Report
- II. Recommendations which have been accepted by the Government.
- III. Recommendations which the Committee do not desire to pursue in view of the Government's reply.
- IV. Recommendations in respect of which replies of Government have not been accepted by the Committee.

4. An analysis of the action taken by Government on the recommendations contained in the Sixty-Ninth Report of the Estimates Committee (Third Lok Sabha) is given in the Appendix. It would be observed therefrom that out of 21 recommendations made in the Report, 17 recommendations i.e. 80.9 per cent have been accepted by Government and the Committee do not desire to pursue one recommendation i.e. 4.8 per cent in view of Government's reply. Replies of Government in respect of the remaining 3 recommendations i.e. 14.3 per cent have not been accepted by the Committee.

NEW DELHI,

November 9, 1967.

Kartika 18, 1889 (Saka).

P. VENKATASUBBAIAH,

Chairman,

Estimates Committee.

CHAPTER I

REPORT

Construction of Four Additional Berths

In para 7 of their Sixty-Ninth Report (Third Lok Sabha) on the Ministry of Transport (Vishakhapatnam and Tuticorin Ports), the Estimates Committee noted that not much progress had been made in the construction of four additional berths (2 ore berths and 2 general cargo berths) in Vishakhapatnam Port during the Second Five Year Plan. They noted that even in the Third Five Year Plan the pace of progress was much behind the schedule. The reasons given to the Committee for the delay in the construction were (i) late receipt of construction equipment from U.S.A.; (2) labour strike at Vishakhapatnam Port in the middle of 1962; and (3) delay on the part of contractors M/s. Steel Crete (P) Ltd. to execute the project. It was stated that the contractors had been imposed a penalty of Rs. 1 lakh. The Committee were also informed that the non-completion of the ore berths had, to a great extent, delayed the erection of the Ore Handling Plant and the delay in the completion of east cargo berths and lighterage wharf had adversely affected the handling capacity of the Port. The Committee were not convinced with the reasons advanced for the inordinate delay in the construction of berths which had gravely affected the programme for installation of the ore handling plant and the export of ore to Japan. They felt that in view of the resultant losses suffered by the Port and the Government on account of the delay, the penalty of Rs. 1 lakh imposed on the contractors was inadequate and suggested that Government should look into the matter and expedite the completion of the two east cargo berths so that these were put into commission well before the end of the year.

2. In reply Government stated that "the question of imposing further penalty on the contractors was deferred in view of the heavy penalty already imposed."

3. According to the information furnished to the Committee subsequently on 8th May 1967 the position of construction of the berths is as under:—

Berths	Original date of completion	Revised date of completion	Latest position as now stated by Government
Two Ore Berths	April 1963	February 1965	First berth completed on 16th December 1964. Second berth completed on 5th June 1965.
Two Cargo Berths	April 1964	December 1965	Northern berth completed on 30th October 1966. Southern berth still under construction and is likely to be completed by December 1967.

4. The Committee are unhappy to find that since their last recommendation there has been further delay in the completion of the berths. They are concerned to note that the Southern cargo berth which was originally scheduled to be completed by April 1964 is still under construction and is likely to be completed by December 1967. The Committee are distressed to note that the contractors who are stated to be entirely responsible for the delays have defaulted even after imposition of the penalty of Rs. one lakh in February 1964 in as much as they failed to complete the berths by the revised dates. The Committee are, therefore, convinced that the penalty already levied is not commensurate with the inordinate delays which have upset the programme of development of Port. They would urge that the question of imposing suitable penalty on the contractors for the delay in the completion of berths may be further examined by Government at an early date.

Preliminary Project Report

5. In para 35 of the Report, the Committee noted that even before the Detailed Project Report of the Tuticorin Port had been finalised and design of breakwaters settled several preliminary works including the portion of the two breakwaters down to minus

3 metres costing about Rs. 225 lakhs had been sanctioned by Government. In reply, Government stated that "after the acceptance of the Intermediate Ports Development Committees recommendation in 1961, a preliminary project Report was prepared by the Development Adviser in the Transport Ministry in February 1963. To follow up with a detailed project report necessary investigations were made on hydrographic, marine meteorological data at site and model studies for tranquillity and structural foundations.

Action was also taken on essential preparatory works like land acquisition, laying of access railways and roads, construction of field offices and services like water supply, electricity, drainage. As the site of the harbour was miles away from Tuticorin Town a small residential colony was set up so that it could fit in with the permanent needs of the port also.

Essentially to gain experience on rates, method of construction which forms the major part of cost of the Project, it was decided to quarry stones and form the first reaches of the breakwater, all to the advice of the Technical Advisory Committee.

Further works have been pursued after the proper project report was submitted and with a minimum of constructional activity kept going for continuity works staff and other workers."

6. The Committee are not convinced by the reasons advanced by Government for taking up several preliminary project, costing about Rs. 225 lakhs, even before the finalisation of the Detailed Project Report, particularly when the Preliminary Project Report had undergone some changes. They would like the Government to go into the matter carefully with a view to ascertain the essentiality of the works and to see whether in the light of the Detailed Project Report this expenditure has proved infructuous in any way.

CHAPTER II

RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Serial No. 1, Para 5)

The Committee note with distress that out of the First Plan projects, 6 projects with a total estimate of Rs. 279·62 lakhs had to be carried over to the Second Plan and that out of a provision of Rs. 941·02 lakhs made in the Second Plan only Rs. 431·94 lakhs representing 46 per cent were utilised with the result that a number of important projects had to be carried forward to the next Plan period.

The Committee are unhappy that the practice of carrying forward important works from one Plan period to the other has persisted throughout. They consider that if the Plan provisions for refinery works and the suction dredger in the First Plan period and for additional four berths, ore loading plant etc. in the Second Plan period, were effectively utilised to complete the works in question during the respective periods, the Port could have played a bigger part in sustaining and increasing exports of iron ore, which have gathered momentum during the current Plan period and thereby enabled the country to earn more foreign exchange.

The Committee are distressed to find that as much as Rs. 74 lakhs would be carried forward from the Third Plan to the Fourth Plan and that out of this amount Rs. 59 lakhs would be for projects which were carried forward originally from Second Plan to the current Plan period. The Committee can hardly over emphasise that every effort should be made to complete these long outstanding schemes within the current Plan period. As this sort of failure in implementing plan schemes has been more or less common for all ports, the Committee suggest that every such case of failure should be properly enquired into and responsibility fixed.

The Committee would further suggest that a phased programme may be drawn up in advance for implementation of schemes to be included in the Fourth Plan so that the various factors which have hampered progress during the current and the earlier Plan periods do not hold up progress of works in the next Plan.

REPLY OF GOVERNMENT

The Committee's recommendations are accepted.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26) /66, dated 30-5-1966.]

Recommendation (Serial No. 3, Para. 9)

The Committee are given to understand that iron ore has already started moving from Kiriburu mines for export to Japan from the Vishakhapatnam Port in accordance with the contract signed with the Japanese. These exports would gather momentum and rise to about 6 to 8 million tons with the installation of ore handling plant and development of Baladilla mines.

The Committee urge that early decision may be taken in consultation with the Research Station, Poona for widening and deepening further the shipping channel on long term basis so that larger carriers which are being increasingly used for carrying ore can come into Vishakhapatnam.

REPLY OF GOVERNMENT

The Committee's recommendation has been noted.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26) /66, dated 30-5-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please indicate what specific action has been taken in regard to widening and deepening further the Shipping Channel on long term basis so that larger carriers which are being increasingly used for carrying ore can come into Visakhapatnam.

[L.S.S. O.M. No. 4/22(1) ECI/65, dated 23-11-1966.]

REPLY OF GOVERNMENT

The entrance channel has already been widened and deepened to navigate vessels up to a maximum length of 635 feet and drawing a maximum draft of 33 feet of about 35000 Tonners.

A proposal for improving the Entrance Channel to the Port to enable 50,000 tonnage ships was considered. After detailed consideration, it was decided that it would be sufficient for the present to deepen and widen the Channel to enable ships of 680' length draw-

ing a draft of 35' of about 37,000 tonnage enter to Port. An investment of Rs. 2.98 crores for deepening of the channel has been approved by the Planning Commission in principle.

A project report is under preparation.

[Ministry of Transport and Aviation (Transport Wing) O.M. No. 12-PDI (26)/65, dated 16-12-1966.]

Recommendation (Serial No. 4, Para 12)

The Committee regret that though provision for ore handling plant was included in the Second Five Year Plan, it was only in February 1959 (i.e. after nearly three years of the commencement of the Plan period) that estimates and general specifications for the ore handling plant were roughly prepared and that it took the Ministry another 2½ years to finalise the specifications by which time the Second Plan period was over. Even after this inordinate delay as a result of dilatory and time consuming procedures, Government felt the need to modify the terms of the contract to raise the capacity of the plant from 6 million tons to 8 million tons soon after the contract for the ore handling plant was signed with the American firm in July, 1962.

The Committee would suggest that with a view to avoid such delays in future, Government should evolve a procedure whereby preliminary estimates/plans pertaining to projects, involving heavy expenditure can be examined by experts, at appropriate levels, in the very beginning so that, the period of scrutiny and scope of revision at a later date are kept to the minimum.

The Committee would also like to point out that the nature of the soil where embankment leading to the wagon dumper was required to be constructed should have been thoroughly investigated before finalising its design. If this initial precaution had been taken it would have obviated not only delay in the execution of the connected civil engineering works but also saved the after contract modifications in the design of the ore handling plant.

REPLY OF GOVERNMENT

The Committee's recommendations are accepted.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI(26)/66, dated 30-5-1966.]

Recommendation (Serial No. 5, Para 13)

The Committee suggest that a long-term view may be taken of the requirements—say for the next 15 years with particular reference to the nature and quantum of cargo expected to be handled in Vishakhapatnam Port so that a phased programme could be drawn up in advance for modernising and augmenting the existing cargo handling facilities to meet the growing requirements and for making up the deficiencies of particular items required.

REPLY OF GOVERNMENT

Necessary action will be taken to plan in advance and augment the existing cargo handling facilities to meet the growing requirements of the traffic of the port and for making up the deficiencies wherever required.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI(26)/66, dated 30-5-1966.]

Recommendation (Serial No. 6, Para 14)

The Committee would suggest that a careful reappraisal of the requirements of lighters and other handling equipment at the Port may be made, having regard to the new berths which are expected to be completed during the course of the year and having regard to the heavy lifts required for Bhilai steel plant and other heavy industries which will be handled at the Port.

REPLY OF GOVERNMENT

The following requirements of lighters and other handling equipment have been provided in the Fourth Five Year Plan period.

Lighters and barges

1. Replacement of 8 Nos. wooden lighters.
2. Provision of 5 Nos. 100-ton steel barges.

Cargo handling equipment

1. Floating crane 125/150 ton capacity.
2. 4 Nos. long trailers.
3. 2 Nos. tractors.
4. 8 Nos. diesel locos.

5. 2 Mobile cranes each of 50-ton capacity.
6. 6 Nos. forklift trucks of 6000 lbs. capacity each.
7. 2 Nos. side lifting forklift trucks of 8000/12000 lbs. capacity each.

The above requirements have been provided having regard to the new berths which are expected to be completed during the course of the year and having regard to the heavy lifts required for Bhilai Steel Plant and other heavy industries which will be handled at the Port.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dated 30-5-1966.]

Recommendation (Serial No. 7, Para 15)

The Committee would suggest that early decision may be taken regarding the revision of wharfage charges on the export and import of oil, having due regard to the need for finding finances for meeting the development cost of the Port and the capacity of the oil to bear the proposed wharfage charges.

REPLY OF GOVERNMENT

The revised wharfage rates of oil have been finalised and brought into effect from 1.1.1966 *vide* Transport Ministry's letter No. 17-PG (31)/59 dated 9.9.1965.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dated 30-5-1966.]

Recommendation (Serial No. 8, Para 16)

The Committee note that there is wide difference in the cost of dredging 1,000 cubic feet by dredgers 'Vizagapatam' and 'Visakha' The cost of dredging for both the dredgers has also been rising steeply over the years.

REPLY OF GOVERNMENT

The reasons for the difference in the cost of dredging between the dredgers 'Vizagapatam' and 'Visakha' are as follows:

'Visakha' is a dredger acquired in 1958 and depreciation is also added to the expenditure in respect of this dredger; whereas 'Vizagapatam' having served for 25 years and replaced in the books, no depreciation is allowed on this dredger.

(ii) The consumption of stores for 'Visakha' is much greater than for 'Vizagapatam'.

(iii) 'Visakha' has been working two shifts as against three shifts by 'Vizagapatam'.

The reasons for increased cost of dredging are due to the rise in the price of stores, increased cost of staff due to Classification and Categorisation Committee and Second Pay Commission's recommendations and the heavy expenditure incurred for repairs to shore pipeline and floating pipeline.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dated 30-5-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

The following points may be clarified:—

- (a) *It is not clear how 'Visakha' which is a later dredger is consuming more stores for working on two shifts than the dredger 'Vizagapatnam' which is more than 25 years old and is working on three shifts.*
- (b) *It is also not clear why 'Visakha' which is a later dredger is being worked only two shifts as compared to 'Vizagapatnam' which in spite of being more than 25 years old, is being worked on three shifts.*
- (c) *The Committee note that the quantity dredged by dredger 'Visakha' in 1963-64 was only 171,97,000 cft. as compared to 247,86,000 cft. in 1962-63 and 221,23,000 cft. in 1964-65.*

Please state the reasons for this shortfall in dredging by s.d. 'Visakha' in 1963-64.

- (d) *The Committee note that the cost of dredging of 'Visakha' has come down from Rs. 61.75 in 1963-64 to Rs. 49.09 in 1964-65 per 1,000 cft. (excluding cost of interest and depreciation) whereas the cost of dredging by 'Vizagapatnam' has shot up from Rs. 62.38 in 1963-64 to Rs. 112.65 in 1964-65 per 1,000 cft. (excluding the cost of interest and depreciation).*

The Committee would like the authorities to carefully look into the reasons for such marked variations in the cost of dredging by the two dredgers from year to year and to indicate measures taken or proposed to be taken to ensure that it is kept to the minimum.

[L.S.S. O.M. No. 4/22(1)ECI/65, dt. 23-11-1966].

REPLY OF GOVERNMENT

(a) The dredger 'Visakha' is a more complex and bigger craft than the old dredger S. D. 'Vizagapatnam' and hence requires larger quantities of stores etc. for efficient operation. Even though S. D. 'Visakha' worked only two shifts, the maintenance cost of the dredger cannot be less, as the stores required for maintenance such as painting, wire ropes etc. remained the same.

(b) It was not possible to work S. D. 'Visakha' more than two shifts, owing to shortage of navigating officers. The type of dredging done by S. D. 'Visakha' required continuous manoeuvring in and out of the Harbour, necessitating qualified Master Mariners and owing to this shortage, she worked only two shifts.

(c) During 1963-64, S. D. 'Visakha' was engaged most of the time in maintenance dredging which involves carriage of silt only and therefore the quantity dredged shows less. During the previous year and the following year, in addition to maintenance dredging, she also did capital dredging involving sand and clay. Further she was under overhaul for 83 days during 1963-64 as against 53 in 1962-63 and 60 in 1964-65. Hence the number of days she was engaged in dredging during 1963-64 was also less. A statement showing the number of days of the working of S. D. 'Visakha' in the years 1962-63, 1963-64 and 1964-65 is given below:—

	1962-63	1963-64	1964-65
S. D. VISAKHA			
(1) No. of days dredged	219	191	218
(2) Holidays	72	69	70
(3) Overhaul	53	83	60
(4) Changing to nozzle } Dragnozzle etc. }	11	6	9
(5) Bunkering	—	1	1
Bouy fouled	1	—	—
Changing infiller etc.	7	—	—
(6) Mechanical repairs	—	5	3
(7) Bad weather	2	10	2
(8) Deck Officers reported sick.	—	1	2
	365	366	365

(d) The reason for the marked variation of the cost of dredging between the rate of Rs. 61:75 in 1963-64 and Rs. 49:09 in 1964-65 in respect of Dredger S. D. 'Visakha' explained in (e) above. Further the number of days it was engaged in dredging during 1964-65 was 218 as against 191 in 1963-64. In view of this the quantity dredged was more in 1964-65 and the expenditure on dredger remains almost the same (Rs. 10.62 lakhs and Rs. 10.86 lakhs). As such, the rate in 1964-65 was less than the rate in 1963-64.

In respect of cost of dredging by S. D. 'Vizagapatnam' the marked variation from the rate of Rs. 62.38 in 1963-64 to Rs. 112.65 in 1964-65 is due to the fact that the dredger was moved from place to place to suit the operational needs and this also involved shifting of pipe line from one area to another resulting in loss of dredging time and also less quantity was dredged. Further in the year 1964-65 more expenditure on repairs was incurred (Rs. 2,57,442) as against Rs. 94,273 incurred in the previous year 1963-64.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/65, dated 16-12-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please indicate the measures taken or proposed to be taken to bring down the cost of dredging and the maintenance of the two dredgers.

[L. S. S. O.M. No. 4/22 (1) ECI/65, dated 20.3.1967.]

FURTHER REPLY OF GOVERNMENT

The maintenance and operation charges of the dredgers cannot be considered as excessive taking into account the increase in cost all round. The main items under Stores is fuel i.e. coal or oil and the prices of these items are fixed by the Government. Other items are purchased on tender basis.

When it is considered that the Port dredgers work round the clock for almost 9 months in a year, the repair charges are not high.

All measures have been taken for keeping down the cost of dredging and the maintenance of the two dredgers.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 12-PDI (26)/65, dated 8-5-1967.]

Recommendation (Serial No. 9, Para 18).

The Committee would suggest that early decision regarding the purchase of new dredgers may be taken so that the work of deepening the entrance channel to the Port and of widening the turning circle can be undertaken without delay.

REPLY OF GOVERNMENT

The Committee's recommendation has been noted.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dated 30.5.1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the decision taken on the question of acquisition of additional dredgers by Visakhapatnam Port.

[L.S.S. O.M. No. 4/22(1)ECI/65, dated 23-11-1966.]

REPLY OF GOVERNMENT

Action is being taken to procure a dredger during the Fourth Plan.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/65, dated 16-12-1966.]

Recommendation (Serial No. 10, Para. 19)

The Committee find that the Report of the Planning Group on Ship Building contains Inter Alia the recommendation that dry dock may be provided at Visakhapatnam Port with a capacity of

The Committee recommend that early decision may be taken in the matter.

REPLY OF GOVERNMENT

It is proposed to provide a large sized dry dock as part of the Hindustan Shipyard, Visakhapatnam.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dated 30.5.1966.]

Recommendation (Serial No. 11 Para. 22)

The Committee consider that as Visakhapatnam Port is being increasingly used for bulk handling of cargo, security measures against

pilferage particularly for wheat and engineering goods should be tightened up.

REPLY OF GOVERNMENT

The security arrangements of the Port have been tightened and the incidence of pilferage and petty thefts has been brought down to a great extent. Monthly Security Committee meetings are held and remedial measures are taken as and when necessary to put down thefts and pilferages.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI(26)/66, dated 30-5-1966.]

Recommendation (Serial No. 12, Para. 24)

The Committee consider that as Visakhapatnam is now being developed in a big way for handling exports of iron ore it is necessary that the railway operations inside the Port are placed on an efficient footing. They would suggest that a small committee consisting of representatives of the Port authorities and South Eastern Railway may jointly go into the working of the Port railway and suggest measures for improving efficiency. In particular, the Committee stress that 10 diesel locomotives required for operating the Port railway should be obtained at an early date and the hired locomotives taken from Calcutta Port and the South Eastern Railway returned to them.

The Committee would also suggest that a separate account of Port Railway may be maintained so as to keep a watch on its operating ratio and devise measures to bring down the cost and improve efficiency.

REPLY OF GOVERNMENT

In order to improve Railway facilities provision of a new reception-cum-despatch yard and lengthening of 9 out of 17 lines in the North Holding Yard at an estimated cost of about a crore of rupees is being taken up. Further, two small diesel locos will be received by middle of 1966. Eight Diesel Locomotives are proposed to be purchased during Fourth Plan. The services of a Senior Officer from South Eastern Railway have been obtained to ensure better co-ordination between the Railways and the Port. As regards the committee's suggestion regarding maintenance of separate account for Port Railway, this will be considered when the Port takes over the entire Railway. At present, the engines are hired from the Railway and operation costs are also paid to them. We get terminals for the

terminal services rendered by us. A proforma account of the working of the Railways is, however, already kept and shown in the Administration Report.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (26)/66, dt. 30-5-1966.]

Recommendation (Serial No. 13, Para 25)

The Committee suggest that Government may take an early decision as to whether the existing bridge should be demolished after completion of the new bridges. If it is decided not to demolish the existing bridge, the Committee need hardly say that it should be properly maintained.

REPLY OF GOVERNMENT

The existing bridge will have to be demolished to accommodate expansion of the Navy. The question of demolishing the bridge can be taken up only after the new bridges across swamps are completed. Until that time, the bridge will be maintained.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI (28)/66, dt. 30-5-1966.]

Recommendation (Serial No. 14, Para 26)

The Committee regret that only five years after the construction of the road-cum-rail bridge in 1951 the need for its replacement by new bridges, across the swamp, was felt as evidenced by the provision made therefor in the Second Plan. It is indicative of the failure of the port authorities to make a correct estimate of the anticipated traffic.

The Committee are unhappy that despite the provision made in the Second Five Year Plan no concrete steps were taken till May, 1961 (i.e., the first year of the Third Plan) to draw up and submit the proposal to Government for sanction. The Committee are distressed that Government took another two years to accord their approval and that since then the design of the bridge is under revision due to the treacherous nature of the soil. The Committee see no reason why the nature of the soil was not fully investigated and taken into account initially while drawing up the design of the bridges.

The Committee would stress that the redesigning of the bridge should be expedited and that it should be of sufficient capacity so as to meet the requirements likely to develop at least in the next 25 years. The Committee would urge that the construction of bridges

may be taken in hand without undue delay after the finalisation of the design so as to complete them early.

REPLY OF GOVERNMENT

The existing bridge was constructed only as a rail bridge in 1950-51 and in 1955 it was converted to a road-cum-rail bridge to facilitate road traffic to the Caltex Oil Refinery. As this bridge could cater only one-line traffic, there was necessity for separate bridges. This bridge was not intended to take National Highway traffic.

Intensive soil investigations were made and the design of the new Bridges revised suitably.

After the finalisation of estimates and designs, tenders have also been finalised and the work is being awarded. The new bridge has been designed to cater to traffic expected to develop in the next 25 years and more.

[Ministry of Transport & Aviation (Transport Wing) O.M.
No. 12-PDI (26)/66, dt. 30-5-1966.]

Recommendation (Serial No. 15, Para 27)

The Committee would like to refer to the recommendation contained in their 66th Report on the Ministry of Labour and Employment—Dock Labour Boards of Calcutta, Madras and Bombay where-in the need for quick and efficient turn-round of ships, particularly foodgrain ships has been emphasised. The Committee hope that Government would take suitable measures to augment the output of Vishakhapatnam dock labour and keep the Port services fully operational.

REPLY OF GOVERNMENT

The 'out-put' of Dock Labour at Vishakhapatnam Port is good. Foodgrain is discharged at the rate of 150 to 200 tonnes per hook per shift—a figure which ensures discharge of about 2000 tonnes a day on an average. The incentive-piece rate scheme is working satisfactorily.

Piece-rate Scheme is in operation for the workers of the Vizagapatam Dock Labour Board, and the workers are achieving much more than the datum in the discharge of the foodgrains, fertilisers etc.

[Ministry of Transport & Aviation (Transport Wing) O.M.
No. 12-PDI (26)/66, dt. 30-5-1966.]

Recommendation (Serial No. 18, Para 44)

The Committee would emphasise that a phased programme for the development of the Port should be drawn up having special regard to its economics and that effort should be to make the Port run on 'No Profit-No Loss' basis and in due course generate enough resources to pay for its development programmes.

REPLY OF GOVERNMENT

The recommendation of the Committee has been noted. The Project is being examined from traffic, economic and financial angles to enable to it function on a "no-profit no-loss basis".

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII (29)/66, dt. 3-7-1967.]

Recommendation (Serial No. 20, Para 46)

As the new harbour is being developed as a major port and Government's ultimate intention is to declare the existing port as subsidiary port, the Committee suggest that Government may come to an early decision about the administration and development of the two posts so that they may work as complementary and supplementary to each other.

The Committee would also suggest that the limits for the new Tuticorin harbour should be notified as early as possible to avoid any confusion.

REPLY OF GOVERNMENT

In determining the scope of the Project, the need to have the new harbour and the existing minor Port of Tuticorin, as complementary to one another will be kept in view. The limits of the new Harbour will be notified on completion of the Project when it is declared a Major Port.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII (29)/66, dt. 3-7-1967.]

Recommendation (Serial No. 21, Para 47)

The Committee urge that the investigation of the Sethusamudram Project should be completed at an early date and if it is found economic and feasible it may be taken up for execution without avoidable delay. The Committee would suggest that the development

programme for Sethusamudram Project may be regulated in the light of phased programme to be drawn up by the Central Government for the development of Tuticorin as a Major Port.

REPLY OF GOVERNMENT

The preliminary investigations and surveys in respect of Sethusamudram Project are being conducted by the Madras State Government on behalf of the Government of India and are expected to be completed by 1967-68. The programme of the Project will be determined on receipt of the results of preliminary investigations and surveys.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII (29)/66, dt. 3-7-1967.]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLY

Recommendation (Serial No. 17, Para 39)

The Committee note that the original estimate of Rs. 10 crores of the Intermediate Ports Development Committee has been revised to Rs. 14 crores in the Preliminary Project Report of the Tuticorin Harbour and then further increased to Rs. 24 crores in the Detailed Project Report. This process of making estimates and revision has consumed as many as four years and even then the Detailed Project Report is yet to be scrutinised by the Technical Advisory Committee to draw up proposals for the sanction of Government. The Committee note that the most important single item which accounts for upward revision is the increased cost of construction of breakwaters including noses which were estimated to cost Rs. 1164.00 lakhs in the Detailed Project Report as compared to Rs. 657.48 lakhs in the Preliminary Project Report. The Committee feel that this wide divergence between the preliminary and final project reports is rather unusual, when it is claimed by the Project authorities that the layout suggested by them in the Detailed Project Report would make for "great economy in the cost of construction by reducing the cost of rock cutting and dredging". The Committee would stress that the Technical Advisory Committee should, in consultation with the Central Water and Power Commission, evolve the most economical and best suited design for the construction of the breakwaters. The Committee would also suggest that due economy should be observed in undertaking ancillary works such as construction of colony, horticulture etc. which may be conveniently phased out without affecting the operational capacity of the port. The Committee consider that if ships are to be attracted to Tuticorin for bunkering transshipment etc. every effort should be made to make the rates most competitive consistent with the provision of upto-date facilities.

The Committee need hardly stress that in finalising the plans for the Port a sufficient margin should be kept for future developments such as the need for deepening and widening the entrance channel to allow bigger vessels to come in, provision of additional berths, warehouses etc.

REPLY OF GOVERNMENT

Noted. Unlike the earlier estimates the final estimates are made on exhaustive investigations on site conditions, like meteorological

phenomena, storm and wave conditions, soil conditions, model experiments for tranquillity of harbour and examinations of structure of breakwater theoretically and by model flume experiments.

It may also be noted that consequent of increasing trends for deeper depths of modern bulk carriers, liners, containers, ships etc., the harbour is now designed to cater up to 35 ft. draft vessels also (in future) as against the first proposals for 30 ft. draft limitation. Furthermore the spacing between breakwaters had to be increased by 2380' over original proposals to accommodate 13 more berths at future, against 4 contemplated in I.P.D.C. Report and for better harbour characteristics. This new feature caused increased length in breakwaters.

Furthermore close borings of soil indicated that the assumed rock strata at bed level at the site, was generally an overlay of varying thickness above this strata of sand. This changed the foundation conditions of the breakwater, which caused extra cost.

Above all costs of material, labour and equipment, have also generally increased over the passage of years about 30 per cent to 40 per cent. The estimated cost has to be brought upto date.

Since the original report the site experienced a very heavy storm in 1961, which caused a lot of damages to crafts in the existing harbour. Hence the present breakwater is designed to withstand 13 ft. height of waves against 8 ft. provided in the original estimate.

As already stated, the soil conditions, and wave conditions were very different from the original ideas, much time was devoted and efforts were made to get realistic designs and estimates for the formulation of the detailed project report. During this time a minimum of constructional activity has been kept up to given data on costs and workings as also to keep staff and workers and equipment properly occupied.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII (29)/66, dt. 3-7-1967.]

CHAPTER IV

RECOMMENDATIONS IN RESPECT OF WHICH REPLIES HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Serial No. 2, Para. 7)

The Committee are not convinced with the reasons advanced for inordinate delay in the construction of berths in Vishakhapatnam Port which has gravely affected the programme for installation of the ore handling plant and the export of ore to Japan. The Committee feel that in view of the resultant losses suffered by the Port and the Government on account of the delay in construction of the four berths the penalty of Rs. 1 lakh imposed on the contractors appears to be inadequate and suggest that Government should look into the matter. They would also stress that every effort should be made to expedite the completion of the two east cargo berths so that these are put into commission well before the end of the year.

REPLY OF GOVERNMENT

The question of imposing further penalty was considered but action was deferred. The East Cargo Berths are expected to be completed by the end of 1966.

[Ministry of Transport and Aviation (Transport Wing) O.M. No. 12PDI (26) /66, dt. 30-5-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please furnish the following information:—

- (a) the date of completion of the ore berths. If these were completed after February 1965, the reasons for the delay and action taken against the contractors.
- (b) Reasons for the delay of one year in the commissioning of the general cargo berths and the action Government have taken or propose to take in the matter?
- (c) Reasons which have impelled the Government to defer the question of imposing further penalty on the contractors.

[L.S.S. O.M. No. 4/22(1)ECI/65, dated 23-11-1966.]

FURTHER REPLY OF GOVERNMENT

(a) The date of completion of Additional Berths is furnished below:—

	<i>Date of completion</i>
(1) West Ore Berths	1st Ore Berth on 16-12-64. 2nd Berth on 5-6-65.

The delay was by the contractors M/s Steelcrete (P) Ltd. Penalty of Rs. 1.00 lakh was levied in February 1964 on the contractors for delay in completion of works.

(b) The delay in completion of General Cargo Berths is only due to the very slow work done by the contractors. Action for the same has been taken as stated in para (a) above.

(c) The question of imposing further penalty on the contractors was deferred in view of the heavy penalty already imposed.

[Ministry of Transport & Aviation (Transport Wing) O.M. No. 12-PDI(26)/65, dt. 16-12-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please indicate the latest position about the two East General Cargo Berths.

The loss suffered in exports of iron ore etc. on account of delay in the completion of West Ore Berths may please also be stated.

[L.S.S. O.M. No. 4/22(1)ECI/65, dated 20-3-1967]

FURTHER REPLY OF GOVERNMENT

General Cargo Berths

Northern Berth of the East Cargo Berths was completed on 30-10-66.

Southern Berth is still under construction. This is likely to be completed by December, 1967.

The delay is entirely due to the contractors M/s Steelcrete (P) Ltd. They have been pressed continuously for expediting the work.

West Ore Berths

The first Ore Berth was completed on 16-12-1964 and the second Berth on 5-6-1965. It may be pointed out here that even though there was delay in completion of West Ore Berths it did not affect installation of the Ore Handling Plant and there was therefore no loss of ore export on this account.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 12-PDI(26)/65, dated 8-5-1967].

COMMENTS OF THE COMMITTEE

Please see comments in para 4 of Chapter I of the Report.

Recommendation (Serial No. 16, Para. 35)

The Committee note with concern that even before the Detailed Project Report of the Tuticorin Port has been finalised and design of breakwaters settled, several preliminary works including the portion of the two breakwaters down to minus 3 metres costing about Rs. 225 lakhs have been sanctioned by Government in 1963-64 and 1964-65.

REPLY OF GOVERNMENT

After the acceptance of the Intermediate Ports Development Committee's recommendation in 1961, a preliminary Project Report was prepared by the Development Adviser in the Transport Ministry in February, 1963. To follow up with a detailed project report necessary investigations were made on Hydrographic, marine meteorological data at site and model studies for tranquillity and structural foundations.

Action was also taken on essential preparatory works like land acquisition, laying of access railways and roads, construction of field offices and services like water supply electricity drainage. As the site of the harbour was miles away from Tuticorin Town a small residential colony was set up such that it could fit in to the permanent needs of the Port also.

Essentially to gain experience on rates, method of constructions which forms the major part of cost of the project, it was decided to quarry stones and form the first reaches of the breakwater, all to the advice of the Technical Advisory Committee.

Further works have been pursued after the proper project report was submitted, and with a minimum of constructional activity kept going for continuity works staff, and other workers.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII(29)66, dt. 3-7-1967.]

COMMENTS OF THE COMMITTEE

Please see comments in para 6 of Chapter I of the Report.

Recommendation (Serial No. 19, Para. 45)

The Committee are not happy that the Technical Advisory Committee which has been charged with the important function of scrutinising the layout and design of the Tuticorin harbour project have

met only twice during 1964. The Committee suggest that if the tempo of work is to be accelerated the Technical Advisory Committee should meet more frequently and preferably at the harbour site itself.

REPLY OF GOVERNMENT

Noted.

Since 1964 meetings of Technical Advisory Committee and the Sub-Committee have been held at intervals so as to assist in the execution of the work to the set schedule.

[Ministry of Transport & Shipping (Transport Wing) O.M. No. 21-PDII(29)66, dt. 3-7-1967.]

COMMENTS OF THE COMMITTEE

The Committee is unable to make out from the reply given by Government whether there has been any increase in the frequency of meetings of the Technical Advisory Committee since their last observations. They would like to reiterate that the Technical Advisory Committee should meet at short intervals at the harbour site itself so that it keeps itself abreast of the progress in the execution of the project as scheduled.

P. VENKATASUBBAIAH,
Chairman,
Estimates Committee.

NEW DELHI;
November 9, 1967.
Kartika 18, 1889 (Saka).

APPENDIX

(Vide Introduction)

Analysis of the action taken by the Government on the recommendation contained in the 69th Report of the Estimates Committee (Third Lok Sabha).

I.	Total Number of recommendations	21
II.	Recommendations which have been accepted by Government (vide recommendations at S. Nos. 1, 3-15, 18, 20 and 21)	1
	Number	17
	Percentage to total	80.9
III.	Recommendations which the Committee do not desire to pursue in view of Government's reply (vide recommendation at [S. No. 17)	
	Number	1
	Percentage to total	4.8
IV	Recommendations in respect of which replies of Government have not been accepted by the Committee (vide recommendations at S. Nos. 2, 16 and 19)	
	Number	3
	Percentage to total	14.3