

PARLIAMENT OF INDIA

RAJYA SABHA

130

DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON TRANSPORT, TOURISM & CULTURE

ONE HUNDRED AND THIRTIETH REPORT ON

THE NATIONAL WATERWAY (LAKHIPUR-BHANGA STRETCH OF THE BARAK RIVER) BILL, 2007.

**(PRESENTED TO THE RAJYA SABHA ON 4.3.2008)
(LAID ON THE TABLE OF THE LOK SABHA ON 4.3.2008)**

**RAJYA SABHA SECRETARIAT
NEW DELHI
MARCH, 2008/PHALGUNA, 1929 (SAKA)**

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[COMPOSITION OF THE DEPARTMENT-RELATED PARLIAMENTARY STANDING COMMITTEE ON TRANSPORT, TOURISM AND CULTURE](#)

(2007-2008)

1. **Shri Sitaram Yechury** - *Chairman*

RAJYA SABHA

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3. Shri Naresh Gujral
4. Shri Vedprakash P. Goyal
5. Prof. Alka Balram Kshatriya
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31. Shri Prahlad Joshi
32. **Shri Rakesh Singh

SECRETARIAT

Shrimati Agnes Momin George, Joint Secretary
Shri Jagdish Kumar, Joint Director
Shri Swarabji B., Deputy Director
Shrimati Nidhi Chaturvedi, Committee Officer

* Expired on 13.11.2007

** Nominated on 1.12.2007.

INTRODUCTION

I, the Chairman of the Department-related Parliamentary Standing Committee on Transport, Tourism and Culture, having been authorised by the Committee to present on its behalf, do hereby present this One Hundred and Thirtieth Report of the Committee on the National Waterway (Lakhipur-Bhanga Stretch of the Barak River) Bill, 2007*.

2. In pursuance of rules relating to the Department-related Parliamentary Standing Committees, the Hon'ble Chairman, Rajya Sabha referred** the Bill as introduced in the Lok Sabha on the 29th August, 2007 and pending therein, to the Committee on 28th September, 2007 for examination and report within three months. On the request being made by the Chairman of the Committee, the Hon'ble Chairman, Rajya Sabha had granted extension of time upto the first day of the last week of the Budget Session (first part) of Rajya Sabha for presentation of the report of the Committee on the aforesaid Bill.

3. The Committee took oral evidence of the Secretary, Department of Shipping and the Chairman, IWAI and other senior officers at its meeting held on the 23rd October, 2007 on the provisions of the Bill.

4. The Committee wishes to express its thanks to the Secretary and other officers of the Department of Shipping, Chairman, IWAI for the assistance and inputs provided during deliberations on the

provisions of the Bill for finalizing the Committee Report.

5. The Committee considered the draft Report on the subject and adopted the same on the 31st January, 2008.

NEW DELHI

January 31, 2008

Magha 11, 1929 (Saka)

SITARAM YECHURY

Chairman

*Department-related Parliamentary Standing Committee
on Transport, Tourism & Culture*

* Published in the Gazette of India Extraordinary Part II, Section-2, dated 29.8.2007.

** Rajya Sabha Parliamentary Bulletin Part II, No.44503, dated 1.10.2007.

REPORT

The National Waterway (Lakhipur-Bhanga stretch of the Barak River) Bill, 2007 was introduced in the Lok Sabha on 29th August, 2007. On 28th September, 2007, the Hon'ble Chairman, Rajya Sabha, in consultation with the Hon'ble Speaker, Lok Sabha referred the Bill to the Department-related Parliamentary Standing Committee on Transport, Tourism & Culture for examination and Report. Under the mandate, the Committee has examined the Bill and finalised the Report. The Bill seeks to provide for the declaration of the Lakhipur-Bhanga stretch of the Barak river in the State of Assam to be a national waterway and also to provide for the regulation and development of the said stretch of the river for purposes of shipping and navigation on the said waterway and for matters connected therewith or incidental thereto. **(Annexure-I)**

2. In the Statement of Objects and Reasons of the Bill, the Government has enumerated the objects to be achieved by this legislation.

2.1 The Department of Shipping informed that in the absence of a suitable organization and paucity of resources with the State Governments, development of Inland Water Transport (IWT) has not made

much headway. Certain advantages in this mode of transport are its low cost of transport, energy efficiency, generation of employment among weaker sections of the society and eco-friendly nature. Various committees set up by the Government for the purpose of looking into this matter recommended that the Central Government should declare certain waterways as National Waterways and assume responsibility for their development. The Central Government has accordingly constituted the Inland Waterways Authority of India under the Inland Waterways Authority of India Act, 1985 for the regulation and development of inland waterways for the purposes of shipping and navigation. The Allahabad-Haldia stretch of the Ganga-Bhagirathi-Hooghly River, the Sadiya-Dhubri stretch of the Brahmaputra river and the Kollam-Kottappuram stretch of the West Coast Canal along with Champakkara and Udyogamandal canals have already been declared as National Waterways. Consequently, the Inland Waterways Authority of India has taken up the development, maintenance and management of these waterways. The infrastructure facilities on the existing three National Waterways are being created by it. It is aimed to make these three National Waterways fully functional by 2007-08.

2.2 The Department of Shipping proposes to declare the Lakhipur-Bhanga stretch of the Barak River as a National Waterway. Infrastructural facilities currently available on this waterway are not adequate for safe, convenient and sustained shipping and navigation by large mechanized crafts. Therefore, the waterway is required to be developed by providing adequate infrastructure for safe, convenient and sustained shipping operations. The regulation and development of the proposed National Waterway under the control of the Union Government for the purposes of shipping and navigation is in the public interest and declaration to that effect has also been made in this Bill.

3. The Department of Shipping further informed that Inland Water Transport is an economic, fuel efficient, environment friendly and employment oriented mode of transport. The role of the Union Government is to regulate shipping and navigation on Inland Waterways declared by Parliament by Law to be national waterways. The responsibility and executive authority for development and maintenance of all waterways other than those declared as National Waterways rests with the State Governments.

3.1 The Committee has been informed by the Department of Shipping that in view of the negligible share of inland water transport which is less than 1%, it has become inevitable to give impetus to this mode of transport in the overall interest of the country. For this purpose, it is considered necessary to include more inland waterways in the list of national waterways. It is now proposed to declare Lakhipur-Bhanga stretch (121km) of Barak River as national waterway. The entire waterway is falling in the States of Assam. Further, the Infrastructure currently available on this waterway is not adequate for safe, convenient and sustained shipping and navigation by large mechanized crafts. Therefore, the waterway is required to be developed by providing adequate infrastructure for safe, convenient and sustained shipping operations. It has been visualized that substantial quantum of inland water transport traffic to the tune of 9.96 lakh tonns is likely to be carried on the proposed national waterway after its full development in a span of 3 years. This traffic is expected to be handled at 4 terminals namely Lakhipur, Silchar, Badarpur and Bhanga. The identified cargo are bamboo and bamboo products, cement, coal, edible oils, provisions and household items, fertilizers, iron & steel, paper and paper products, pulses, rice, stone boulder and chips, sugar, tea and coffee, wheat timber, wood etc. The proposed dimension of the waterway is:-

Bed width	-	40 m
Depth	-	1.6.m
Side slope	-	1:5

3.2. The Department of Shipping further submitted that upon development of the first phase, improvement in depth upto 2 m would be considered during Phase-II at a later stage along with improved maintenance of waterways in Bangladesh. The development of the river along with provision of infrastructure facilities for purpose of shipping and navigation and to handle the proposed traffic includes development of the waterway for navigation, channel marking, construction of terminals, transit sheds, installation of handling equipment, etc. It was estimated that the expenditure with respect to the said development will be of the order of Rs.91.50 crore (Rs.54 crore for fairway development + Rs.34.50 crore for terminals + Rs.1.50 crore for setting up of office + Rs.1.50 crore for navigational Aids). The expected period of implementation of the project is 3 years. Besides, annual maintenance cost of Rs.6.26 crore was also estimated by the Consultant for operation of the waterway and terminals. The waterway will facilitate movement of 350 tonnes vessel (45 m X 9 m X 1.2 m) in this river. It will provide an alternative mode of transportation for movement of commodities between ports of Haldia/ Kolkata through Indo-Bangladesh Protocol route for Transit and Trade and various hinterland cities namely Lakhipur, Silchar, Panchgram, Badarpur and Bhanga. It will also provide inter-country movement of goods between these hinterland cities and that of Bangladesh. It will also facilitate decongestion of roads & fuel savings, provide better environment corridor, ensure better port-hinterland connectivity and generate employment among weaker sections of the society and increase tourism activities in the region.

4. The Committee in its sitting held on the 23rd October, 2007, heard the views of the Secretary, Department of Shipping and the Chairman, IWAI and other senior officers on the provisions of the Bill.

5. On a question about declaration of inland waterway on Lakhipur-Bhanga Stretch of Barak River, the Secretary, Department of Shipping deposed before the Committee that the sixth waterway, which are now proposing, is for the Barak Basin river in Assam. Legislation is necessary to declare this as a national waterway, and this can only be done by an Act of Parliament. Assam, distinctly divided into two basins: one is the valley of Brahmaputra and the other is that of Barak. The Barak River, therefore, constitutes a very significant river basin of Assam which can be navigable up to 121 to 160 kms. Of course, we are excluding that portion of the Barak River which is in the hills because navigation is not so easy there. But for about 121 kms., upto Bhanga, or a little more up to Karimganj and Lafassil, it could be developed as a national waterway for easy and smooth navigation and shipping. We have limited it to Bhanga because Bhanga is within the Indian territory. Karimganj and Laffasil would be on the fluid boundary of Bangladesh and India, and the Ministry of External Affairs felt that since there were disputes, it would not be correct to take up and declare this stretch on the fluid boundary as a national waterway. This may be contentious. The Secretary also submitted that they have consulted the State Government and the Chief Secretary of Assam had given the consent for the waterway.

6. The Committee inquired about the details of security arrangement in Sunder Bans/Protocol routes in West-Bengal. The Department of Shipping informed the Committee that under the Trade Agreement entered into between the Government of the People's Republic of Bangladesh and the Government of the Republic of India and the Protocol signed by both the countries on IWT Trade & Transit, IWAI is the nodal agency in issuing necessary permission for inland barges of Bangladesh and India for their movement across the country and undertaking loading/unloading operation at designated Ports of Call. Checking of authorized/illegal transportation of men and materials (cargo) falls under the purview of Customs Department (for material) and Immigration Department (for men) and IWAI do not play any role in the same. The above two authorities, at their respective check points, check and verify, if, the cargo carried by them and the men present on board the ship are as per the declared manifesto (certified by BIWTA, the nodal agency on Trade & Transit Protocol on behalf of Bangladesh Govt). At all other points the Border Security Force keeps vigil on illegal immigrants/illegal movement of goods. No security personnel is provided on Bangladeshi vessels by BSF/State Government/IWAI. The crew of Bangladeshi vessels has to report to Customs and Immigration Department at their respective check points at the border for their verification and necessary entry. Similarly, for outgoing vessels, the above details are again cross checked by Immigration/Customs Department. The Government of West Bengal or Assam has never raised any issue regarding security problem due to plying of Bangladeshi vessels in Sunderbans/Protocol route. Bangladeshi vessels never demanded from IWAI, security arrangement in their vessels nor have the State Government of West Bengal/Assam ever requested that security arrangement in Bangladeshi vessels be provided. However, communications to the Government of West Bengal and Ministry of Home Affairs have been issued for comments in this regard.

7. The Committee pointed out that there is no updated Financial Memorandum appended with the Bill showing details of expenditure plan and the cost projections. The cost components of the project have been worked out date back to year 2002. The Committee wanted to know the reasons for the same. The Secretary, Department of Shipping informed the Committee that actually legislation that is pending before the Parliament and is to declare it as national waterway. Then immediately, each component of the project cost would be examined and estimated afresh and a detailed estimate would be prepared. Based on the individual components of the project estimate would be prepared and the money provided as we go ahead with it. With regard to the resources, we do not anticipate any dearth. Once the proposed national waterway No.6 is declared as such by an Act of Parliament then the Budget provision will take place. At that point of time when we had made the original estimate we thought that it would be Rs.46 crore. Rs.46 crore if it is properly indexed then we will arrive at a particular figure. But after the Parliament declares this as a National waterway, we will go into each component of the project for a detailed estimate over the time period of implementation necessary budgetary provision will be made. The Committee was not satisfied with the reply and the Ministry was asked to prepare a revised financial memorandum and submit it to the Committee. Later on, the Department *vide* their OM dated 7th December, 2007 furnished a revised Financial Memorandum to the Committee.

8. As regards, the trend of cargo movement on the national waterways, the Secretary, Department of Shipping informed the Committee that in 2003-04 we had 32 million tonne transportation in Indian water transport. In 2006-07, last year, we have achieved 55.8 million tones. The pace of progress is not

very impressive but nevertheless the people are more conscious of using inland water transport increasingly. There is gravitation towards greater use of inland water transport. The Secretary further submitted that the trend of cargo movement on NW-1 and NW-2 since their declaration shows that despite lack of adequate infrastructural facilities, appreciable amount of cargo is still being transported on these waterways which are likely to increase substantially in the coming years for the overall benefit of national economy. The cargo movement on NW-1 & 2 since 1986 to 2006 is given as under:-

(In lakh tonnes)

Year	NW-1	NW-2
1986-87	2.35
1987-88	1.99
1988-89	2.17	0.56
1989-90	3.54	0.39
1990-91	3.25	0.38
1991-92	2.57	0.14
1992-93	2.61	0.28
1993-94	1.93	0.32
1994-95	6.22	0.13
1995-96	5.11	0.36
1996-97	5.20	0.37
1997-98	9.98	0.17
1998-99	8.41	0.19
1999-2000	7.14	0.22
2000-2001	3.35	0.50
2001-2002	4.11	0.41
2002-2003	6.32	0.98
2003-2004	7.86	7.96
2004-2005	9.87	8.19
2005-2006	10.01	8.04
2006-2007	13.17	10.86

9. The Committee then enquired about the plan for increase of cargo movement on the national waterways. The Department of Shipping informed the Committee that to increase the cargo movement on the three national waterways, IWAI has prepared on Action Plan for making the three national waterways fully functional at an estimated cost of Rs.751 crore subject to availability of funds. Under the Action Plan, specific projects have been identified for development of fairway, navigational aids, terminals, acquisition of cargo vessels under joint venture projects etc. Most of the projects of this Plan have already been sanctioned by the competent authority and are under implementation. The field Directors of IWAI had been directed to assess realistic cargo projections based on specific O-D pairs expected to move on three national waterways and accordingly the following cargo projection (in million tonne (MnT) and billion tonne Km (btkm)) on the three national waterways upto 2024-25 has been estimated, provided the infrastructure as per Action Plan for making the three national waterways

functional is put is position:-

5 yearly periods starting from	NW-1		NW-2		NW-3		Total	
	In	in	In	in	In	in	In	in
	MnT	btkm	MnT	btkm	MnT	tkm	MnT	btkm
2011-12	4.18	2.00	1.61	1.21	5.09	0.40	10.88	3.63
2016-17	7.26	3.40	2.40	2.37	5.61	0.44	15.27	6.21
2021-22	14.50	6.69	4.43	4.73	6.50	0.51	25.43	11.93
2024-25	18.20	8.69	5.65	4.87	7.17	0.56	31.02	14.12

10. The Committee wanted to know the reasons for the dropped centrally sponsored scheme for development of IWT Sector. The Department of Shipping informed the Committee that for good economic development of any country the transport infrastructure is an extremely important factor. Primarily there are three modes of transportation for bulk goods namely Rail, Road and Inland Water Transport (IWT). However, while the rail and road modes developed significantly in the country, the IWT mode remained totally neglected due to which this mode lost its significance in the overall transport mix. The development of inland waterways started with the formation of Inland Waterways Authority of India (IWAI) in October 1986. However, as per constitutional provisions, only those waterways which are declared as National Waterways by Acts of Parliament can be developed by the Central Govt/IWAI. The other waterways remain under the purview of the respective State Government.

11. So far, three waterways namely the Ganga from Haldia to Allahabad (1620km), the Brahmaputra from Dhubri to Sadiya (891 km) and the West Coast Canal from Kottapuram to Kollam along with Udyogmandal and Champakara canals (205 km) have been declared as National Waterways and are being developed by IWAI for shipping and navigation by providing/maintaining basic IWT infrastructure i.e. fairway, navigational aids and terminals. Three more waterways namely the Kakinada-Puducherry canals along with Godavari and Krishna rivers (1095 km), East Coast Canal along with Brahmani river and Mahanadi delta (623 km) and Barak river (121 km) are under active consideration of the Govt for declaration as new National Waterways.

12. For overall development of IWT sector it is necessary that not only the National Waterways but the other waterways (many of which are the feeder waterways to these National Waterways) should also be developed by providing IWT infrastructure. Then only the total potential of IWT sector in the country can be exploited. The importance of development of this mode assumes greater significance considering that the IWT mode is a cost effective, environment friendly and fuel efficient mode of transport, especially for bulk cargo, over dimensional cargo and hazardous cargo, if adequate infrastructure is developed and maintained on all potential waterways.

13. Most of the State Governments, however, suffer from financial constraints due to which development of IWT mode does not become a priority activity for them. It is because of this factor that a Centrally Sponsored Scheme (CSS) which existed till March 2002 under which 50% financial assistance had been provided by the Central Government to respective States as a loan on reimbursement basis. However, due to the above nature of

the financial assistance this scheme was not very popular among the States and therefore, the funding pattern of CSS for IWT sector was modified in 2002 (guidelines of revised CSS issued in Nov. 2002) and 100% grant for North Eastern States and 90% grant for other States of the country was made available for taking up projects for IWT development by the States under CSS for IWT sector.

14. This change in funding pattern encouraged several States for taking up different projects for development of IWT mode and during the 10th Plan period alone, 35 projects of 15 States costing Rs.107 crore were sanctioned by the DoS and central share of Rs.53 crore was also released to these States during the years 2003-04, 2004-05, 2005-06 and 2006-07.**(Annexure-II)**

15. However, Planning Commission during February, 2007, took a decision to discontinue this scheme. For North Eastern sector, however, it was stated in Planning Commission's letter no N-11016/5 (1)/2006-PC dated 09.02.07 that the Central Sponsored Scheme for IWT development is converted into Central Sector Scheme. Due to the above decision of Planning Commission, the projects which were under implementation by different States got adversely affected and presently no new project is being considered by IWAI/DoS for sanction. For North Eastern sector also the Central Sector Scheme is to be now implemented by DoS, projects will be technically evaluated by the IWAI and State governments will be the executing agencies. Guidelines for taking up these projects are being prepared by the DoS.

16. Therefore, considering that the Centrally Sponsored Scheme for IWT development is very important for overall development of IWT sector in the country, IWAI has requested the DoS that the scheme may be revived for whole country as existed up to 31.03.07. The Hon'ble Minister of Shipping, Road Transport & Highways has also requested the Dy. Chairman, Planning Commission as well as Hon'ble Prime Minister for continuation of this scheme vide letters dated 21.03.07 and 11.10.2007 respectively.

17. The Committee has consistently expressed its concern over the slow pace of development of Inland Water Transport sector in the country. The Committee once again notes that Inland Water Transport is one of the oldest, fuel efficient, cost-effective and environment friendly mode of transport but unfortunately the potential of the sector Inland Water Transport remains largely unexplored due to the indifferent attitude of the Central and State Governments. The Committee observes that although the Department of Shipping is committed to increase the share of Inland Water Transport in the country's total EXIM trade, still the waterways are not being utilized to their potential and remain largely neglected and underdeveloped for want of required infrastructure namely fairways, terminals and navigable aids, as a result, it has not reached at a threshold level to become commercially viable. The Committee is of the view that with adequate investments, policy framework and focused approach, the Inland Water Transport in the country can be developed into a viable mode complementary to the rail and road modes. The Committee is of the opinion that as the Government really intends to develop the Inland Water Transport sector with fast pace to its full potential in the country it should sincerely endeavor to provide institutional framework and minimize the procedural bottlenecks besides providing adequate investments both from public and private partnership primarily public investment in Inland Water Transport and to develop it to a level where private sector feels confident to invest in this sector particularly in ownership and operation of cargo and passenger vessels to Inland Water Transport mode.

The Committee, therefore, recommends the Government to provide institutional framework and basic infrastructural facility for accelerated development of Inland Water Transport sector in the country so as to increase the capacity of Inland Water Transport agencies, commercialization of Inland Water Transport industries, increased cost recovery through user charges and creation of a vibrant Inland Water Transport sector in the country.

18. The Committee notes with concern that Research & Development Studies facilities especially in design of vessels and night navigation facilities and identification of economically viable routes for development of Inland Water Transport sector has not been given due consideration. The Committee had already taken up the matter in its 121st & 122nd Reports dealing with the National Waterway (Talcher-Dhamra Stretch of Rivers Geonkhali-Charbatia Stretch of East Coast Canal, Charbatia-Dhamra Stretch of Matai River and Mahanadi Delta Rivers) Bill, 2006 and the National Waterway (Kakinada-Pondicherry Stretch of Canals and the Kaluvelly Tank, Bhadrachalam-Rajahmundry Stretch of River Godavari and Wazirabad-Vijayawada Stretch of River Krishna) Bill, 2006 The Committee again reiterates its view that Research & Development activities is the backbone for success of any sector and recommends the Government to strengthen the Research & Development facilities for the desired development of Inland Water Transport Sector in the country by providing specific budgetary allocations.

19. The Committee notes that the proposed NW-6 can offer alternative mode of transport vis-à-vis rail and road modes. The Committee also notes that the proposed NW will also boost the rural economy and provide IWT connectivity for movement of commodities between the Port of Haldia/Kolkata through Indo-Bangladesh protocol route for transit and trade and various hinterland and Bangladesh besides decongestion of roads and fuel saving, provide port-hinterland connectivity, better environment corridor and generate employment among weaker sections and increase tourism activities in the region. The Committee recommends that the existing Protocol routes connecting NW-1 & NW-6 and NW-2 & NW-6 may be taken up with the Bangladesh on an expeditious way to convert these waterways into international waterways for effective transportation of inter-country movement of goods between hinterland cities and Bangladesh. But in the process the security concern should not be compromised in any way.

20. The Committee observes that since waterways do not provide door-to-door service independently, it is expedient that the waterways are connected with rail or road modes for total transport linkages to the user. The Committee, therefore, recommends the Government to improve the total modal mix of transport in the country and prepare the road map for integrated transport policy to include IWT, Costal Shipping, Civil Aviation, Road Transport and Highways and Railways.

21. The Committee notes with dismay about the inadequate repair facility being available on the national waterways. The Committee feels that IWT vessels once start plying in large number on these waterways would require repair facilities on these waterways. The Committee recommends the Department to prepare an action plan for meeting the growing demands of repair and service facilities of IWT vessels on all the national waterways.

22. The Committee notes with anguish that no security personnel is being provided in Suderbans/Protocol routes in West Bengal by B.S.F./State Govt./IWAI. The Committee is of the opinion that security is a prime concern and looked into seriously by making commensurate security arrangement in Suderbans/Protocol routes. The Committee recommends the Department of Shipping to take up the matter of beefing-up of security arrangement in the Suderbans/Protocol routes with the Union Home Ministry so that inadequacy of police deployment could be addressed in a big way.

23. The Committee is constrained to note that there is no updated Financial Memorandum appended with the Bill and cost projections have been worked out based on the year 2002. The Committee is not satisfied with the reply of the Government that after declaration of NW-6 by the Parliament, the budgetary provision takes place. The Committee is of the view that comprehensive planning and knowing the financial implication is a must for the Government to provide allocation for development of this waterway. The Committee therefore, strongly recommends the Department of Shipping to append the updated Financial Memorandum based upon the individual project component of NW-6 with the Bill.

24. The Committee is constrained to note that cargo transportation by Inland Water Transport mode has not shown significant improvement on these National Waterways. The Committee also expresses its displeasure over the fact that no comparative cost-output evaluation for transportation of cargo through this alternate mode of transport has been carried out by the Department. The Committee is of the view that such evaluation would further establish the support of Inland Water Transport over other mode of transports. Therefore, the Committee recommends that a detailed study should be carried out by the Department in this regard and Department of Shipping should fix some realistic physical target for cargo transportation year-wise for entire 11th Plan.

25. The Committee notes with dismay about the discontinuance of the centrally sponsored scheme for IWT development in the country by the Planning Commission. The Committee is of the view that the decision of the Planning Commission to convert the Centrally Sponsored Scheme (CSS) for IWT development into central sector scheme will adversely affect the pace of development of Inland Water Transport in the country. The Committee recommends the Department of Shipping to impress upon the Planning Commission for the revival of the central sponsored scheme for overall development of the IWT Sector.

26. Subject to the recommendations in the foregoing paragraphs the Committee adopts clauses 2, 3 and the schedule without suggesting any amendments therein.

27. In clause 1(1) for the figure “2007”, the figure “2008” be substituted, consequently the figure “2007” appears in the short title of the Bill may also be substituted with “2008”.

28. In the enacting formula the words ‘Fifty-eighth’ be substituted by ‘Fifty-ninth’.

29. The Committee recommends that the Bill be passed in its present form with formal amendments. However, the Committee hopes that while implementing the provisions of the Bill, the recommendations made by the Committee in the foregoing paragraphs will be given due weight-age so that the purpose of declaration of the proposed National Waterway should not be defeated. The Committee also recommends that whenever necessary due consultations and concurrence of the State Government of Assam be also taken in preparing developmental plans and on other related issues for the proposed National Waterway.

[OBSERVATIONS/CONCLUSIONS/RECOMMENDATIONS/ -- AT A GLANCE](#)

The Committee has consistently expressed its concern over the slow pace of development of Inland Water Transport sector in the country. The Committee once again notes that Inland Water Transport is one of the oldest, fuel efficient, cost-effective and environment friendly mode of transport but unfortunately the potential of the sector Inland Water Transport remains largely unexplored due to the indifferent attitude of the Central and State Governments. The Committee observes that although the Department of Shipping is committed to increase the share of Inland Water Transport in the country's total EXIM trade, still the waterways are not being utilized to their potential and remain largely neglected and underdeveloped for want of required infrastructure namely fairways, terminals and navigable aids, as a result, it has not reached at a threshold level to become commercially viable. The

Committee is of the view that with adequate investments, policy framework and focused approach, the Inland Water Transport in the country can be developed into a viable mode complementary to the rail and road modes. The Committee is of the opinion that as the Government really intends to develop the Inland Water Transport sector with fast pace to its full potential in the country it should sincerely endeavor to provide institutional framework and minimize the procedural bottlenecks besides providing adequate investments both from public and private partnership primarily public investment in Inland Water Transport and to develop it to a level where private sector feels confident to invest in this sector particularly in ownership and operation of cargo and passenger vessels to Inland Water Transport mode. The Committee, therefore, recommends the Government to provide institutional framework and basic infrastructural facility for accelerated development of Inland Water Transport sector in the country so as to increase the capacity of Inland Water Transport agencies, commercialization of Inland Water Transport industries, increased cost recovery through user charges and creation of a vibrant Inland Water Transport sector in the country.

(Para 17)

The Committee notes with concern that Research & Development Studies facilities especially in design of vessels and night navigation facilities and identification of economically viable routes for development of Inland Water Transport sector has not been given due consideration. The Committee had already taken up the matter in its 121st & 122nd Reports dealing with the National Waterway (Talcher-Dhamra Stretch of Rivers Geonkhali-Charbatia Stretch of East Coast Canal, Charbatia-Dhamra Stretch of Matai River and Mahanadi Delta Rivers) Bill, 2006 and the National Waterway (Kakinada-Pondicherry Stretch of Canals and the Kaluvelly Tank, Bhadrachalam-Rajahmundry Stretch of River Godavari and Wazirabad-Vijayawada Stretch of River Krishna) Bill, 2006 The Committee again reiterates its view that Research & Development activities is the backbone for success of any sector and recommends the Government to strengthen the Research & Development facilities for the desired development of Inland Water Transport Sector in the country by providing specific budgetary allocations.

(Para 18)

The Committee notes that the proposed NW-6 can offer alternative mode of transport vis-à-vis rail and road modes. The Committee also notes that the proposed NW will also boost the rural economy and provide IWT connectivity for movement of commodities between the Port of Haldia/Kolkata through Indo-Bangladesh protocol route for transit and trade and various hinterland and Bangladesh besides decongestion of roads and fuel saving, provide port-hinterland connectivity, better environment corridor and generate employment among weaker sections and increase tourism activities in the region. The Committee recommends that the existing Protocol routes connecting NW-1 & NW-6 and NW-2 & NW-6 may be taken up with the Bangladesh on an expeditious way to convert these waterways into international waterways for effective transportation of inter-country movement of goods between hinterland cities and Bangladesh. But in the process the security concern should not be compromised in any way.

(Para 19)

The Committee observes that since waterways do not provide door-to-door service independently, it is expedient that the waterways are connected with rail or road modes for total

transport linkages to the user. The Committee, therefore, recommends the Government to improve the total modal mix of transport in the country and prepare the road map for integrated transport policy to include IWT, Costal Shipping, Civil Aviation, Road Transport and Highways and Railways.

(Para 20)

The Committee notes with dismay about the inadequate repair facility being available on the national waterways. The Committee feels that IWT vessels once start plying in large number on these waterways would require repair facilities on these waterways. The Committee recommends the Department to prepare an action plan for meeting the growing demands of repair and service facilities of IWT vessels on all the national waterways.

(Para 21)

The Committee notes with anguish that no security personnel is being provided in Suderbans/ Protocol routes in West Bengal by B.S.F./State Govt./IWAI. The Committee is of the opinion that security is a prime concern and looked into seriously by making commensurate security arrangement in Suderbans/Protocol routes. The Committee recommends the Department of Shipping to take up the matter of beefing-up of security arrangement in the Suderbans/Protocol routes with the Union Home Ministry so that inadequacy of police deployment could be addressed in a big way.

(Para 22)

The Committee is constrained to note that there is no updated Financial Memorandum appended with the Bill and cost projections have been worked out based on the year 2002. The Committee is not satisfied with the reply of the Government that after declaration of NW-6 by the Parliament, the budgetary provision takes place. The Committee is of the view that comprehensive planning and knowing the financial implication is a must for the Government to provide allocation for development of this waterway. The Committee therefore, strongly recommends the Department of Shipping to append the updated Financial Memorandum based upon the individual project component of NW-6 with the Bill.

(Para 23)

The Committee is constrained to note that cargo transportation by Inland Water Transport mode has not shown significant improvement on these National Waterways. The Committee also expresses its displeasure over the fact that no comparative cost-output evaluation for transportation of cargo through this alternate mode of transport has been carried out by the Department. The Committee is of the view that such evaluation would further establish the support of Inland Water Transport over other mode of transports. Therefore, the Committee recommends that a detailed study should be carried out by the Department in this regard and Department of Shipping should fix some realistic physical target for cargo transportation year-wise for entire 11th Plan.

(Para 24)

The Committee notes with dismay about the discontinuance of the centrally sponsored scheme for IWT development in the country by the Planning Commission. The Committee is of the view that the decision of the Planning Commission to convert the Centrally Sponsored Scheme (CSS) for IWT development into central sector scheme will adversely affect the pace of development of Inland Water Transport in the country. The Committee recommends the Department of Shipping to impress upon the Planning Commission for the revival of the central sponsored scheme for overall development of the

IWT Sector.

(Para 25)

Subject to the recommendations in the foregoing paragraphs the Committee adopts clauses 2, 3 and the schedule without suggesting any amendments therein.

(Para 26)

In clause 1(1) for the figure “2007”, the figure “2008” be substituted, consequently the figure “2007” appears in the short title of the Bill may also be substituted with “2008”.

(Para 27)

In the enacting formula the words ‘Fifty-eighth’ be substituted by ‘Fifty-ninth’.

(Para 28)

The Committee recommends that the Bill be passed in its present form with formal amendments. However, the Committee hopes that while implementing the provisions of the Bill, the recommendations made by the Committee in the foregoing paragraphs will be given due weight-age so that the purpose of declaration of the proposed National Waterway should not be defeated. The Committee also recommends that whenever necessary due consultations and concurrence of the State Government of Assam be also taken in preparing developmental plans and on other related issues for the proposed National Waterway.

(Para 29)

MINUTES

IV FOURTH MEETING

The Committee met at 11.00 A.M. on Thursday, the 23rd October 2007 in Committee Room 'A',

Ground Floor, Parliament House Annexe, New Delhi.

MEMBERS PRESENT

1. **Shri Sitaram Yechury – *Chairman***

RAJYA SABHA

2. Shri Naresh Gujral
3. Shri Vedprakash P. Goyal
4. Shri M.V. Mysura Reddy
5. Shri Shahid Siddiqui
6. Shri Shatrughan Sinha

LOK SABHA

7. Shri Anandrao Vithoba Adsul
8. Shri Joachim Baxla
9. Shri Sartaj Singh Chhatwal
10. Dr. K. Dhanaraju
11. Shri P. Karunakaran
12. Shri Samik Lahiri
13. Shri Alok Kumar Mehta
14. Shri Madan Lal Sharma
15. Shri Prahlad Joshi

SECRETARIAT

Shrimati Agnes Momin George, Joint Secretary

Shri Jagdish Kumar, Joint Director

Shri Swarabji B., Deputy Director

Shrimati Nidhi Chaturvedi, Committee Officer

REPRESENTATIVES OF THE MINISTRY OF LAW AND JUSTICE (LEGISLATIVE DEPARTMENT):

Shri N.L. Meena, Joint Secretary & Legislative Counsel

Shrimati Veena Kothavale, Assistant Legislative Counsel

REPRESENTATIVES OF THE DEPARTMENT OF SHIPPING:

Shri A.K. Mohapatra, Secretary

Shri Rajeev Gupta, Joint Secretary (S&IWT)

Shri Rajneesh Kumar, Director (IWT)

Shri S.B. Mathur, Chairman, IWAI

Shri Susheel Kumar, Vice-Chairman, IWAI

Shri R.P. Khare, Director
Shri S.S. Pandian, Chief Engineer

REPRESENTATIVES OF THE MINISTRY OF LAW AND JUSTICE (LEGISLATIVE DEPARTMENT):

Shri P.B. Singh, Joint Secretary & Legislative Counsel
Dr. G.N. Raju, Additional Legislative Counsel
Shri K. Biswal, Deputy Legislative Counsel

REPRESENTATIVES OF THE MINISTRY OF CIVIL AVIATION:

Shri Ashok Chawla, Secretary
Shri K.N. Shrivastava, Joint Secretary
Shri Sandeep Prakash, Director
Dr. K. Ramalingam, Chairman, Airport Authority of India
Shri S.C. Chhatwal, Member (Finance), Airport Authority of India

2. At the outset, the Chairman briefed the Members about the National Waterway (Lakhipur-Bhanga stretch of the Barak River) Bill, 2007 and the Airports Economic Regulatory Authority of India Bill, 2007 which have been referred to the Committee for examination and report. Thereafter, the Committee heard the views of the Secretary, Department of Shipping on the National Waterway (Lakhipur-Bhanga stretch of the Barak River) Bill, 2007 followed by a power point presentation on the subject by the Vice-Chairman, Inland Water Authority of India (IWAI). The Secretary replied to various queries raised by the Members during the meeting. To several other queries raised by the Members, the Ministry representatives were requested to give written replies within a week. The Chairman of the Committee also informed the Secretary, Department of Shipping that the Department has not furnished the comments on the Memoranda received from various individuals/stakeholders on the Indian Maritime University Bill, 2007 forwarded to the Department and directed to furnish the same immediately. The representatives of the Department of Shipping then withdrew.

3. * * *

4. * * *

5. The meeting of the Committee then adjourned at 1.45 p.m. to meet again on the 2nd November, 2007.

* Relates to other matters

ELEVENTH MEETING

The Committee met at 11.30 A.M. on Thursday, the 31st January 2008 in Room No. '139', First Floor, Parliament House Annexe, New Delhi.

MEMBERS PRESENT

1. Shri Sitaram Yechury – *Chairman*

RAJYA SABHA

2. Prof. Ram Deo Bhandary
3. Shri Naresh Gujral
4. Shri Vedprakash P. Goyal
5. Shri Shatrughan Sinha

LOK SABHA

6. Shri Anandrao Vithoba Adsul
7. Shri Joachim Baxla
8. Shri Sartaj Singh Chhatwal
9. Shri N.S.V. Chitthan
10. Dr. K. Dhanaraju
11. Dr. P.P. Koya
12. Shri Samik Lahiri
13. Shri Alok Kumar Mehta
14. Shri Akshy Pratap Singh
15. Shri Dushyant Singh
16. Shri Rakesh Singh

SECRETARIAT

Shrimati Agnes Momin George, Joint Secretary

Shri Jagdish Kumar, Joint Director

Shri Swarabji B., Deputy Director

REPRESENTATIVES OF THE MINISTRY OF CIVIL AVIATION:

Shri Ashok Chawla, Secretary

Shri K. Gohain, Director-General, Civil Aviation

Shri J.K. Dutta, Commissioner of Security

Shri D.S. Chauhan, Additional Commissioner of Security

Shri K.N. Srivastava, Joint Secretary

Ms. Anna Roy, Director

REPRESENTATIVES OF THE AIRPORTS AUTHORITY OF INDIA:

Dr. K. Ramalingam, Chairman
Shri P. Seth, Member (O)
Shri S.C. Chhatwal, Member (Finance)
Shri M.C. Kishore, Company Secretary

REPRESENTATIVES OF THE DELHI INTERNATIONAL AIRRPORT PVT. LIMITED (DIAL) :

Shri K. Narayan Rao, Director
Shri Pradeep Panicker, Associate Vice-President

2. At first, the Committee considered the draft Report on the National Waterway (Lakhipur-Bhanga stretch of the Barak river) Bill, 2007. After some discussion the Committee adopted the Report with minor modifications. The Committee also authorized the Chairman to decide a date and nominate the Members for presentation of the said report to the Parliament during the ensuing Budget session.

3. * * *

4. * * *

5. The meeting of the Committee then adjourned at 1.30 p.m. to meet again on the 7th February, 2008.

* Relates to other matters
