

Minutes of the 126th Meeting of the National Shipping Board held at Port Blair on 21st September, 2015.

The 126th Meeting of the National Shipping Board (NSB) was held under the Chairmanship of Dr. Vishwapati Trivedi on 21.09.2015 at Hotel Sinclair's, Bay View, Port Blair. The list of participants is enclosed at Annexure - I.

2. At the outset, Capt. BB Sinha, Director (P&A), SCI Ltd., on behalf of SCI, extended warm welcome to Hon'ble Members of Parliament, all the members of NSB, Hon'ble Lt Governor Lt. General A.K. Singh, PVSM, AVSM, SM, VSM (Retd), Special Invitees and Guest invitees of the Media. He stated that it is a privilege for the SCI to host such an important meeting at Port Blair. He informed that SCI has a special relationship with Andaman & Nicobar Islands because SCI has been operating the ships, which are the lifeline of the islands over 50 years. He further stated that NSB has been playing important role in advising the Govt. for the development of mercantile marine of India.

3. Thereafter, Hon'ble Lieutenant Governor, Lt. General A.K. Singh, expressed warm welcome to the Chairman, NSB Dr. Vishwapati Trivedi, Members of Parliament, Chief Secretary, A&N Administration and all other distinguished members and Special Invitees in the meeting. He expressed his happiness that the first ever NSB meeting is being held in Port Blair. He also informed that the A&N Islands are a group of 556 islands, out of which 37 Islands are inhabited. The total area is 8250 Sq.km and extended over 750 km from North to South in the Bay of Bengal. The A&N islands are 1200 km away from the mainland and few 100 kms. away from the South East Asia. The population in A & N is approximately 4 lakhs and about 2800 Tribal population and 94 % of land is covered by deemed Forest (Reserve + Deemed + Mangroves + Wetlands). 6 more islands have been identified for the developed for Tourism purpose and 106 reserved zones are declared. The working seasons are very less, extending from Oct to May only. The A&N Islands records around 90 to 100 earthquakes in a year, out of which 30 to 40 earthquakes are above 5 Richter scale. Therefore, Disaster Management is a key issue for these Islands. Among the new initiatives, he cited, opening of Medical College, New Institutes, Law College, and Medical insurance scheme for the islander below Rs. 3 lakhs annual income. Central Govt. has also sanctioned, two Major Bridges and under cable from Chennai to Port Blair by fibre line connectivity. He further informed that charter flights are being planned, twice a week from Chennai and Vizag. to Port Blair and Night landing facilities for flights at Port Blair.

He informed that as far as Shipping is concerned, the A & N administration is running 84 ships and present serviceable status is 50% which needs to increase up to 60%, Acquisition of new 25 vessels is also planned to replace some of the very old ships.

Hon'ble LG, in his conclusion, wished success to the deliberations being conducted in the Port Blair and he also earnestly requested Chairman, NSB and all Members to come up with ideas/suggestions for the benefit of people of Andaman & Nicobar Islands.

4. The Chairman, NSB, in his opening remarks, thanked the Hon'ble LG and Chief Secretary, A&N Administration, and the Shipping Corporation of India for being the hosts. He also agreed that the issues raised by the Hon'ble LG, are important and need serious consideration.

Referring to the agenda for the meeting, he informed that several important issues have been raised by the members and he looked forward for useful deliberations so that effective recommendations could be forwarded to the Govt.

5. Confirmation of minutes of 125th NSB meeting:

Member Secretary, NSB informed that Shri Ajit Khot had suggested slight amendments to para 7.4 & para 7.41 of the minutes of the 125th NSB meeting. Accordingly, the said paras stand revised as follows; (the amended text is underlined for ready reference)

7.4 Role of Chartering Wing (Transchart) in the Ministry of Shipping:

Shri Ajit Khot, Member, NSB expressed his concern over the decline in cargo handled by Transchart, since the PSUs were themselves handling shipping arrangements. He apprehended that if same trend continues, Transchart will have no business to do. As such, he requested the NSB to take up the issue with the concerned authorities. Chairman, NSB informed that the Cabinet has agreed to the recommendations of the Ministry wind up the Transchart by December 2015.

He informed that the Ministry has also trying to get the PSU's to give long term contracts to the Indian Shipping industry, to enable them to add to the stock of Indian tonnage by borrowing against this fixed demand.

7.4.1 P&I Club:

Shri Ajit Khot, Member, NSB pointed out that while, for foreign flag vessels, it is mandatory to produce P&I certificates whenever they enter Indian coastal waters, however, same is not mandatory for Indian flag coastal vessels. He requested the Board to look into the issue. Chairman, NSB, requested DGS representative to prepare Concept paper on the issue in consultation with the stakeholders, especially keeping the cost of compliance in mind, and submit prior to the next meeting.

There being no other comments, the minutes of the 125 NSB meeting, as circulated and with the aforesaid amendments, were confirmed to be in order.

6. Review of Action Taken Report of 125th Meeting of NSB:-

6.1 Enhancement of Skill for Seafarers: - Shri Abdulgani Y. Serang, General Secretary, NUSI has submitted a comprehensive compilation of the documents to enhance the Hard & Soft Skills of the rating i.e., pump-man's Skills Enhancement Programme, Marine Fitter's Courses along with the Lathe Machine Training, Skill Development and Re-creation on-board, Interpersonal Relationship and Team Building Trainings etc.

Action requested from NUSI, stands completed. DGS may take note of the papers submitted by NUSI. The Chairman requested NUSI to explore if the Ministry of Skill Development can also be consulted to carve out schemes for the seafarers. Mr. Serang requested the Chairman if a communication can be sent to the Ministry of Skill development to include seafarers in the list of the

eligible category for the schemes of the Ministry, it would be an apt beginning. The Chairman agreed to send a communication to the Ministry of Skill development and also the Ministry of Shipping for taking it up with the Ministry of Skill development.

(Action- NSB, and Ministry of Shipping)

7.4.1. P&I Club: - Member Secretary, NSB, informed, Capt. L.K. Panda has verbally informed that a paper on the subject has been forwarded to the Ministry of Shipping.

Chairman, NSB directed that a copy of the aforesaid paper may be circulated to all members.

(Action - NSB, Secretariat)

7.4.2 & 7.4.3 Cruise Shipping: Shri K. Touthang, Director, Ministry of Shipping informed that the matter has been under consideration with the Ministry. Accordingly, Chairman has directed that the Ministry of Shipping may update the NSB during the next meeting.

(Action – Ministry of Shipping)

10.1 RO-RO Vessel: - Member Secretary, NSB, has informed that Ministry had issued an order No. SR 14020/5/2009-MG/CS-Vol.VII dated 2.09.2015, regarding Relaxation of Cabotage restriction for special vessels such as RO-RO, Hybrid RO-RO, RO Pure Car Carriers, Pure Car and Truck Carriers, LNG vessels and Over-Dimensional, Cargo or Project Cargo, Carriers for a period of 5 years, commencing from the date of issue of this order.

Capt. Subhedar, rep. ICCSA, pointed out that para 2.2 of the Govt. notification dated 2.09.2015 on the relaxation of cabotage restriction for special vessels such as RO-RO etc. need to be reviewed (for removing the requirement of MHA clearance for RO-RO ships) so as to achieve the objective for which the said relaxation has been granted by the Government. Chairman, requested Capt. Subhedar to look at the mechanism being used when aircrafts are leased in by Indian companies. He may also thereafter present his findings to Chairman. And if required, the recommendations be sent to the Government through NSB.

10.2 Long term contract for PSUs: - Shri K. Touthang, Director, Ministry of Shipping informed that matter has been under consideration with the Ministry. Accordingly, Chairman directed that matter may be taken up in the next NSB meeting.

(Action – Ministry of Shipping)

10.3 Sub-Committee on Multi Model Logistics: - Member Secretary, NSB informed that the Indian Institute of Foreign Trade (IIFT) has been assigned the consultancy job to study the issues concerning transparent processes in Multi-Model Logistics (an assignment given by the Ministry of Shipping to the NSB) with financial support from the Ennore Port, JNPT and the professional studies head of NSB budget. The study will be completed in six months.

10.4 Quota in Railway Reservation for Seafarers: - Shri K. Touthang, Director, Ministry of Shipping has informed that matter has been under consideration with the Ministry. Accordingly, Chairman has directed that matter may be taken up in the next NSB meeting.

(Action – Ministry of Shipping)

7. Agenda - Power Point Presentation

a) **Activities of the ALHW - by Dy. Chief Engineer, ALHW:**

The Andaman Lakshadweep Harbor Works (ALHW) - a subordinate office under Ministry of Shipping was set up in 1965 to formulate and implement the Ports and Harbor development, including allied facilities in the Andaman and Nicobar Islands and Lakshadweep, Implementing Port Development, Port projects constructed and being maintained and operated successfully in the Island.

Construction & Maintenance:

Port & Harbor facilities - Jetties, Wharves, Breakwaters, Hards, Nav aids, Ramps.

Repairs facilities - Dry Dock, Slipway, Work shops

Foreshore facilities - Passenger Hall, Cargo shed, Internal Roads, Residential Buildings, Canteen buildings & Port Fire Stations

Public health - Water supply schemes including treatment plants.

POL Complex – Shore Protection Works.

Operation & Maintenance of - Cargo Handling Equipment, Dock Yard and Dry Docking, Quarry operation including Magazine and POL facilities.

Environmental Issues - To obtain environmental Clearances, to monitor Environmental Management Plan.

Port Infrastructure – Break Water in various places at Hut Bay, Rangat, Campbell Bay & Car Nicobar. Berth Facilities to cater to the needs of mainland, island traffic, inter island traffic and ferry services and Ship Repair facilities in Port Blair.

The Chief Engineer informed that new works under Central Sector i.e., Development of supplementary sea route for Baratang in A&N Islands and extension of wharf up to 60 mtrs at Hopetown in South Andaman, is being undertaken.

In conclusion, the Chief Engineer highlighted several projects that need to be undertaken, in future, for the on-going development work in the region.

- Transshipment Port or Free Port, Ship Repair facilities
- Seaport terminal for Tourist attractions
- High End Tourism projects like Island Wedding Destination
- Alternate Power other than using Diesel
- Water Supply to all Ports
- Night Navigational Facility at all Wharfage Ports, and,
- Maintenance Dredging Arrangements.

Copy of the presentation is enclosed for ready reference at **Annexure-II**.

b) **Presentation by Director Shipping Services (DSS):**

Overview – The DSS, in his presentation highlighted the present services and facilities available at the A & N Islands. Further, he informed about the future projects, such as, acquisition of 25 Vessels, Development of Ship Repair & Dry Dock facility, extension of existing Dry Dock at Marine Dockyard and establishment of a Free Port in A & N Islands, Construction/ augmentation of Jetties and berthing facilities at Katchal, Chowra, Teresa, Neil and Havelock, Positioning of a floating Dry Dock at Port Blair by interested private parties, Up-gradation of Ticketing System namely Ship Ticket Advance Reservation System (STARS) at the estimated financial cost of Rs. 5.68 Crore.

Challenges – Further, the DSS highlighted following challenges, such as, Inadequacy of ship repair facilities & Dry Docks, Inadequacy of trained manpower, Lack of Training and Examination Facilities (for IV & MS class vessels), operation & maintenance of outlived vessels, Inordinate delays in delivery of new vessels by Indian Shipyards, Long Lead time in supply of spares and Extensive damage to harbor and berthing facilities during Tsunami leading to difficulties in berthing & scheduling.

In conclusion, the DSS proposed following suggestions that could be taken up by the NSB.

- Additional funding for implementation of the Ship Acquisition Plan, (Approximately Rs. 2000 Crores required over the next 4-5 years)
- Establishment of State Maritime Board Formulation of Guidelines for operations of Yachts in the Island Territory
- Development of Cruise Tourism in ANI
- Suitable initiatives / guidelines, to develop A & N Islands as cruise tourism destination
- Augmentation of Mercantile Marine Department in the A & N Islands, and,
- Augmentation of Training Facilities in the A & N Islands.

Copy of the presentation is enclosed for ready reference, at **Annexure-III**.

During the discussion on the ship acquisition/chartering Shri B.B. Sinha, Director of the Shipping Corporation of India mentioned that if long term contracts are given/offered to the Shipping Corporation of India, they can use the opportunity to add to their tonnage, as the Banks feel comfortable in funding under such assured demand circumstances. Chairman NSB requested SCI to look for some opportunities wherever they arise. As far the A&N Administration is concerned the proposal to hire/charter 400 pax ships for 10-15 years, which is in the pipeline should also be considered to be taken up by the SCI itself, in consultation with the Ministry of Shipping on a nomination basis, in terms of the above, so as to enable adding to the tonnage of SCI.

(Action-Shipping Corporation of India, Ministry of Shipping, A&N Islands).

8. Discussion on:

A) Agenda submitted by Shri S.R. Vijaikumar, MP (LS) and Member of NSB

Shri S.R.Vijaykumar, Hon'ble MP(LS) invited attention of the NSB to the **Ennore-Madurai Road Project (EMRIP), the Elevated four lane corridor project (EFLCP) from Chennai port to Maduravoyal and the Sagarmala project.**

Chairman, NSB thanked the Hon'ble MP and assured that all the 3 points were on-going specific projects and are under consideration of the MoS.

B) Agenda Submitted by Capt. Piyush Sinha, Member, NSB

(i) Soft Solution for the Complex Challenge of congestion of JN Port.

Capt. P. Sinha, informed that containers are being cleared at Local CFSs, and are moved by rail/road. On a normal day, about 3000 containers are on the road leading to the JNPT. This creates traffic jams leading to congestion at the port. He suggested that to address the issue, all Exim cargo should be handled through Transshipment Point/Local CFS, he also suggested that there needs to be one Transport Management Organization (TMO) which will receive data of Import containers from the terminal. TMO should be in agreement with all CFS and the Terminals. All trucks should be GPS enabled and the TMO will operate like a call centre. In conclusion, he stated that successful Ports have optimized business process flows, complemented by electronic information exchange amongst all the stake holders through the latest use of Information Technology. The Chairman suggested that a scheme to place RFIDs on the containers was agreed by the JNPT management at the request of the CEO of the Delhi Mumbai Industrial Corridor Development Company (DMICDC). The JNPT authorities may be requested to make a presentation in the next meeting of the National Shipping Board.

(Action- NSB, JNPT).

C. Agenda submitted by NUSI

- i. Mandatory training courses for seafarers in the Offshore Sector**
- ii. Voting rights for seafarers.**

The subject of skill development was deliberated at length and it was decided that Board of Examination of Seafarers (BES), a joint entity of the Company of Master Mariners of India (CMMI) and Institute of Marine Engineers (India), may be explored as an option in addition to the Ministry of Skill Development to conduct the proposed courses by NUSI, on pan India basis.

(Action: NUSI / BES/DGS)

- 9. Any other business with the permission of Chair:**
A Power Point Presentation by AA Hebber, DIG, ICG

Copy of the presentation enclosed for ready reference as Annexure – IV

10. Augmentation of Mercantile Marine Department, Port Blair

Shri Suresh Kumar, Chief Ship Surveyor (CSS), D G Shipping stated that there is only one surveyor currently posted at MMD, Port Blair, who is also acting as the Surveyor-In-Charge, for

various survey related jobs. However, in case SIC alone cannot handle the survey works due to increase in the workload, surveyors are always deputed from MMD, Kolkata. He further clarified that survey & certification of all type of cargo ships are delegated to seven Classification Societies, including Indian Register shipping, and IRS has a dedicated survey office at Port Blair. As regards survey & certification of passenger ships, the survey work of MMD, Port Blair is always supplemented by Indian Register Shipping, who is carrying out survey of hull & machinery, including load line surveys. He further informed that, as soon as the vacant posts of Nautical Surveyor are filled up through UPSC, which is expected to be completed by March, 2016, incrementally, one Nautical Surveyor could be posted at MMD Port Blair, keeping in view of the increasing work load.

11. Assessment & Evaluation/Certification of all grades (Nautical/ Engineering) at IV manning.

CSS stated that Assessment / Evaluation / Certification of different grades of personnel for IV vessels are governed as per the IV Act and the rules framed thereunder and the said rules are administered by the concerned state authorities. The state authorities of West Bengal and Maharashtra have authorized the Board of Examination for Seafarers Trust (BEST) for carrying out such evaluation & assessment/certification work. Accordingly, BEST conducts IV exams for different grades of IV personnel on behalf of the respective state IV authorities. He further suggested that the Andaman & Nicobar Administration may also examine the system which is already in place in those states & replicate, if found suitable. Any facilitation for entrusting such certification work to BEST in this respect could be done by the DGS / Principal Officer, MMD, Kolkata, as and when required.

12. Formulation of guidelines for operation of Yacht in the Island Territory.

CSS stated that guidelines for operation of Yachts are being formulated by the DGS in consultation with the Indian Register Shipping & other stakeholders, which is expected to be completed by December, 2015 after necessary stakeholder consultations. He further stated that vessels below 15 tons net and operating around the Indian coast are not required to be registered under the Merchant Shipping Act, 1958 at present. Since many Yachts fall under this category it is advisable, that such yachts of less than 15 tons net are registered under the IV Act, for the purpose of regulating their operation, till such time the MS Act is amended to incorporate registration of all types of sea-going vessels, propelled and non propelled, irrespective any tonnage limit.

13. A note from Shri Gajanan kirtikar, Hon'ble M.P.(LS) & Member of NSB on the subject of Coastal Shipping and Indian Seafarers visiting Indian Ports is taken on record (Annexure – IV of agenda of 126th Meeting of NSB) and Ministry of Shipping and D. G. Shipping are requested give their comments, for the next National Shipping Board Meeting.

(Action: MoS/DGS)

14. While concluding Chairman, NSB assured that the issues discussed in the meeting will be looked into and thanked all the members for participating in the meeting in Port Blair and also for

their useful suggestions and discussions during the meeting. He also thanked Capt. BB Saha, Director, SCI, and his team for making all the arrangements for a comfortable stay and for the meeting at the Port Blair. He also thanked to the A&N Administration, especially the Lt. Governor and the Chief Secretary to the A&N administration for his valuable insight into the challenges being faced by the A&N administration for the development of the Islands.

Meeting concluded with a vote of thanks to the Chair.
