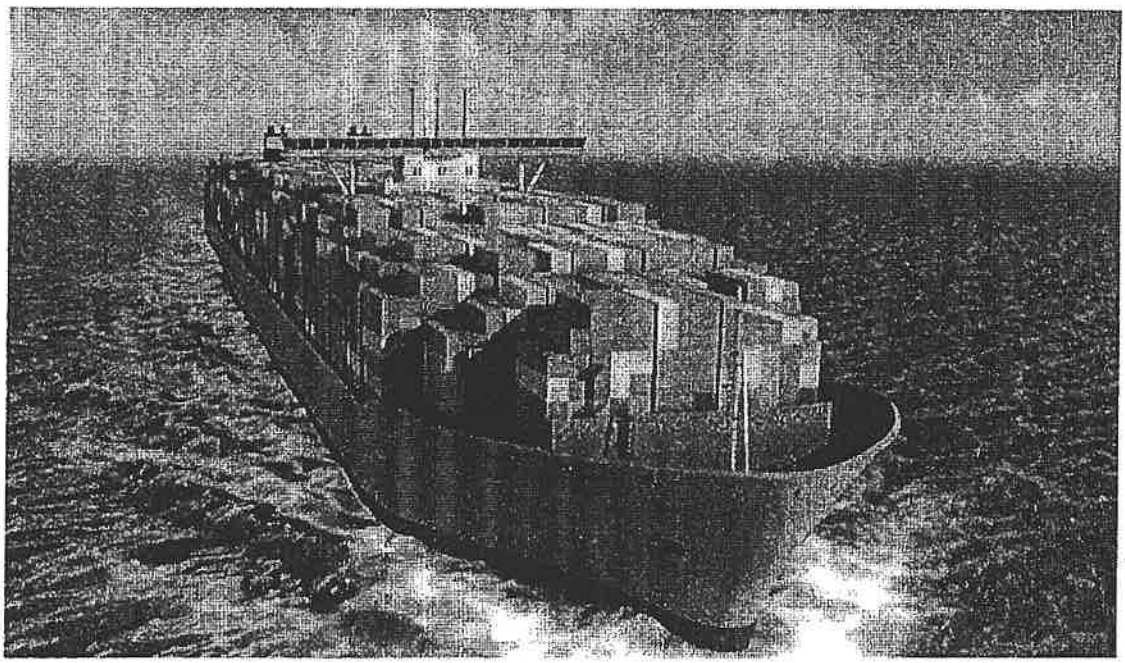
NSB

125th MEETING OF THE NATIONAL SHIPPING BOARD



AT
NMPT MANGALORE
ON
09.06.2015

125th MEETING OF THE NATIONAL SHIPPING BOARD

AT "HOTEL GATE WAY, NEW MANGALORE

ON 09.06.2015

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125TH MEETING OF THE NATIONAL SHIPPING BOARD
AT
HOTEL GATEWAY
(HOSTED BY New Mangalore Port TRUST, New Mangalore

09th June , 2015

PROGRAMME

Time	Session
1000-05	Presentation of floral bouquet by Chairman, NMPT to Dr. Vishwapati Trivedi, Chairman NSB, Hon'ble Members of Parliament and members of NSB.
1005-10	Welcome address by Chairman, NMPT.
1010-20	Opening address by Dr. Vishwapati Trivedi, Chairman, NSB
1020-25	Confirmation of Minutes of 124th NSB meeting.
1025-35	Review of Action Taken Report of 124th Meeting of National Shipping Board.
1035-1235	**Agenda –** **Presentation on -** a) "Paperless port" - by NMPT b) "Coastal and Inter-Island Shipping" – by Capt. B.B. Sinha, Director, Shipping Corporation of India, Mumbai. **Discussion on:** **Agenda submitted by ICCSA** (i) Formation of Coastal Shipping Centric Legal Framework (ii) Simplification & automation of Custom procedures **Agenda submitted by Shri Ajit Khot, Member, NSB** (i) Role of Chartering wing (Transchart) in the Ministry of Shipping. (ii) P & I Club (iii) Cruise shipping to Andman, Nicobar and Lakshdweep Islands. (iv) Highways of the Sea.
1235-1300	Any other business with the permission of Chair
1300-10	Concluding remarks by Dr. Vishwapati Trivedi, Chairman, NSB.
1310-15	Vote of Thanks
1315-	Lunch hosted by Chairman, NMPT.

2

शीघ्र डाक
SPEED POST

सत्यमेव जयते

भारत सरकार / GOVERNMENT OF INDIA
पोत परिवहन मंत्रालय / MINISTRY OF SHIPPING
नौवहन महानिदेशालय / DIRECTORATE GENERAL OF SHIPPING
"बीटा बिल्डिंग", 9वीं मंजिल / "BETA BUILDING", 9th FLOOR
आई-थिंक टेक्नो कैम्पस / I-THINK TECHNO CAMPUS
कांजुर गाँव रोड / KANJUR VILLAGE ROAD
कांजुर मार्ग (ईस्ट) / KANJUR MARG (EAST)
मुंबई - 400 042 / MUMBAI – 400 042

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File No. CS/NSB(1) 2015 **Date:- 10th March, 2015**

11 MAR 2015

To,
All Member of NSB and Special Invitees,
(As per list attached)

Sub: Minutes of the 124th meeting of National Shipping Board held at "Hotel PARK" CBD Belapur, Navi Mumbai on 24th January, 2015.

Sir,

Enclosed please find herewith a copy of minutes of 124th meeting of the National Shipping Board held on 24th January, 2015 at "Hotel PARK" CBD Belapur, New Mumbai along with Annexure-I and copes of presentations made during the NSB meeting for your kind perusal and necessary action.

प्रेषित
ISSUED
ता/Dt. 13/3/15

Yours faithfully,

(Mahesh Yadav)
Asstt. Director General of Shipping

Copy forwarded for information to: O/C

1. The Chairman, National Shipping Board, Room No.318, Transport Bhavan, 1, Parliament Street, New Delhi-110001.
2. DG/NA/CS/Jt. DG

Minutes of the 124th Meeting of the National Shipping Board held at "Hotel THE PARK" CBD, NaviMumbai at 1000 hrs. on 24th January 2015.

The 124th Meeting of the National Shipping Board (NSB) was held under the Chairmanship of Dr.Vishwapati Trivedi IAS, on 24th January 2015 at Hotel THE PARK, CBD, Navi Mumbai. The list of participants is enclosed at Annexure – I.

2.0 Initiating the meeting, Dr. Vishwapati Trivedi IAS, Chairman, NSB, welcomed all the members for first meeting of the newly reconstituted National Shipping Board which is also the 124th meeting of the NSB.

3.0 Thereafter, Shri N. N. Kumar, Chairman, JNPT, in his welcome address, expressed his pleasure in hosting the 124th meeting of the NSB, at Navi Mumbai. Throwing light on the history of the NSB, Shri Kumar elucidated that the NSB was inaugurated by Pandit Jawaharlal Nehru on 10th March 1959 and since then this Board has played a vital role in taking policy decisions and setting up various rules/regulations pertaining to Shipping Industry and Trade in India. Highlighting the achievements of JN Port, Shri N.N.Kumar pointed out that JN Port has been ranked 1st among all Indian Major Ports w.r.t. solid cargo traffic. Around 43% of the cargo is handled from JNPT and the port is ranked 31st amongst top 100 port in the World. However, port is facing problems of road congestion and local road connectivity issues. Presently Port is handling around 20% traffic through rail and hence there is lot of scope for increasing more volume by rail. As on date average 20 rakes are being handled and on completion of Dedicated Freight Corridor from JNPT to New Delhi, Port will be able to handle upto 100 rakes per day. This will ease out load on road infrastructure. Port is having road expansion plan for 44 Kms at the estimated cost of Rs.3000 crores by converting existing 4 lane road to 8 lane road for which tendering process is already started.

Capt. Harish Khatri, Member Secretary NSB thanked the Chairman, JNPT for providing valuable information on JN Port and proceeding further on the agenda of the meeting, requested the Chairman, NSB to give his opening remarks.

4.0 The Chairman, NSB Dr.Vishwapati Trivedi IAS, after formal introduction by all members, welcomed the Hon'ble Members of the Board and special invitees present in the meeting. He thanked Chairman JNPT and his team for the excellent arrangements made for hosting the first meeting of reconstituted NSB.

4.1 In his opening remarks, Dr.Vishwapati Trivedi IAS, made a special mention about the excellent work done by NSB under dynamic leadership of Capt.P.V.K.Mohan, the then Chairman, NSB, during past six years. He expressed that all the good work done by Capt. Mohan and his team will always be cherished by the maritime industry of India. Mentioning about his career, Dr.Vishwapati Trivedi, IAS informed that he has served for 38 years in the Govt. service and would like to push the agenda of NSB in very diligent manner. He explained that, NSB being a separate entity, can assist Ministry in resolving several issues which may be referred to the NSB.

5.0 Confirmation of minutes of 123rdNSB Meeting :

The Confirmation of the last Minutes of the meeting was taken up by Capt. H. Khatri, Member Secretary, who informed that the Minutes of the 123rdmeeting held on 24th Feb. 2014 were circulated vide letter dated 26th March'2014 and no comments have received from any Member. Therefore the Minutes of the 123rdNSB Meeting as circulated, were confirmed in order.

6.0 Review of Action Taken Report on the recommendation made in 123rdMeeting:

6.1 118th Meeting held on 21st January 2012

6.1.1 Ref para 6.1(a) -- Cost to Users :

To constitute a three members Committee consisting of one port Chairman, representative of SCI and MD, IPA to study in details the "Cost to users" at various ports and submit a report by the end of April, 2012.

***Action** – The issue was deliberated at length and it was decided that the Ministry of Shipping should constitute a Committee to study in details the "Cost to users" at various Ports.*

Hon'ble Member of Parliament expressed that there is so much of delay in constitution of committee. At this juncture Shri NN Kumar, Chairman JNPT explained that ports have been directed by the Ministry to take up the matter. The issue of Cost to User consist of three major components viz. (i) Ocean freight, (ii) Terminal Handling Charges and (iii) Freight Forwarders Charges. Customs in this regard have directed that whatever cost being charged to the Users, should be displayed on the web site of Port. JN Port has therefore made necessary arrangements for providing appropriate space on JNPT's own website for display of charges by all Shipping Lines and CFS operators, for which a time frame of 15 days is allowed to all concerned. Dr.Vishwapati Trivedi IAS, informed that the subject committee is not yet formed and the matter is being monitored by current Secretary Shipping with the Prime Minister's Office. Capt. Harish Khatri, Member Secretary suggested that the procedure being followed at JN Port can be taken as model. Dr. Vishwapati Trivedi agreed with the suggestion and informed that JNPT's efforts in this regard will be taken as proof of concept and it can be implemented at all Major Ports where Customs, Shipping Lines and Port Users are functioning in similar ways. He further mentioned that we need to write to the Ministry in this regard. Shri Deepak Shetty, DG Shipping informed that the Customs regulations have been revised in the year 2012 and will be displayed at all CFSs and Custom offices.

Decision: Agenda point deleted since the matter is under active consideration of the Ministry of Shipping.

6.1.2. Ref para 6.1(b) Port Entry Rules :

Port entry rules to be strengthened to ensure that all vessels in Port area in possession of valid P & I insurance certificate.

Action *– It was decided that to implement the Port Entry Rules, the Customs Authorities may be advised by the Ministry of Shipping, to ensure compliance of Port Entry Rules, prior to issuance of Port clearance to visiting ships.*

It was informed that the Port Entry Rules are being implemented.

Decision: Agenda point deleted.

6.2 119th Meeting held on 31st May 2012.

6.2.1 **Ref para 6.2** *c) Detailed proposal for setting up IMS be prepared and submitted to MoS by a Committee under the Chairmanship of Shri D.T. Joseph.*
Action- *It is suggested that the Ministry of Shipping should appoint a suitable outside agency as Consultant for preparing a road map for setting up the IMS.*

It was informed that the decision on the subject is pending with the Ministry of Shipping.

Decision: Agenda point to be deleted.

6.2.2 ***Ref para 6.2(e)*** *VTS Authority at local port level and Competent Authority at national level to be set up for monitoring VTS.*
Action – *Capt. Surej, DGLL, informed that the issue has been taken up with the Ministry to set up for the monitoring of VTS authority. Following are the details;*

The 87th Central Advisory Committee on Lighthouses (CACL) in their meeting held on 10th November, 2014 decided the Ministry of Shipping may declare DGLL as the VTS Authority for Gulf of Kutch and Ports shall act as the VTS Authority for their respective VTS. The CACL also recommended the National VTS (Competent) Authority as under:

1. *Joint Secretary (S) - Chairman*
2. *DG, DGLL - Member Secretary*
3. *One representative from DG Shipping - Member*
4. *One representative from Major Port - Member*
5. *One representative from Maritime Board / Minor Port – Member.*

Decision: Agenda point deleted

6.2.3 **Ref. Para 10.4 - *Colachal Port be declared as a Major Port*** *- Dr.Rajamohan suggested that Colachel port, being strategically located, should be declared as major port. The issue was discussed in detail and it was decided that Ministry of Shipping may set up technical committee to examine the feasibility of this proposal.*

Shri Kodikunnil Suresh, Member of Parliament, questioned the need to have one more International Port (Major Port) in the region when there are already two ports adjacent to this port. Dr. Vishwapati Trivedi informed the forum that currently, there

is a study being conducted on this subject and appropriate decision would be taken considering various factors involved in it.

Decision: Agenda point to be deleted

6.2.4 **Ref Para 10.11 - *Security Issues concerning Dhows*** - *Identity proof of Dhow Crew Representative of Indian Navy proposed that all sailing vessel (dhows) crew should possess passports, as the identity proof. Jt. Secretary, MoS informed that the matter has been received by the Ministry and suitable proposal would be forwarded to MEA in this regard.*

It was informed that the matter is under active consideration of the Ministry of Shipping.

Decision: Agenda point to be deleted.

6.2.5 **Ref Para 11.(d -)*Smt. B. Jhansi Lakshmi, Hon'ble Member of Parliament,*** *stated that pension is being provided to the Fisherman at the age of 60 years and keeping in view of the hardship of the fisherman who are under scorching sun which damages the retina and therefore, requested to provide pension from the age of 50 years instead of 60 years.*

Ministry of shipping has informed that *Department of Animal Husbandry, Dairy and Fisheries (DAHDAF), Government of India (Shri Shankar L., Joint Commissioner) informed on phone that there is no pension scheme for fisherman. As such, there is no issue of lowering the pensionable age. However, the Deptt. is implementing other welfare schemes for fishermen. NSB may consider inviting DAHDF since they are concerned with welfare of fishermen.*

Decision: Agenda point to be deleted.

6.2.6 **Status of Resolutions passed in 123rd NSB Meeting**

6.3.1 **Ref Para 12.1** - Ministry of Shipping to set up a Committee to study in detail the "Cost to users" at various Ports.

Already dealt under para 6.1.1

6.2.7 **Ref. Para 12.2** - *National guidelines for security for Ports (where ISPS is not applicable), may be prepared, pending the comprehensive amendments proposed for the IPA.*

It was suggested by Navy representative that there is a need to have structured security arrangement at all ports including major and minor ports. Further it was informed that some of the minor ports even do not have armed sentries at their gates. Shri K.R.Khan, M.P. (RS) stated that this should be looked after by country as whole. In the state of Maharashtra, one Security Corporation is supplying armed

sentries to the ports for security purpose. The Member of Parliament suggested that security aspect should be same for Government Ports as well as for private ports.

Shri Deepak Shetty, DG Shipping mentioned that the issue is well taken and there should be no compromise on security whether it is Govt. or a private port or domestic ports.

Decision: Response from the Ministry of Shipping on the subject to be expedited.

6.2.8 **Ref Para 12.3** - *A consultant may be appointed to provide a concrete proposal for setting up IMS.*

Issue dealt under para 6.2.1

6.2.9 **Ref Para 12.4** - *In order to further strengthen the implementation of Port Entry Rules, Customs authorities may be advised to ensure compliance of Port Entry Rules, prior to issuance of Port clearance to visiting ships.*

Issue dealt under para 6.1.2

6.2.10 **Ref Para 12.5** *A proposal to be forwarded to Ministry of Shipping for setting up a simulator for suction trailer dredger at IMU.*

Decision: Response from IMU is to be expedited.

6.2.11 **Ref Para 12.6** - *There is a need to urgently implement the recommendations of Committee on "Preparedness of Ports for Tier 1 Oil Pollution" under the Chairmanship of Capt. PVK Mohan.*

Shri A. A. Heber, DIG Coast Guard, informed that contingency plan as submitted by JN Port has already been approved.

Further, the Coast Guard rep informed that the incidents of armed robberies at or near the Indian coast was not being reported to the Ports but vessels are reporting this to IMB (International Maritime Bureau).

Decision: Coast Guard should take up this issue at the respective Board of the Ports where their reps are also Trustees.

6.3.7 **Ref Para 12.7** - *Technical Committee be entrusted to examine the feasibility for declaring Colachel Port as Major Port.*

Issue dealt under para 6.2.3

6.3.8 **Ref Para 12.8** - *To examine the feasibility of ratifying the MLC through the ordinance route.*

It was informed by the DG(S) that *the notification for date of implementation of the MLC 2006 is being processed in the Ministry of Shipping, subsequent to the Bill being cleared by the Parliament.*
Dr. Vishwapati Trivedi, IAS informed the forum that the Bill amending the MS Act to incorporate the MLC provisions, was completed in record time within the Ministry.

7.0 **AGENDA POINTS of 124th NSB meeting.**

7.1 Presentation on "Paperless Port" by JNPT:

A power point presentation was given by Shri A.K. Bose, Chief Manager(Traffic) JNPT. He explained the Cargo Handling Facilities, Infrastructure, Cargo Profile, Certifications and Financial Performance, Major Core Projects, Major Future Development Projects etc at the JN Port.

7.1.1 Shri Bose explained that as a part of Paperless initiative, JN Port intends to do away with Form-13 for the containers arriving at JNPT Terminals. Form 13 is a document which gives container details and Custom's endorsement authorizing the Terminal to Gate-In the Export container. As on today submission of Form-13, which is the only Port Document, is mandatory.On implementation of Paperless Online Processes / Automated Gate Operations at entry and exit gates, the entry and exit of trailers carrying export/import containers will be smooth and speedy resulting into faster movement of cargo.

7.1.2 Shri Bose further explained the benefit of Paperless Online Process viz. :

- Saves paper and resources.
- Benefits the environment.
- Increases efficiency due to faster and smoother movement at the gates.
- Enables to process and handle more volume.
- Benefits the Trade enabling more Export and Import movement.

Copy of detailed presentation is enclosed for ready reference.

7.1.3 Appreciating the step towards modernization, Shri Kodikunnil Suresh, Hon'ble Member of Parliament (LS) wanted to know as to what will be the situation in case of any failure in the computer system and whether there will be any retrenchment on account of automation/modernization and whether Labour Unions have been taken in to confidence or there is any non-cooperation from labours? Shri N.N.Kumar, Chairman JNPT explained that there will be no retrenchment on this account as the existing staff will be required as back up support to maintain the system running smoothly and can immediately take over if any breakdown is occurs. He further informed that the Labour Unions have been taken into confidence and they have agreed on the matter.

Shri K. Rahman Khan Hon'ble Member of Parliament (RS) wanted to know about the safety aspect since the entry/exit will be paperless and at faster speed. The Chairman JNPT explained that safety points will be taken care electronically as well as CISF personnel who will be available at the gates.

Shri GajananKirtikar, Hon'ble Member of Parliament(LS) congratulated JN Port Chairman and his team for undertaking this pilot project for our country.

Capt. Piyush Sinha raised the point that Port should also look into to reduce the turnaround time of vessels. Shri N.N.Kumar, Chairman JNPT informed the forum that as a sample product, out of 22 gates available at JN Port, such facility has already been installed at one gate operated by APM Terminal Mumbai and the performance is under observation.

7.2 **Presentation on "Feasibility of construction/operation of ROPAX on Indian Coast"- by Cochin Shipyard.**

7.2.1 Dr. Vishwapati Trivedi IAS, Chairman explained that "Roll-on/Roll-off Passenger" is proposed to be introduced at ports to facilitate transportation of goods and passengers. The transport vehicles carrying goods and passengers on board will drive itself into the small vessels having ro-ro facility and berthing facility at both ends. These vessels will have a good maneuvering parameters so that they can bert / unberth without help of Tug and thus save on time and fuel required for individual vehicle. Similar ro-ro facility is being run by Konkan Railway wherein trucks loaded with cargo are driven on the rake along with the driver and cleaner and then transported to the fixed destination. This is resulting into good revenue to Railways as well as savings in fuel and time to the transporters. Dr.Vishwapati then requested Shri Madhu S. Nair, Chief General Manager, Business Development, Cochin Shipyard Limited to present his paper on "Feasibility of construction/operation of ROPAX on Indian Coast".

7.2.2 In his presentation, Shri Madhu elaborated ROPAX Vessel Features, Need for ROPAX Vessels, Prerequisites, Stake holders, Design, Construction, Policy Framework, Operation, Feasibility, Challenges, Examples, Trends, CSL Proposal etc. He explained that Roll-on/Roll-off Passenger Vessels with about 20-24 kn speed can be put into service. This will facilitate reduction in congesting roads in coastal cities. It will bridge the gap between certain points by covering very less water distance. The factors such as economic travel between cities, coastal travel, fuel savings, time savings, cost savings, lesser impact on environment, well integrated with inland transport/hinterland logistics, substantial job opportunities – on and offshore, tourism development will as a whole help in boosting the economy of the country. He also highlighted challenges in running ROPAX. He further mentioned that coastal areas of Gujarat, Maharashtra (Mumbai) and Cochin can be the best utilized for gaining the maximum benefits of ROPAX.

7.2.3 Shri Umesh Grover, CEO of INSA explained that ROPAX concept has already been deliberated at INSA. As a concept it will be accepted by INSA members subject to condition that this is viable for them to operate. To start with we can import some

vessels because if we wait for *'make in India'* it will take considerable time, approximately 2-3 years to kick-off. Also jetties are required to be made available for running of this service. Shri NN Kumar, Chairman JNPT stated that government should come forward for making available the infrastructure facilities like jetties and connected road network because small operators may not be in a position to invest money in creation of such infrastructure. MbPT Trustee mentioned that wherever possible, existing unutilized jetties may be used for this purpose.

7.2.4 Shri GajananKirtikar, MP (LS) stated that this should be done with the help from the Government. Shri K. Khan and Shri C.M.Ramesh both MPs, were also of the view that this can be taken up with the help of the Government. The ports can promote this new concept, as this is the need of the hour and since there is nobody who can focus on this, the National Shipping Board should take this challenge so that it can start. Capt. Naresh Kundlas explained that RO-RO and ROPAX are two different things and we have already started such type of transportation in the country. Dr. Vishwapati Trivedi opined that that there should be a working group consisting of members from IRS, INSA, NSB, Maritime Board etc. to deliberate on this.

7.3 **Presentation on "Short Sea Shipping"by Capt. NareshKundlas, WWL India :**

7.3.1 Capt. Naresh Kundlas of WWL India gave presentation on Short Sea Ro-Ro Shipping – A "smarter solution to India's Logistics needs". He gave stress on Distribution of Finished Vehicles within India and Present Domestic Movement of Cargoes. He also highlighted the need to review the whole picture and develop appropriate solutions thereto. Capt. Naresh emphasized the focus to the growing auto production in India. He brought out that majority of the finished vehicles are transported by road which is costlier when compared to sea route. He put-forth following for consideration of the authorities :

a) All taxes on the Bunkers to be waived off- Tax Free Bunkers for 2 Years
b) Wharfage and Vessel related charges to be reduced at Chennai and Kandla Ports.
c) Exemption on Indian flag for coastal for 1 year.
d) Coastal Shipping allowed to carry Export / TS cargo along with Coastal cargoes and stop at Sri Lanka enroute. This is presently allowed for Container vessels.

Capt. Subhedar, President (ICCSA) suggested that there should be concession to such vessels, in port charges. Capt. Kundlas explained that amongst the port charges wharfage is quite high. Shri A.Y.Serang, Gen. Secretary(NUSI) mentioned that the cabotage should be continued.
Capt. Harish Khatri submitted that there is need to have a road map ensuring provisions for commercial viability of Ro-Ro at Indian coast. The Chairman NSB may commission a group with stake holders involving studies which should be jointly funded by NSB and stake holders.

8.0 **Other issues with the permission of the Chair :**

8.1 Members of Parliament desired to highlight local issues of the ports, in the subsequent meetings. The NSB Chairman suggested that local issues can be sorted

out through bilateral discussions amongst the local authorities. However, the issues involving policy matters can be taken up by the NSB.

8.2 Coast Guard rep. gave brief on National Disaster Management Committee and stated that all ports are required to maintain adequate inventory of oil spill response equipment and skilled manpower for response to spills within their jurisdiction. He further informed that Level-I training is free to all and all ports should depute their staff for this training.

8.3 Shri Abdulgani Y. Serang, Gen. Secretary, NISU informed the forum about the following longstanding issues:

a. Income Tax exemption for Indian seafarers working on Indian flagships. Shri Serang informed that for last twenty years they have been raising this issue. He expressed his hopes from new Government who has taken positive action in this regard. He stated that some solution is expected from the ensuing budget. He therefore requested NSB to take up this matter in the ensuing budget.

b. Enhancement of skill for seafarers : Shri Serang put forth that In order to increase the avenues of employment to the Indian seafarers both on Indian and foreign flagships, it is essential that their technical skill be enhanced to retain the existing jobs and also to increase the employment opportunities. The Govt. of India should identify and facilitate such training opportunities for seafarers in technical areas .

NSB Chairman requested Shri Serang to present a white paper on the specific scheme for skill development issues which should be circulated and then discussed in next meeting.

9. Dr.Vishwapati Trivedi IAS, Chairman, NSB, in his concluding remarks stated that the points elaborated during the meeting are well noted. He thanked Hon'ble Members of Parliament and other NSB members and special invitees for their valuable contribution and recapitulated the deliberation in the form of following Resolution of the Board.

9.1 There is a need to identify specific routes and enabling provisions for a commercial viability of ROPAX operation on Indian coast. In this regards, it is resolved that the Chairman, NSB may commission a study on this issue, involving stakeholders, to be funded by NSB and stakeholders.

9.2 Given that the IMO has taken an initiative for promoting collective maritime heritages from various parts of the world, there is a need to research and collate the maritime heritage of India. In this regards, the Chairman, NSB may commission work.

10. The Meeting ended with vote of thanks to the Chair.

***

- ATTENDANCE -

LIST OF THE MEMBERS AND SPECIAL INVITEES PARTICIPATED I IN THE 124TH MEETING OF NATIONAL SHIPPING BAORD HELD ON 24TH JANUARY, 2015 AT 1000 HRS AT JNPT NAVI MUMBAI

SR.NO.	NAME OF THE MEMBER/SPECIAL INVITEE	SIGNATURE
1	Dr.Vishwapati Trivedi, Chairman 09871841111	
2	Shri.K Rahman Khan, MP (Rajya Sabha) 080 26653844, 26638778	
3	Shri.C M Ramesh MP (Rajya Sabha) 098689333333	
4	Shri.Gajajan Kirtikar MP (Lok Sabha) 09594977982 PA	
5	Dr. K Haribabu MP (Lok Sabha) 09440901300	
6	Shri Kodikunnil Suresh MP (Lok Sabha) 09447145400/4742454000	
7	Shri.S R Vijaykumar MP (Lok Sabha) 09840137037	
8	DIG A A Hebbar Coast Guard 09868202877	
9	Shri. Indian Navy	Cmde VK Madhusoodanan VSM Cdr Gaurav Mahajan
10	Shri. Deepak Shetty DG Shipping 09819897901/275752005	24/01/15
11	Mr. Umesh Grover CEO (INSA) 09867558355/9833556076	
12	Capt. Subedar President, (ICCSA) 09823158057	
13	Shri. A Y Serang General Secretary(NUSI) 09820149654/22700083	
14	Shri. S S Khan General Secretary (MUI) 22613052/26730711	
15	Shri. Ajit Khot. 01126111030	
16	Capt. Piyush Sinha 09325212072/	

SR.NO.	NAME OF THE MEMBER/SPECIAL INVITEE	SIGNATURE
17	B.R. SEKHAR (DGS)	
18	SURESH KUMAR. R.M (DGS)	
19	MADHAVAN S. NAIR, CMM, COCHIN SHIPYARD	9895765831
20	Capt. Naresh Kundlas, Wallenius Wilhelmsen logistics (I) Pvt. Ltd.	
21	Cdr Gaurav Mahajan	011 23010400
22		
23		
24	Neeraj Bansal	
25	Capt. H. Khatri	
26.	S.K. Kaul	
27.	Mahesh Yadav	
28.	A.K. BOSE	

REPORT ON ACTION TO BE TAKEN ON RECOMMENDATIONS OF 125th MEETING OF NATIONAL SHIPPING BOARD HELD ON 09.06.2015 AT "HOTEL GATE WAY" NEW MANGALORE.

Para No.	Recommendation of NSB	Action Taken Report / Status
6.1.7	Ref. Para 12.2 – National guidelines for security for Ports (where ISPS is not applicable), may be prepared, pending the comprehensive amendments proposed for the IPA.	Letter forwarded to MoS Letter no. CS/NSB-7/2015 dated 20.05.2015. Response is awaited.
6.2.10	Ref. Para 12.5 A proposal to be forwarded to Ministry of Shipping for setting up a simulator for suction trailer dredger at IMU.	Letter forwarded to IMU and IRS Letter no. CS/NSB-7/2015 dated 20.05.2015. Response is awaited.
8.3(b)	Enhancement of skill for seafarers: Shri Serang put forth that in order to increase the avenues of employment to the Indian seafarers both on Indian and foreign flagships, it is essential that their technical skill be enhanced to retain the existing jobs and also to increase the employment opportunities. The Govt. of India should identify and facilitate such training opportunities for seafarers in technical areas.	Letter forwarded to: (NUSI) Letter no. CS/NSB-7/2015 dated 20.05.2015. Response is awaited
9.1	There is need to identify specific routes and enabling provisions for a commercial viability of ROPAX operation on Indian coast. In this regards, it is resolved that the Chairman, NSB may commission a study on this issue, involving stakeholders, to be funded by NSB and stakeholders.	ToR for the prepared study has been forwarded to Prof. Raghuram, IIM (A) with a request to submit brief concept paper on the subject.
9.2	Given that the IMO has taken an initiative for promoting collective maritime heritages from, various parts of the world, there is a need to research and collate the maritime heritage of India. In this regards, the Chairman, NSB may commission work.	The issue is being taken up by the Ministry of Culture

Agenda (A)
" Paperless Port " –
Presentation by NMPT

Agenda (B)
"Coastal an Inter Island Shipping" – Presentation by Capt. B.B. Sinha, Director, SCI.

AGENDA SUBMITTED BY ICCSA

1. Outcome of Customs MoS Committee on facilitating ease of doing business / transaction costs:

   Attached is tabulated recommendations of the Committee constituted by the Ministry. Deliberations after the tabulated recommendations has included focusing on few of those recommendations in the immediate term and others for monitoring over a period of time. The National Shipping Board and the Directorate could assist in endeavoring to get closure of 6 most important recommendations that will ease the business of transaction cost.

2. New Indian Ports Act & rationalization of port charges, particularly to provide VTS, Reception facilities, provision for licensed Pilot at the private ports.

   Indian Ports Act & rationalization of port charges has been dealt by NSB before but so far inconclusive. We believe NSB should mandate IPA and others stakeholders to rewrite the Indian Ports Act within 3 months. NSB could consider nominating a member to the proposed Committee.

3. Problems facing use of "Containers" for domestic use

   Use of domestic Containers for domestic freight movement to get away from break bulk cargo is crying need of the day. Main problem encountered is that little or no domestic use Containers are manufactured in India. Although Container is nothing but a strong corrugated sheet box of standardized dimensions, it does require use of special alloy steel corner posts which are presently not available in India or can be imported at very high cost and duty. Technologically India can produce these corner posts given adequate demand, alternatively the Government could in the short term wave duty on imported Containers. Small shipping companies and coastal operators do not have the infrastructure for maintaining, leasing imported Containers duty free for which only big companies like SCI & Shreyas can keep track of their re-export of lease Containers within stipulated period to avoid incidence of duty. Classic case that has come to the highlighted recently is a requirement of 40,000 TEU of Cotton Bales from Gujarat to South India. The issue has been flagged even to the PMO office. This being farm related containerization issue has attracted considerable attention and if domestic use Containers are made available, modal shift of cargo is ready to happen. Together with RoRo vessel next season could see increase in domestic shipping. I could make a presentation at the NSB or you may invite representative of Trans Asia (rjm@tassgroup.com) or representative of CONCOR (deepakkapoor@concorindia.com).

4. Status on new part on coastal Shipping MS Act, incentives scheme for modal shift of cargo and vision document.

   Attached is also draft of new coastal shipping part and executive summary of vision document which may be circulated and tabled at the forthcoming board meeting so that promised outcomes can be followed up and communicated to the industry. Members of the National Shipping Board may be advised of status of Government's incentive scheme for modal shift of cargo. Latest actionable items on this may be obtained from Dr. Alok Srivastava, IAS , Additional Secretary, MoS.

5. Facilitate use of VSAT by Indian service provider for coastal water of India.

   Use of VSAT in Indian coastal waters by Indian ships has not materialized inspite of several representations to the Government by Industry stakeholders. At the same time, foreign ships in Indian waters continue to have access to VSAT facilities which puts Indian shipping at considerable disadvantage. Use of VSAT for day to day business of shipping, chartering, ship management outways the security concerns the Government continues to flag. Chairman of the National Shipping Board, we believe is in the position to help discuss the issue in detail and the Board's decision could be leveraged to convince MoH and MoC that there are safe and sound technological solutions available so that security concerns are duly taken care of.

6. Bring to the attention of MSDC delay in adoption of IWAI model Rules, IV limits and bringing forward new IV Act

   Maritime State Development Council has not met quite sometime and it is suggested that NSB as a statutory body of the Ministry could discuss the outcome of last MSDC making recommendations for constituting new MSDC with members from all Maritime State and inviting relevant stakeholders so that positive outcome is obtained in matters relating to more than 2 years delay in adoption of new IV limits, modal IWAI rules, new IV Act, SAGARMALA concept, etc.

S. V. Subhedar
President, ICCSA

FORMATION OF COASTAL SHIPPING CENTRIC LEGAL FRAMEWORK ORDERED BY THE GOVT. OF INDIA as per letter dt. 22.1.2015 DEADLINE 2 MONTHS

A meeting convened by Ministry under Chairman NSB met in DG Shipping on 26th February 2015 to decide on below new part or new Coastal Shipping Act.
It was agreed in principle to attempt insertion of new Part XIV A or new XV while keeping comprehensive revision of MS Act and or new Coastal Shipping Act open.
Minutes of the meeting have been circulated and it is agreed that new part should be created keeping in view need for simplicity, clarity, avoidance of duplicity, making enabling powers to make rules including powers to exempt.

The new standalone part drafted below allows for other parts of MS Act to apply only to extent necessary taking into account need for assisting coastal shipping growth (reduction of CAPEX, OPEX) without compromising standards of safety, etc. and available national provisions.
We have examined Late Venkiteswaran's report and find most significant changes are redefining few terms and rules making powers and shifting few provisions there to. There is no relook at MS Act amendment especially Part V, VI, VII and technical parts. Earlier Praveen Singh and Kakkar Committee reports of 1990s have not been examined. Below is therefore a suggestion for relooked standalone part for Indian Coastal shipping. Simultaneously other Maritime use Acts need comprehensive revision – Indian Telegraphy Act, IV Act, CV Act, Ports Act, COGSA, etc.

As directed, the subgroup met informally in INSA board room on 12th March 2015 morning in presence of Advocate Raja and discussed the draft taking into account the need for standalone part in the new MS Act dealing exclusively with Indian Coastal trade and promoting the same. Draft 3 is attached for further consideration on 17th March 2015 having identified gap analysis between what is provided in MS Act now and what is desirable in the new part. The sub-committee noting comprehensive revision of MS Act opines that an interim measure of "Part" may be introduced into the existing Merchant Shipping Act. This will adequately deal with all aspects of coastal shipping presently. It would not be time consuming and duplication of work and the comprehensive revision of MS Act could take on board exclusive Costal Shipping Administration.

Simultaneously DG has commenced comprehensive revision of MS Act 1958 which is modern in nature suitable for 2020 and beyond, simple, with enabling powers to remove detail for secondary legislation and making shipping Act capable of fostering, developing, maintaining, thriving Indian Mercantile Marine.

The standalone new part insertion in the existing Act is interim measure for immediate use by the trade for use of coastal shipping.

NEW PART

Statement of objectives and reasons

Whereas it is expedient as per preamble to the Act and consolidate, amend national law to regulate for enhancing domestic shipping, in particular river sea vessel trade – seamless transition from inland waterways to sea going - to ensure efficient transportation system in national interest and assist in supply chain.

Existing laws made pre independence or immediately after independence have revealed number of inadequacies for facilitating increased trade meriting greater seamlessness between inland waterways and coastal shipping. Presently increasing share of DOMESTIC SHIPPING compared to other modes of surface transport is primarily hampered because the Act is general in nature and gives rule making powers which are not uniformly exercisable within territorial/coastal waters of India with respect to safety, health, welfare, and environment given that there is constraint on domestic shipping by way of Centre State interaction. Ports are State subject except for Major Port Trusts.

This inadequacy is being rectified by laying down clearly for the mentioned trade provisions applicable to whole of India.

Further the Act places large responsibility on the Surveyors for certifying seaworthiness of a vessel which is often taken to be international norm not conducive to rapid growth of domestic shipping.

Difficulties in Administration of the act in territorial/coastal waters is being addressed by authorizing DG Shipping to delegate powers to **RO and State Maritime Boards** for the purpose of facilitating registry, certifying seaworthiness, safety, security and environment management as per this Part only save for any additional provision State government may make for its local port, harbor waters' jurisdiction.

To achieve these objectives of seamless transition of seaborne trade from inland waters and address current inadequacies there for it has become necessary to insert this Part to enable Coastal Vessel.

DRAFT Rev. 1, 2, 2010, Rev. 4, Rev. 5 17.3.2015
MS ACT 1958 as amended
Insertion as New PART XIV A or XV

Application of Part
This part only applies to vessels exclusively engaged in coasting trade of India as defined in Section 3.2 and the provisions of the Conventions unless expressly provided otherwise do not apply to these vessels. In lieu thereof, there are substantially equivalent National provisions and Standards for the purpose of this part. This part and rules made their under by Central Government are delegated authority from time to time.

Sec.
414A. 1. This part only applies to Indian Coastal Ships and RIVER SEA VESSELS employed exclusively in domestic shipping in whole of India.

2. Not withstanding anything contained in this Act, except Part IX Sec, 285, 286, 287 for prevention of collision, vessels under this part shall not be required to obtain or produce any Certificate like Safety Convention Certificate referred to in Sec. 3.

3. In this part, territorial waters of India means 12 nautical miles from the base line for measuring the breadth of the territorial sea or other waters within it.

4. This part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and different dates may, be appointed for different States and any reference in this Act to the commencement of this Part shall, in the relation to a State, be construed as a reference to the coming into force of this Act in that State.

5. This Part does not apply to any description of pleasure craft, Sailing Vessel, Fishing vessel or Government ship or man of war.

6.

Scope of the Part:
414 (B) For application of this part there is implied obligation on part of owner, company, Master, seaman to ensure that reasonable measures have been taken for seaworthiness of vessel for the voyage and during the voyage except for force of nature. This obligation is specific to loading, discharging cargo or passengers, preparing for sea and executing the sea leg of the voyage.

414 (C)

414 (D) The Central Government may make Rule/s with respect to the following but not limited to:

1. Size, age, type, different circumstances and limitations,
2. Construction

3. Safety, Radio Communication & Security
4. Environment management
5. Social responsibilities
6. Crew
7. Survey & Certification.

414 (E) 1. Delegated Power of Central Government (MS Act Sec 72) to mandate making rules and issuing general or special orders for coastal vessels operating within inland vessel limits and coastal waters as appropriate from time to time.

(1) Central Government may authorize RO or another competent authority for Survey and Certification as specified in Section 414 (D) .

(2) Without prejudice to the generality of the foregoing power, such rules may provide for –

(a) The appointment, jurisdiction control and functions of licensing authorities and other prescribed authorities;

(b) Any other matter which is to be, or may be, prescribed by Central Government from time to time to facilitate domestic shipping in all of India.

414 (F) Misc. Administrative.

414 (G) Transitional, Repeals and Savings

S. V. Subhedar
ICC Shipping Association, Mumbai

M.S. Act 1958

(As amended 17/03/2015)

Introducing New Part XIV (A)

Sr.No.	MS Section	Current Provisions	Proposed Amendments	Remarks /Reasons
1.	Part XIV	Deals with control of Indian ships engaged in coasting trade	Introduce Part XIV(A)	• Standalone part of the M.S. Act, dealing exclusively with the Indian coastal trade and promoting same. • To do away with very rigid and strict provisions of M.S. Act and facilitate and assist coastal shipping growth without compromising standards of safety, security and environment. • Other M.S. Act Parts to apply only to the extent necessary for safety, security and environmental protection etc.
2.	Part XIV(A)	Nil	Introduce Sec.414A	• This part only applies to Indian Coastal Ships and RIVER SEA VESSELS employed exclusively in domestic shipping in whole of India. • This part shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint; and different dates may, be appointed for different States and any reference in this Act to the commencement of this Part shall, in the relation to a State, be construed as a reference to the coming into force of this Act in that State.
3.	Part 1 – Definitions -3	"Coasting ship" & "Coasting trade of India" and other definitions.	Definitions related to coasting ships and for coasting trade of India to be introduced in this Act, unless the	• Same definitions as in Section 3 with enabling provisions to expand them under rules made for the new part.

			contexts otherwise requires	
4.	Part XIV (A)	Nil	Introduce Sec.414B	• Application of new part.
5.	Part XIV (C)	Nil	Introduce Sec.414C	• Scope of new part.
6.	Part XIV(D)	Nil	Introduce Sec.414D	• The Central Government or Directorate General of Shipping to make rule/s and or give exemptions from one or more aspects with respect to 1. Size, age, type, different circumstances and limitations, 2. Construction 3. Safety, Radio Communication & Security 4. Environment management 5. Social responsibilities 6. Crew 7. Survey & Certification.
7.	Part XIV(A)	Nil	Introduce 414(E)	• General powers to make rules, special and general orders (MS Act Section 72)
8.	Part XIV(A)	Nil	Introduce 414(F)	• No provision for bareboat chartering in the new part pending revision of MS Act.
9.	Part XIV (A)	Nil	Introduce 414(G)	• This part does not refer to IV Act. etc.
10.	Part XIV (A)	Nil	Introduce 414(H)	• Miscellaneous, repeals and savings.

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DRAFT amendments to MS ACT 1958, as amended
(Insertion of new PART XIV A or XV)

414.A Application of Part

a. Save as otherwise provided, this Part applies to vessels exclusively engaged in coasting trade of India as defined in Section 3.2 of the Act and owned by a citizen of India [or a company or a co-operative society which satisfies the requirements specified in clause (b) or , as the case may be, clause (c) of section 21.

b. This Part does not apply to pleasure craft, Sailing Vessel, Fishing vessel or man of war.

414. B Effect into force:

This part shall come into force on a date notified by the Central Government.

414. C Obligation of ship-owner :

Ship-owners, company and Master of vessels exclusively engaged in coasting trade of India are required to ensure the seaworthiness of their vessels at all times.

414 (D) Rule making powers

i) The Central Government may make Rule/s with respect to the following, but not limited to:

a. Size, age, type, different circumstances and limitations,
b. Construction
c. Safety, Radio Communication & Security
d. Environment management
e. Social responsibilities
f. Crew
g. Survey & Certification.

ii) Without prejudice to the generality of the foregoing power, such rules may provide for –

(a) The appointment, jurisdiction control and functions of licensing authorities and other prescribed authorities;

(b) Any other matter which is to be, or may be, prescribed by Central Government from time to time, with respect to vessels exclusively on the coasting trade of India.

Date: 13th February 2015

Recommendations of the Committee set up by the Ministry of Shipping, Govt. of India, in terms of its Order No. SS.16011/1/2011-SL-MG dated 29.08.14, to "recommend simplification and automation of Customs procedures

Sr. No.	Current procedures	Recommendations of the Committee
1	IGM procedures: Currently 8 sets of hard copy for IGM documents are submitted at various customs sections at Nhava Sheva. Even after IGM /EGM filing through ICE GATE, Customs still insist for manual filing as well.	a) Implementation of Electronic Signature (ES) module to be fast-tracked, latest by March 31, 2015 b) Sizeable augmentation of qualified & committed manpower and infrastructure with the DG (Systems) in the CBEC
2	Rotation number: Rotation Number is currently provided by the customs officer posted (say at Dronagiri (Nhavasheva) during Monday to Friday (working day, working hrs. only). Even for all other ports obtaining of rotation no. is still manual.	a) Electronic module on the ICES/ICEGATE for the generation of rotation number to be activated latest by December 31, 2014 b) Customs staff needs to be empowered to issue rotation numbers.
3	Port Clearance: At present PC No. is allotted manually at Dronagiri and approved at PUB customs which takes 7 TO 8 to hours. And shipping lines have to shuffle between two offices.Total at least 12 to 15 sheets documents are required.	a) List of documents to be provided by the Ministry of Shipping to the CBEC. b) Port clearance to be dispensed with for coastal shipping (Section 456, Section 410) c) CBEC to include the indicated manual bond procedure as a part of the Bond Module d) The CBEC/ IPA (Indian Ports Association) to consider revisiting the ICES/PCS systems architecture
4	SMTP procedures: For import containers meant for ICD destination, SMTP generated automatically from ICEGATE System & transmitted automatically to all concern parties (Carrier, Terminal, destined Customs office), even though Shipping Line need to take printout of system generated SMTP, and also need to take endorsement signature form concern Customs officer. And such copies are sent to ICD offices by courier. (Each vessel has at least such 20 hard copies of SMTP)	a) Electronic communication of data issue between the Customs authorities and SEZ authorities needs to be completed by March 31, 2015. b) Do away with movement of hard documents.
5	Duty on containers in case of total loss : Customs are charging customs duty on basis of manufacturing value for even total loss containers (the value is as decided by them).	a) Containers Duty needs to be exempted b) CBEC Circular to all field formations c) Taking of one time manual bonds
6	Delays in entry inward procedures : Entry inward in ICES system, which is currently in many cases being done even after 12 hours of berthing of the vessel.	a) Entry inward to be dispensed with to coastal ships by CBEC Circular
7	Minor amendment : At present documents requirement for minor amendments (Rail to Road/ SMTP to Local) is similar to that of major amendment which delays the whole procedure and delay in delivery of the goods to concern.	a) CBEC to revisit the level of 'Proper Officer' b) CBEC to identify an indicative list of documents
8	Mates receipts: In Many Customs Houses still Mates Receipts required for containerized cargo. The issuance of Mate Receipt was followed earlier as it was a documentary evidence of cargo loaded on board the vessel and date of sailing. It was issued by captain or mate of the vessel and endorsed along with SB by the customs officer posted in docks.	a) practice of insisting on a mate receipt needs to be done away with b) CBEC to issue Circular
9	Customs demanding seal: Customs demanding seal examinations of T/P containers 100% at Mundra and shipping line have to ground the containers for seal examinations at terminal and line are spending a colossal amount of money for the same. Apart from the huge cost, lines are losing mother vessel connections, affecting the trade.	a) CBEC to identify such good / best practices like Mundra and circulate them to all its other field formations b) Custodian (including the Terminal Operator) to be authorized for the safe upkeep of seals and there need not be any physical examination by the Customs authorities c) Use of Risk Management Systems for identifying containers for examination to be encouraged d) CBEC to issue Circular
10	Scanning : Scanning of containers is taking long time; the scanning process needs to be reviewed. Today the scanning quantity has increased, whereas the resources are same.	a) CBEC to issue guidelines for procurement and installation of scanners b) container scanning lists to be provided at least one day prior to the proposed scanning c) CBEC to issue Circular
11	NOC letter from consignee: Such a NoC should not be mandatory for amending the Customs manifest (Consignee / Cargo / Weight / package) if the Original B/L in possession of shipper / New Consignee or with liner.	a) no need of consignee NOC (section 2 (26) of the Customs Act, 1962,) subject to any intelligence information b) CBEC to issue Circular
12	Re-shipment cases: In Kolkata, the Customs authorities insist on 100% examination of cargo even if the seal is intact, (as far as reshipment is concern, cargo is not consumed here in India so the 100 % examination is just waste of time and money).	a) CBEC to take a ground reality situational report from the jurisdictional Chief Commissioner, Customs Zone, Kolkata and resolve issue

13	Boarding procedures: Custom boarding procedures for vessel clearance are age-old and needs to be renewed. Today lines/ Master have to submit total 60 copies of different documents to 5 different departments. Boarding, PHO, Immigration, Rummaging; import noting. Please find separate list attached. The documentation requirements are huge needs to be stopped to bring at par with other countries.	a)No movement of hard copy
		b) No boarding procedural requirements for coastal shipping
14	TR-1 and TR-2 copies : For exports from ICD locations (By Road, Rail) & from Ports (By feeder vessel), as per extant procedures, we are receiving two copies of hard Shipping Bills (TR-I & TR-II), after SOB of the ICD export units from gateway ports, concern Shipping agent at gateway ports needs to send one hard copy of Shipping Bills (TR-II) back to the concern ICD destinations/Port after duly endorsed / signed by the designated Customs officer. (Endorsement procedures on TR-I & TR-II are too much time consuming procedure as for one vessel it is about 14 to 15 box files & signatures on each TR-I & TR-II requires about 03 to 04 Hrs. of Customs officer and one representative of Shipping Agent is standby throughout this process.	a)No requirement of movement of hard copy
		b) Restricted or 'View' ('read only') access of ICES to the Central Excise field formations
15	EGM : Simplification of EGM Filing	a) No duplication in data entry b) MoS to provide an indicative inventory of such fields to the CBEC
16	Mismatch of seal nos.: At Mundra, for import laden containers which are nominated to move to nearby CFS; if there is a mismatch between seal nos. where seal is intact but mismatch Between Manifested / IAL seal no's & physically found seal nos., shipping lines needs to take separate permissions from customs for movement and on the basis of this permission the containers are moved out with the same intact but mismatch seal to CFS with instructions to CFS that there shall be 100% examinations at CFS.	a) CBEC to identify such good /best practices and circulate to all b) Custodian responsibility
		c) CBEC to issue Circular
17	ICD by Road : Separate permission required for movement through road to ICD Destination for the units already cleared for By Train movement under same Carrier's Bond.	a) Approval for movement should be granted
		b) Documentation required should be built into the ICES
		c) Bond to facilitate quick movement unless there is intelligence / RMS information
18	Part shut out: In case of part shut the Shipping Bill needs to be amended by reducing quantity value and other particulars to the extent of shut out. Subsequently fresh Shipping Bill needs to be made for the shut out cargo and completed procedure from filing to LEO be redone. This takes upto 7 days. Shut out cargo cannot be loaded on vessels till such time.	a) ICEGATE to permit part shutout
19	Export containers loaded from one Indian port to another Indian port for export: Two copies of EXPORT shipping bill to be kept on board at load port for submitting to Customs at TP port. After loading on the EXPORT vessel the shipping bills to endorsed by the Customs at TP port and one copy to be forward back at the origin port for submission to Customs by the officer in charge at TP port. Export General manifests also to be filed at both ports. Due to non-availability of sufficient copies of Shipping bill, Agent shave to get true copy from Customs at base port for onward submission.	a) Dispense movement of hard copies
		b) Provide a restricted access to the ICES to also its Central Excise field formations
20	TP procedure: IGM to be filed with customs for the containers to be discharged in EDI and hard copy format	a) Requirement of hard / paper copies should be dispensed with
		b) SOP needs to be prepared by the CBEC for foreign transhipment
		c) Development of a bridge software between the import and export systems
21	Simplification of EGM procedure to minimize errors:	a) Should not be any need for duplication in data entry. Same as Point 15
22	Endorsement of SB by the Preventive Officer	a) more physical endorsement may be done away
		b) Information about containers being loaded onto the ship may be provided electronically on a real time mode to the Customs authorities
23	UAC Containers	a) Auction of abandoned / uncleared cargo, which should not include confiscated cargo, should be done immediately after 75 days
		b) Reserve price of goods should be on the standard rate of customs duty plus custodian charges (limited to the maximum period specified here-in-below 75 plus 60 days) and not the FOB value of the cargo
		c) The whole process should be completed by the custodian within 2 months from the date of starting the process of auction
		d) NoC from the original consignee can be dispensed with

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	CUSTOMS PROPOSAL RELATED TO TRANSHIPMENT PROCEDURE	
	Current transhipment Procedure as per ON 39/ Of 2006 for containers loaded /landed from Indian port and exported from other Indian port	
1	The B/T need to be filed in 5 copies	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
2	B/T to be presented to the receiving Clerk, who verify that the vessels to which goods are to be transhipped has been duly entered outward for the ports for which the goods are to be transhipped.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
	The Preventive Officer shall also verify that the particulars of the goods furnished in the B/T correspond with those entered in the IGM & also that the port of destination is not included in the list of ports to which TSP is prohibited.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
	Preventive Officer shall make Notes in the IGM against the corresponding item/entry, name of the person by whom the goods are being transhipped, name of the vessel transhipping the goods, enter the total no of containers in words in all copies of B/T, calculate and note in all copies of the B/T the total amount of supervision fees recoverable at the rates prescribed.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
	After signing the B/T he will submit the same to Superintendent (Export). The Superintendent shall get the seals verified through an Inspector & submit the B/T for the Assistant Commissioner/Deputy Commissioner's permission. After permission original copy shall be retained in the Import Section and the other copies sent to Superintendent. (Docs Preventive) who will depute an officer to supervise the transhipment of goods after making necessary entries in the register to be maintained for the purpose. The Inspector of Customs deputed to supervise the goods will, after the shipment in whole endorse the applications to show the actual quantity of goods shipped and return the Duplicate to the Manifest Clearance Department(MCD). The Triplicate copy duly endorsed shall be forwarded to the Bond Section for record. The Quadruplicate and Fifth copy will be handed over to the applicant (Line) for his record.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
3	Manifest Clearance department will tally the details of goods mentioned in B/T with those mentioned in EGM of vessel carrying the Transhipped cargo to foreign port. These details would also be verified with those mentioned in IGM of vessel which brought the goods for transhipment. IGM and EGM entries in respect of transhipment cargo will thereafter be closed.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
4	When the whole of the containerised goods/the goods for which transhipment was permitted are not eventually shipped by the vessel originally designated but is intended to be shipped by another vessel. The B/T will be permitted after amendment of the name of the exporting vessel without any further transhipment fee, whether the goods were supervised or not, provided the port of destinations remains the same. No amendments fees will be charged for two such amendments.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
5	When part of the goods for which a transhipment order was issued is not eventually shipped by the original exporting vessel but is intended to be shipped by another vessel, a fresh B/T should be filled for such portion of the goods. This will be dealt with in accordance with procedure detailed in the para above except that after comparing the current B/T with the first set and verifying previous payment of transhipment fee and making necessary endorsement on both sets. It is passed without further transhipment fees being levied.	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.
6	The procedure to be followed in respect of transhipment goods from one vessel to another on Sundays and on other holidays and when the receiving vessel is to sail 24 hours of arrival of the discharging vessel is as follows. The transhipment may be effected within the said period with permission from Deputy/Assistance Commissioner(Imports) and under the supervision of the Inspector of Customs on board provided that the Steamer Agent execute a guarantee on stamp paper with a list of cargo to be transhipped in duplicate, undertaking to complete the transhipment formalities immediately after sailing of vessel. Guarantee papers are retained in the Dock Preventive section and a separate note sheet with one copy of list of cargo transhipped are forwarded to import department immediately for completing the formalities. Copy of List retained by Import Dept. until the B/T	The coverage of ICEGATE needs to be extended to all the remnant ports, including SEZs, on priority.

Coastal vessels – Port formalities & documentation

Sr. No.	Current procedures	Recommendations of the Committee
	A. Immigration issues	
1	a) In the absence of circulars / directives from the GOI for the coastal vessels, Immigration formalities adopted at ports are not uniform.	Immigration clearance needs to be done away with for coastal vessels on lines similar to that being done for domestic passengers on airlines.
	b) Few ports follow same regulations as for the foreign vessels while few ports do not have any formalities.	
	c) Domestic Airlines do not have any immigration formalities	
2	Shore passes are issued by the immigration authorities for all vessels calling at a port.	Port Security Officers to issue passes to coastal ship crew
3	Crew passport endorsement - no uniform procedure followed at ports.	Coastal ship nothing to do with immigration and / or passport formality. Change of status from coastal to foreign to coastal to be dealt by immigration at the appropriate Port of departure or arrival respectively subject to ordinary security measures such as crew ID document for joining ship
	B. Port health office formalities	
1	a) In the absence of circulars / directives from the GOI for the coastal vessels, health check formalities adopted at ports are not uniform.	Coastal ships has no need for Maritime declaration of health (as not touched any foreign port)
	b). Few ports follow same regulations as for the foreign vessels while few ports do not have any formalities.	
	c). Domestic Airlines do not have any separate port health formalities	
2	A letter from ship's agent to port health department confirming vessel's name, voyage no, date of berthing for the vessels on coastal service in order to maintain their record since the coastal vessel berth in same port like other foreign vessels.	Extend PCS access to Port Health
	C. Coastal vessels handling domestic cargo	
1	a) The Customs Act, 1962 (52 of 1962) CHAPTER XII / Provisions related to coastal goods and vessels carrying coastal goods (section 91 to 99) is governing documents.	Entry inward not a requirement for coastal shipping. No precondition for movement of cargo. CBEC to issue Circular for uniform implementation in all major and non major ports. PCS access for information pertaining to the berthing of coastal vessels should be provided to the Customs authorities
	b) Domestic Airlines do not have any custom's formalities	
	c) A letter from ship's agent to the custom's department confirming vessel's name, voyage no, date of berthing for the vessels on coastal service in order to maintain their record since the coastal vessel berth in same port like other foreign vessels	
2	Port clearance: a) Since the coastal vessels berth in the custom's bonded area where other foreign ships are berthed and in any event custom officer is authorized to board the vessel for any clarification as per Section 37, 38 of Customs Act 1962. b) The port clearance requirement is stated in Section 97 of the Customs Act 1962	No port clearance for coastal shipping. See point no. 3
	D. Double transhipment	
1	Not permitted as of now.	Double transhipment needs to be permitted by the CBEC to overcome infrastructure bottleneck by way of ICES in Gateway, transhipment hub and final Customs Port (exploiting electronic technology to ensure transshipment is not hindered)
	E-Coastal vessels handling EXIM cargo	
1	Practice of Filing IGM n EGM for coastal cargo exists at certain ports while loading on Coastal Vessel	New SOP should be put in place by CBEC for the uniformity of practice at all the ports.
2	a). The Customs Act 1962 (52 of 1962) / CHAPTER VI / Provisions relating to conveyances carrying EXIM goods (section 29 to 43) is governing documents for vessel arriving in India. b). Domestic Airlines do not have any custom's formalities c). A letter from ship's agent to the custom's department confirming vessel's name , voyage no, date of berthing for the vessels on coastal service in order to maintain their record since the coastal vessel berth in same port like other foreign vessels	The procedures of entry inwards / outwards can be dispensed with subject to CBEC concurrence where coastal ship has part EXIM cargo while transitting intermediate coastal ports
3	A) Procedure of Import: a) Carrier Transhipment bond / Mother Bond: i) Carrier Transhipment Bond has to be executed by vessel operator with bank guarantee as well as his agent at Transhipment port. Manual IGM Filing: a) At Gateway port, carrier (Coastal vessel) need to file Manual IGM for coastal as well as EXIM T/P	In lieu of bank guarantee, CBEC to introduce simplified procedure which is presently in vogue for the carriage of containers over 1,000 per annum against the bond be made applicable irrespective of the number of containers being carried.

AGENDA SUBMITTED BY SHRI AJIT KHOT, MEMBER, NSB

Role of Chartering wing (Transchart) in the Ministry of Shipping ' NSB meeting 9th May2015

The Chartering wing of the ministry better known as Transchart has seen continuous decline in its share of chartering ships for Indian PSU cargo. From a peak of 68 million tonnes in 2005 the cargo share is now mere 14 million tonnes and declining every year. Transchart has earned over Rs 150 crores by way of chartering fees in this period and as a deptt of the Govt it is self sustaining.

The decline in cargo share is mainly due to the PSUs insistence on handling shipping arrangements themselves. Thus IOC , SAIL etc have already been given freedom to do their own chartering.

If the same trend continues all the cargo that Transchart handles will be taken away by the respective PSUs / govt deptts and Transchart will have nothing left to handle.

With the emphasis that the Govt is putting on coastal shipping, it may be prudent to use Transchart for the promotion of coastal shipping in India. The wing may be asked to carry out studies on viability of certain coastal routes / type of ships for development and to devise and administer incentive schemes for the same.

P&I Club

A P&I (protection and indemnity insurance) Club is an independent, non-profit making, mutual or co-operative insurance association, providing third party liability and personal injury (crew) insurance cover for its members (ship-owners, shipping companies, and/or charterers).

Principal of "mutual"

Under the "mutual" structure, the members pool their financial resources together in order to meet losses incurred by individual members of the Club. The contributions/premiums paid by the members are expected to meet all claims, reinsurance and administrative expenses of the Club.

If there is a deficit, the members are asked for a pro rata "cash call" to account for the deficit. If there is a surplus, the amount may be credited to the members or transferred to club's reserves to meet losses of future periods. Like any other insurer, the surplus funds of the mutual are invested and the investment returns are treated as other income of the Club.

In summary, the members are both the insurer and the insured.

Claim payouts

P&I insurance operates on the policy of indemnity i.e. the ship-owner must demonstrate the loss before the Club is required to pay out under the terms of the insurance. The Club does not assume any liabilities of the ship-owner or member, who must first pay compensation, costs, or settlement funds for claims and then seek to recover these from the P&I Club, in line with the rules of the Club.

Governance

Its members through a Board of Directors or Committee, elected by the members, control the Club

The Management Company

The day-to-day management of the Club and administrative activities are all assigned to a Management Company. The Management Company provide services including pre-inspection survey, underwriting support, the arrangement of reinsurance, handling of claims and managing the Club's investment portfolio and other services usually associated with P&I Club Management.

A) India P&I Club Limited

Current status

The Maritime Agenda of the Indian Government as stated in the 12th five year plan is that -

"In present day scenario, maritime insurance of ships, wreck removal, dealing with maritime both for the ship and seafarers are organised by P&I Clubs of foreign origin. Establishing a P&I Club in India should not only increase trade but would also augment foreign exchange earnings when foreign companies use these Clubs. It is therefore proposed to establish one P&I Club in Indian League by the year 2015 and one more in the IG League by the year 2020."

Currently in India Protection & Indemnity or "P&I" is not a recognized activity within the Indian Insurance Act. Indian Ship owners have been obliged to purchase this protection from the International Insurance Markets, as it is obligatory cover for all international trading. There is no specialized P&I facility in the Indian Ocean district. In Asia, China, Japan and Korea have their own National P&I Clubs but none in South Asia.

A small and specialist Club can better serve these interests and provide a more appropriate and representative pricing structure than the larger International P&I Clubs, which focus on a global experience. Furthermore, it shall utilize local

maritime specialists and endeavor to promote the local talent.

The Club will be a non-profit organization and it shall be prohibited from distributing any dividend to its members.

B) P&I cover for the Indian Coastal Flag Vessel

Ministry of Shipping vide its Gazette notification dated 20th April 2012 made it mandatory for "Foreign flag" vessels to carry Protection & Indemnity (P&I) insurance and class certificate whenever these vessels enter into the Indian coastal waters. P&I Insurers to be certified as approved by the DG's office in Mumbai.

The same requirement was not made mandatory for the Indian Flag vessels for its coastal trade due to unavailability of such insurance cover in the Indian insurance market. After considering the several maritime incidents in the coastal trade over the last few months, DG of Shipping has been in discussion with GIC Re for providing a fixed premium P&I insurance facility for the Indian Coastal shipping community.

Fixed premium P&I facility could be set up with reinsurance support from the leading Lloyd's syndicates and GIC. Fixed premium facility may be set up initially with Limit of Liability of USD 10 million per vessel with an option to buy down with discount options for reduced limits and corresponding reduction in the deductibles. The product should be priced at an affordable level to the Indian small ship-owners, whilst at the same time providing the full coverage as prevalent in the International Market.

Once the cover has been made available in India, the Ministry of Shipping may have to make it mandatory for all registered "Indian Costal Flag vessels" to carry Protection & Indemnity (P&I) insurance with a Limit of Liability of USD 10 million and such policy should be taken from the India P&I Club.

Note on Cruise Shipping to Andman, Nicobar and Lakshdweep Islands- NSB meeting 9th May2015

Background:

While globally the cruise industry is growing at "low teen" level percentage points every year; India has been unable to tap and grow this industry. There have been numerous attempts by various corporate entities but these have been largely unsuccessful. The last attempt was made by a company based out of Chennai in 2010.

Current Situation:

With no clear indication on way forward this has caused this industry to be highly under developed.

With the economy back on track and expected to gain momentum, this would be an ideal situation to allow a "pro cruise industry policy". This will not only generate employment in terms of support needed but also contribute to the economy in terms of revenue generated via tourism. Given the "Indian Coasting" model there will be no flight of foreign currency as Indian tourists will spend their money within the country thus assisting with making our economy stronger.

Challenges facing Cruise Industry:

The biggest challenges facing this Industry are as follows

a) Taxes

b) Licensing

c) Costs incurred (Bunkers, Port charges etc.)

Taxes:

This is largest deterrent to Cruise ship industry. The taxes which an operator has to deal with include Income Tax, Excise, Customs, Corporate, Service and if flagged in India Tonnage tax. In addition to the above taxes there are various restrictions on Crewing, Licensing which can be very detrimental to the profitable operation of this industry. In 2008 there was a policy made for abolishment of all taxes for Cruise Industry but this policy was never executed.

Licensing:

Given the various licenses required and the challenges of receiving same for the licensing authorities this challenge is of very grave concern to International professional operators. The regulations regarding the licensing and operating of Casino, Bars onboard vessel are very antiquated when compared with International regulations. For example the vessel needs to be 200NM away from land to operate the Casino or sell alcohol. From a time perspective it would take a vessel 13.5 hours after leaving port to allow for the casino and alcohol to be sold. Another issue is the Duty free shopping (clothes, Electronics etc.) and allowances which need to be looked at to encourage purchase of same in Indian Rupees thus saving valuable foreign exchange.

Costs:

The costs incurred by Cruise operators are among the highest in the world. Given the infancy of the industry it is extremely important to attract operators of International repute by lowering the costs. The costs typically incurred are the Bunker(ship fuel cost) which is very high due to local taxation, Port charges which are again extremely high given the "mentality" that cruise vessels are rich and can afford high port/harbor charges.

The Way forward:

The following needs to be carried out for ensuring successful interest by International Operators:

a) Proper coordination and teamwork between the government agencies to ensure a "one window" clearance concept is given to Cruise Operators

b) Incentives in terms of " Tax Holiday" for 5 to 7 years during which there will be exemption to all taxes(Income, Customs, Corporate, Service, Excise)

c) Due to a "One Window" clearance all licensing issues with respect to operation of Casino/Bars/Duty after vessel sails and is outside territorial waters of 12 NM (approximately 1 hour after sailing)

d) Bunkers to be sold to Cruise Liners without any taxation. This is to prevent any burdens to the Industry as experienced in Avlation which is highly burdened by the taxes incurred.

e) International Operators to be allowed to "coast" the Indian coast without restrictions of any kind on Crewing or operational issues.

f) Permission to go to sensitive areas such as Lakshadweep and Andaman/Nicobar without red tape(For eg Ministry of Defense may raise objections for vessels to anchor close to Andaman/Nicobar Islands and ferry passengers via the tenders onboard the vessel)

g) Port/Harbor Charges to be very low to ensure vessel can visit the port numerous times.

h) The Infrastructure for boarding and disembarking passengers may not be fully ready or equipped. The operators are willing to work closely with Immigration and other authorities to ensure that the passengers have a hassle free experience and are able to recommend this industry to fellow citizens thus increasing the tourist footfall.

i) If the proper incentives are given and the operators able to operate in a "free" manner while not being too bogged down by local regulations (and complying fully with international regulations) this industry will ensure that due to the growth potential thousands if not millions will be employed given this industry requires a lot of labor.

j) Due to the various costs including Labor it is imperative that the industry is incentivized fully to reflect the potential of the industry. Once the industry grows from its Infancy and is well established (regulations can be brought in after due consultation and study by all stake holders)

k) Given the infancy and non-existence nature of the industry, policy makers should be focused on growing this to the maximum given the potential it holds.

Note on Highways of the Sea For NSB meeting – 9th May 2015

Highways of the Sea

The Highways of the sea are those sea routes which can be an alternative to transport by land. This concept should not be confused with cabotage which is coastal shipping, including the islands or short sea shipping which also includes container feedering between ports.

The highway of the sea is the sea alternative for trucks to the normal road connection between two points. This means that the trucker has a choice of going by land or by sea to reach his destination.

The fundamental aspect is that the whole truck, or the trailer by itself, goes on board the vessel and not just the cargo which is what happens with containers.
To better illustrate the point let me give you an example.
A shipment from Bangalore to Siliguri would normally go by road and cover an approximate distance of 2560 km in several days.
The HOS (Highway of the sea) would be structured as follows:
Bangalore to Chennai- 338 km by road.
Chennai to Kolkata by sea (670 miles)
Kolkata to Siliguri 570 km by road.
With this system the truck would only travel on road for 908 km instead of 2.555.
If we take the data of the KPMG audit report, the daily average covered by trucks in India is of 300 km. In other words to cover by road the distance between Bangalore and Siliguri, a truck would take between 8 and 9 days.
With the HOS alternative it would take:
Bangalore to Chennai- 1 day.
Chennai to Kolkata by sea 1.5 days at 18 knots/hour.
Kolkata to Siliguri 1, 9 days.
Even in terms of time, the HOS is better.

Advantages to the haulers

1. Lower consumption costs.
Since the truck only goes by road from Bangalore to Chennai (338 km) and from Kolkata to Siliguri (570 km), fuel/oil consumption is less plus avoiding the normal wear and tear of an additional 1.647 km by road.
2. Lower personnel costs.
If the entire trip is taken by road, a driver is engaged for 8 to 9 days.
If the trucking company organizes itself, it can send the truck from Bangalore to Chennai, unhook the trailer which is then loaded on the ship and return to base.
The ship then carries the trailer to port of destination without driver/tractor.
At destination another tractor hooks up the trailer and takes it to final delivery.
In this fashion the trucking company saves on man/hours of the driver, being able to perform the same service with less tractors and drivers.
3. Trucking companies are saving on number of drivers and tractors when they organize themselves, either by having set up their own equipment at both ports or make arrangements with other haulers to interchange traffic.
Haulers who have adopted this system have gone from one driver/ tractor
and trailer to one driver/tractor for every 4/5 trailers. This is a huge saving on the cost of equipment.

Advantage to the community

The biggest advantage is the reduction of pollution by CO_2 gas. This is very important when we

consider the importance of environmental policy.
With less truck traffic on the roads, the maintenance costs of the highways go down.
The percentage of accidents caused by trucks is high in India. Here again the saving to the community in terms of human lives, cost of removal of wrekages etc. is quite significant.

Operational aspects

1. The hauler brings down the trailer full of cargo to the HOS terminal and unhooks it.
2. The terminal operator takes the trailer with a tug master from the stacking area and loads it on the ro-ro ship, where it is secured for the trip.
3. At arrival port, the terminal operator discharges the trailer from the ship and brings it to the stacking area of the arrival port.
4. The hauler then hooks on the trailer and moves it from stacking area to final destination.

It is important for the terminal at both ends to receive and deliver the trailers on a 24 hours basis so as to move the cargo as quickly as possible.
Normally for a load of 180 trailers in and 180 out the time required to perform all operations is 8/12 hours depending on the number of tug masters used and the available decks on the ship. This gives the ship a fast turnaround time.
When the transport is done by an independent hauler, the tractor that delivers a trailer for loading picks up a discharged trailer for final delivery, thus giving it full employment.
For a service to be viable, the line must offer at least three sailings per week giving the possibility to the hauler to program their shipments.

Important issues

1. **Dedicated terminals or berths with an area for stacking trailers.**

To be able to avoid problems of mixing HOS cargo with overseas cargo, the ports involved in this service dedicated a well separated area just for HOS traffic with fixed berths with attached stacking area or terminals so as to make it easier also for Customs to exercise control.

2. **Special documentation.**

Because of the short transit time involved, the port bureaucracy should be cut to the minimum with the line just supplying to the Port Authorities a list of trucks with a general description of contents (Marble, Furniture, Foodstuff, Groupage etc.) except in the case of dangerous/poisonous goods which would follow the normal IMO rules.

3. **Customs.**

This is the most complicated aspect as Customs put up a stubborn resistance to any change.
A special register could be made of the ships plying on this trade which were issued a certificate as "Ships dedicated to HOS trade" on specific routes.
These ships would then have special Customs exemption to present additional documentation to what was presented to the Port Authorities i.e. list of trucks with license plates, general contents, logistic operator for groupage, receivers.
A ship with this certificate can only ply on this service and when it changes route it loses the certification.
This list would also be sent to Port of destination for the local customs to have (via e-mail or via the Customs European intranet system) prior arrival of the vessel.
The Customs maintain the right to spot check or check specific trucks either prior to embarkation or on arrival.

4. **Stevedores.**

Stevedoring Unions will have to be convinced that the service would die if speed was not achieved

and labor costs were not cut down.
The ships will work on arrival and the labor required is a driver for each tug master and one/two persons to lash the trailers onboard. In some ports the crew may perform the lashing operation as well as the driving of the tug master, but it depends on the terminal and the line. Some ships also have their own tug master but the normal procedure is for the Terminal to supply the equipment and the labor.

Conclusions

For the policy to succeed, the Govt has to initially focus on deriving maximum benefit from minimum port infrastructure. Developing proper port infrastructure and linkages to take care of the proposed traffic could take a very long time. Therefore it would be practical to plan the development in such a way that the types of ships acquired and port facilities developed compliment and match each other for optimal cargo / passenger traffic with minimum infrastructural requirement.

In this direction I would suggest that the Govt should invite Indian / Foreign companies to form JV with SCI to run Ro-Ro services in selected sectors of the West and East coast of India. The Ferry ships should be able to accommodate cars / trucks / buses / tempos as well as provide for passenger space and services on short sea passages not exceeding 6-7 hours. Fast ferry boats are available for such service in Europe and Far East. Any surplus capacity there could be immediately inducted for service through the JV. As encouragement to the prospective partners Govt could guarantee a 5 years exclusivity to the JV (with SCI, a Govt entity) on selected routes. Such a service will provide for tourism / travel along the coast as also movement of containerized cargo. The minor ports will need to have sufficient parking space / facilities for the vehicles and easy cargo / passenger check in facilities and regular timely ferry service. Success of such a service will then help build further optimal infrastructure to take care of the increasing traffic in a phased manner.

The Govt can quickly start such services around the Konkan / Goa , Gujarat and Kerala coastlines on the West Coast and Chennai, Vizag, Paradip and Kolkata on the East Coast. The vehicles should be able to drive in / out of the ferries with ease without any customs / passport checks. Tourist destinations along the complete West and East coasts could be linked through such short sea services and vehicles could drive in / out and again take the ferries for inter coastline travels such as from Konkan to Mangalore to Kerala etc. Similar services could be run on the East coast along Tamilnadu, Andhra, Orissa and W Bengal coast.

This could be the first project that the proposed Sagar Mala authority should undertake and adequate funding in terms of initial subsidy (if required) to the operator etc should be built in based on a DPR conducted by an experienced organization such as the EEC.

Should the Govt think on these lines I could even suggest experts who may undertake such a study for a DPR at minimal cost.