CHAPTER – VI

FEEDBACK FROM THE EXPERTS

The coastal line of Maharashtra is estimated to 720km. It is a wealthy natural resource for maritime development. The Ratnagiri and Sindhudurg districts are no exception to this. They are supported by important minor ports and creeks. The maritime activities have been promoted during the last 2 decades with involvement of private sector. There are still many challenges to carry out the maritime activities efficiently. Existing port activities are not working to their capacities as they are not supported by proper infrastructure. In spite of huge potential, maritime activities are mostly neglected areas of the government and the society. Proper utilization and management of these resources will be helpful for promoting economic activities in the area. Therefore, to identify the challenges and to find out ways and means out of the valuable expertise (marine engineers, port officer), the marine experts and the local people having long experience of maritime development were interviewed. The present study is also the outcome of the support rendered by them. A questionnaire was employed to acknowledge facts and potentials.

Theme of the problems covers rivers, allied creeks, location of the industries, hinterland, road and railway connectivity, internal coastal shipping routes, geographical aspects and environmental issues. Hence the scope of the discussions has been extended to Port officers, marine Engineers, ship owners, port owners, media persons, transport agencies, faculty of the Fishery College, local ship builders and the local fishermen.

The questionnaire covers the mainly the issue of potentials in the commercial port development activities. The responses are endorsed below:

6.1 THE COASTAL LINE EXISTED IN THE RATNAGIRI AND SINDHUDURG REGION IS A RICH BELT FOR THE DEVELOPMENT OF COMMERCIAL SHIPPING

According to the figure 93.25 per cent of respondent fully agree/agree about the richness of resources in the area for commercial shipping. Only 6.39 per cent did
not known about the situation. This shows the nature of available resources for the further development.

The Ratnagiri and Sindhudurg district have a coastline of over 500 km. These districts are having 19 minor ports out of 48 minor ports in the state. All those except four minor ports in Ratnagiri and two minor ports in Sindhudurg are fishing ports. The rivers like Vasishthi, Shastri, Muchkundi, Vaghotan, Aad, Vengurla in these district has played an important role in developing the coastal activities and economic development. Many of the state ports are in the river estuaries of creeks. The important creeks are Kelsi, Ada, Borya, Ganapatipule, Nevare, Pawai, Vaghotan, Vengurla and Vijaydurg. A ten meter line is close to the coast at many places. Ratnagiri and Vijaydurg are some examples. All these features state the significance of promoting port development in the region.

6.2 PORT ACTIVITIES AT PRESENT ARE VERY MUCH MEAGRE COMPARED TO EXISTING POTENTIAL

Regarding the potential of the port development in the region the existing services were positively responded by 55.34 per cent who have fully agreed that port activities are lesser than required, whereas 12.77 per cent have a negative opinion and 31.91 per cent respondents did not understood the issue.

At present the total cargo handled by the minor ports in Ratnagiri district is 6 million tons. According to the estimate of MMB, this can be raised to thrice of the existing capacity hidden in these two districts. The existing minor ports lack infrastructure and other constraints in their operation.

Except J.S.W. port the particular category of cargo which is of very small size, these ports can be converted into multi commanding ports. The Redi port has a potential to import export cargoes like coal, iron ore, steel and containers, but presently it is devoted for import and export of iron ore. Only the expansion is proposed in respect of capacity of most of the ports, which is not yet realized. For example, it was proposed by M.M.B. to expand the capacities by seven to nine million tons of cargo handling at Redi port in phase V. But still the Redi port is not handling cargo more than two million tons. Therefore, opportunities are needed to create for improving and increasing local supply of iron ore.

Due to lack of infrastructure existing ports cannot satisfy iron ore demands. To serve all demand of export and import of various commodities like sugar bauxite,
cement, coal, rock phosphate, chemicals etc. efforts are needed to attract bulk cargoes. The location of port at Jaigad has good proximity to oil and hydrocarbon commodities. It is strategically positioned on the international and coastal shipping route to gulf countries, Arabian Peninsula and African continent and coal import west coast. Hence, diversification of the area into ports terminals ship building township development is possible.

6.3 PRIVATE SECTOR INVOLVEMENT PROMOTED BY GOVERNMENT IS HELPFUL ONLY UNDER THE CONDITION OF VARIOUS PROVISIONS TO BE MADE FOR BASIC INFRASTRUCTURE.

According to the figure 78.72 per cent of the respondents fully agree/agree that lack of political will is one of the important reasons for underdevelopment of the port activities in the region; whereas 17.04 per cent of the respondents were unknown about this and only 4.26 per cent respondents have a negative opinion.

At the existing condition the long term plan has not been prepared by the Government. A huge amount of Rs. 35.29 lakhs was spent for consultancy purpose in view of development of maritime activities. But due to non implementation of the projects the goal of developing port activities by prioritizing projects by way of public private partnership was unachieved.

According to CAG report 2012 a study tour to European country was organized by the Ministry of Transport of Ports, Government of Maharashtra in the year 2010 to collect the information about the ports and their activities, to study organizational structure technological development and future plans of ports etc. In spite of the completion of the study tour the delegation did not submitted any report by Aug. 2012; whereas a total expenditure of Rs 29.29 lakhs was incurred by M.M.B. It is also noted that the contract for development of six ports was awarded on build, own, operate, share and transfer basis for 50 years period without calling for competitive bids. Further seven out of eight inland water transport projects were approved under the centrally sponsored scheme during 2003-06, which were incomplete and not started as of Dec. 2012. The port is being developed at Redi, Dhamankhol bay and Lavgan were plagued with environmental problems that have remained an addressed by the MMB as well as the Maharashtra Pollution Control Board. Appointment of non-official members on the Board representing local
expertise was also neglected. Government grants are also not utilized in time bound manners.

Private sector investment is necessary to address the huge requirement of investment for development of berths in the ports and for creating of new commercial ports. Presently Government of Maharashtra (M.M.B.) has initiated various projects in the region. The Angre Port at Jaigad is coming up as an important commercial port to serve the purpose.

6.4 LACK OF POLITICAL WILL IS ONE OF THE IMPORTANT REASONS FOR UNDER DEVELOPMENT OF THIS SECTOR

According to the figure 74.47 per cent of the respondents were fully agree/agree that long term policy is needed for promoting maritime activities at par with international standards which is being neglected, whereas only 8.51 per cent of respondents were not agree and 17.02 per cent have no idea about the problem.

The MMB was established in the year 1996 by Government of Maharashtra and took a policy decision to develop ports through Public Private Partnership (PPP). A policy decision was taken to develop multi user ports, captive jetties and multipurpose jetties. But MMB did not prepare any comprehensive plan that envisages a long term vision for the ports that builds on its core strength, goals to be achieved and strategy to be adopted and plan of action to implement the strategy for the development of the ports in the state. The Government of Maharashtra, Industries Department also decided that M.M.B should prepare a master plan for the port development at par with the international standard to support industrial development in the state. The preliminary work of preparation of the master plan was to be further firmed up after the studying the wind /wave conditions subsoil profile, topography ownership, connectivity etc. However, the work of preparation of the master plan was not completed. Seven sites were short listed for the port development and further studies were conducted by RITES in 2000. No fresh preparation of the master plan is undertaken and issues were handled on case to case basis (CAG Report 2012).

This shows that MMB did not prepare any comprehensive plan that envisages a long term vision for the ports and development activities were done in an above manner.
6.5 **LONG TERM POLICY IS NEEDED TO PROMOTE MARITIME DEVELOPMENT AND TO CREATE COMMERCIAL PORT AT INTERNATIONAL STANDARDS WHICH IS BEING NEGLECTED AT PRESENT.**

According to the figure 63.83 per cent of the respondents fully agree/agree that port management at present is only looking for the existing conditions on adhoc basis. The issues related to environmental aspects such as environmental impact assessment has not been conducted. Lack of annual plan for carrying out dredging in the navigational channels is observed. These types of dredging are required for smooth play of the vessels. Among the minor ports there is continuous demand for dredging for smooth play of vessels. This has not done due to the inadequate staff like dredger master and dredger engineers. This type of work is carried out through local experts as and when needed.

The realistic plan for implementation of the projects under Public Private Partnership as per expectation is lacking due to non visionary perspective plan.

An amount of Rs 35.29 lakh was spent in 2010 for the purpose of consultancy for implementing port projects in Thane and Raigad Districts; but any action on identifying and prioritizing the projects to be developed through PPP was not yet taken.

6.6 **PORT MANAGEMENT AT PRESENT IS ONLY LOOKING TO EXISTING CONDITION ON ADHOC BASIS**

According to figure 63.83 per cent of respondents commercial ports will reduce the burden of major ports in the region, whereas only 14.18 per cent were not agreeing and 21.28 were unknown of the facts.

The traffic handled by major ports in India is 585.45 MT, whereas that of minor ports shares only 41.54 MT. The share of minor ports can still be increased. The average turnaround time of major port at present is 4.56 days, which can be reduced 1 day or less by promotion of minor ports in the region.

6.7 **DEVELOPMENT OF COMMERCIAL SHIPPING WILL DEFINITELY PROVE HELPFUL TO REDUCE THE BURDON OF MAJOR PORTS IN THE REGION**

The 80.85 per cent of the respondents were fully agree/agree that maritime off short activities are insufficient in the region and required to be developed to increase
the employment opportunities, where as only 8.51 per cent were not agree to this and 10.64 per cent were unknown.

Coastal shipping is important to reduce the burden on the overburdened surface transport system. It complements rail as well as road transportation. It also helps to promote inter model as multimodal movements. It is commercially acceptable while at the same time being safe and environment friendly. It is fuel efficient and can ease traffic congestion and arrest the loss of human lives due to accidents.

In spite of long coastline coastal shipping has not become a significant element in the sea route. Several coastal countries are making optional use of this mode of transport. In the European Union coastal shipping has an enviable 43 per cent individual share in total which is set to increase further.

It is necessary therefore to encourage and promote inter sectoral coordination for this mode of transport having cost saving potential in terms of energy conservation and environmental friendliness.

Presently we are facing the various problems such as high tariffs connecting between ports rail-road terminal and cargo generating centres, poor state of infrastructure, peripheral involvement of state in the development of coastal shipping industry etc.

6.8 MARITIME OF SHORE ACTIVITIES ARE INSUFFICIENT AND SHOULD BE DEVELOPING TO INCREASE THE EMPLOYMENT ACTIVITIES

According to 57.45 per cent of the respondents who were fully agree/agree about scope for creating new minor ports in the belt, whereas 17.02 per cent have a negative opinion and 25.53 did not known the issue.

The Ratnagiri and Sindhudurg district have a coastline basis. All ports except Jaigad port (J.S.W.) Ratnagiri ports and Redi Port are fishing ports. A new Angre Port is all-weather port developed by Choughule Group started its operation in 2013.

6.9 THERE IS SCOPE FOR CREATING NEW MINOR PORTS IN THE BELT.

According to 61.70 per cent of respondents, all-weather title port is possible in this vicinity, whereas 21.66 per cent were negative opinion and 10.64 per cent are unknown. It is to be noted that the all weather title port by Chougule Group by name agree port is developed will start its operation in 2014.
6.10 THE ALL WHETHER TIDAL PORT IS POSSIBLE IN THIS VICINITY

According to 61.71 per cent of respondents who were fully agree / agree that activities like ship building and repairing sector involvement in the region are essential. The 17.02 per cent were not agreed and 21.28 per cent were unknown.

Ship building and ship repairing activities have scope in the region. The Bharti Shipyard at Ratnagiri and Dabhol is in operation. At present small ships are built by the local artisans But the ship repair yards for big ship like dry docking is not available in the region. A project of ship repair is implemented at Raigad by Chougule Group and Marine Syndicate at present. They are not yet commissioned.

6.11 ACTIVITIES LIKE SHIP BUILDING AND REPAIRING FACILITIES CAN BE CREATING WITH PRIVATE SECTOR INVOLVEMENT IN THIS REGION

According to the figure 68.8 per cent respondents were fully agree/agree that in spite of exiting shipyard activities there is still scope for increasing ship yards in the region. The 21.28 per cent ere not agree and only 10.64per cent were unknown.

GoM did not formulate any policy for leasing the waterfronts to the developers for ship building projects. The M.M.B, without inviting tenders, entered into lease agreements with eight developers for the ship building and repairing projects during 2009-11. The lease agreements were executed with these developers without verifying their past experience in ship building. MMB also failed to ensure that the construction activities were undertaken only after obtaining environmental clearance.

6.12 THERE IS STILL SCOPE FOR INCREASING SHIYARDS IN THE REGION

According to figure 59.58 per cent of respondents were fully agree/agree that a long term marine development program is helpful to increase resource use in this area. But 19.14 per cent respondents were not agreeing with this and 21.28 per cent were unknown of the problem. There is considerable demand for high end ships like LNG Container Vessels which is likely to keep the leading shipyards amongst the leading countries. The countries like Japan and Korea are busy in construction of these ships. There is growing demand for replacement of old and aged ships in the tanker and bulk carrier category as well as small ships like off share vessels, tugs, dredgers and passenger vessels.
Ship building industry is a highly competitive business. At present India can build ships up to the size of only 1,10,000 D.W.T. which is highly inadequate as per the global shipping standards the productivity level of all the Indian shipyard is also low due to the lack of mechanization.

The existing shipyard in the Ratnagiri district by Bharti Shipyard is incurring losses. It is facing the difficulty in raising funds on their own for capital expenditure to facilitate improvement of business prospects. The dry dock facilities can be created. The average size of available dry docks in India is also small and not technically equipped to handle repair work of large ocean going ships.

The policy for the ship building and ship repair industry would take due note of its status as a valuable foreign exchange earner in addition generation through backward in the case with ancillary industries.

6.13 A LONG TERM MARINE DEVELOPMENT PROGRAM IS HELPFUL TO INCREASE RESOURCES USE IN THIS AREA

Arround 80.85 per cent of respondents were fully agree/agree that inland water transport will help the port activities if developed properly, whereas only 4.26 per cent were not agreed and 14.89 per cent were unknown. It is to be noted that the sanctioned amount inland water transport was not fully utilized. According to the official record and observation by CAG M.M.B submitted a proposal in July 2010 to the Government of India for sanctioning of work at an estimated cost of Rs. 50 crore for approval. Up to October 2012 only 91 out of 109 works was completed. Under Konkan Vikas Package approved by Government of Maharashtra, MMB has received Rs 61.25 crores for the purchase of dredgers, providing passenger’s amenities constructing fishing jetties on the Konkan coast MMB utilized only 41.46 per cent, i.e. Rs. 25.21 crore amounts leaving an unspent balance of Rs 36.04 crores. The funds sanctioned for the substantial coastal protection and management project, the centrally sponsored schemes for inland water transport was not fully utilized for any reasons.

6.14 THE INLAND WATER TRANSPORT WILL HELP THE PORT ACTIVITIES IF DEVELOPED PROPERLY

More than 53 per cent of respondents were fully agree/agreeing that marine activities can be developed at par with the global standard with minimum damage to environment whereas only 10.64 per cent of them have negative opinion and 36.17 per cent were unknown.
6.15 MARINE ACTIVITIES CAN BE DEVELOPED IN PAR WITH GLOBAL STANDARD WITH MINIMUM DAMAGE TO THE ENVIRONMENT

According to 68.09 per cent of respondents ship breaking and ship recycling is an another area of employment potential which is possible without compromising on an environmental issues whereas 19.15 per cent were not agreed and 12.77 per cent were unknown.

6.16 THE SHIP BREAKING AND SHIP RECYCLING IS AN ANOTHER AREA HAVING EMPLOYMENT POTENTIAL IS POSSIBLE WITHOUT COMPROMISING ON ENVIRONMENT ISSUES

According to the figure 85.11 per cent of respondents fully agree/agreed that there is lack of maritime education and training facilities in this region whereas only 6.38 per cent were not agree and 8.51 per cent were unknown.

6.17 THERE IS LACK OF MARITIME EDUCATION AND TRAINING FACILITIES IN THIS REGION

According to 85.11 per cent of respondents there is lack of maritime education and training facilities in this region whereas only 6.38 per cent were not agree and 8.51 per cent were unknown. There is scope for creating maritime education of training colleges in these districts. These facilities are not available at present.

6.18 THE EXISTING FISHING PORT ARE NEGLECTED BASICALLY FROM THE POINT OF VIEW OF INFRASTRUCTURE AND MAINTENANCE IN DUE TIME

According to 82.98 per cent of respondents the existing ports are lacking the facilities of infrastructure of maintenance, whereas only 6.38 per cent have a negative opinion and 10.64 per cent were unknown of the fact. The minor ports are not connected with the good quality road facilities. The approach roads are very much narrow. The road conditions in the hinterland are one also very much poor. Maintenance of the available roads is another challenge. It is very difficult to the port sight. Ports are not closely connected to railway networks also.
6.19 LOCAL PEOPLES EXPERIENCE AND EXPERTISE PARTICIPATION IN THE STATE PORT MANAGEMENT IS NOT SATISFACTORY

According to 59.58 per cent of respondents the local people’s experience and expertise participation in the state port management is not satisfactory, whereas only 6.38 per cent were not agreeing and 34.04 per cent were unknown.

6.20 THE OVERALL DEVELOPMENT OF MARINE SHORE ACTIVITIES ARE NOT SATISFACTORY

According to 55.32 per cent of respondents the overall development of marine shore activities are not satisfactory, whereas only 19.15 per cent were not agreed and 25.53 per cent were unknown.

6.21 CONCLUSIONS

To identify the various aspect of maritime development in this region ie the districts of Ratnagiri and Sindhudurg in particular and Maharashtra in general it was felt necessary to discuss with expertise in the field of coastal resource development. Besides the secondary source of data, personal observation and field visits the tasking with people related to ocean activities gives in sight to enter the in depth understanding of the areas of the study. It helps to identify and to come up with solutions for many aspects of natural resource development in the Konkan region. The ongoing development of minor ports with private sector participation observation of the projects sights and interview with the expertise and people engaged directly or indirectly in this sector helps to study the various aspects and to come up with solutions.