CIRCULAR

Urgent

Dated 28th November, 2019

Sub: Report on the visit of Secretary (Shipping) to Kolkata and Guwahati from 04.11.2019 to 06.11.2019

A Copy of letter No. Secy(S)/Visit-KOL GUWAHATI/2019_1 dated 18th November, 2019 from the Under Secretary, Ministry of Shipping, along with the Report on the visit of the Secretary (Shipping) to Kolkata and Guwahati from 04.11.2019 to 06.11.2019, are enclosed for immediate action.

3. Action taken in the matter may be furnished immediately to enable IWAI to send an Action Taken Report to the Ministry of Shipping.

4. This issues with the approval of the Competent Authority.

(A.Selvakumar)
Director (A&V)

1. Chief Engineer (Technical)/Chief Engineer (IMVP)/Chief Engineer (Traffic)/Chief Engineer (Patna) Hydrography Chief, IWAI, Noida
2. Director (IWA), Guwahati/Kolkata
3. Director (Finance & Accounts), IWAI, Noida
4. Director (IT), IWAI, Noida – For uploading on IWAI website
5. Hindi Cell – for Hindi version
6. Office Copy
7. Master Copy

Cop for information to:

PPS/PS/PA to Chairman / Vice-Chairman / Member (Technical) / Member Finance) / Member (Traffic) / Secretary

[Stamp: Charged 3/1/19]
To,
The Chairperson,
Inland Waterways Authority of India
A-13, Sector-1,
Noida – 201301

Sub: – Report on the visit of Secretary (Shipping) to Kolkata and Guwahati from 04.11.2019 to 06.11.2019 - reg.

Madam,

I am directed to forward Tour Report of Secretary (Shipping) to Kolkata and Guwahati from 04.11.2019 to 06.11.2019 and to request that appropriate action may be taken on the points indicated in the report. Further, I am directed to request IWAI to furnish an ATR on the action points in due course of time.

Yours faithfully,

(Satish Kumar)
Under Secretary to the Government of India
Ph: 011-23719422
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Pl. circulate to all concerned for info.

Chairperson, IWAI
21.11.19

[Signature]
REPORT ON THE VISIT TO KOLKATA AND GUWAHATI
FROM 04.11.2019 TO 06.11.2019

The undersigned visit Kolkata and Guwahati as per the tour plan attached.

1. **Flagging off First Containerized Vessel from Haldia to Pandu (NW-2 - River Brahmaputra) on 04.11.2019**

   In the interim Budget of 2019, it was announced that containerized cargo movement would commence on river Brahmaputra during the FY 2019-20. On 04.11.2019 MV Maheshwari loaded with 46 TEUs (containing consignment of Coke (10 TEUs), Adani Wilmar (16 TEUs) and CJ-Darcel (22 TEUs) was flagged off from Haldia Dock Complex to Pandu (NW-2). At the same time, two more inland vessels MV AAI and MV BEKI were flagged off from Haldia to Pandu. These vessels contain imported steam coal weighing 1,261 MT and 1,474 MT respectively, belonging to Star Cement based at Guwahati. All the three vessels are loaded with 2 m - 2.1 m draft keeping in mind the available draft in the IBP route in the Sirajganj-Daikhowa stretch (in Bangladesh). Bangladesh Inland Waterways Transportation Authority (BIWTA) was informed about these voyages with a request to provide all assistance to the operator during the voyage including pilotage and requisite draft to which they responded positively and assured necessary support. The vessels are expected to reach Pandu after 12-15 days of voyage.

   After flagging off these vessels, stakeholders and media interaction was held in Kolkata. The initiative taken by Ministry of Shipping and IWAI to make IBP routes navigable throughout the year with 2.5 m draft to connect NER through waterways was appreciated by all present. IWAI has been directed to make concerted efforts to take up such pilot movements to demonstrate the technical and commercial viability of Inland Waterways connectivity of NER to instil confidence in the industry for the modal shift of the cargo. IWAI was also directed to engage with Customs authorities to streamline procedures and formalities to smoothen the clearance process as no revenue element is involved in the transportation of domestic goods to NER through IBP.

\[\text{ACTION: IWAI}\]
2. **Matters pertaining to NER and discussion with Chief Secretary, Assam**

(a) **Handing over of Ro-Ro vessels to Government of Assam:**

Chief Secretary, Assam, was informed that IWAI has procured three Ro-Ro vessels for deployment on NW-2 in the year from 2016 to 2018. An MoU was signed on 04.01.2019 between IWAI and IWT, Government of Assam to hand over these vessels to IWT Assam for operation and maintenance on revenue sharing basis in the ratio of 80:20 between IWT Assam and IWAI respectively. Government of Assam has not yet taken over the Ro-Ro vessels resulting in suspension of Ro-Ro operation on NW-2. IWAI does not have mandate to operate the Ro-Ro services neither there is any scheme to meet expenditure in such operations. IWAI operated Ro-Ro services at Dhubri-Hatsingmari and Neamati-Kamlabari to demonstrate its technical viability. Principal Secretary (Transport), Assam, present in the meeting, stated that currently IWT Assam does not have required capabilities to operate the vessels. Then it was advised that Government of Assam may consider deregulating the passengers and cargo fares to attract suitable private investment. It was informed that due to the higher capital investment in procurement of these vessels and high operational cost as well, the operation of these Ro-Ro vessels becomes commercially unviable at currently notified fares by Government of Assam and would be a deterrence in participation of private operators in the sector.

After detailed deliberations, the Government of Assam, agreed to explore one of the following three options:

(i) All the three Ro-Ro vessels may be taken over by the Government of Assam in terms of the MoU signed between IWT, Government of Assam and IWAI on 04.01.2019.

(ii) IWAI may lease out the vessels to private operators on bare boat chartering and the private operators may be allowed to charge passenger fares as per the notification of IWT Assam whereas the fares for vehicles, etc. may be charged by the private operators as per the prevailing market condition.

(iii) IWAI may lease out the vessels to private operators on bare boat chartering and the private operators may be allowed to charge passenger fares and fares for vehicles, etc. as per the prevailing market condition.

(iv) In case Government of Assam desires to regulate the fares for vehicles in option (ii) and (iii) then the difference between the fares published by the private operators
and the fares fixed by the Assam Government may be paid to the private operators in the form of subsidy by Government of Assam.

Accordingly, IWAI directed to take up the matter with Government of Assam to exercise one of the three options listed above.

[\textit{ACTION: IWAI}]

(b)\quad \textbf{Construction of IWT Terminal at Jogighopa and MMLP}

Jogighopa is situated on the north bank of river Brahmaputra and IWAI owns 40.70 acres of land on the river bankupstream in the Nar Narain Setu, which is secure and free from all encumbrances. Adjacent to this land parcel, IWAI has taken over 103 acres of land from CIWTC as custodian in 2017. The land taken over from CIWTC is heavily encroached and is also under litigation. Two types of cases are filed before Hon’ble High Court of Guwahati, which are pending for decision. 40 land owners (\textit{patta} holders) have filed case before High Court of Guwahati for the enhanced compensation. Additionally, 68 unauthorized occupants have petitioned for non-eviction from their possession.

On preliminary examination and discussions with local officers, it was observed that \textit{patta} holders may agree to hand over the land on payment of enhanced compensation. Similarly, a suitable rehabilitation package for the other unauthorised occupants may convince them to evacuate the encroached land amicably. It was observed that this would be a more feasible and financially viable proposition since more than Rs 200 crores is proposed for connectivity to develop MMLP by MoRTH at about 6 m away.

Accordingly, IWAI and MoRTH could pursue the case with the Government of Assam and in the Hon’ble High Court of Guwahati to resolve the matter. The 103 acres of land adjacent to IWAI’s 40.70 acres of land can be very useful to develop facilities such as proposed terminals, warehousing, storage and transit sheds for the cargo goods. The matter was also discussed with Chief Secretary, Assam. He assured to extend all necessary cooperation once Ministry of Shipping decides to take up the matter. IWAI should examine the whole matter and propose necessary steps for the eviction of unauthorized occupants with suitable rehabilitation package and also to determine the enhanced compensation required to take over the land from the willing land owners in consultation with Government of Assam.

[\textit{ACTION: IWAI and Sr. EA to take up with MoRTH}]
3. **Appointment of O&M operators for Pandu and Dhubri terminals and to improve the connectivity of Pandu**

During the inspection of Pandu Port, it was noted that the Pandu Port is situated in the downstream of Guwahati on approx. 19.20 acres with two jetties (one high level and one low level) along with rail connectivity. It is also equipped with covered transit sheds of 3,150 sqm, open storage of 2.8 acres and hard strata storage of 3,729 sqm. Pandu Port can easily handle cargo of all types up to approx. 6-8 lakh MT. However, IWAI has not been able to use Pandu Port to its potential due to existing bottleneck in the Sirajganj-Daikhowa stretch of Indo-Bangladesh Protocol route and lack of marketing activities.

Now as the Indo-Bangladesh Protocol route is being dredged for maintenance of least available depth of 2.5 meter throughout the year, movement of cargo to Pandu Port will increase in the near future. As already decided in an earlier meeting IWAI should explore the possibility of developing Pandu Port on PPP model by engagement of a private operator on O&M basis to enhance utilization. Dhubri Terminal can also be given on O&M in a joint manner to bring synergy in cargo transportation through IWT. IWAI has been directed to expedite the process and submit proposal by end December 2019.

If this proposal matures, then there may not be any immediate need to build a new IMT at Palashbari as had been considered earlier.

The connectivity of Pandu Port was also examined along with time restrictions imposed by local administration. Pandu is currently connected with NH from two sides and IWAI has been directed to explore the possibility of connecting it with existing elevated National Highway in consultation with GM, OIL, Guwahati, Indian Army and NHAI authorities by a committee comprising of Chief Engineer (Tech), IWAI and Director, Guwahati. The committee shall submit the report by 30th November, 2019. IWAI is also directed to improve the existing road by placing concrete tiles.

**[ACTION: IWAI]**
4. **Construction of Terminals at Karimganj-Badarpur on River Barak (NW-16)**

**Development of Terminals at River Barak**

IWAI has taken over terminals owned by CIWTC at Karimganj and Badarpur on River Barak. The initial dredging of River Barak has also been completed in this stretch with targeted LAD of 2m. The terminal at Karimganj is situated on 1.87 acres of land with covered godown facility at 1955 sqm (85 x 23 m) and is also connected through NH-37 and NH-8. Similarly, terminal at Badarpur is situated on 1.34 acres of land with covered warehouse facility of 479.53 sqm (29.84 x 16.07 m). IWAI has proposed to upgrade these facilities with an estimated cost of Rs. 5.42 crores (Karimganj – Rs. 2.69 crores and Badarpur – Rs. 2.73 crores), which includes civil work and repairing of existing infrastructure. Tender has already been floated to facilitate cargo handling. IWAI is also shifting unused cranes from NW-3 to these terminals. IWAI has been advised to examine the sufficiency of the infrastructure at Karimganj along with the proposed upgradation of infrastructure before taking up further investment in the construction of additional terminals between Badarpur and Bhanga. This infrastructure can be built considering utilization of the upgraded facilities. These two upgraded facilities may also be operated through PPP model and work should be initiated on this as well.

*ACTION: IWAI*

5. **Construction of Slipway at Pandu, Guwahati**

Secretary (Shipping) inspected Slipway construction site at Pandu, Guwahati and reviewed the works executed and present status. CE (Tech), IWAI brief the works executed. It was also informed that as a follow-up to the decision taken during Secretary (Shipping) meeting on 16.09.2019, IWAI requested proposal for execution of Slipway project on PPP basis but there has been poor response for the same. After detailed review, following directions have been issued by Secretary (Shipping):

(i) As utility of slipway to the extent being proposed is not envisaged due to limited number of vessels in the NE Region rendering it to be unviable, the project works should not be continued by IWAI.
(ii) IWAI shall conduct a stakeholders' meet at Kolkata to explain the features of slipway and a fresh EoI to execute the same on PPP basis, based on the feedback received from the stakeholders shall be issued.

[ACTION: IWAI]