

THE SHIPPING CORPORATION OF INDIA LTD
(A Government of India Undertaking)

SHIPPING HOUSE
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Citizens' Charter

SCI's Mission

To serve India's overseas and coastal seaborne trades as its primary flag carrier and be an important player in the field of global maritime transportation as also in diverse fields like Offshore and other marine transport infrastructure.

SCI's Vision

To emerge as a team of inspired performers in the field of Maritime Transportation serving Indian and Global trades with focus on:

- ❖ Maintaining its “Numero Uno” position in Indian Shipping
- ❖ Establishing a major global presence in Energy – related, Dry Bulk and niche container shipping markets.
- ❖ Evolving suitable business models to exploit emerging opportunities in Offshore Oil Sector, Port / Terminal Management, Logistics etc.
- ❖ Safety of people and property and protection of Environment.

Objectives of the SCI

1. To provide its clientele safe, reliable, efficient and economic shipping services.
2. To be an optimally profitable, viable, commercial organisation and contribute to the national economy by securing a reasonable return on capital.
3. To own or acquire through options like leasing, demise charter, joint ventures and other innovative financial measures an adequate fleet to cater to a significant

portion of India's overseas trade, particularly in items of strategic importance like crude oil and petroleum products.

4. To increasingly participate in India's offshore and other marine activities, and to continue to explore opportunities for diversification to ensure overall and steady growth of the Company.
5. To develop internal Human Resource with a view to achieving higher productivity.
6. To initiate e-governance in the working of the Company at the earliest covering areas such as operations, tendering and purchase through the "SET-IT" project. (i.e. SCI's Enterprise Transformation through Information Technology).

Brief Profile of the Organisation

The Shipping Corporation of India Ltd. (SCI) was formed on 02.10.1961 by the amalgamation of Eastern Shipping Corporation Ltd. (ESC) and Western Shipping Corporation of India Ltd. (WSC). The Paid Up Capital of the company then was Rs. 23.5 crores.

1. Presently, Authorised Capital of the SCI is Rs. 450 crores and Subscribed and Paid Up Capital is Rs. 282.3 crores. The Equity Capital disinvested by the Government of India remains at 19.88%. The status of the SCI has changed from Private Limited Company to Public Limited Company with effect from 18.09.1992. The shares of the SCI are listed at major stock exchanges and are traded regularly.

2. Fleet Strength

2.1 As on 01.05.2008, the SCI has a significant presence on the global maritime map and has grown 25 times in terms of DWT in the last 46 years. It is the country's premier Shipping Line owning a fleet of 79 vessels of 27.30 Lakh GT (47.58 Lakh DWT) with a share of 32% of the total Indian tonnage and comprises cellular container vessels, crude oil tankers, product tankers, bulk carriers, LPG/Ammonia carriers, acid carriers, passenger-cum-cargo vessels and offshore supply vessels. In addition, SCI Mans / Manages 53 vessels of 1.17 Lakh GT (0.64 Lakh DWT) on behalf of various Government Agencies / Departments and other Organisations such as ONGC, comprising Passenger vessels, Passenger-cum-cargo vessels, Bunker barge, Seismic Survey vessel, Offshore Supply Vessels, Well Stimulation vessel, Diving Support vessel, Geo Technical vessel and Multipurpose Support vessel and Research vessels. The highly diversified fleet of the SCI includes modern and fuel-efficient ships giving it a qualitative status as also a distinct competitive edge over other fleet owners.

3. Financial Performance

3.1 The SCI has a consistent track record of making profits and has been earning substantial returns on its investment. For the year 2006-2007, the Gross Earnings was Rs. 4,210 crores and the Net Profit after Tax was Rs. 1,014 crores. The Company has paid a dividend of 85% for the year 2006-2007.

3.2 SCI's financial performance for the last 3 years is given below:

(Rs. in Crores)

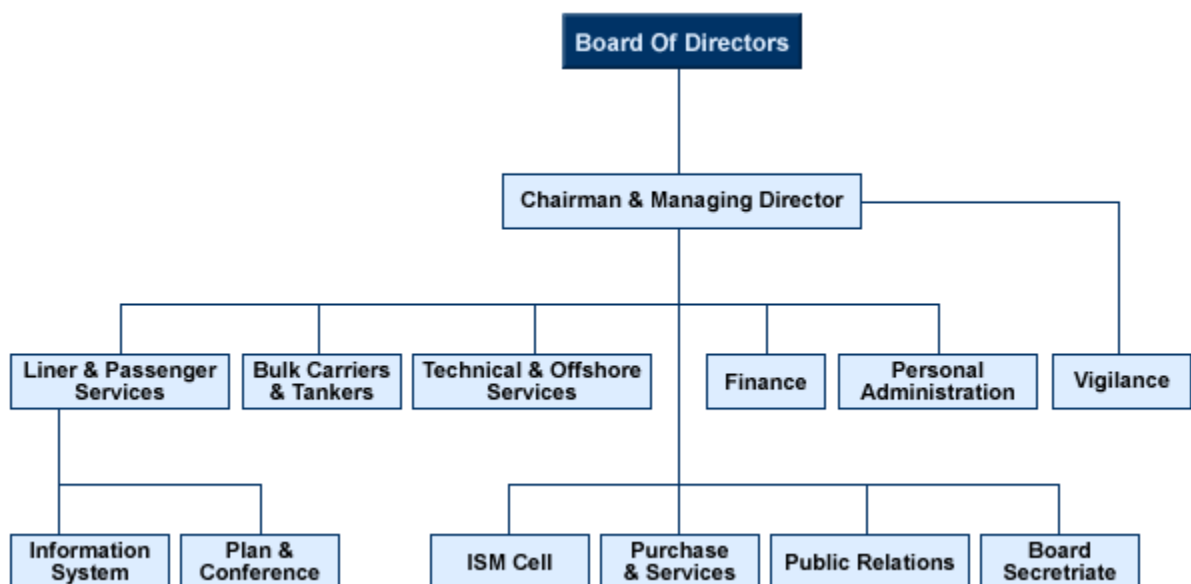
Particulars	2006-07	2005-06	2004-05
Gross Earnings (*)	4027.55	3,732.66	3,683.81
Expenses (Excl. Interest, Depreciation & Tax)	2717.12	2,264.74	2,217.41
Gross Profit before Interest, Depreciation & Tax.	1310.43	1,467.92	1,466.40
Net Profit after Tax	1014.58	1,042.20	1,419.91

(*) Gross Earnings includes Interest Income (Gross) but excludes Excess Provisions, Adjustments etc. of earlier years.

Organisation Structure

SCI is organised into 3 operating divisions supported by 2 service divisions. Each division headed at the corporate level by a full time Director forming a Corporate Group. The Corporate Group works under the overall direction and control of the Chairman and the Managing Director. The Corporate Group has ensured a closer teamwork leading to better and efficient administration of fleet and in turn a better and more efficient service.

The SCI board is headed by the Chairman and Managing Director, 5 full time directors of respective divisions and 7 part time directors (2 official and 5 non-official) nominated by Government of India.



Operations

The SCI operates in all areas of shipping business both in the National and the International arenas. The SCI today is an active player in the Crude Oil and Product transportation sector, Liner services, Dry Bulk movement, carriage of Phosphoric Acid, Liquefied Petroleum Gas and Ammonia, Passenger transportation and Offshore services segment.

1. Liner & Passenger Services:

1.1 The SCI operates a network of global liner services in consortia with internationally reputed Shipping Lines from India to the U.K. – Continent, Far East – China, Middle East and also caters to trades with South Africa, Mediterranean and Black Sea Ports. As the trend is towards containerised services, the SCI presently operates 4 Cellular Container Services mainly catering to India's EXIM trade in various sectors: 1 in the U.K. – Continent sector, 2 in the Far East sector, 1 in the India to Middle East sector. In the UK-Continent sector, both break-bulk and exclusive container services are provided separately.

1.2 **Indian Subcontinent Europe Service (ISES):** The UK-Continent cellular container service was started in 1994, with a single operator viz. SCI deploying its 3 owned vessels of 1,800 TEU capacity. The service was subsequently upgraded in stages and is currently operated in consortium by five Partners viz. SCI, Yang Ming Lines (YML) of Taiwan, ZIM lines of Israel, K-Line of Japan and MISC of Malaysia with 7 vessels of 2,650 – 3,000 TEU capacity on a 49 day round voyage schedule. SCI and ZIM line are operating two vessels each and the other three partners one vessel each. The ISE service is a well reputed performer in the segment with a significant market share. SCI's average weekly allocation stands at 742 TEUs per vessel. The ports of call for this service are: Colombo / Nhava Sheva (JNP) / Port Said / Barcelona / Felixstowe / Rotterdam / Hamburg / Port Said / Colombo.

1.3 **India / Far East Cellular Service (INDFEX 1):** This service commenced in June, 2001 with 5 vessels of 1,600 to 1,800 TEU capacity, offering a direct service from India's West Coast (JNP - NSICT) to South China, Korea, Hong Kong, Singapore and Malaysia. SCI's average weekly allocation was 600 TEUs. The service was upgraded in March 2008, and is now operated with 5 vessels of 1,800 to 2,200 TEUs capacity, having a round voyage of 35 days. The main ports of call are NSICT / Colombo / Singapore / Busan / Shanghai / Hong Kong / Singapore / Port Kelang / Colombo / NSICT. There are three Vessel Operating Partners viz. SCI, PIL and K-Line. One vessel each is operated by the respective Vessel Operating Partners and the other two ships are shared by all three partners. With the upgrading of the service, SCI's average weekly allocation increased to about 700 TEUs. Further, considering owner's merit of about 200 TEUs on mv SCI Vijay, the effective average allocation for SCI enhanced to 740 TEUs.

1.4 India / Far East Cellular Service-2 (INDFEX 2): This service commenced in June 2002, with a fixed day, weekly, direct service connecting East coast of India to North China. SCI had earlier deployed 1,600 TEU vessel and its average weekly allocation was about 300 TEUs. The service is now operating with 5 vessels of 1,200 to 1,700 TEUS capacity each, and has round voyage duration of 35 days. The main ports of call are Chennai / Vizag / Singapore / Hong Kong / Dalian / Xingang / Qingdao / Hong Kong / Singapore / Port Kelang and Chennai. The constituents of the consortium are identical to INDFEX-1 consortium. SCI deploys one 1,700 TEU vessel, mv Marivia, in this service and its average weekly allocation has enhanced to 340 TEUs, including owner's merit of 115 TEUs on account of the above vessel. Through the Indfex and Indfex 2 services, SCI covers the booming Chinese market extensively with direct calls at 4 mainland Chinese ports and Hong Kong.

1.5 SCI Middle East India Liner Express (SMILE) Service: SCI started its new independent service on 16.03.2008 as a weekly service to the Gulf. The service, operated with 2 vessels of 1600 TEU each, has a round voyage duration of 14 days, and the ports of call are Colombo / Cochin / Nhava Sheva / Jebel Ali / Dammam / Colombo. It caters to the requirement of the trade in the Gulf markets as also the Far East, UK-Continent / US markets through transshipment at Colombo. This is the first foray of the SCI in operating an independent service after 1994.

1.6 Break-Bulk Services: The SCI is the only Indian Company providing overseas liner break-bulk services to Indian trade. The SCI arranges for carriage of breakbulk cargoes on space charter basis on account of Government of India Departments and PSUs which includes Shipments of Over-Dimensional Cargoes (ODC) / Project cargoes / Heavy Lift cargoes / IMO Class I Cargoes etc. and also containers. Such shipments are being covered from various ports across the globe.

1.7 Joint Break-Bulk Service: A Joint Service was started with M/s. Rickmers Linie, Germany in September 2000 for shipment of break-bulk / general cargo from European ports to India. This Service arrangement is structured with a view to both the lines upgrading their services from time to time and responding to the needs of the market and trade. Till 2006, the SCI had contributed one breakbulk vessel to this service. However, as there is no owned / chartered breakbulk vessel with the SCI, at present the service arrangement is on the basis of space sharing with due compensation from the SCI to M/s. Rickmers for using space on their vessels.

1.8 Domestic Passenger-Cum-Cargo Services: In addition to International operations, the SCI, with its 2 Owned Passenger-cum-Cargo vessels and 27 Managed vessels operates domestic passenger and cargo transportation services between Mainland and Andaman & Nicobar and Lakshadweep group of Islands, on behalf of the Government of India as follows:

Andaman & Nicobar Islands Administration (22 vessels comprising of 18 Passenger vessels and 4 Passenger-cum-Cargo Vessels), Union Territory of Lakshadweep (5 vessels comprising of 1 Passenger-cum-Cargo Vessel, 3 Passenger Vessels and 1 Bunker Barge).

1.9 **Plans & Bilateral Department:** The activities of this department include (a) dealing with matters regarding MOU between the SCI and Department of Shipping (Ministry of Shipping, Road Transport & Highways) i.e. compilation / drafting of the MOU and reporting SCI's performance against MOU parameters, (b) preparing write up / material on SCI's activities / performance for the Ministry's Annual Report, DPE's Public Enterprises Survey etc. and compilation / formulation of SCI's Corporate Plan based on inputs from various Divisions / Departments, (c) providing inputs for Directors' Report (L&PS Division) for SCI's Annual Report, (d) supporting SCI's role as a national line in assisting the Ministry in bilateral matters such as bilateral maritime agreements, bilateral trade agreements, WTO negotiations, deliberations at Joint Commission / Working Group meetings regarding maritime co-operation with other countries, etc.

1.10 **List of Nodal Officers in L&PS Division**

Container Services & Marketing

Mr S G Sadawarti, VP (FE-C)

Tel. 22820822

sg.sadawarti@sci.co.in

Liner Technical and CPS

Capt. Praveen Kumar, DGM

Tel. 22870367

praveen.kumar@sci.co.in

Freight & Claims and Port Operations

Mr. S.K Maji, VP (Freight)

Tel. 22882831

sk.maji@sci.co.in

SMILE Service

Capt. Rajesh Dhamagaye

Tel. 22835308

rajesh.dhamagaye@sci.co.in

Indfex and Indfex2

Mr. Aashish Gupta, Sr. Manager

Tel 22022849

aashish.gupta@sci.co.in

Break Bulk Services

Mr. Sushil Padhi, Sr. Manager

Tel. 22027049

sk.padhi@sci.co.in

ISE Service

Mr. Indrajeet Nagar, Sr. Manager

Tel. 22772466

indrajeet.Nagar@sci.co.in

1.11 **Service Requirements**

- a) Safe and timely delivery of cargoes / containers without loss or damage.
- b) Regularity of service as per Service schedules announced to the trade: Arrival / Departure at / from the designated ports of call without delays.
 - i) ISES (Indian Subcontinent / Europe Service): Fixed day weekly container service; Transit time of 17 days between JNP to Felixstowe.
 - ii) SMILE Service (India / Middle East Gulf): Fixed day weekly container service. Round voyage duration of 14 days and the ports of call are Colombo / Cochin / Nhava Sheva / Jebel Ali / Dammam / Colombo.
 - iii) IndFex Service (India West Coast / Far East – Southern China): Fixed day weekly container service; Transit time of 16 days between JNP to Shanghai.
 - iv) IndFex - 2 Service (India East Coast / Far East – Northern China): Fixed day weekly container service; Transit time of 10 days between Hongkong - Chennai

1.12 LIST OF CUSTOMERS

Some of our major customers are :

A Govt./Public Sector Parties

Indian Oil Corporation Ltd
G-9 Ali Yavar Jung Marg
Bandra (E)
Mumbai 400 051

Bharat Heavy Electricals Ltd.
14/15th floor, World Trade Centre
1, Cuffe Parade
Mumbai 400005

Bharat Petroleum Corporation Ltd.
Refining Division, Project Cell, Mahul
Mumbai 400074

Steel Authority of India Ltd
Richardson & Crudas Building, Byculla
Mumbai 400008

Controller of Stores (Shipping)
Central Railway
Mumbai

Oil & Natural Gas Corporation Ltd.,
2-C Western Offshore Basin,
Priyadarshini,
Eastern Express Highway, Sion,
Mumbai.

Embarkation Head Quarters,
P.O No.331, Mumbai 400001

B Private Parties

M/s. Allana Sons Ltd., Mumbai

M/s. Reliance Industries Ltd.
Village Mora, P.O Bhata Surat,
Hazira Road, Surat 394510

M/s. Al Kabeer Exports Pvt Ltd

M/s. Bharat Forge Ltd., Mundhwa
Pune

M/s. HT Media Ltd., New Delhi

M/s. Geologistics Pvt. Ltd
Navkar Chambers, A wing – 1st floor
Andheri-Kurla Road, Marol, Andheri
Mumbai 400059

M/s. Ingersol Rand (I) Pvt. Ltd
Soliataird Park, 167 Andheri
Ghatkopar Link Road, Chakala
Andheri (E), Mumbai 400093

2. BULK CARRIER & TANKER DIVISION

2.1 Tanker Department

SCI is the largest tanker owner in India, having a well diversified fleet of crude tankers consisting of all sizes viz. MR, LR-I, LR-II and Suezmax tanker. Tanker tonnage has been acquired over the years keeping in view the specific constraints of terminals/ ports in India and infra-structural limitations like draft, availability of tankages, length/ capacity of jetties etc.

Tanker Commercial Department is looking after scheduling and deployment of tankers for feeding crude to Indian oil refineries. Lighterage operations on the East Coast and West Coast are also undertaken to facilitate quick turnaround of tankers, which otherwise cannot call on ports due to port restrictions/ limitations. The department also ensures commercial deployment of in-chartered tonnage to meet its obligations of lifting cargo under Contract of Affreightment (COA).

a) Clients/Users of tankers services expect SCI to fulfill its obligation to lift nominated quantity of crude / product as specified in COA, besides timely delivery of crude parcels to oil refineries and deployment of tonnage within specified lay-days. They also expect that the delivered cargo should be of correct specification as stated in Bills of Lading and no contamination or degradation of cargo should occur.

Delivery of petroleum products of the right quantity and quality to the right place at the right time with adequate safety.

(b) Major Customers of Tanker Dept are:

- India Oil Corporation Ltd.
- Oil and Natural Gas Commission
- Bharat Petroleum Corporation Limited
- Hindustan Petroleum Corporation Limited
- Chennai Petroleum Corporation Limited
- Kochi refineries Limited
- Mangalore Refineries and Petrochemical Limited
- Major International customers include Sinochem , Titan, Total , Sinocpec, Vitol, BP, Petroeast, Soboh Petroleum etc.
- Other Customers include: BRPL, British Gas India Ltd. Etc.

(c) Clients need to get in touch with DGM(Tanker Commercial-Crude) or DGM (Tanker Commercial-Product), GM(Tankers) and CMD in that order with specific complaint/ problem in case agreed service standards are not fulfilled. SCI would endeavour its best to mutually resolve dispute/ difficulty of clients/ users of service to the benefit of both parties.

(d) Nodal persons, who can process business queries, complaints and advice course of action to the client:

Name : Mr.A.K.Gupta
Designation : GM
Contact details : Tel : 022-22882109
Fax : 022-2493 7474/24973560
E-mail : ak.gupta@sci.co.in

For business queries pertaining to Product Carriers

Name : Mr. P.D. Anand
Designation : GM
Contact details : Tel : 022-24926341
Fax : 022-2493 7474/24973560
E-mail: pd.anand@sci.co.in

(e) SCI also expects its customers /users for reciprocal treatment in terms of maintaining payment schedule, reliability and trust fulfilment so that its trade interest can be pursued. SCI expects its clients to forward voyage particulars, intimation of lay-days well in advance so that tonnage can be deployed as per

schedule. Delays at disport should be reduced to minimum for quick turnaround of vessels. Clients/ users to improve port/ inland infrastructure, which will reduce delays and bottlenecks. Freight / demurrage settlement should be prompt and time bound. Customer feed back / response is also equally important which will help SCI to improve / constantly upgrade its service.

In addition, expectations from customer are prompt settlement of bills, prompt action regarding documentation requirements and prompt reply to communications.

2.2. Bulk Carrier Department

SCI is presently the major bulk carrier operator in India, having an assortment of 23 bulk carriers spanning the handy, handy max and panamax sizes of vessels. The fleet is about 15 years old on an average, but individual vessels are ranging from say about 4 years to 24 years in age. At the time of acquisition, the vessels had been ordered after carefully considering the need and utility of these vessels for India centric trade, in particular. However, there is no physical constraint for these vessels cross-trading worldwide. They carry a variety of cargoes like iron ore, coal, coke, grain, steel products, plywood, bauxite etc.

(a) It will be evident that in the discharge of the obligations cast on the department vis-à-vis its customers, while carrying cargoes for them either on time charter or on voyage charter, the expectations of the parties have to be kept in mind. Generally, money is the critical factor and any deficiency that hampers the generation of a profit for the charterer qualifies for a penalty on the operator viz. SCI.

In this context;

- The maintenance and upkeep of the vessel, prompt and pro-active action on the part of the on board personnel and also the staff ashore is paramount.
- Maintenance of time schedules, the breach of which would have implications in terms of additional cost for the operator and the ship owner are very material. Although the degree of responsibility for these individual items will vary, there could be scale of standards that could be devised to evaluate the meeting of the criteria standards set. Goals in this direction need to be devised and adhered to.
- The clients/ users of bulk carrier services also expect SCI to fulfill its obligation to lift nominated quantity of cargoes as per the Charterparty / COA in a timely manner and thereby, calls for proper deployment of tonnage within specified laydays.
- The incidence of claims for shortage / loss of cargo should also be minimum if not altogether eliminated. The delivered cargo should conform to specification as per Bills of Lading, taking care to avoid contamination or degradation. Delivery of the right quantity and quality at the right place and time and safely too.
- From customer's point of view, the prompt settlement of their bills by SCI such as repair and brokerage bills is also important.

Incidentally, when dealing with the loading and discharging of cargoes on Indian coast, the efficiency of the port and other infrastructure will also have a bearing on the productivity and satisfaction levels of the shipping customer and therefore, there should be a dovetailing of the charter parameters devised as between the various links in the shipping chain.

(b) Major Customers are individual charterers such as Noble, Global, MUR, Panocean, COSCO, BHP, WBC etc., grain houses, traders, channelising agencies such as MMTC, FCI, the Japanese Steel Mills, SAIL and VSP.

(c) Clients may get in touch with DGM (Bulk Carriers), GM(B&T), Director (B&T) and CMD in that order with specific complaint/ problem in case agreed service standards are not fulfilled. SCI would endeavor its best to mutually resolve the dispute/ difficulty of clients/ users of service to the benefit of both parties. If the particular complaint has not been satisfactorily attended to there is a grievance procedure with a Senior Officer in charge of the system and the client could take recourse to the same

(d) The nodal person, who can process business queries, complaints and advise course of action to the client would be

Name : Capt.R.Ahluwalia
Designation : GM
Contact details : Tel. 22820974
Fax.022-2493 7474/ 2493 5642
E-mail. r.ahluwalia@sci.co.in

However, the same hierarchy as given in the previous paragraph will be relevant to follow in case response at the DGM level is not forthcoming.

(e) On the flip side it is also logical for SCI

- To expect its customers /user for reciprocity in terms of maintaining payment schedule, reliability and trust fulfillment so that its interest can be pursued satisfactorily. SCI expects clients to forward voyage particulars, intimation of laydays well in advance so that tonnage can be deployed appropriately and on the basis of agreed schedules. Delays should be kept to minimum to ensure quick turnaround of vessels.
- As indicated above, port/ inland infrastructure improvement is also vital, which will reduce delays and bottlenecks. Freight / demurrage settlement should be prompt. Customer feed back / response is also important to enable SCI to improve its services.

(3) **Specialized Vessels Cell**

The Specialized Vessels Cell is part of the Bulk Carrier & Tanker Division and deals with the operations and management of 2 Liquefied Petroleum Gas(LPG) carriers and 3 Chemical carriers, which are wholly owned by SCI. In addition, the SVC also deals with the operation and management of two Liquefied Natural Gas (LNG) tankers, which are owned by joint venture companies in which SCI has a sizeable share.

The LPG tankers are of a capacity of 17,601 DWT while the Chemical tankers are 33,058 DWT each. The two LNG tankers have a cargo capacity of about 138,000 cubic meters each. The chemical tankers are deployed on long-term Contract of Affreightment (COA) with Maroc Phosphore for transportation of

phosphoric acid from Morocco to India. The LPG carriers are employed on time charter/voyage charter to Indian Oil Corporation Ltd (IOC) and Hindustan Petroleum Corporation Ltd (HPCL). The LNG tankers are on long term time charter to Petronet LNG Ltd.

The SVC dept looks after the technical and commercial management of the tankers as per the COA for chemical tankers and as per the time/voyage charter-for the LPG tankers. The technical management activity involves regular planned maintenance of ships in line with international statutory regulations, periodic dry-docking and running repairs of the tankers. The commercial activity includes coordination with agents for smooth transit of ships to various ports of call & payment of port and other dues, arranging for ships bunker (fuel) and timely raising of debit notes and following up with the customers for prompt payment.

(a) Clients/ users of SVC services expect SCI to fulfill its obligation to lift nominated quantity of Phosphoric Acid/LPG/LNG as specified in COA/other agreements and deliver nominated quantities to designated port(s) in line with the specified schedule. Moreover, Clients also expect that delivered cargo should be of correct specification as stated in Bills of Lading without contamination or degradation of cargo. Delivery of specified cargoes in the right quantity and quality from and to the designated ports, safely and on time, each time is the expectation of the customer.

(b) Major Customers of SVC Dept are:

- India Oil Corporation Ltd.
- Hindustan Petroleum Corporation Limited
- Maroc Phosphore
- Petronet LNG Limited.
- Other customers that are interested in transporting phosphoric acid, LPG, Ammonia and LNG.

(c) Clients need to get in touch with AGM(SVC), DGM(SVC), GM (Chartering & Specialized vessels Cell), Director(B&T), and CMD in that order with specific complaint/ problem in case agreed service standards are not fulfilled. SCI would endeavor its best to mutually resolve dispute/ difficulty of clients/ users of service to the benefit of both parties.

(d) Nodal Persons who can process business queries, complaints and advice course of action to the client:

Name : Mr.J.N.Das
Designation : GM
Contact details : Tel. 24919418
Fax. 022-2493 5642
E-mail. jn.das@sci.co.in

(e) SCI expects its customers /user for reciprocal treatment in terms of maintaining payment schedule, reliability and trust fulfillment so that its trade interest can be pursued. SCI expects Client to forward voyage particulars, intimation of laydays well in advance so that tonnage can be deployed as schedule. Delays at disport should be reduced to minimum for quick turnaround of vessels. Clients/ Users should improve port/ inland infrastructure, which will reduce delays and bottlenecks and enable SCI to serve them better. Freight / demurrage settlement should be made promptly. Customer feed back / response is very important and would help SCI to improve / constantly upgrade the quality of its service.

2.3 Chartering Department

The function of Chartering Department is of a corporate nature. Chartering Department is responsible for meeting all the requirements of SCI related to in/out chartering of all kind of ships. The in/out chartering requirements is advised to Chartering Department through a Divisional Head of the concerned Department. Accordingly, the department enters the requirement in the market through weekly brokers meeting or any other day during the week (depending upon urgency) as per the laid down chartering procedures. The negotiating officers then negotiate and finalize the business.

The businesses or vessels are fixed normally through broking channel or sometimes directly with owners or charterers. Once the business or vessel is fully fixed, all the necessary documentation is done as per the laid down chartering procedures. The Charter Party is drawn and passed on to concerned department for necessary action.

Besides above, the department is also involved in following activities.

- To provide market information to the management through daily/monthly reports.
- To prepare monthly report on in/out chartering fixtures concluded by the department.
- To prepare and processes Debit Notes for payment of brokerage commission after C/P is signed.
- To conduct weekly meeting with the brokers (on SCI panel).
- To review performance of the brokers on periodical basis.

(a) Clients expect smooth operation and optimum utilization of the vessels in accordance with the charter party provisions. In order to give best of the services to the clients, concerned operation departments (technical and commercial) are in constant contact with the vessels/various agencies/clients so that the operations are performed as per the clients expectations and C/P provisions.

(b) A list of SCI's major clients with whom the department deals, is enclosed hereto at **Annexure A**.

(c) In case of dispute, if any, endeavour is always made to sort out the same amicably. However, in case of disputes where amicable solution is not possible, same is referred to Arbitrator as per the charter party provisions regarding arbitration.

(d) The nodal person, who can process business queries, complaints and advise course of action to the client would be

Name : Capt.Anoop Kr.Sharma
Designation : GM
Contact details : Tel. 24937484
Fax.022-2493 5642
E-mail : anoop.sharma@sci.co.in

(e) As regards expectations/ requirements from clients, charterers expect smooth and trouble-free operations of our vessels. When SCI being charterers, owners expect timely payments of hire/ freight as well as speedy settlement of outstanding, if any. Brokers expect timely clearance of their brokerage bills.

3. TECHNICAL & OFFSHORE SERVICES DIVISION:

The Technical & Offshore Services (T&OS) Division is both a profit centre as well as service centre in SCI. The functions of the T&OS Division can be broadly classified into the following areas:

1. Project Cell
2. Technical - Shipbuilding & Services
3. Technical – Fleet Services
4. Offshore Services

3.1. PROJECT CELL:

The Project Cell plans and processes acquisition of tonnage for SCI in consultation with the operating divisions. It monitors the SCI fleet and plans for the need for replacing some of the existing vessels or the requirement of addition of tonnage in tune with the developments in SCI as well as in the shipping industry.

The Project Cell prepares Project Reports, floats tender for acquisition of vessels and carries out evaluation of the offers received. The technical details in the tender are taken care by the Shipbuilding & Services department and the commercial details of the tender are taken care by the Project Cell.

a) **The broad procedure for acquisition of newbuilding vessels by SCI is as follows:**

1. The Tender for acquisition of vessels is floated. The tender notice is published in leading Newspapers and on SCI website.
2. Offers are invited from reputed shipyards in two stages i.e. Technical Offer and Commercial Offer.
3. The shipyards are shortlisted based on the Technical offer submitted by the shipyard and their financial standing.
4. Technical discussions are held with all the shortlisted shipyards to bring them at par with each other and to acceptable levels of SCI.
5. The shortlisted shipyards are then requested to submit their Price offers on both cash and credit basis.
6. The selection of the shipyard is done based on the evaluation of the price offers submitted by the shipyards.
7. Upon selection of the shipyard, formal shipbuilding contract is signed between SCI and the shipyard.

b) **The broad procedure for acquisition of secondhand vessels by SCI is as follows:**

1. Advertisement is published in National and International newspapers.
2. Market scanning : SCI continuously scans the market for acquisition of suitable secondhand vessels.
3. Inspection of the vessels by SCI team, as and when suitable vessels are located or offered by the sellers/authorised brokers.
4. Receipt of Inspection Report.
5. Negotiations with the owner/their authorised brokers.
6. Finalisation of the deal with owner of the vessel.
7. Final SCI Board approval for acquisition under MOU.
8. Signing of contract.

3.2 **TECHNICAL - SHIPBUILDING & SERVICES DEPARTMENT:**

The Shipbuilding & Services (SB&S) is the Technical Department involved in acquisition of tonnage for SCI. The SB&S department finalises the technical specifications for the vessels to be acquired and then supervises the construction of the vessels at the shipyard. The main activities of the department can be broadly termed as new construction services and technical consultancy services.

a) **New Construction Services:**

The various activities undertaken by SB&S department ensures that the SCI has a young, modern and technically competent fleet conforming to the latest international rules and regulations and requirements of class and also conforming to the most modern and exacting specifications. The department prepares the technical specifications for the newbuilding vessels based on the requirement of the operating division and the trends in the market. It is involved in technical discussions with the participating shipyards so as to bring them upto the SCI's specifications. After the order is placed with the shipyard the department is involved in on site supervision of the shipbuilding activity.

b) **Technical Consultancy services:**

The SB&S department also provides "Technical Consultancy" assistance to various organisations for their "Tonnage Acquisition Programme". Organisations include The Andaman & Nicobar Administration, The Union Territory of Lakshadweep, Geological Survey of India, Directorate General of Lighthouses & Lightships, Department of Ocean Development etc. of the Government of India.

The Consultancy assistance rendered for new building vessels include:

1. Project Viability and feasibility: which inter alia includes Market Study, Obtaining Statuary Approvals, Selection of Ship Building yards through international tendering procedure.
2. Design Consultancy: Preparation of Technical Specification, Preliminary GA Plan, Preliminary Machinery layout plan, Preliminary Accommodation Layout plan.
3. Project Management: Preparation of Ship building contract, Monitoring of finances during construction, Delivery Protocols and related documents, Post delivery and guarantee matters.
4. Site Supervision: Plan Approval, Ship Building construction supervision at yard, Test and trial supervision, Delivery and acceptance of vessels.

The Consultancy assistance rendered for acquisition of second-hand ships include:

Identifying the type and size of vessels, receipt and evaluation of offers, inspection of class records, physical inspection of vessels, processing specific proposals for Owners / Government approval and taking delivery of the vessels etc.

The clients can expect world class services from SCI making use of the latest technology available and the vast talent pool comprising of experts in shipping industry.

3.3 **TECHNICAL – FLEET SERVICES:**

The Technical – Fleet Services performs the following functions:

- i) Selection/empanelment and fixation of tariff for carrying out voyage repair on SCI vessels by various workshops
- ii) Rate Contracts, and
- iii) Disposal of vessels

i) **Selection / Empanelment of workshops:** In order to carry out the above activities two committees are constituted viz. Workshop Appraisal Committee and Workshop Tariff Committee.

a. Activities of Workshop Appraisal Committee:

The applications received from various workshops are scrutinised and as per requirement inspections carried out to determine the suitability /technical competency of the shipyard. The tariff rates are asked from the competent workshops as recommended by the above committee.

b. Activities of Tariff Committee:

The competitive rates received from various workshops are analysed and empanelment is done on competitive basis for carrying out repairs on SCI vessels

ii) **Rate Contracts:** The Technical Services Department also finalises rate contracts for spare parts with OEMs for various machinery such as Spare parts for Daihatsu Engines, Yanmar Engines and Wartsila Sulzer Engines.

iii) **Disposal of vessels:** The Technical Service department is also entrusted with the task of sale of SCI vessels which are technically and economically unviable for operation. The Technical Services Department in consultation with the operating Division prepares a phasing out plan for SCI vessels so as to maintain a young fleet for the company.

The broad procedure for disposal of vessels is as follows:

1. The vessels, which have completed their economic life or are uneconomical for further operations are processed for disposal. Based on the balance life of the vessel, the vessel is either sold for further trading or for scrapping.
2. The advertisement for further trading and for scrapping is simultaneously released in leading Indian/International news papers indicating the date of inspection and date & time of submission of tender. For giving wider publicity, the said

advertisement is also placed on SCI website. The various authorities e.g. INSA, MSTC, shipbrokers associations etc are also duly informed of the above.

3. The tendering procedures are carried out on the stipulated day as mentioned in the advertisement and the successful bidder is identified based on the offers received.
4. MOA is then signed between the successful bidder and the SCI on receipt of first instalment and the EMD is converted to Security Deposit which is returned to the bidder after delivery of the vessel. The highest bidder is notified to make the balance payment and take physical delivery of the vessel within 4 banking days.
5. After obtaining confirmation regarding receipt of full and final payment, the vessel is physically handed over to the successful bidder.

3.4 OFFSHORE SERVICES DEPARTMENT:

- 1 The SCI has diversified into the Indian Offshore marine business and provides vital offshore marine logistics support to the Indian oil industry in its indigenous oil exploration activities.
- 2 SCI owns 10 Anchor Handling Tug-cum-Supply Vessels (AHTS), which are on charter to ONGC since 1984-85. Offshore Department also undertakes manning, management, maintenance and operations of various specialized vessels viz. Multi Support Vessels, Well Stimulation Vessel, Seismic Survey Vessel, Geotechnical Vessel, Offshore Supply Vessels, of our client M/s. ONGC.
3. The clients can expect availability of vessels for offshore logistics support with minimum agreed downtime.
- 4 When SCI is providing required services to the clients by way of O&M of their vessels or chartering out SCI's vessels to our client, the SCI expects payments of charter hire/remuneration/advance for repairs, dry-docking, etc. well in time/within agreed time limit, enable SCI to operate the vessel to optimum utilization.
5. If the agreed service standards have not been fulfilled, Client may take up the matter with the concerned Group of Offshore Department. If the problems persists, then the client may take up the matter with General Manager (Offshore).

3.5 NAME & DETAILS OF THE CONTACT PERSON:

Department	Name of the officer
Technical - Shipbuilding & Services	Mr. J.V.S. Rao General Manager Tel no- 022-25701430 e-mail- jvs.rao@sci.co.in
Technical – Fleet Services	Mr.E.C.Rao General Manager Tel no. – 25701430 e-mail – ec.rao@sci.co.in
Offshore Services	Mr.R.K.Ray General Manager Tel no. – 22822041 e-mail – rk.ray@sci.co.in

4. PERSONNEL & ADMINISTRATION DIVISION

The Personnel and Administration Division is under the charge of Director (Personnel & Administration). As on 1st November 2004, the strength of Shore employees is 1056. Permanent Fleet Officers, Petty Officers & Ratings of the SCI presently number 5565. The SCI can also draw officers and crew from a pool of Trainee Marine Engineers, Trainee Navigating officers and Ratings. The Division is responsible for provision of timely assistance and service to them as well as ensuring the smooth and effective administrative functioning of the Organization. The D(P&A) is overall in-charge of the safety management system of P&A Division and is responsible for the continuous management of all personnel both ashore and afloat. He is also the Director of Public Grievances.

Redressal of Public Grievances

Grievances if any can be forwarded to the Director (P&A) or to the Nodal Officers identified for each Division. The contact details are as under:

Director (P&A) & Director of Public Grievances

Mr. K. Gupta

Telephones: 022 – 22023970
022 – 22026666

Fax 022 - 22026283

E-Mail k.gupta@sci.co.in

Bulk Carrier and Tanker Division

Mr.A.K.Gupta, GM

Telephones: 022 – 24973555
022 – 22026666

Fax 022 - 24973560

E-Mail ak.gupta@sci.co.in

Technical & Offshore Services Division

Capt. P.B. Joag, MANAGER

Telephones: 022 – 22026666

Fax 022 - 22026905

E-Mail PB.Joag@sci.co.in

FINANCE DIVISION

Mr. S. Kannan, GM

Telephones: 022 – 22028039
022 – 22026666

Fax 022 - 22026905

E-Mail s.kannan@sci.co.in

PERSONNEL & ADMINISTRATION DIVISION

Mr. D.S. Kanvinde, GM (SP&A)

Telephones: 022 – 22028370
022 – 22026666

Fax 022 - 22026905

E-Mail ds.kanvinde@sci.co.in

Mr. P.K. Barman, GM (FP)

Telephones: 022 – 22020808
022 – 22026666

Fax 022 – 22026905

E-Mail pk.barman@sci.co.in

PURCHASES & SERVICES DIVISION

Mr.T.R.Shetty, DGM

Telephones: 022 – 22833471
022 – 22026666

Fax 022 - 22026905

E-Mail tr.shetty@sci.co.in

INFORMATION TECHNOLOGY

Mr. R. Sambamurthi, AGM

Telephones: 022 – 22022953
022 – 22026666

Fax 022 – 22026905

E-Mail r.sambamurthi@sci.co.in

PUBLIC RELATIONS DEPARTMENT

Mr. Rajiva Sharma, DM

Telephones: 022 – 22023792
022 – 22026666

Fax 022 – 22026905

E-Mail rajiv.sharma@sci.co.in

FLEET PERSONNEL DEPARTMENT

The main functions of the Fleet Personnel Dept are :

- a) To execute policies and procedures formulated by the Director for the recruitment of officers and ratings and safe manning of the fleet.
- b) Study and implement the national and international rules and regulations regarding safe manning of ships.
- c) Manpower planning of Fleet Personnel dept.
 - a. Administer medical facilities for fleet personnel.
 - b. Identify allocate and coordinate for training of the resources and personnel.
 - c. Negotiate with MUI/NUSI for revision of service conditions.
 - d. Recruit contract officers for fleet personnel on board

The Fleet Personnel Dept. is responsible for engagement of officers and crew members on all its vessels and managed vessels. SCI maintains a roster of officers and crew from which the selection is made. In case the roster officers fall short then we had taken officers on contract. In case the roster crew falls short, the same is made good by selecting from the general roster seamen. Such seafarers from general roster is being selected every Tuesday and Thursday in SCI office. Selection of general roster seamen is made strictly on the basis of seniority.

d) The Travel Cell in FP Dept. looks after the arrangements for booking of air tickets, hotel accommodation for the concerned officers/crew during their stay in Mumbai. As per rules, entitlement, family carrying permission is granted to the officers.

e) The Coordination & General Cell looks after the work relating to engagement of manning agencies for supply of manpower as and when required. Priority is given to agencies having adequate experience in supply of manpower to the Industry, good financial background and compliance with ISO quality systems. Manning agencies are empanelled with due approval of the Management.

f) The work relating to empanelment of hotels for accommodating officers during transit is undertaken by the C&G Cell after obtaining due approval of the Management. The contract is renewed on yearly basis. On expiry of the existing contracts, fresh quotations are invited and normal procedure is followed for entering into new contract.

g) The matter pertaining to legal cases, as well as remittances/advances at foreign ports in case of repatriation/medical treatment to the officers is also attended to by the C&G Cell.

h) The confidential reports are scrutinized and officers/ratings are recommended for higher promotions. If any malpractices are reported, enquiries are conducted on board and disciplinary action taken as deemed fit.

5. ISM CELL

By amendments to the International Convention for Safety of Life at Sea (SOLAS), 1974, which introduced new chapter IX into Convention, the International Safety Management (ISM) Code has been made mandatory with effect from 1st July 1998. The ISM Code was further amended in December 2000 and the amendments entered into force on 1st July 2002.

SCI introduced the Safety Management System by setting up a dedicated ISM Cell, which developed, structured and documented procedures in compliance with the International Management Code for Safe Operation of Ships and for Pollution Prevention (ISM Code), in accordance with the resolution A.788(9) of the International Maritime Organization (IMO) and SOLAS, Chapter IX.

SCI has laid the foundation of the Safety Management System (SMS) by recognizing that the cornerstone of a good Safety Management is commitment from top, competence, attitude and motivation of individuals at all levels that determines the expectations of a good Safety Management System.

SCI complied with all the functional requirements of the ISM Code, which includes the Safety and Environment Protection Policy as under.

SAFETY AND ENVIRONMENT PROTECTION POLICY

It is the aim of the Safety Management System of The Shipping Corporation of India Ltd. (SCI) to:

- Preserve Safety at Sea and Protect the Environment

In order to fulfill the aim of this Safety and Environment Protection Policy, the SCI is committed to the following objectives:

- Prevention of injury and loss of life
- Avoidance of damage to the environment
- Avoidance of damage to property

In order to achieve these objectives, the SCI shall:

- Endeavour to continuously improve safety management skills of personnel ashore and aboard ships
- Establish procedures for shipboard emergencies
- Establish safe working practices in ship operation
- Provide a healthy and safe working environment
- Establish safeguards against all identified shipboard safety and pollution hazards
- Comply with mandatory rules and regulations.

SCI completed the task of ISM Code compliance through verification, control and certification of the Company and the vessels in the 1st phase, which included Bulk Carriers, Oil Tankers, Chemical Tankers, Gas Carriers, Passenger Ships and Passenger High Speed Crafts, well within the deadline of 1st July 1998, as required by the ISM Code.

Document of Compliance (DOC) for the Company (for Phase-I vessels), valid for five years, was obtained on 18th November 1997. This Document of Compliance was subsequently endorsed annually by DGS, after satisfactory verification. As per ISM Code requirement, the Company was put up for DOC Renewal External Audit by DGS in November 2003 and DOC was renewed. Renewal DOC (Phase-I) is valid for five years i.e. up to 17.11.2007, subject to annual verification by DGS.

Similarly, SCI completed the task of compliance through verification, control and certification of the Company and the vessels in the 2nd phase, which include Other Cargo Ships (Liner Ships, OSVs and MSVs), well before the deadline of 1st July 2002, as required by the ISM Code. DOC for Phase-II was obtained on 30.03.2001 and is valid till 15.03.2006, subject to annual verification by DGS.

SCI also implemented Safety Management System on board all its vessels and obtained Safety Management Certificate (SMC) from DGS for each ship. The SMC is valid for five years, subject to periodic verification by the Administration, which normally takes place between the second and third anniversary dates of the issue of the SMC.

New acquisitions are brought under SMS, before delivery, with full compliance of the ISM Code.

The time bound achievement was the result of SCI's strength of professional experience, planning, training, execution, systematic analysis and quality expertise, which is an asset for any world class ship operator or owner. SCI is also in a position to provide such management expertise to any other national/international ship operators.

Benefits of the Safety Management System

- An improvement in the safety consciousness and safety management skills of personnel ashore and on board the vessels bring in a safety culture, which provides maximizing the benefits of cost savings derived from implementation of the ISM Code.
- Reduced number of accidents, detention & delays
- Greater confidence on part of the clients
- Cost savings, resulting from improved efficiency and productivity

- Safe carriage of cargo & reduction in claims
- Reduction in pollution claims
- Favourable insurance premium
- Improved company morale
- Building trusts among the personnel
- Demonstrating higher degree of Leadership and Management commitment.
- Focusing on building resources and motivating personnel through training.
- Change of attitude and work culture
- Introducing quality into management system by assuring improved safety standards

The ISM Cell is headed by the Designated Person Ashore (DPA). He monitors the safety and pollution prevention aspects of the operation of each ship and ensures that adequate resources and shore-based support are provided for the SMS.

The tasks carried out by the DPA/ISM Cell are as under:

- Examine and approve all documents related to the SMS.
- Examine and approve all revisions to the Company, Divisional and Shipboard SMS Manuals.
- Prepare annual budget for the ISM Cell.
- Prepare an annual audit plan for the fleet and the offices ashore and ensure all Internal and External Audits of the Company and ships are carried out on schedule.
- Verify through regular audits that SMS on board ships, as well as, ashore functions according to documented procedures.
- Conduct the CSMC every month, chaired by the DPA, to review the SMS.
- Analyse and maintain records of non-conformities, accidents and hazardous occurrences reports and FSI/PSC inspection reports.
- Issue instructions, as necessary, for effective functioning of SMS.
- Periodically review and update all safety management instructions sent to the fleet.
- Report major non-conformities to the Chairman & Managing Director and ensure appropriate corrective action.
- Ensure compliance with procedures for SMS document control.
- Conduct Safety Review Committee (SRC) meeting of each Division every quarter under the chairmanship of respective Directors, to review the effectiveness and functioning of the SMS.
- Conduct Management Safety Policy Committee (MSPC) meeting at least once a year, chaired by the C&MD, where Management Review is carried out to evaluate the overall effectiveness of the Company's SMS.

6. ISPS CELL

The ISPS Code (International Ship & Port Facility Security Code) was adopted by the IMO in December 2002 and became mandatory from 1st July 2004.

Objectives of the code are:

1. To establish an International framework involving co-operation between Contracting Governments, Government Agencies, local administrations and the shipping and port industries to detect security threats and take preventive measures against security incidents affecting or port facilities used in international trade.
2. To establish the respective roles and responsibilities of the Contracting Governments, Government Agencies, local administrations and the shipping and port industries at the national and international level, for ensuring maritime security.
3. To ensure the early and efficient collection and exchange of security related information.
4. To provide a methodology for security assessments so as to have in place plans and procedures to react to changing security levels.
5. To ensure confidence that adequate and proportionate maritime security measures are in place.

In order to meet the above objectives, SCI has a security policy signed by the C&MD, which aims to “PROVIDE SAFE & SECURE SHIPS FOR ITS CREW, PASSENGERS AND CARGOES WHILST AT SEA AND PORTS ALL OVER THE WORLD.”

SCI is committed to the following objectives to fulfil the requirements of its security policy:

- Security of its ships and their crew, passengers and cargo
- Support to its ships in implementing and maintaining the Ship Security Plan.

The ISPS Cell headed by the Company Security Officer (CSO) monitors the security aspects of the ships and ensures that:

- The ships security assessment (SSA) of every ship of the fleet is carried out.
- Based on the SSA the Ship Security Plan (SSP) is developed for each ship.
- The SSP so developed is scrutinised and approved by the Director General of Shipping (DGS).
- The DGS approved SSP is placed onboard and implemented effectively.
- After implementation the security internal and external audits are carried out, shortcomings if any are rectified and the statutory certificates (ISSC & CSR) are issued and connected onboard.
- The annual internal audits are carried out along with the ISM audits for checking the continuous effectiveness of the SSP and the deficiencies/ non conformities identified are rectified.

- Reviews of the security activities are carried out and the SSPs are modified if required.
- The security information available from all sources is collected, and relevant ones are sent to the ships and operating departments for increasing the security awareness of all concerned.
- Concerned personnel from the ship and office undergo necessary training.
- Consistency between safety requirements and security requirements is maintained.
- Necessary security drills and exercises are carried out.
- 24 hour contact number of the CSO is available to all the ships for security related communication.

The ISPS Cell under the CSO completed the preparation of SSPs (based on the SSAs), its effective implementation and certification of all the ships on International Voyages and also the ships that may interface with the foreign going ships, well before the deadline of 1st July 2004. The last ship to obtain the International Ships Security Certificate was on 21.06.2004.

The ship security assessments and preparation of the ship security plans for the coastal ships is in progress now. Although the DGS wants only limited compliance of the ISPS code on the coastal ships but as a commitment to our security policy in true spirit, the larger coastal ships will be put up for full compliance.

A special cell in the Director General of Shipping has been created for round the clock monitoring of security alerts from the ships and security related communication. The fitting of Ship Security Alert System (SSAS) as per regulations is in progress and till date ten ships have been fitted with it.

6. VIGILANCE DEPARTMENT

The Chief Vigilance Officers are the extended hands of the CVC. The Chief Vigilance Officers are considerably high-level officers who are appointed in each and every Government Organization to assist the Head of Organization in all vigilance matter. The Chief Vigilance Officer thus constitutes an important link between the organization and the Central Vigilance Commission (as also the CBI).

Vigilance department under the supervision of Chief Vigilance Officer eyes the vigilance matter i.e. the matters having vigilance angle. Vigilance angle is obvious in following acts:

- (i) Demanding and/or accepting gratification or offering and/or giving gratification other than legal remuneration in respect of an official act or for using his influence with any other official.

- (ii) Obtaining a property, movable or immovable, whose value is beyond the company's norm, without consideration or with inadequate consideration from a person with whom he has or likely to have official dealings or his subordinates have official dealings or where he can exert influence.
- (iii) Obtaining for himself or for any other person any valuable thing or pecuniary advantage by corrupt or illegal means or by abusing his position as a public servant.
- (iv) Possessions of assets disproportionate to his known sources of income.
- (v) Cases of misappropriation, forgery or cheating or other similar criminal offences

There are, however, other irregularities where circumstances will have to be weighed carefully to take a view whether the officer's integrity is in doubt. Gross or wilful negligence; recklessness in decision making; blatant violation of system and procedures; exercise of discretion in excess, where no ostensible/public interest is evident; failure to keep the controlling authority/superiors informed in time – these are some of the irregularities where disciplinary authority with the help of CVO carefully studies the case and weigh the circumstances to come to a conclusion whether there is reasonable ground to doubt the integrity of the officer concerned.

The raison d'être of vigilance activity is to enhance the level of managerial efficiency and effectiveness in the organization.

Role and functions of the Chief Vigilance Officer

Even though detection and punishment of corruption and other malpractices are certainly important, what is more important is taking preventive measures instead of hunting for the guilty in the post corruption stage. Therefore, the role and function of CVO has been broadly divided in to two parts, which are (I) Preventive and (II) Punitive.

On the preventive side

The CVO undertakes various measures, which include:

- (a) To examine in detail the existing Rules and procedures of the Organization with a view to eliminate or minimize the scope for corruption or malpractices;
- (b) To identify the sensitive/corruption prone spots in the Organization and keep an eye on personnel posted in such areas;
- (c) To plan and enforce surprise inspections and regular inspections to detect the system failures and existence of corruption or malpractices;

- (d) To maintain proper surveillance on officers of doubtful integrity; and
- (e) To ensure prompt observance of Conduct Rules relating to integrity of the Officers, like
 - (i) The Annual Property Returns;
 - (ii) Gifts accepted by the officials
 - (iii) Benami transactions
 - (iv) Regarding relatives employed in private firms or doing private business etc.

On the punitive side:

- (i) To ensure speedy processing of vigilance cases at all stages. In regard to cases requiring consultation with the Central Vigilance Commission, a decision as to whether the case had a vigilance angle shall in every case be taken by the CVO who, when in doubt, may refer the matter to his administrative head, i.e. Secretary in the case of Ministries/Departments and Chief Executive in the case of public sector organizations;
- (ii) To ensure that charge-sheet, statement of imputations, lists of witness and documents etc. are carefully prepared and copies of all the documents relied upon and the statements of witnesses cited on behalf of the disciplinary authority are supplied wherever possible to the accused officer along-with the charge-sheet;
- (iii) To ensure that all documents required to be forwarded to the Inquiring Officer are carefully sorted out and sent promptly;
- (iv) To ensure that there is no delay in the appointment of the Inquiring Officer, and that no dilatory tactics are adopted by the accused officer or the Presenting Officer;
- (v) To ensure that the processing of the Inquiry Officer's Reports for final orders of the Disciplinary Authority is done properly and quickly;
- (vi) To scrutinize final orders passed by the Disciplinary Authorities subordinate to the Ministry/Department, with a view to see whether a case for review is made out or not;
- (vii) To see that proper assistance is given to the C.B.I. in the investigation of cases entrusted to them or started by them on their own source of information;

(viii) To take proper and adequate action with regard to writ petitions filed by accused officers;

(ix) To ensure that the Central Vigilance Commission is consulted at all stages where it is to be consulted and that as far as possible, the time limits prescribed in the Vigilance Manual for various stages are adhered to;

(x) To ensure prompt submission of returns to the Commission;

(xi) To review from time to time the existing arrangements for vigilance work in the Ministry/Department for vigilance work subordinate officers to see if they are adequate to ensure expeditious and effective disposal of vigilance work;

(xii) To ensure that the competent disciplinary authorities do not adopt a dilatory or law attitude in processing vigilance cases, thus knowingly otherwise helping the subject public servants, particularly in cases of officers due to retire;

(xiii) To ensure that cases against the public servants on the verge of retirement do not lapse due to time-limit for reasons such as misplacement of files etc. and that the orders passed in the cases of retiring officers are implemented in time; and

(xiv) To ensure that the period from the date of serving a charge-sheet in a disciplinary case to the submission of the report of the Inquiry Officer, should, ordinarily, not exceed six months.

How a client / citizen can contact the Vigilance Department in the event of any standards not being met, charges of malpractices, corruption etc.?

Following are the contact details of CVO in SCI

Mr. M. B. Sagar,
Chief Vigilance Officer,
The Shipping Corporation of India Limited,
245, Madam Cama Road, Shipping House,
Mumbai – 400 021, India.
Tel 0091 222 22026530
Fax 0091 222 22853461
e-mail : cvo@sci.co.in