



Department for
International Trade

UK INDIA
BUSINESS COUNCIL



MARITIME
UK

UK-India Opportunities Forum

2 May 2018



Welcome

David Dingle CBE
Chairman, Maritime UK

Maritime Opportunities in India

Andy Barr

First Secretary, British High Commission, India



Department for International Trade



UK-India Strategic Relationship

shared values, global capability

We are committed to making this a strategic partnership, that spans the globe and the century, seeing our special relationship evolve and improve in the coming years.

**Joint Statement, PM Modi's Visit to the UK
April 2018**





DIT India's Strategy

Export Promotion: Supporting UK companies win high value export contracts in key sectors – infrastructure is one of these.

Outward Direct Investment into India: Supporting UK companies to invest in India, and to make a success of their investments in India.

Inward Investment from India to UK: Encouraging Indian investments into the UK.

Trade Policy: Laying the foundations for a future trade relationship, once the UK has left the EU.

Market Access: Tackling major barriers faced by UK companies – in infrastructure, this includes standards, procurement and contracting, payment and dispute resolution, etc.

Supporting wider objectives: Urban Development, Energy Access and Security, Financial Services, Technology Partnerships.



India's Maritime Sector: Key Facts

- Long coastline of over 7500 kms & 14,500 kms of navigable waterways
- 57% of cargo goes through 12 Major Ports
- There are 200 others.
- Projected Cargo Volumes in 2025: 2,500 MT per annum





India's Maritime Sector: Key Challenges

- Under-utilisation of Coastal Shipping & Inland Waterways
- High Transit Time for movement of goods
- Inadequate Road & Rail Connectivity
- Inadequate utilisation of port land
- Small, inefficient, and lack the draft to handle larger vessels

“Sagarmala”



Announced by PM Modi in 2014 and approved by the Union Cabinet in 2015

A national programme to achieve comprehensive and holistic port-led development, and reduce logistic cost for international and domestic trade.

500 projects worth £89bn are under consideration.

Expected Impact of Sagarmala by 2025

- £44bn - Infrastructure Investment Mobilisation
- £3.9-4.4bn - Logistic Cost Saving per year
- 4 mn - new direct jobs, 6mn - indirect jobs
- £77bn - boost to India's exports



India has had a glorious maritime history. We are on path of shaping an even better maritime future.

**Narendra Modi,
Hon'ble Prime Minister
of India**

Prime Minister of India Narendra Modi says that Blue Chakra of India's national flag represents the potential of the Blue Economy and my Ministry is committed to realising its full potential

**Nitin Gadkari, Union
Minister for Shipping**





Sagarmala – Main Pillars

Port Modernisation

- Port Efficiency Improvement
- Capacity Enhancement Projects at major ports
- 6-8 New Ports
- 189 Projects worth £15.8bn

Port Connectivity

- Coastal & Inland Waterways projects
- Port & Industrial Connectivity projects
- 7 Dry Ports
- 170 projects worth £5.6bn

Port-led Industrialisation

- 14 Coastal Economic Zones
- 12 High potential industries
- 33 projects worth £46.8bn

Coastal Community Development

- Skill Development
- Uplifting Fishermen & Local Communities
- Island Development
- 23 projects worth £0.5bn



Sagarmala – Main Pillars

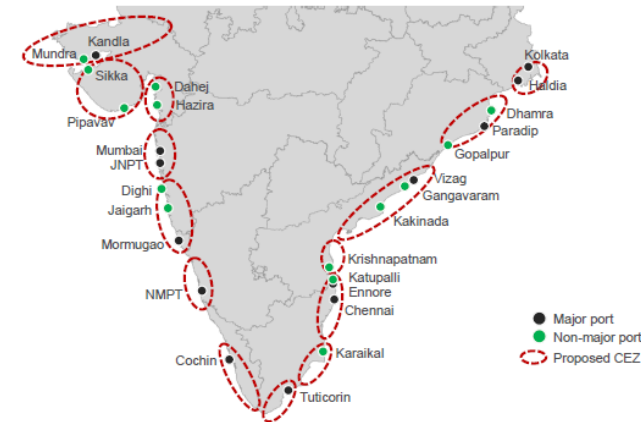
Port-led Industrialisation

- **14 Coastal Economic Zones:**
Tamil Nadu (3), Gujarat (3), Maharashtra & Goa (2), Andhra Pradesh (2), Karnataka (1), Kerala (1), West Bengal (1) & Odisha (1)
- **29 Port-linked Industrial Clusters:**
Refining & Petroleum Clusters (10), Power Clusters (3), Steel Clusters (2), Maritime Clusters (2), Cement Clusters (2) & Manufacturing Clusters (14)

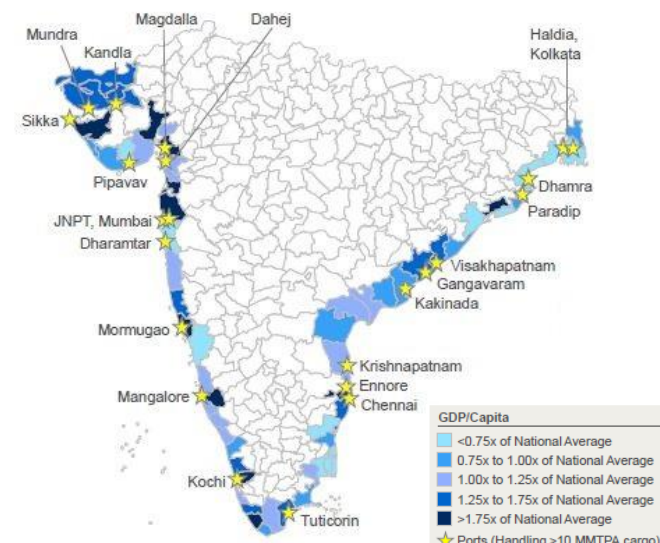
Coastal Community Development

- 18% of India's population lives in 72 coastal districts
- Skill development for coastal communities
- Marine Fishermen community development
- Development of cruise tourism & lighthouse tourism

Proposed coastal economic zones



Untapped potential of coastal districts in India





Some Major Ports Projects

Project Name	Project Type	Location	Promoter	Project Cost (Rs billion)	Project Cost (£ million)	Capacity
Nakkapalle New Port Project (KSR Maritime Projects)	Greenfield Port	Andhra Pradesh	KSR Maritime Projects Private Limited	298	3500	100 mtpa
Kovalam Port Project	Greenfield Port	Tamil Nadu	SPV	199	2339	305.14 mtpa
Expansion of Outer Harbour Project at Hazira Port	Brownfield Port	Gujarat	Adani Hazira Port Pvt Ltd	140	1647	
Krishnapatnam Port Project - Phase III	Brownfield Port	Andhra Pradesh	Navayuga Engineering, Strategic Ports KPC Limited	123	1442	153.7 mtpa
Machilipatnam Port Project- Phase I	Greenfield Port	Andhra Pradesh	Navayuga Engineering & NCC Infrastructure	119.29	1412	15 mtpa
Vadhavan Satellite Port Project (Dahanu/Wadhwan Port)	Greenfield Port	Maharashtra	JNPT & Maharashtra Maritime Board	100	1176	177 mtpa
Ramayapatnam Greenfield Port Project	Greenfield Port	Andhra Pradesh	To be decided	80	941	
Vizhinjam International Container Transshipment Terminal Project - Phase I	Berths/Terminal Development	Kerala	Adani Ports	75	882	27.72 mtpa
Astaranga Port Project	Greenfield Port	Odisha	Navayuga Engineering	74.17	873	17.7 mtpa
Dhamra Port Project - Phase II	Berths/Terminal Development	Odisha	Adani Ports	70	824	75 mtpa
Krishnapatnam Port Project - Phase II	Berths/Terminal Development	Andhra Pradesh	Navayuga Engineering & Strategic Ports KPC Limited	60	706	50 mtpa



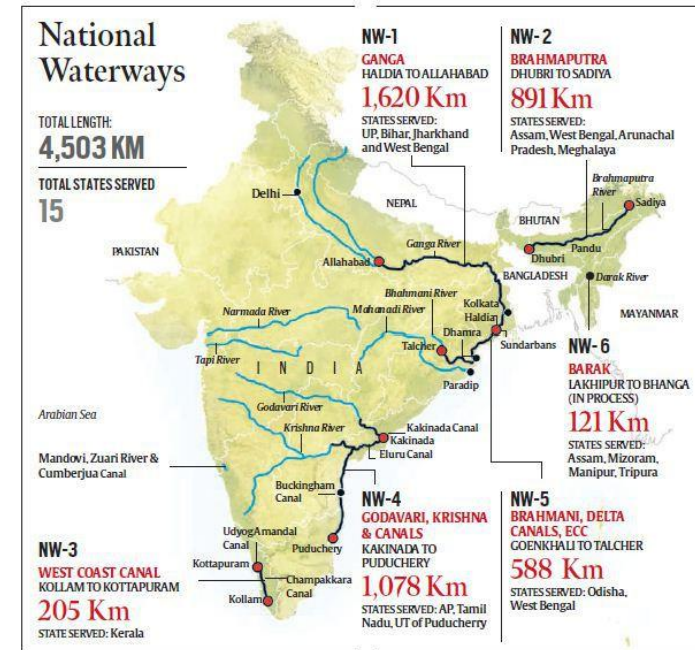
- 12 Major Port Trusts under administrative control of Government of India
- Adani Ports and Special Economic Zone Ltd (www.adaniports.com)
- DP World
- Essar Ports (www.essarports.com)
- Navayuga Engineering Company Ltd (www.necLtd.com)
- IL&FS Maritime Infrastructure Company Limited (www.ilfsmaritime.com)
- GMR SEZ and Ports Holding Pvt Ltd (www.gmrgroup.in)
- JSW Infrastructure (www.jsw.in)
- L&T IDPL (www.lntidpl.com)
- Shapoorji Pallonji (www.shapoorjipallonji.com)
- Balaji Infra Projects Ltd

DIT India can help you connect with these organisations...



Inland Waterways – A brief snapshot

- Extensive but under-utilised network of navigable length of over 14,500 kms
- Contributes only 5% to India's freight movement
- Five National Waterways
 - NW 1 (1620 kms)
 - NW 2 (891 kms)
 - NW 3 (205 kms)
 - NW 4 (1078 kms)
 - NW 5 (588 kms)
- 106 new waterways identified and notified by Gol – 8 most viable will be taken up in Phase 1
- E.g. Assam Inland Water Transport Project – US\$ 150 mn World Bank funded
- Inland Waterways Authority of India is the nodal agency





Opportunities for UK Companies

- Smart and sustainable technologies for modernisation and mechanisation
- Investment – 100% FDI allowed
- Port Planning, Design & Construction
- Smart Information Exchange, Container Scanners, Security & Surveillance, RFID, Gate Automation
- Technologies to improve customer service
- Smart Port Cities
- Renewable & Environmental Technologies for Green/Sustainable Ports
- Dredging Contracts
- Cruise Tourism
- Skills & Training

DIT India wants to know what 'Team UK' can offer to India's Ports & Maritime Sector

Why Now?



Why Now?

- Government of India & State Governments focusing on infrastructure development
- Infrastructure is now considered a key driver of growth – along with Agri, Manufacturing & Services
- High level of investment prior to the General Election in 2019
- Increased Infrastructure outlay in the Union Budget
- Improved Ranking of “Ease of Doing Business” – aiming to reach in top 50 by 2020
- Focus on Life-Cycle Cost and QCBS Procurement Systems



US\$ 1.5 trillion

**Expected Investments in
Infrastructure in next
decade**



Why Now?

- Improved Financing Option - The National Investment & Infrastructure Fund (NIIF) – a £5 billion fund for infrastructure investment
- Multilateral Funding Agencies – World Bank, ADB, JICA
- Dynamic domestic industry - looking for partnerships, technologies and services



8% of GDP

Infrastructure spending
is expected to increase
to 10% of GDP in
coming years



- UK is the largest G20 investor in India
- UK companies repatriated £3.1bn of dividends and royalties in the last 5 years.
- £4.5bn of export finance credit available through UK Export Finance
- Strong G2G engagement from PMs down.



Prime Ministers' Joint Statement – April 2018

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Challenging Perceptions

It is not an easy market... but it's often better than people think... and HMG can help.

- **Slow Bureaucracy & Government Regulations**
- **Lack of capacity of cities and urban local bodies**
- **Poor project planning**
- **Corruption**

DIT can advise and provide information on right projects to go after. You shouldn't look at it as one market.

- **Complicated & opaque tendering system**

UK Technical Assistance working at Central, State, City and Project level to improve quality and transparency of tenders. Projects funded by Multilateral Agencies are as per global standards



4-5% of GDP

Inefficiencies in developing infrastructure is costing India 4-5% of GDP – S&P Global



Challenging Perceptions

- **Lack of good quality local partners & manpower**

DIT can help identify partners, UKIBC can do Tailored Research

- **Price sensitive market – perception about UK products being expensive**

Focus on life-cycle cost, innovative technologies, relationships. DIT changing perceptions about UK through HVCs, GREAT campaign & Prosperity Fund projects

- **Large, complicated and diverse market**

True, but provides scale to have a long-term engagement in the market. 7-member DIT Infra team is spread across the country, providing local intelligence & knowledge



4-5% of GDP

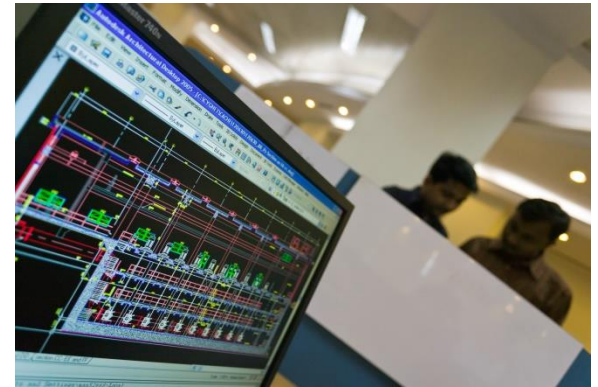
• Inefficiencies in developing infrastructure is costing India 4-5% of GDP – S&P Global

Have a long-term view; Be patient; Seek advice & assistance;



Other Assistance from DIT

- Identify high-value opportunities and projects
- Gain powerful insights into the market
- Help open doors and reach customers
- Identify business partners not otherwise accessible
- Raise your profile and credibility
- Help overcome barriers to entry or expansion
- Improve overseas marketing and communication strategies
- Understand the competition
- Help in hosting launch and networking events



Win-Win

**DIT's targets linked to
your success**



Andy Barr

First Secretary
Head of Trade & Investment
British High Commission
New Delhi

Email: andy.barr@fco.gov.uk

Maritime Opportunities in India

Phillip D'Costa

Chairman, India Maritime Association (UK)

Company success stories

Carl Hunter
CEO, Coltraco



DELIVERING THE SAFESHIP® & SAFESITE®

- British designer & manufacturer of safety instrumentation
- Export 89% to 109 countries over 30 years
- “One of the best of British Innovators”
- in fire safety + watertight integrity
- Operating in India for 25+ years
- Network mix includes Strategic Partners, Distributors, Agents & ODA
- Customers include Indian Navy, Shipyards, ONGC, Reliance

Coffee break

1050 - 1120

Company success stories

Gordon Rankine
Director, Beckett Rankine

Maritime UK-India Opportunities Forum

2 May
2018

UK Company Success Story

Gordon Rankine



BECKETT RANKINE
Marine Consulting Engineers

Success in India



Presented to
Charles William Hodson, C.S.I.,
by the
Civil Engineers Association, India,
on his retirement from the Public Service;
in grateful recognition of
his unremitting zeal and devoted interest
in its cause.
June 1907.





Survey of all Ports in India

Many Ports Trade Missions to India



Jamborees





MoUs and Dignitaries

Long
Coastline with
many
Beaches



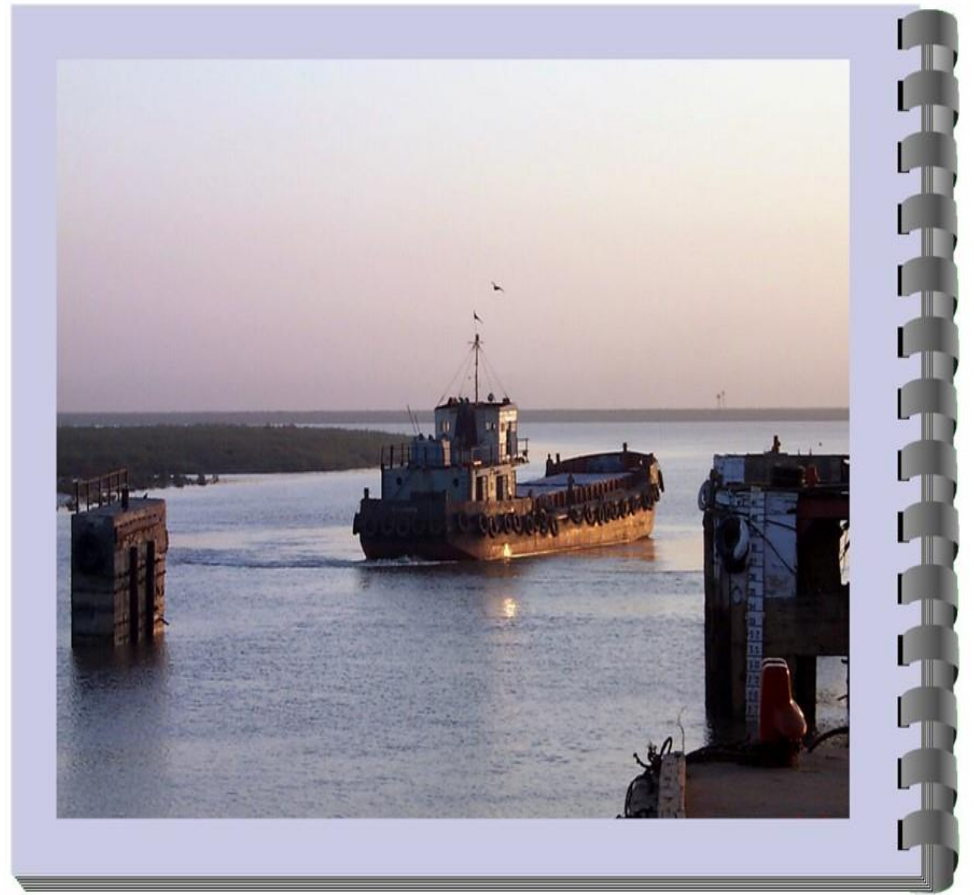
BECKETT RANKINE
Marine Consulting Engineers



Ports in the Public Sector



Questions?



www.BeckettRankine.com



BECKETT RANKINE
Marine Consulting Engineers

Maritime Opportunities in India

Gerry Goward
JFD

India and RoW - Submarine Escape Training and Rescue Systems

The formation of JFD



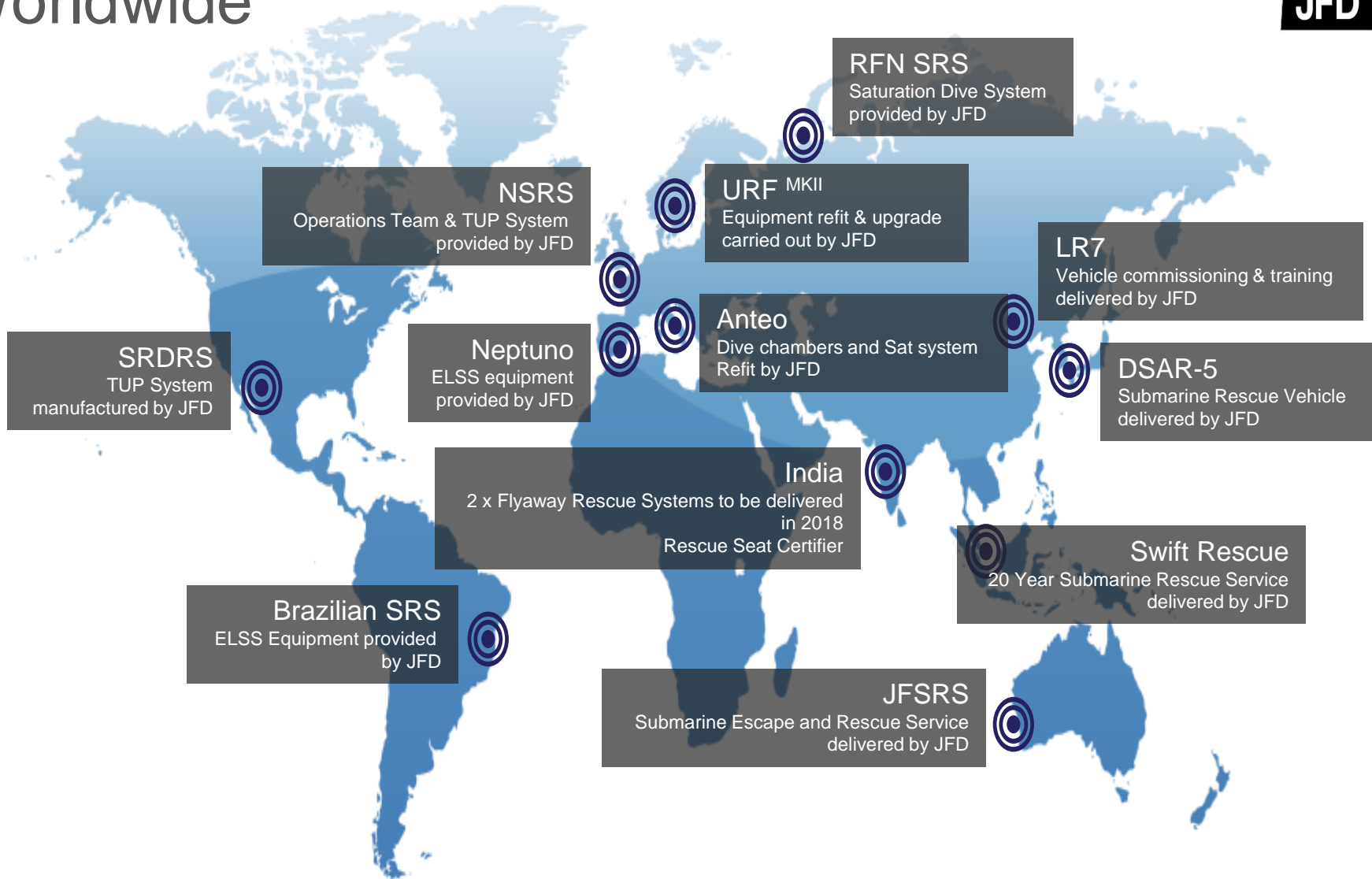
JFD Complete Offering – Escape and Abandonment Training through to Submarine Rescue Service



JFD - Confidence Under Pressure – Maritime Forum
April 2018

JFD 3rd Generation Rescue System

Current Rescue Systems Worldwide



SRDRS
TUP System
manufactured by JFD

NSRS
Operations Team & TUP System
provided by JFD

Neptuneo
ELSS equipment
provided by JFD

URF MKII
Equipment refit & upgrade
carried out by JFD

Anteo
Dive chambers and Sat system
Refit by JFD

RFN SRS
Saturation Dive System
provided by JFD

LR7
Vehicle commissioning & training
delivered by JFD

DSAR-5
Submarine Rescue Vehicle
delivered by JFD

India
2 x Flyaway Rescue Systems to be delivered
in 2018
Rescue Seat Certifier

Swift Rescue
20 Year Submarine Rescue Service
delivered by JFD

Brazilian SRS
ELSS Equipment provided
by JFD

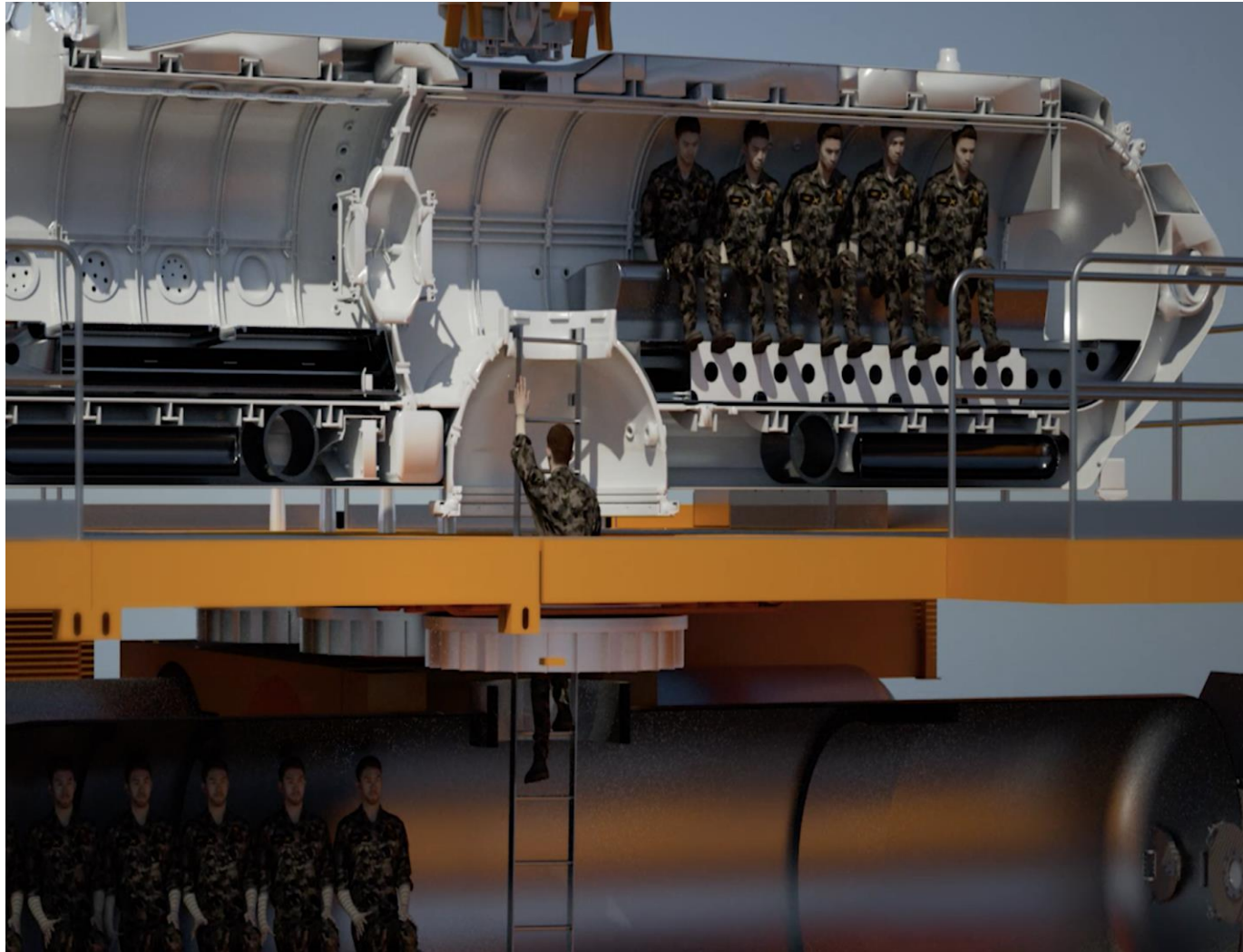
JFSRS
Submarine Escape and Rescue Service
delivered by JFD

Locally delivered, globally supported



- Local JFD companies
- Local Personnel
- Local Suppliers
- Local Partners
- All supported by the global JFD organisation

3rd Generation Rescue System for India

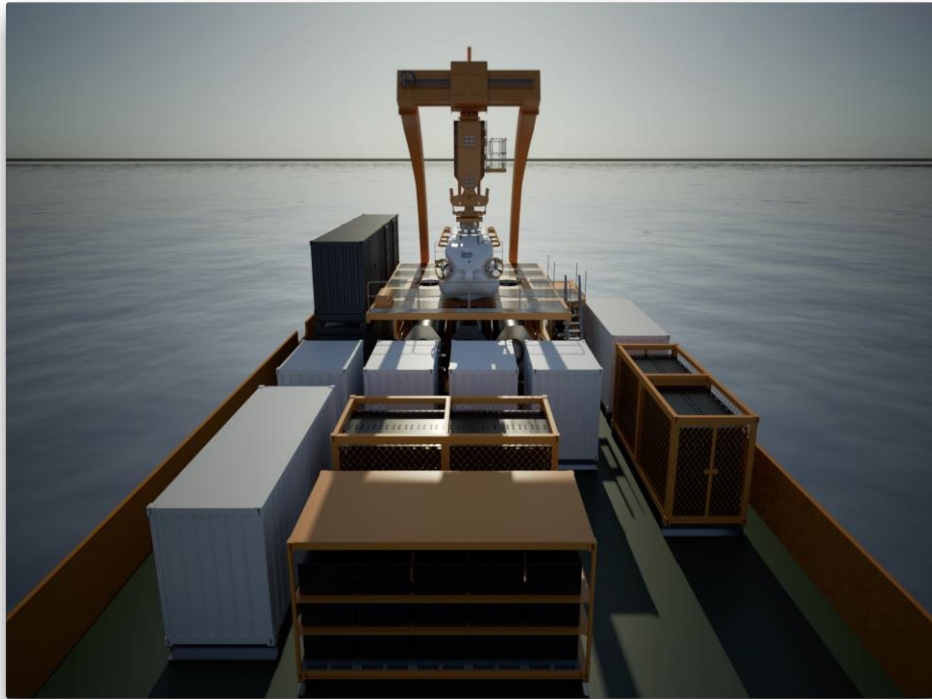


Pressure – Maritime Forum
April 2018

JFD Route to Contract



- 2006 – Initial RFP
- 2006 – 2011 – A number of iterations and changing requirements including free swimming DSRV
- 2011 – 2014 – Multiple submissions with strong competition
- 2014 – Awarded preferred bidder status
- 2014 to March 2016 – Contract Negotiations and Award



Summary of the Contract

- Circa £200M contract –
 - 2 x 3rd Generation Systems - DSRVs with Deployment and Support Equipment
 - 25 Years Maintenance Support Contract
- Robust supply chain
- First system accepted at launch ceremony in Glasgow in February 2018
- SQEP JFD staff in India now
- 2nd System delivery in September 2018
- JV established in India to provide maintenance support
- Further orders for other support activities

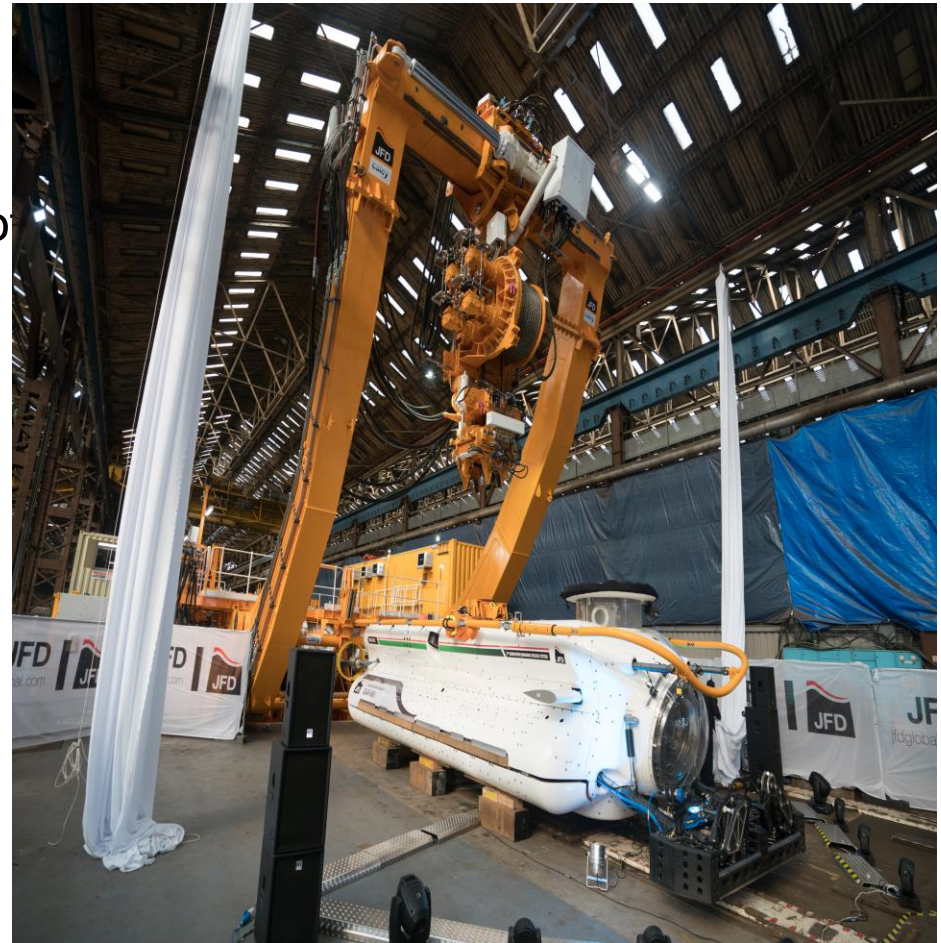


3rd Generation System - Key Capabilities

Key capabilities are as follows:

- 600msw SRV capable of carrying 14 rescuees per dive.
- LARS with a Safe Working Load of 30 tonnes capable of operating up to Sea State 5
- Decompression facilities for up to 90 persons at up to 6 ATA.
- Intervention ROV system capable of operating to 700msw.

The system is designed for a minimum service life of 25 years.



Key Components of 3rd Generation System

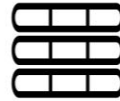
Medical Hyperbaric Complex



6bara



90 Personnel Capacity



9 Compartments



Sea State 6

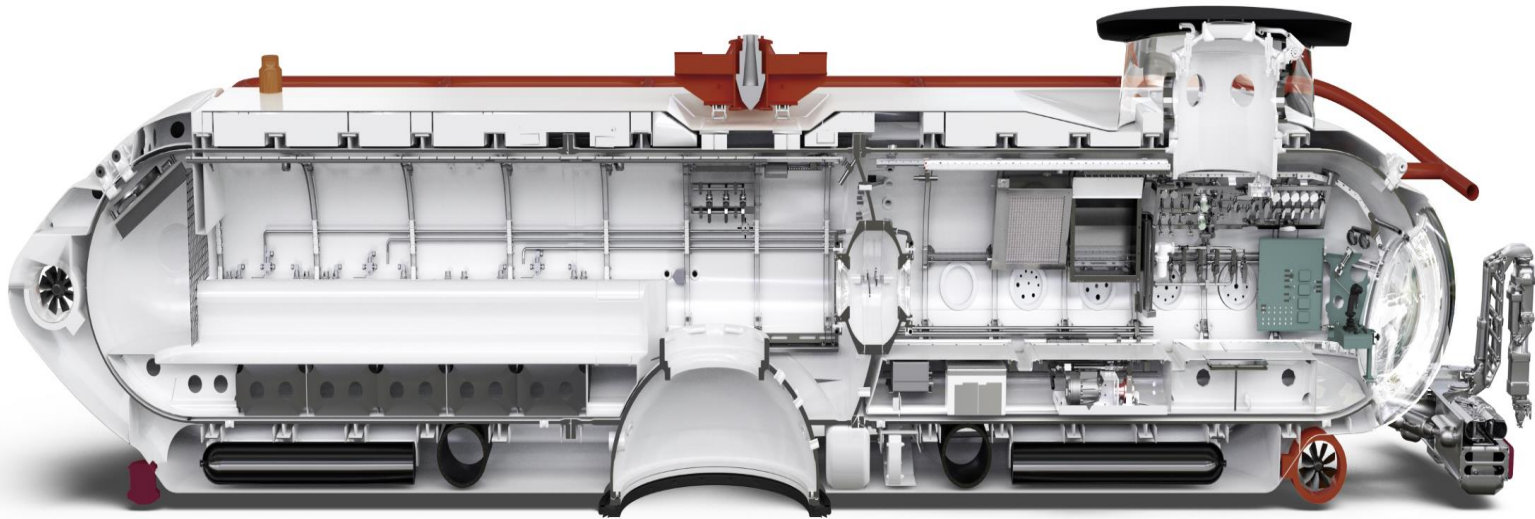


Target Deployment & Recovery



Diverless Launch & Recovery

3rd Generation DSRV



Depth Rating



3 Crew + 17 Rescuees



Lithium Polvmer Battery



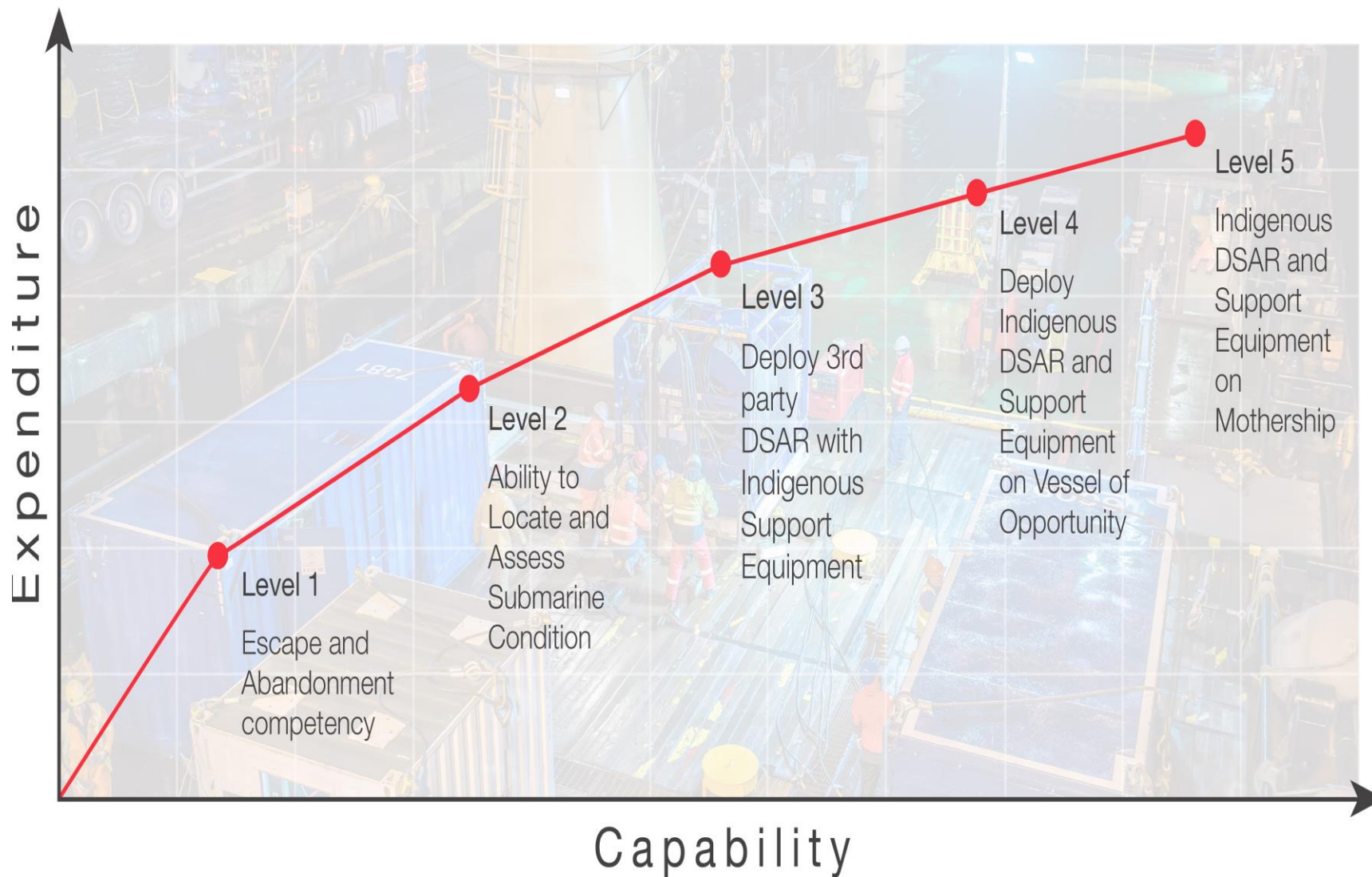
108hrs Life Support

Emerging Conventional Submarine Rescue Markets



JFD - Confidence Under
Pressure – Maritime Forum
April 2018

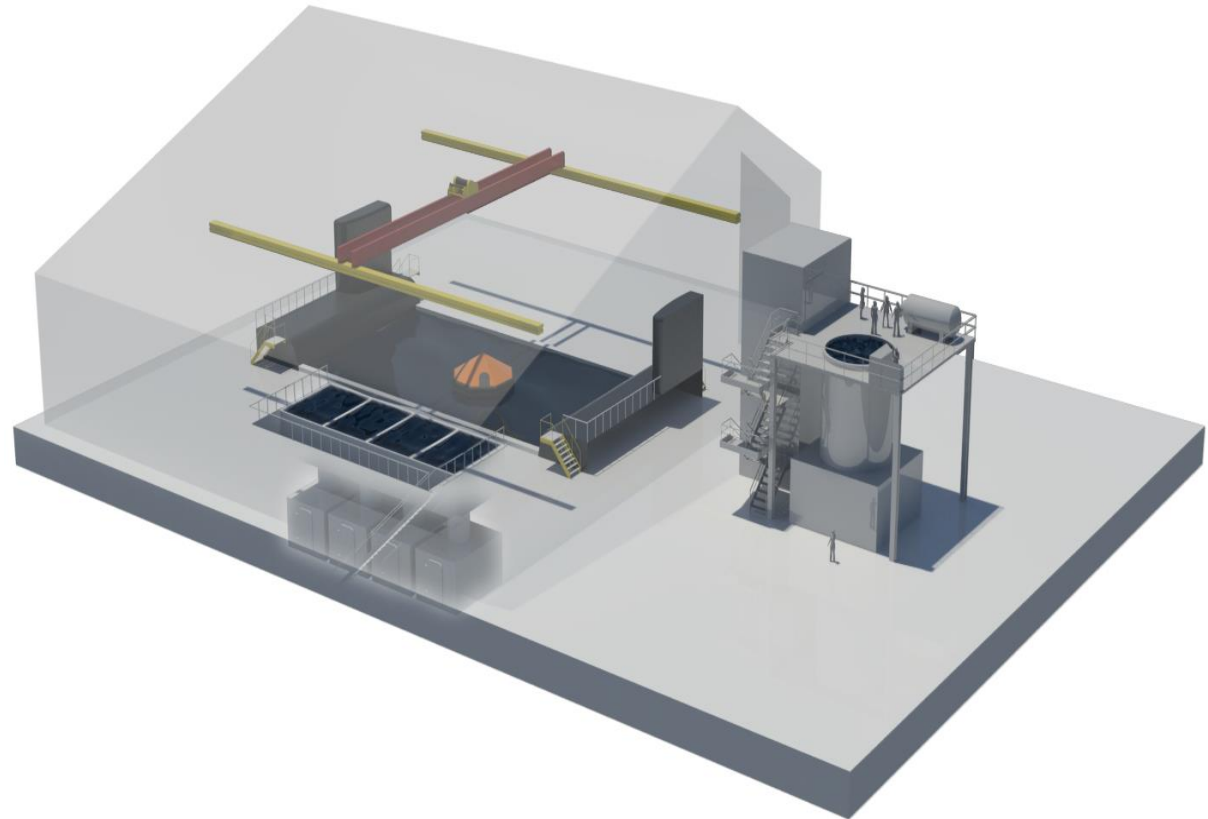
Escape, Abandonment and Rescue Capability Levels



Level 1 – Integrated Escape and Abandonment Training Facility



- Pressurised Escape Training
- Simulated Non Pressurised Escape Training
- Simulated Escape Compartment Team Training
- Senior Survivor Training
- Abandonment Training with sea state simulator



Overarching System Architecture

OPTIMISATION

Dive Depth.

To suit Nation's Geography, Collapse Depth, and Hyperbaric Capacity.

OPTIMISATION

Vessel of Opportunity or Dedicated Mothership

To suit Nation's infrastructure, transport links and aircraft characteristics.



SRV

SRV

SRV

SRV

Sri Lanka

SRV

SRV

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SRV

Indian Ocean

Philippine Sea

South China Sea

Bay of Bengal

Andaman Sea

Andaman Sea

Gulf of Thailand

Java Sea

Banda Sea

Arafura Sea

Bismarck Sea

Solomon Sea

Coral Sea

Great Australian Bight

(Burma)

Laos

Thailand

Vietnam

Cambodia

Malaysia

Singapore

Indonesia

Philippines

Papua New Guinea

NORTHERN TERRITORY

Australia

QUEENSLAND

WESTERN AUSTRALIA

SOUTH AUSTRALIA

NEW SOUTH WALES

VICTORIA

Mumbai

Bangkok

Bangkok

Ho Chi Minh City

Kuala Lumpur

Jakarta

Luzon

Palawan

Negros Mindanao

Basilan

Celebes Sea

Brisbane

Adelaide

Sydney

ACT

Australia



Thank you!

JFD - Confidence Under
Pressure – Maritime Forum
April 2018

Maritime Opportunities in India

Stuart McQuaker

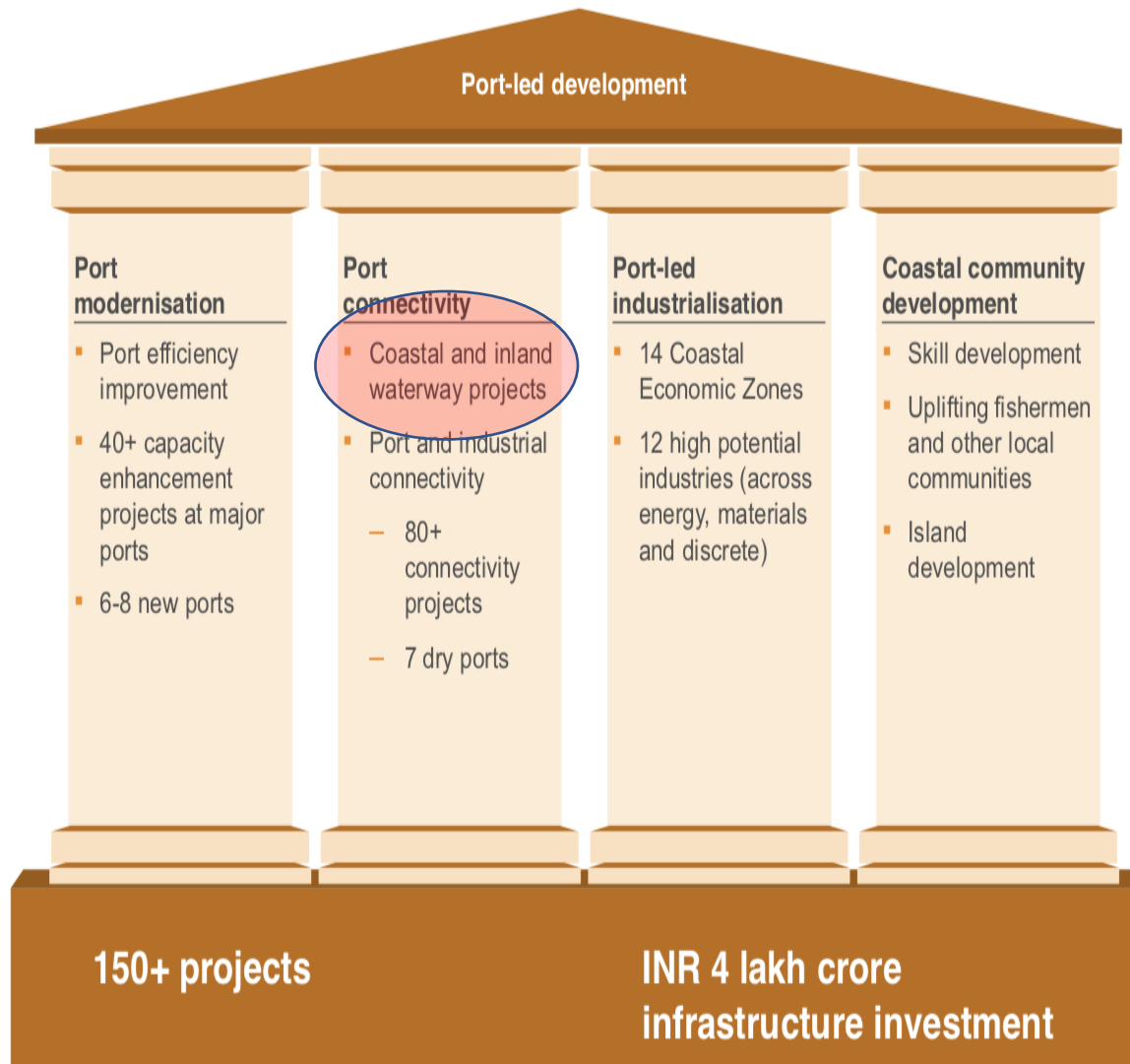
Previously of the National Defence College of India

Case Study

Inland Waterways - Stuart McQuaker



Sagarmala: Port-led development





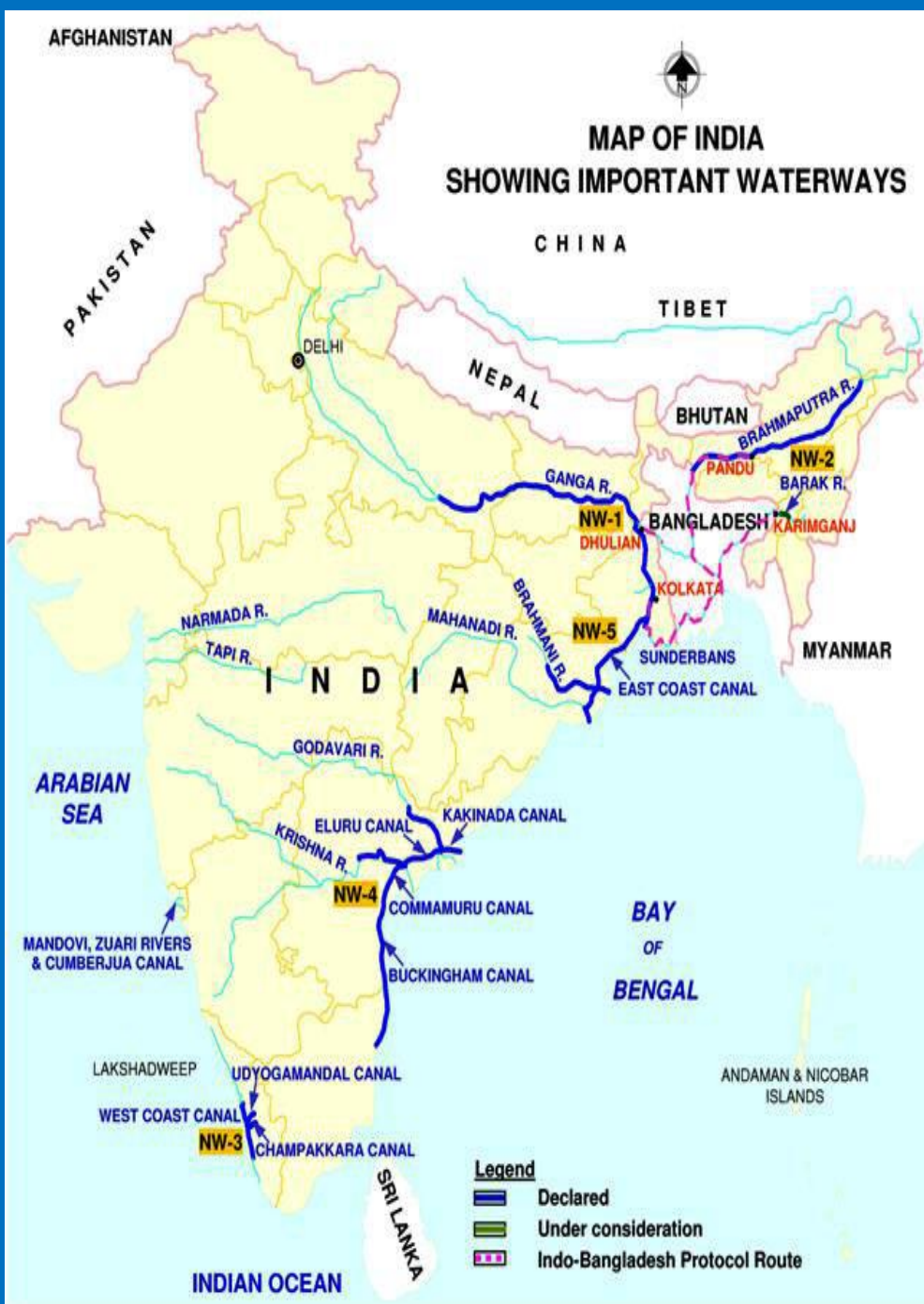
Exploitation of the
Inland Waterways of
India for the Movement
of Cargo: Is enough
being done?



Exploitation of the
Inland Waterways of
India for the Movement
of Cargo: Is enough
being done?

NO!

- Killer Facts
- Evolution of India's Inland Waterways
- Analysis against Global Norms (ie – potential viability)
- Challenges: Resources, programming and Plans
- Potential Opportunities

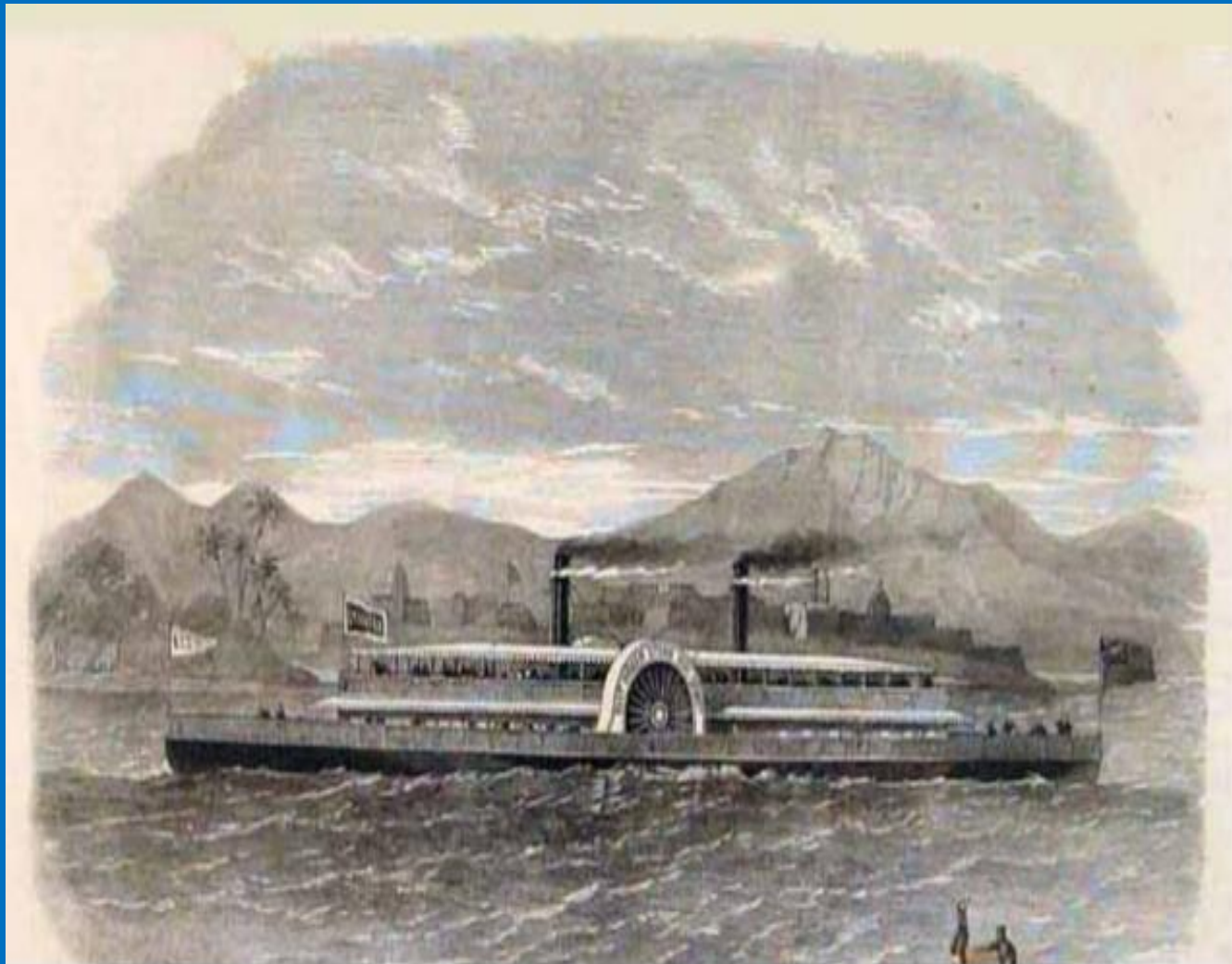


KILLER FACTS

- 14,500KM potentially navigable waters
- Currently 5 Designated National Waterways
- Current movement of cargo: 3.8btkm
- Potential movement of cargo: 50btkm
- Sagar Mala aspiration: Double waterway's share of Inter-modal transport / create 111 recognized

'In the present neglected state of the waterways, development of water transport in certain areas, where conditions are favourable, should be taken up..... a concerted drive is required to make people water-minded. A great deal of propaganda and publicity is necessary.'

Lok Sabha, Report on Inland Water Transport, March 1957.

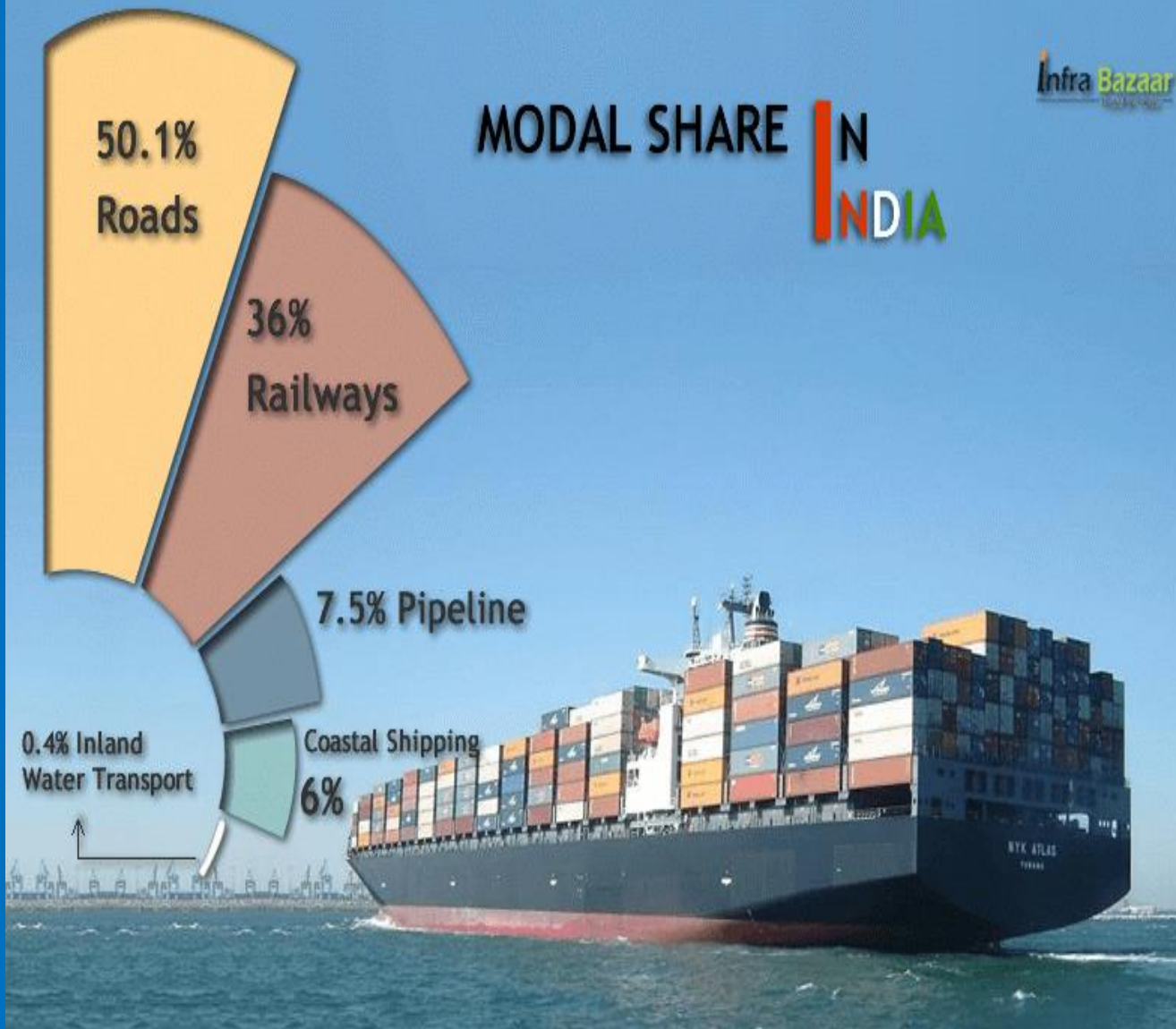


The Golden age of navigation in the Ganga was the mid-19th century. Not only was the volume at its peak, but private steamboat companies were plying as far upstream as Garhmukteshwar.

Image: "The East India Steam Navigation Company's steamer Stanley, steaming on the Ganges," Illustrated London News, 1862

(source:http://www.columbia.edu/itc/mealac/pritchett/00routesdata/0500_0599/shippina/a

MODAL SHARE IN INDIA











Analysis of Waterways V's Global Norms

- Viable potential dimensions: ALIGNED
- Conservation (dredging etc): PARTIALLY ALIGNED
- Modernized for 24/7 navigation: PARTIALLY ALIGNED
- Safety record / SMS / Accident Investigation: NOT ALIGNED
- Adequate numbers of vessels: NOT ALIGNED
- Optimized vessels: NOT ALIGNED
- Terminal Facilities: NOT ALIGNED
- Multi Modal connectivity: NOT ALIGNED

Other Challenges (1)

- Holistic planning process:

Overall, it is considered that IWT is being seen in isolation of other transport modes rather than as part of a holistic approach to India's inland transportation challenges. There is a seeming lack of coherence and synergy across the various key documents and an inconsistency in vision and strategy. It is considered that cost over-runs, delays, under-spends are all symptoms of a planning process that is not functioning correctly in this sector.

Other Challenges (2)

- Failure to utilize allocated funds:

Back

STATEMENT SHOWING THE DETAILS OF GRANT & EXPENDITURE FOR THE F.Y (2014-2015)

(Rs. In Lakhs)				
Plan	BE	RE	Grant Received	Expenditure
Grant to IWAI	18,110.00	0.00	1,990.00	0.00
North-East Pool	8,170.00	0.00	1,273.00	0.00
Subsidy	0.00	0.00	0.00	0.00
Tech. Studies	100.00	0.00	17.00	0.00
Central Plan Scheme for NER	320.00	0.00	0.00	0.00
Non Plan				
Grant to IWAI	2,417.00	2,417.00	806.00	806.00
Total	29,117.00	2,417.00	4,086.00	806.00

Other Challenges (3)

- Strategic Delays:

In the 2013-14 Ministry of shipping results Framework 20 projects were reported on of which:

- One project reported as green / One Amber / Five Red
- 13 Discontinued

'The Committee expressed its anguish over the inexplicable delays and hopes the Ministry will give the development of waterways the priority it deserves...'

Govt of India Parliamentary Standing Committee

Other Challenges (4)

- Data and projects:

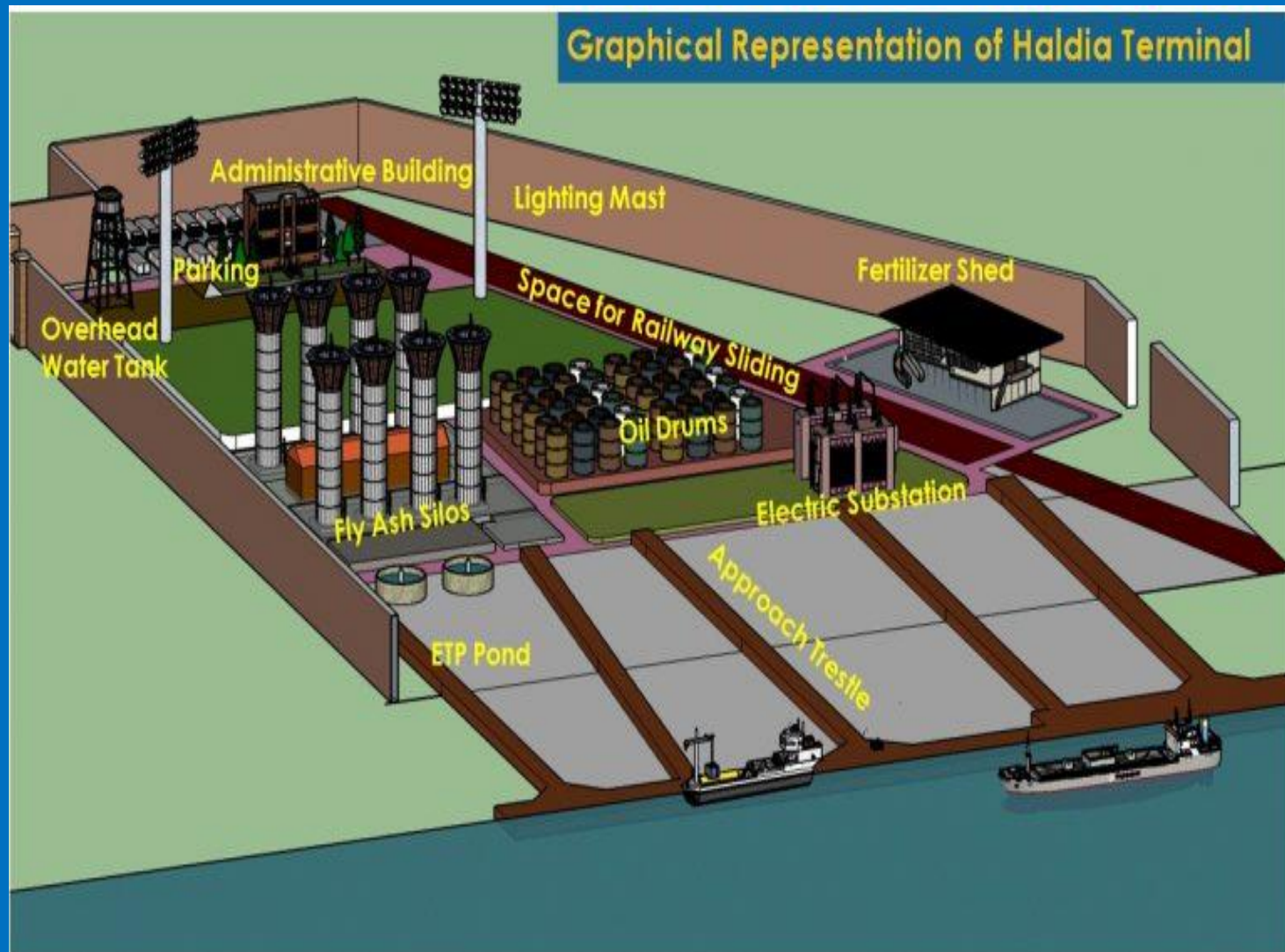
‘..all the NWs were studied independently by different technical / expert groups during different periods of time, adopting different approaches...’

Govt of India sponsored consultancy. (KPMG now engaged)

New Vessels: 2 x ROR / 2 x 2,000T Cargo /
2 x Tug and Barge / Cement Ship (below)



Successes: Construction started on Haldia Terminal (NW1)



Construction started on the Ramnagar terminal (Varanasi – NW1)



RORO Terminal at Dhubri (NW2)



RORO MV Gopinath Bordoloi - in service 10/17



Potential Opportunities

Dredging & River-bank protection

Locks

Navigation Aids

Mult-modal terminal construction

Ferry terminals

Vessel Construction

Consultancy

Financial Investment

Current Budget allocation Inland Waterways: ~ £0.5Bn

P/A

The Budget presented on February 1 has proposed just Rs 600 crore for Sagarmala, the same as Budget 2017-2018. And as per the revised estimates for this fiscal, Sagarmala's allocation has been brought down to Rs 480 crore, thereby, raising concerns on whether the grand project will ever take off anytime soon.

Industry players are of the view that with such an allocation for the sector, the government is largely dependent on private investments. And unless private sector spends big on shipbuilding and ports, the current outlay is woefully short to achieve the government's ambitious goals.

DNA India: Online Broadsheet – Feb 18

Lunch

1220 - 1320

Maritime Opportunities in India

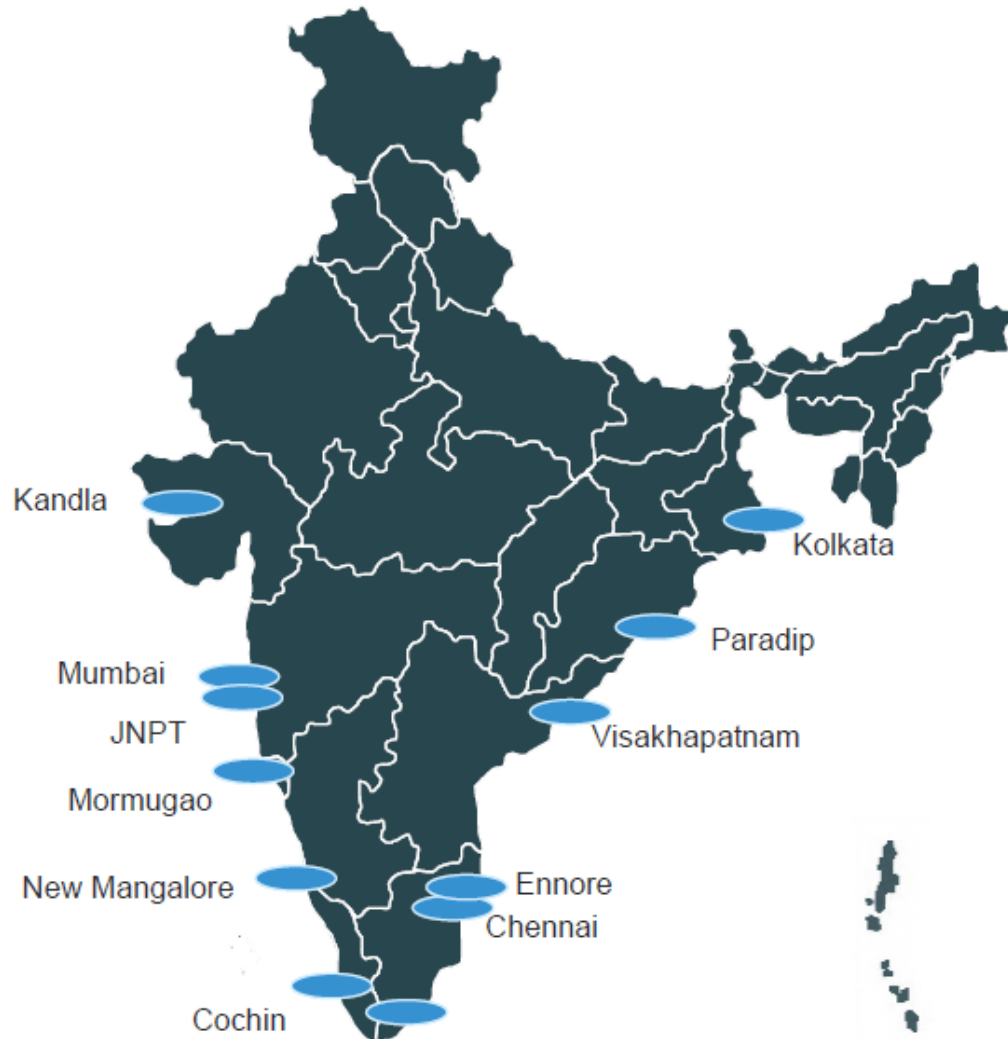
Siddharth Mukne

Regional Head, UK India Business Council

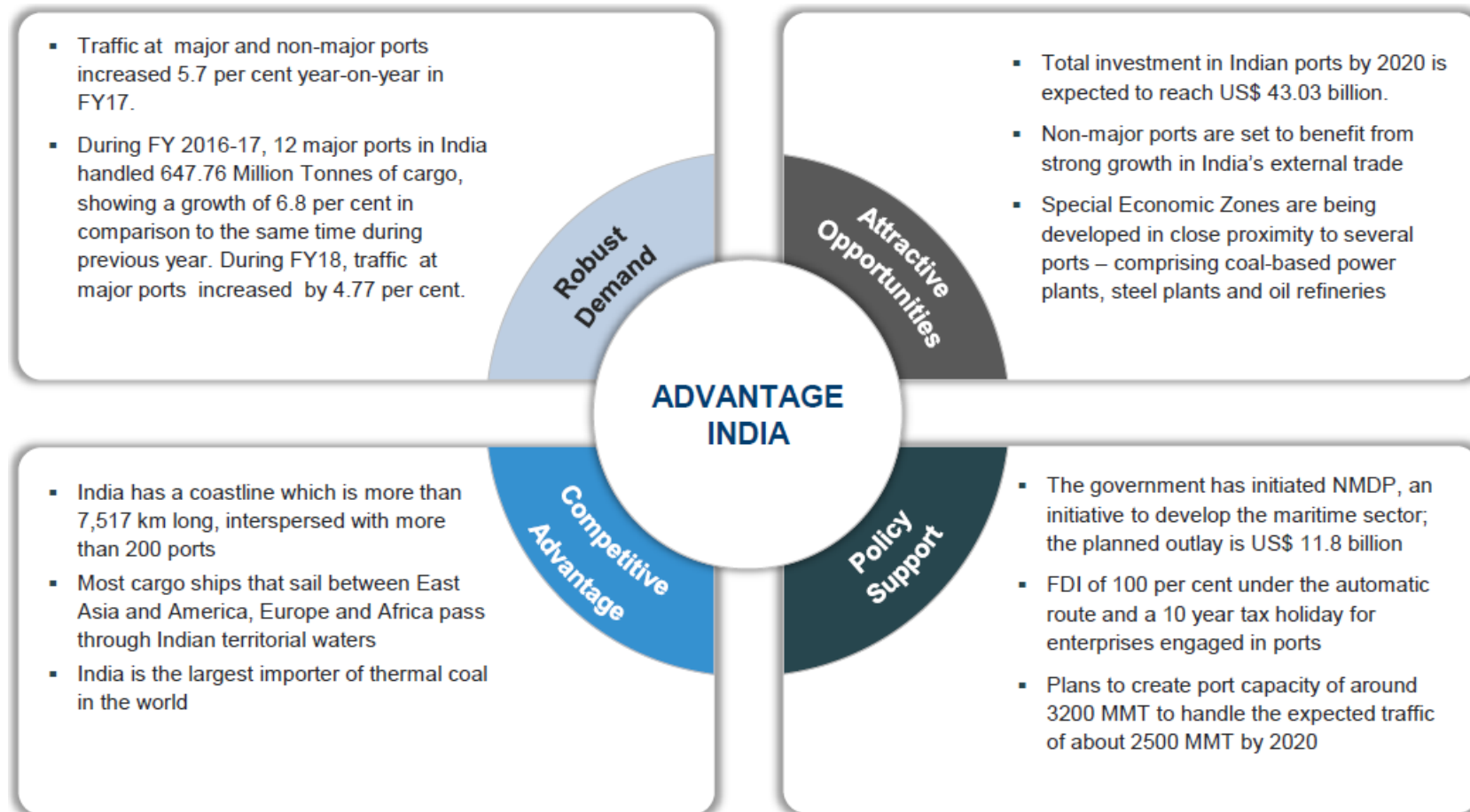
PORTS SECTOR IN INDIA

Siddharth Mukne
Regional Head - UK

Major Ports in India



Advantage India



*Note: NMDP – National Maritime Development Programme, FDI – Foreign Direct Investment, MMT – Million Metric Tonnes, * up to February 2018*

Source: Report of the Task force on Financing Plan for Ports, Government of India, Indian Ports Association, Ministry of Shipping

Government Initiatives

Introduction of **GOODS AND SERVICE TAX BILL (GST)**



EMPOWERING STATES – Co-operative and competitive federalism



DEMONETISATION



AADHAR CARD



FDI LIBERALISATION



TIGHTER BANKING REGULATION



De-risking Journey

Considerations when doing business in India



Structural Approach

Structural Approach & UKIBC Support

Bespoke Research & Introduction

Market feasibility analysis to support UK companies enter or expand in the Indian market

UKIBC helps businesses to find suitable partner/distributor in India.

Launchpad® & Incorporation

Launchpad® gives UK companies a local UKIBC project manager working exclusively on their behalf. The scheme is fast, low risk, and cost-effective way of enabling companies to examine India market opportunities by being closer to the market.

If you are looking to set up operations in India, UKIBC can simplify and streamline the process with our company incorporation service.

Turnkey Solution

UKIBC provides turnkey solutions to businesses which includes market feasibility study, location analysis, develop financial plan, organize validation visits up to setting up manufacturing plant in India

Market visits and Delegations

India familiarization visits and sector-specific delegations

Membership

UKIBC offer membership levels designed to meet different corporate objectives. Each level of membership integrates with your business plan to support your specific corporate objectives with tailor made engagement options available.

Corporate Networks

Helps companies find suitable partners and opportunities, provides policy advocacy on market access issues.



Thank you

Siddharth Mukne

Regional Head - UK

Tel: +44 (0)7468 860 939

Email: Siddharth.mukne@ukibc.com

Interactive panel discussion

Summing up and close

Networking