

**MINUTES OF THE 98TH MEETING OF THE COMMITTEE OF
MANAGEMENT OF THE SWFS HELD ON 14/06/2024.**

1. The 98th meeting of the Committee of Management of the Seafarers Welfare Fund Society was held on 14/06/2024 @ 13.30 p.m. in the conference room of the O/o the Directorate General of Shipping, Kanjurmarg, Mumbai on hybrid mode. The meeting was presided over by Capt.(Dr.) Daniel J. Joseph, DDG (Crew-II), DGS & Member Secretary-SWFS with the permission of Shri S. Jagannathan, IAS, Director General Of Shipping & Chairman-SWFS, as he was pre-occupied with some other meeting. The Chairman-SWFS attended later for the meeting.

2. The list of participants who attended the meeting is placed at Annexure-I hereto. Leave of absence was granted to Shri Mandeep Singh Randhawa, Director (MA & MT), MoPSW, Gol, Capt Kenneth Sajnani Member and Capt. Som Raj. Capt. S.M. Halbe attended the meeting on behalf of Capt. M. Patankar,. The meeting was attended online by Capt. Sujit Churi.

3. The Member Secretary welcomed all the members who attended the meeting and the agenda items were taken up for discussions and following is the brief of the deliberations/ discussions and decisions taken during the meeting.

4. **Agenda Item No.1 : Confirmation of the minutes of the 97th COM Meeting held 29/04/2024**

4.1 The Member Secretary informed that the minutes of the 97th meeting of the Committee of Management (the COM) were forwarded to all COM Members vide letter dated 22.5.2024 and no comments received till date from any member & placed the minutes of the previous COM Meeting for the confirmation of the COM Members.

4.2 The Member Treasurer-SWFS raised the objections to the minutes for agenda item no. 8 of the 97th COM meeting regarding the unanimous approval given by the COM for the implementation of the recommendations of the Special Committee's report for continuing & revising the Fixed Medical Allowance (FMA) to the SWFS employees and reimbursement of hospitalisation expenses as per Medical Attendance Rules (MA Rules) rates as applicable from time to time.

4.3. The Member Treasurer raised the objection for recommendation No. 3 & 6 of the Special Committee's report, for providing the Fixed Medical Allowance & reimbursement of hospitalisation expenses facility w.e.f. 1.4.2024 to the SWFS Retired Employees till their demise. He informed that this point was not discussed in the previous meeting. He further informed that this is a new social security facility which is to be provided to the retired employees of the SWFS. Hence he suggested that the decision of the COM in this particular issue i.e. for providing FMA & reimbursement of

hospitalisation expenses as per MA Rules to retired employees as per recommendation of the Special Committee at point No. 3 & 6 may be kept on hold till the review and consent by the COM in its next meeting. Capt. Hable & Capt. Tandon desired to know the financial implication for the FY 2024-25 involved on such facility to the retired employees which is to be provided w.e.f. 1.4.2024 & agreed to the suggestions of the Member Treasurer for review in the next COM meeting.

4.4. The CAAO informed that as per the report of the Special Committee, the SWFS retired employees do not get any pension facility or medical facility, as given to retired Government employees, autonomous / statutory bodies/PSUs employees etc. As the SWFS employees are covered under the EPFO scheme, they get the family pension as per EPFO 'Family Pension Scheme' which is approx. Rs. 2500 to Rs. 3000 per month only. No other social security benefit such as medical facility or any other welfare facility is provided to the SWFS retired employees. And hence the Special Committee to which the Member Secretary and Member Treasurer are the members have recommended the FMA and reimbursement of hospitalisation expenses for retired employees and their dependent family members, only till the retired employee is alive and after his demise this facility will be discontinued. And these recommendations as given at point no. 3 & 6 of their report was considered and accepted unanimously by the COM in its previous meeting along with other recommendations of the special committee.

4.5. The Member Secretary after deliberations and discussions with other COM Members directed the CAAO not to implement the recommendation nos. 3 & 6 of the Special Committee, regarding FMA & hospitalisation facility for retired employees' w.e.f. 1.4.2024 and be kept on hold till review & final decision by the COM in this regard in the next COM Meeting. He further directed that the explanatory note containing details such as the number of retired employees since the inception of the SWFS, who retired after the completion of their normal retirement age i.e. 58 / 60 years & are alive as on 1.4.2024, their number of dependent family members as on 1.4.2024 and the approximate outflow on disbursement of FMA during FY 2024-25 may be worked out and provided for information to the COM Members to review and take the appropriate decision on this issue.

4.6. After the above discussion, the minutes of the 97th COM meeting was confirmed by the members of the COM.

5. Agenda Item No. 2 : To approve the Action taken report on decision taken in 97th COM Meeting held on 29.04.2024.

5.1. After going through the details of action taken by the SWFS, the COM approved the ATR, except for Item No.8 for which the further direction are given by the COM as recorded above.

6. Agenda Item No.3: To consider & approve the (i) SWFS Budget Manual (ii) SWFS -Procurement Manual and (iii) SWFS procurement plan for Financial Year 2024-25.

6.1. Member Secretary briefed the agenda and the need to prepare the Budget Manual, Procurement Manual and Yearly Procurement Plan to the COM members. He further informed that those documents followed for preparation of Budget and procurement of Goods and services as per General Financial Rules (GFR). He requested the COM members to kindly suggest any changes in the documents provided along with the agenda and approve the same.

6.2. Capt. Halbe observed in the SWFS-Budget Manual at point no. 1.4 that while preparing the financial Budget the three consecutive years financials are considered and provided i.e. (a) Actuals of the previous year (b) The original Budget estimates and revised estimates for the Current financial year and (c) Budget estimates for the next financial year and the same is also mentioned in the 'Budget Manual', which is the practice followed normally. However he suggested while preparing the actual Budget Statement with revised budget estimate for current financial year to add one more column for 'Budget Variance' which will highlight why the original budget and the revised budget figures differs (either increase / decrease) along with the remarks/ reason. This will be helpful to COM members to consider and approve the Budget in future. The Member Treasurer agreed and assured that in the Budget for the next financial years the 'budget Variance' column as suggested will be made.

6.3 While going through the statement of SWFS-ANNUAL PROCUREMENT PLAN FOR FINANCIAL YEAR 2024-25 Capt. Halbe observed that there is a huge variance in the Welfare scheme expenses from the welfare fund. During the FY 2023-24 the total revenue expenses from welfare fund was Rs. 2.69 crores only, whereas for the FY 2024-25 it is projected Rs. 42.15 crores. CAAO informed that the projections are high due to introduction of two new welfare schemes such as Azadi Ka Amrut Kal schemes for Super Senior Seafarers (seafarers above 75 years age) and Spouses of deceased seafarers for which we have projected the outflow of Rs. 15 crores each and further the proposed 'Medical Insurance Assistance Scheme' which is to be launched in few days we projected outflow of Rs. 5 crores & hence the projections are on high side. Capt. Halbe informed that with the existing strength of the employees it is very difficult to achieve the target and projected expenses and advised the Member Secretary to fill up the vacant posts or engage the extra outsourced persons immediately for processing the applications received under the new schemes, to achieve the targets. The Member Secretary assured that the required assistance of manpower will be arranged / outsourced at the earliest..

6.4 After discussions the COM approved (a) SWFS Budget Manual (b) SWFS - Procurement Manual and (c) SWFS procurement plan for Financial Year 2024-25.

7. Agenda Item No. 4 : Consideration of proposals submitted by Maritime Union of India (MUI) for accepting the gratuity of officers engaged on Indian flag vessels covered by MUI-FOSMA-MASSA CBA.

7.1. The members of the COM have gone through the details given in the agenda and after discussions decided to consider the request made by the Maritime Union of India (MUI) for acceptance of the gratuity of officers engaged on Indian Flag vessels covered by MUI-FOSMA-MASSA CBA, which will be deposited by FOSMA & MASSA member line companies with the SWFS. It is further decided that the SWFS shall maintain the gratuity of officers engaged on Indian Flag Vessels covered by MUI-FOSMA-MASSA CBA, as in the same manner as for rating crews. The SWFS will function as a Custodian & administrator of Officers Gratuity deposited by the Indian flag-ship owners following MUI-FOSMA-MASSA CBA, on the same basis as ratings crews' gratuity.

7.2. The Member Secretary raised the point that if the other seafarers unions / associations also submit the similar requests for acceptance of the gratuity of Officers, which are covered under their CBA, then what stand to be taken by the SWFS. The Member Treasurer suggested that whoever comes with such a request then their requests will be placed before the COM for its consideration & approval.

7.3. The Member Secretary directed CAAO to implement the decision of the COM for acceptance of gratuity of officers engaged on India flag vessels covered by MUI-FOSMA-MASSA-CBA w.e.f. **1.4.2024**.

8. Agenda Item No. 5 : Consideration of proposals for engaging M/s. E&Y (tendering experts) from DG Shipping for SWFS for SWFS – ERP project.

8.1 The Member Secretary in brief informed about the SWFS-ERP Project for automation of key activities of the SWFS, which was approved by the COM in the previous COM Meeting held on 29.4.2024. In the said meeting the Chairman-SWFS directed the Member Secretary to initiate the steps for project immediately.

8.2. The Member Secretary informed that the Office of the Directorate General of Shipping has already appointed M/s Ernst & Young (M/s. E & Y) as a consultant for total e-governance project of DG Shipping and they are doing their job in a very systematic transparent manner. He further informed that M/s. E & Y has agreed to provide the support to SWFS for preparing RFP tender document for complete ERP solution for SWFS. He further suggested that SWFS can engage M/s. E & Y as a consultant for the SWFS-ERP project, without going for tendering process, for which this agenda is placed before the COM for consideration and approval.

8.3 The COM members desired to know about their consultancy charges for the SWFS-ERP Project, the Member Secretary informed that he has already asked them about it and there is no formal demand from their side for SWFS ERP Project. He further informed that the SWFS-ERP project along with SPFO & MTT's ERP projects were initially included in the DG Shipping's project, however those entities i.e. SPFO, SWFS & MTT are non-government organisations, their ERP projects are delinked from DG's project. He further informed that he is also not certain about the consultancy charges from the SWFS. He said that the agency might even say that the project of the SWFS is different than the DGS project & may demand the consultancy charges, but as a Member Secretary- SWFS, hopefully the agency M/s. E & Y may agree to provide the consultancy services for the SWFS- ERP project work and ask nothing.

8.4 The Capt. Tandon suggested that this SWFS-ERP project be marked under DG Umbrella with no cost to the SWFS, to which the Member Secretary informed that he will discuss this issue with the Director General of Shipping.

8.5 The COM members agreed engaging M/s. E & Y as a consultant for SWFS-ERP project, if the agency M/s. E & Y is not asking for anything i.e. consultancy charges from the SWFS. If any consultancy charges are demanded by the agency, the same is to be placed before the COM for discussion & for appropriate decision of the COM.

9. Agenda Item No. 6 : To consider the proposal regarding engagement of dedicated HR personnel in DG Comm Centre for handling 24 x 7 seafarers' grievances and wellbeing matters (Total 7 nos.) at D.G. Shipping through SWFS & for arranging infrastructure for the working team from the SWFS Funds.

9.1 The Member Secretary said that this is Chairman's motivation that we should have world class DG Comm centre and briefed the matter to the members.

9.2 The Capt. Tandon said that with due respect the SWFS is to meet the welfare of the seafarers. The contributions made by the Shipping companies and RPSL companies are to provide welfare measures to seafarers and their family members to comply 4.5 MLC regulations. Hence the Committee of Management will support any expenditure for the welfare of seafarers. But for other issues such as engagement of staff for DG Comm Centre or attending the grievance / counselling of seafarers on board, which are not related to welfare of seafarers, the state has to do it. The SWFS should not pay for such expenses. Capt. Halbe & Shri Milind Kandalgaonkar consented to the views of Capt. Tandon.

9.3. Shri Milind Kandalgaonkar has informed that their Union has already has 24x7 support facility for seafarers under 'NUSI-SAHARA' project. Capt. Halbe added that there are already several other competent organizations / agencies such as TISS, Nimbus, ISWAN which can be engaged by the State i.e. DG Shipping on outsourced basis to deal with those counselling issues. The members of the COM did not agree to

engage the staff for DG Comm Centre, from the SWFS funds, as it is seafarers' money/ fund.

9.4. The Member Secretary suggested to set-up a Sub-Committee to discuss this issue. The Member Secretary volunteered to be the Chairman of the Sub-committee & other members nominated by the COM are 1) Shri Sunil V. Nair from NUSI, 2) Capt. Tushar Pradhan from MUI, 3) Capt. Sujit Churi from INSA & 4) Capt. Rajesh Tandon from FOSMA.

9.5. The Sub-committee will meet & discuss the issue and their report will be placed before the COM for its consideration and appropriate decision.

10. Agenda Item No. 7 : To consider the proposal regarding engagement of expert / consultant for insurance for seafarers related matters in SWFS.

10.1 Member Secretary informed that it was DG's idea that SWFS need an expert / consultant who can provide consultancy and expert advice for present and future insurance schemes for seafarers.

10.2 The COM members after detailed discussion consented to the proposal for engaging the expert / consultant on 'retainer-ship basis only' (either per hour basis or time engagement basis) for developing the insurance scheme for seafarers & their family members, preparation of RFP and finalization of bid and submitting recommendations / report to the SWFS. The COM Members have also agreed to invite the tenders through publishing the notice inviting tenders (NIT) on GeM/CPMP portal, for the engagement of expert/ consultant on 'retainer-ship basis' only, having the following qualification / eligibility criteria.

- (i) The expert / consultant shall be in insurance / broker field and has a License from IRDAI for a minimum of 10 Years.
- (ii) The expert / consultant should be insurance / broker field with having a Composite Broking License from IRDAI.
- (iii) The expert / consultant should be insurance / broker field with having experience in at least 1 Government scheme (State/Centre - Life / Health schemes) of minimum 20 crores.
- (iv) The expert/ consultant should be in insurance / broker field with having experience Designing Health Insurance Policy for any Insurance Company.
- (v) The expert/consultant should be in insurance / broker field with company having 100 percent Indian Ownership.

11. Agenda Item No. 8 : To consider the proposal for engaging the Fund Manager / adviser having technical expertise to advice on SWFS funds.

11.1. The Member Secretary informed that this was also the idea of DG for engaging the Fund Manager / adviser having technical /professional expertise to advice on SWFS funds. Member Secretary informed that the fund managers will advise for all the funds of SWFS.

11.2. The COM Members have gone through the agenda details & noted that the SWFS had extended the tenure of contract with the existing Fund Managers i.e. M/s. SBI Fund Management Pvt. Ltd. with the revision of fees till 30.6.2025. The COM members decided to continue with the existing fund manager till their extended tenure i.e. up to 30.6.2025 & thereafter the new fund managers can be engaged as per laid down procedure for procurement of services.

11.3 The Member Secretary after the discussions agreed to defer the agenda for the time being.

12. Agenda Item No. 9 : To consider the proposal for creation of “Repatriation Fund” for assisting seafarers during abandonment cases

12.1 The COM Members have gone through the details provided and had a detailed deliberations and discussions for creation of separate repatriation fund for abandonment cases of seafarers for assisting seafarers to bring them back to India.

12.2. The members of the COM appraised that there is already the provision in Indian RPSL Rules 2016 for fixing the responsibility for bringing back the stranded seafarers, which lies on the Ship-owners /RPSL companies. The genuine RPSL companies are following the same. However the non-RPSL companies & ship-owners from the non-compliant MLC states/countries do not adhere to such rules or MLC regulations and the seafarers engaged through such companies are mostly suffered. Capt. Tandon, Capt. Halbe & Shri Milind Kandalgaonkar disagree for creation of ‘Repatriation Fund’. Capt. Mahesh Yadav further added that creation of such fund may encourage more abandonment cases. The other COM members agreed to the views of Capt. M. Yadav & unanimously decided not to create the ‘Repatriation Fund’.

12.3. The members of the COM, after a prolong discussions not agreed for creation of ‘Repatriation Fund’ for assisting seafarers for abandonment cases.

13. Agenda Item No. 10 : To discuss regarding 75th Anniversary of Directorate General of Shipping.

13.1. The Member Secretary informed that the Office of the Directorate General of Shipping will be completing its 75th Year on 23.10.2024 and requested whether for this celebration the SWFS funds can be utilized.

13.2 The COM members stated that the SWFS funds are for the welfare of the seafarers and it can be utilized for seafarers' welfare facilities, the awareness programs of welfare schemes, seafarers' connect projects etc. which will directly benefit the seafarers.

13.3. The COM members after deliberations turned down the request made by the Member Secretary on behalf of the O/o the DGS.

14. Agenda Item No.11 (Any other item): To consider and approve the Annual Reports of the SWFS for financial years 2022-23 and 2023-24.

14.1. The members of the COM have gone through the content of the Annual Reports of the SWFS for financial years 2022-23 & 2023-24. They observed that the accounts of the SWFS for financial year 2023-24 are not yet audited due to delay in appointment of Internal & Statutory auditors and hence the figures given in the report are provisional (Unaudited).

14.2. The Members advised to appoint the Internal & Statutory auditors for the SWFS on priority basis and get the accounts audited and the final figures be replaced with the provisional figures. Otherwise the content of the Annual reports for the FY 2022-23 & 2023-24 are as per earlier Annual reports.

14.3. The COM Members approved the Annual Reports of the SWFS for financial years 2022-23 & 2023-24 subject to confirmation of final figures as per audited accounts for those two years.

The above decisions / outcome of discussion was later briefed by the Member Secretary to the Chairman-SWFS, who attended the meeting for a short while.

The meeting concluded with a vote of thanks to the Chair.

(Annexure – I)

Member present at the 98th meeting of the Committee of Management of the Seafarers' Welfare Fund Society held on 14/06/2024 at Mumbai on hybrid mode.

1.	Shri. Shyam Jagannathan, IAS, Director General of Shipping		Chairman
2.	Shri Mandeep Singh Randhva, Director (MA Br.) MoPSW, GoI		Leave of Absence granted
3.	Capt. Daniel Joseph, Dy. Director General of Shipping		Member Secretary
4.	Shri. Mukul Dutta, Shipping Master, Mumbai		Member Treasurer
5.	Capt.Sujit Churi		Member- online
6.	Capt. Kenneth G.Sajnani		Leave of Absence granted
7.	Capt.C.Carvalho		Member
8.	Capt. S.M. Halbe		Attended on behalf of Capt. M.K. Patankar
9.	Capt. Som Raj		Leave of Absence granted
10.	Shri. Milind V Kandalgaonkar		Member
11.	Shri Sunil V. Nair		Member
12.	Shri Dhuri		Attended on behalf of Capt. Pradhan, Member.
13.	Capt. Rajesh Tandon		Co-opted Member
14.	Capt. Mahesh Yadav		Attended on behalf of Capt. Sankalp Shukla-Co-opted Member.
