

If the govt promotes leisure boating, India would become the No 1 tourist destination

Most policymakers associate boating with luxury or fishing boats. Leisure boating has yet to catch the popular imagination. More importantly, even the government does not realise how important this sector could be in terms of money, employment, even security. It was to discuss these aspects that DNA decided to bring together some of the leaders of the leisure boating industry — Jayendra Kachalia, treasurer, Indian Marine Federation (IMF), and director of Navnit Marine, Riyhad Kundanmal, member, executive committee, IMF, and director marketing for Ocean Crest Marine, Aashim Mongia, member, executive committee, IMF and managing director of West Coast Marine Yacht Services, and Sudhir Palkar, manager, IMF. They expressed their views on the huge opportunities that could be exploited as this sector grows. Excerpts from the conversation.

Mongia: In Maharashtra, he registers with the Maharashtra Marine Board (MMB). Each state has its own marine board, but somebody wanting to buy a boat will find there are no regulations for pleasure class vessels, no regulations for sailing boats. Like any other fishing boat or ship, there are specifications such as how many pumps and fire extinguishers the boat must have, even if the sailing boat is a small one. So one registers the boat as a sailing vessel and agrees to comply with regula-

From the time they come in till they leave, yachts spend a month on the coastline. They pay a fee for this, which means big revenue for the govt. Besides, every time a yacht goes to another port it pays a fee

Sudhir Palkar
manager, IMF

DNA: Most people see leisure boats as a past-time for the rich. How do you see it?

Kachalia: The leisure boating sector is at a very nascent state, but it is gaining momentum. Some holidaymakers are using small ferry boats for short round trips at the sea or river, people are buying boats to use or even hiring private yachts for a few days.

Unfortunately, one reason this sector hasn't taken off is because unlike fishing and shipping boats, there are no clear government policies for leisure boats. Consequently, neither the ferry association nor the leisure boating sector is recognised as an industry by the government or banks.

DNA: When somebody buys a boat, what rules does he register his boat under?

tions meant for fishing boats, and then goes about getting exemptions for one stipulation or the other. We, as promoters and suppliers of such boats, help him with these.

DNA: How many leisure boats do you have registered in Mumbai?

Kachalia: There are 287 members — that is because this is the number registered with the Yacht Club, where every boat owner automatically becomes a member.

DNA: 287 is a decent number to start with. And how many boats would there be in Goa?



The same number as Mumbai or more?

Kachalia: Goa is not the same as in Mumbai. In Mumbai you have 287 boats that are between 18 feet to 150 feet. In Goa, the primary market is between 18 and less than 40 feet. The dominant market is for 20-30 feet boats in Goa.

DNA: How many boats are there in Goa. Curious, just to get an idea

Kachalia: About 100.

DNA: I believe Umaji Chowgule, the chairman of your Federation, is planning to set up a Rs200 crore marina at Goa. Will this be India's first?

Kachalia: There is already one in Cochin, and Goa will have two.

DNA: So will Mumbai have a marina?

Kachalia: We have been asking for at least one marina in Mumbai. If Cochin, with 50 boats, can have a marina, and Goa, with 100

Mumbai could do with a few more marinas. If the government begins to appreciate what we are talking about, and if it looks at the potential, Mumbai alone could have four to five marinas

Aashim Mongia
executive committee member, IMF

boats, can have two, why not Mumbai with 287 boats? **Mongia:** The Maharashtra Maritime Board has put out an expression of interest to build a marina, not only in Mumbai but all over the west coast of Maharashtra. It has requested interested people to bid for locations suitable for building marinas. Applications were meant to come in by September 24, so I presume they will think over it and come out with a tender. That will set into process the building of many more marinas in Maharashtra and on the western coast.

DNA: How many marinas do you expect to come up in Maharashtra?

Kundanmal: I would expect a marina every 40 miles. Because when you talk about leisure boating, you talk about a 3-4 hour boat ride, after which you dock at a marina, have lunch, enjoy yourself and then return to your home docking station. Since Mumbai to Goa is around 220 miles, and if you divide this by 40, you could expect a minimum of 8 marinas to come up, depending on feasibility reports.

DNA: So, you believe eight marinas will come up between Mumbai and Goa

Mongia: Mumbai could do with a few more marinas. If the government begins to appreciate what we are talking about, and if it looks at the potential, Mumbai alone could have four to five marinas.

DNA: So, you are talking about eight plus five, that is 13 marinas. What about Gujarat, which has the largest coastline among all states?

Kachalia: Yes, many more marinas could come up in Gujarat as well. It is, after all, one of the most progressive states in the country.

DNA: Is leisure boating a premium market?

Kundanmal: No. It's not a premium market. If you look at an 18-foot sail boat, you can buy it for Rs4-5 lakhs. It's like buying an I-10 car. So why wouldn't you want to buy a boat and do

something with your time on weekends if you have the facility to do it.

DNA: Where is the problem then?

Mongia: Currently we don't have any facilities. We don't have the infrastructure. And there appears to be nothing anyone can do about this. But if you have the infrastructure and facilities, there are enough locations on the waterfront to promote all you want. The potential of the market is huge, considering we have so many cars and the fact that the boat doesn't cost more than a car.

Kachalia: Aashim is right. We have to create awareness. So when you have this infrastructure being developed on the coast from Mumbai to Cochin, it could tempt many people to opt for leisure boating. Today, many people are interested but because of the regulatory challenges involved, they are not opting for it. They are satisfying themselves by going to Phuket or Pataya and doing leisure boating there. But if the same facilities were available here, they would use them more and enjoy themselves frequently.

Kundanmal: Just a minute. I

Why is it said that boats are a high-end market? Boats should be the primary means of transport if you want to decongest roads. Instead of potholes, you have port holes. This is the big difference

Riyhad Kundanmal
executive committee member, IMF

the first time infrastructure is being created, and the first seven out of 15-20 marinas could come up soon. But with the number of seams that keep happening, there are fears that if today you have this clearance, tomorrow the fishery or environment department will [nullify] it. When is Mumbai's first marina going to come up? Yes, there's talk, there's speculation. But till people don't come together and push for something, this will not happen. This can be done by the press or the media. Ultimately the pen is mightier than the

central legislation.

DNA: What do you think is preventing the growth of this industry?

Kachalia: There's neglect. We need a collective think-tank who will work for the industry. This body needs to have people who understand boating, understand the perils of the sea. Boating can do a lot for the economy. Will it create jobs? Yes. Will it give you an incentive to connect? Yes. Will it save time on transportation? Yes. Will it reduce the green house effect?

Mongia: If one promotes the ocean, and marinas and boats, India could become the number one tourist destination. The world has a floating population of 5,000 mega yachts — super yachts that will travel in and around the world. The size of these mega yachts could start from 24 meters and go up to 100 meters and above.

That is 5,000 boats traveling around the world with an average asset value of around \$3 million. Do the math and you will know that if there were proper destinations where they could dock and refuel, India would benefit from excellent tourism. Not to mention the tremendous benefits from jobs in servicing boats, selling boats, training yachtsmen, restaurant staff and transporters. From the time they walk in till they leave, they spend a month's time on the coast. The amount of revenue earned would be immense.

Palkar: Besides, for every yacht coming in, another yacht goes to another port has to pay a fee, so the government earns more revenue.

DNA: One of the serious concerns I think the government has is security. How do we handle that?

Kundanmal: If you had marinas in place 26/11 might not have happened.

Kachalia: Because you don't have an industry, rules and regulations, the security problem will exist. Long stretches of lonely beaches pose more of a threat than one vibrant with tourism and industry. More boats will enable financing of security at each port. You will have more information, more people watching an outsider or an irregularity.

Mongia: If you have a well-manned marina, nobody would have broken through your barrier because every boat that left the marina would have to then give a report saying I am leaving for my destination which is X, and by what time I am expected to get there. That destination also confirms my time of arrival.

Kachalia: The point from where terrorists came in has already been pinpointed as a good location for a marina, several times during the past 15 years. But no action was taken.

Security is a problem when there's no industry. Empty beaches pose a bigger threat than one filled with tourists. More boats will help fund security at ports, there will be more information about outsiders

Jayendra Kachalia
treasurer, IMF

DNA: Would it be fair to compare the security of a place like UK where you have marinas and the navy docked at the same ports?

Kachalia: The reason UK can do this is because they have the maritime coast-guard agency or the MCA. The MCA has a code of conduct which governs the safety and security of marinas and navy ships. They have leisure and commercial boats above 24 meters and boats below 24 meters. There is a clear demarcation and there are guidelines that govern everything, so you have four categories - leisure and commercial, above 24 metres and less than 24 metres.

DNA: That's correct. Till the waters don't have a responsible population floating on them, the shores will remain insecure.

Mongia: This is the best time to develop security in the water as we don't have many boats. Creating regulation after many marinas are formed will complicate matters. You have to regulate boats when it is becoming a growing industry. The government has a chance to start now.

DNA: What potential does this industry have?

Mongia: It could become the next Detroit in boats. We could become the world's biggest players in this industry.

DNA: Can you put this in terms of money?

Mongia: Let me put it in another way. The US market for leisure boating is estimated at \$4 billion today, even during recession.

Kundanmal: The UK market was worth \$3 billion pounds in 2007. The recession could have pushed down the figure a bit. In fact, in 1994, when I was setting up my company, I had offers from people who wanted me to settle down in Dubai. Since then, Dubai has gone up from 1 marina to 27 marinas. And each marina is sold out! Look at south-east Asia and China, and see how the government is allowing India to be left behind.

If you want to participate in DNA Conversations, send in your ideas, suggestions and contact details at speakup@dnaindia.net

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