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W.P.Nos.23104 & 24879 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.11.2024

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THE HONOURABLE MR.JUSTICE VIVEK KUMAR SINGH

W.P.Nos.23104 & 24879 of 2024

and

W.M.P.Nos.25221, 27228, 27229 & 27230 of 2024

In W.P.No.23104 of 2024

Sri Nandhanam Educational &
Social Welfare Trust,
rep. by its Chairman
PMN.Mohan Krishnaa,
Nandhanam Nagar,
Molagarampatti, Tirupattur,
Tirupattur District-635 602.

... Petitioner

Vs.

- 1.The Director General of Shipping,
O/o. The Directorate General of Shipping,
9th Floor, Beta Building, iThink Towers,
Kanchurmarg East, Mumbai-600 042.
- 2.The Chief Operating Officer cum Secretary,
The Board of Examinations for Seafarers Trust,
403/404, Great Eastern Galleria,
Plot 20, Sector 4, Nerul (W), Navi Mumbai.
- 3.The Secretary,
Union of India,
Department of Personnel and Training,
New Delhi-110 001.



W.P.Nos.23104 & 24879 of 2024

4. Shri Shyam Jagannathan,
The Director General of Shipping,
Office of the Directorate General of Shipping,
9th Floor, Beta Building, iThink Towers,
Kanchurmarg East, Mumbai-600 042.

....Respondents

Prayer:-Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Mandamus, directing the first respondent to permit the petitioner to conduct July 2024 session with single batch intake without any hindrance, in the same manner permitted for just concluded January 2024 session and permitted for upcoming January 2025 session vide respondents Approval No.TR/A/02/2022 dated 01.06.2022, within the time fixed by this Court in implementation of respondents experts inspection committee recommendations in a) Mercantile Marine Department's Recommendation Report No.MMDC/PO/SAC/86/8967 dated 12.12.2017 and b) Mercantile Marine Department's Compliance Verification Report remaining attached to Recommendation Report No.MMDC/PO/SAC/86-I/3528 dated 11.12.2023 without being misled by any inappropriateness submitted incorrectly by respondents and thus facilitate relief by securing ends of justice to herein aggrieved petitioner.

For Petitioner : Mr.Om Prakash, Sr. Counsel
for Mr.B.Manoharan

For Respondent : Mr.ARL. Sundaresan, ASG
Nos.1 to 3 Asst. by
Mr.C.Kulanthaivel, SPC



W.P.Nos.23104 & 24879 of 2024

In W.P.No.23104 of 2024

WEB COPY

Sri Nandhanam College of
Engineering & Technology,
Nandhanam Nagar,
Molagarampatti, Tirupattur,
Tirupattur District-635 602
Vellore District
rep. by its Correspondent
P.M.N.Mohan Krishnaa..

... Petitioner

Vs.

- 1.The Government of India
rep. by its Secretary,
Ministry of Ports, Shipping & Waterways,
Parivahan Bhavan,
No.1, Parliament Street,
New Delhi – 110 001.
- 2.The Director General of Shipping,
O/o. The Directorate General of Shipping,
9th Floor, Beta Building, I-Think Techno Campus,
Kanchur Marg East, Mumbai-400 042.
- 3.The Deputy Director General (Training),
O/o. The Directorate General of Shipping,
9th Floor, Beta Building, I-Think Techno Campus,
Kanchur Marg East,
Mumbai-400 042.

....Respondents

Prayer:-Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Certiorarified Mandamus, calling for the records relating to the impugned order issued by the second respondent in File No.20-12/1/2020-TRG-DGS (Comp.No.3732) dated 14.08.2024 and to quash



W.P.Nos.23104 & 24879 of 2024

the same and consequently directing the respondents to grant permanent approval for G.P. Rating course with revised intake as 12 batches per year in conclusion of petitioner institution Application No.100592 dated 11.06.2023 also covering existing batch currently being conducted for July 2024 Session.

For Petitioner : Mr.G.Sankaran, Sr. Counsel
for Mr.S.Nedunchezhiyan

For Respondent : Mr.ARL. Sundaresan, ASG
Nos.1 to 3 Asst. by
Mr.C.Kulanthaivel, SPC

COMMON ORDER

The petition in W.P.No.23104 of 2024 has been preferred by the petitioner seeking a direction to the first respondent to permit them to conduct July 2024 session with single batch intake without any hindrance, as permitted for January 2024 session and permit them for upcoming January 2025 session vide Respondents' Approval No.TR/A/02/2022 dated 01.06.2022, within the time as fixed by this Court in implementation of respondents' experts' inspection committee recommendations in a) Mercantile Marine Department's Recommendation Report No.MMDC/PO/SAC/86/8967 dated 12.12.2017 and b) Mercantile Marine Department's Compliance



W.P.Nos.23104 & 24879 of 2024

Verification Report remaining attached to Recommendation Report No.MMDC/PO/SAC/86-I/3528 dated 11.12.2023 without being misled by any inappropriateness submitted incorrectly by the respondents and thus facilitate the relief sought for by the petitioner.

2. Challenging the impugned order of the second respondent in File No.20-12/1/2020-TRG-DGS (Comp.No.3732) dated 14.08.2024 and consequently seeking a direction to the respondents to grant permanent approval for G.P. Rating course with revised intake as 12 batches per year in conclusion of the petitioner's institution Application No.100592 dated 11.06.2023 and also recognizing the existing batch being conducted for July 2024 Session, the petition in W.P.No.24879 of 2024 has been filed.

3. With the consent of both parties, the Writ Petitions are taken up for hearing today.

4. The short facts which leads to the filing of the present Writ Petitions are as follows:

4.1. The Petitioner/Sri Nandhanam Maritime Academy filed a Writ Petition in W.P.No.23104 of 2024, challenging the order of the



W.P.Nos.23104 & 24879 of 2024

second respondent/Director General of Shipping dated 14.08.2024, seeking for grant of permanent approval for conducting the General Purpose (GP) Rating course with 12 batches per year, in continuation of their application dated 11.06.2023. The Petitioner also requested recognition of an existing batch July 2024 session.

4.2. The petitioner institution, which has been an approved Maritime Training Institution (MTI) since 2006, operates under Sri Nandhanam Educational and Social Welfare Trust. The Trust boasts a 2.5 lakh sq. ft. built-up area over 10 acres, including academic, workshop, ship-in-campus, messing and hostel blocks, all as per the norms of the Directorate General of Shipping (DGS). Since 2018, the petitioner was approved for a single batch of the GP Rating course per year with 40 students, despite previous recommendations for two batches annually. On 11.06.2023, the petitioner applied for approval to increase the number of batches to 12 per year. The application included all necessary documents and fees. Following this, multiple inspections were conducted. Comprehensive Programme Inspections took place on 26.10.2023 and 27.10.2023, followed by a compliance verification inspection on 16.11.2023. These inspections were co-ordinated by the Principal Officer, Mercantile Marine Department



W.P.Nos.23104 & 24879 of 2024

(MMD), Chennai. The Compliance Verification Report (CVR) dated 08.12.2023 revealed that out of 48 points raised, the petitioner had complied with all requirements except for observations at Sl. Nos. 1, 7, 41, and 47. Despite these observations, the report recommended that approval be granted for two batches of GP Rating courses annually, starting in January and July and that the increase to 12 batches be considered upon satisfactory closure of the noted observations. Despite compliance with these observations, the second respondent passed an order on 14.08.2024, rejecting the petitioner's request for enhancement of batches. The second respondent claimed deficiencies at Serial Nos. 1, 39 and 41, alleging unauthorized conduct of July 2021 batch. The petitioner contended that this batch had been conducted based on DGS's prior orders and was later approved by this Court in W.P.No.23717 of 2021 dated 06.08.2024. The students from this batch completed their training and received certificates. Regarding the enhancement of batches, the denial was unjustified as the CVR had recommended approval for 12 batches annually after compliance with the noted observations by the petitioner. Moreover, the petitioner had complied with these requirements as reported in subsequent submissions. The denial of approval for two batches per year was also challenged as the MMD's Principal Officer had explicitly recommended



W.P.Nos.23104 & 24879 of 2024

the same in the inspection reports dated 08.12.2023 and 11.12.2023.

The petitioner emphasized the adverse impact of this denial on its infrastructure and resources, which would otherwise remain idle for six months annually. It was further highlighted that operating only one batch annually is contrary to standard industry practices where maritime training institutes are permitted to conduct at least two batches annually to ensure optimal utilization of resources and faculty. Additionally, the petitioner submitted that procedural lapses were committed by the respondents, as several inspections had been conducted by MMD officials and a positive compliance report was submitted. Despite this, the second respondent issued orders contrary to the findings of its own inspection team. The petitioner pointed out malafide intentions and victimization due to the previous Writ Petitions filed against the respondents. To address the allegations regarding unauthorized conduct of the July 2021 batch, the petitioner submitted that the batch was conducted in compliance with the DGS's approval and was later ratified by the Court's order in W.P. No.23717 of 2021. The petitioner asserted that students from this batch were allowed to complete the course, attend examinations and received their certificates. The petitioner's request for enhancement of batches from 1 to 12 annually was based on the institute's capacity to conduct the



W.P.Nos.23104 & 24879 of 2024

courses with adequate infrastructure and instructional facilities. The MMD's inspection team verified the adequacy of these resources during the inspections conducted on 26.10.2023, 27.10.2023 and 16.11.2023. The CVR and subsequent reports confirmed that the petitioner had complied with all major requirements and only minor observations remained, which were subsequently addressed. The petitioner also challenged the procedural fairness of the respondent's approach, arguing that the second respondent failed to follow the principles of natural justice and ignored the recommendations of its own inspection teams. The petitioner claimed that the denial of approval was based on extraneous and irrelevant considerations, especially since the respondents cited issues relating to the 2021 batch, which was a resolved matter under the orders of the Court. In the light of the above, the petitioner sought quashing of the second respondent's order dated 14.08.2024 and a direction to grant approval for conducting 12 batches per year as applied for, as well as recognition of the July 2024 batch as validly commenced.

4.3. The petitioner/Sri Nandhanam Educational and Social Welfare Trust in W.P.No.23104 of 2024 has raised a comprehensive legal challenge against the order of the second respondent/Director



W.P.Nos.23104 & 24879 of 2024

General of Shipping (DGS) dated 14.08.2024, in which the petitioner's request for permission to conduct two batches of the General Purpose Rating (GPR) Course annually (January and July sessions) and to enhance its intake capacity to 12 batches per year were rejected. The petitioner contended that the denial is arbitrary, illegal, unreasonable and discriminatory and that it violates the principles of natural justice, legitimate expectation and promissory estoppel. The order of the respondents is contrary to the earlier inspection recommendations, internal file notings and prior orders of this Court. The petitioner asserted that it has fully complied with all regulatory and legal requirements and that the denial is due to the personal vendetta of the fourth respondent/Shri Shyam Jagannathan/Director General of Shipping. The petitioner claims that despite multiple inspections and positive inspection reports, the Directorate deliberately refused to grant permission, thus causing financial and operational hardship to the petitioner's institution, which has been a recognized Maritime Training Institute (MTI) since 2006.

5. Aggrieved by the impugned order of the respondents, the present Writ Petitions have been filed.



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6. The learned senior counsel for the petitioner submitted that it has complied with all inspection requirements and that the current impugned order is not only legally untenable but also contrary to well-established regulatory practices. The petitioner institution's application for enhancement of batches from 1 to 12 batches per year was submitted on 11.06.2023. This application was followed by a series of inspections, audits and compliance checks by the second respondent. The learned counsel also pointed out that it underwent multiple inspections, including a comprehensive programme inspections on 26.10.2023 and 27.10.2023 and a compliance verification inspection on 16.11.2023, all of which culminated in a Compliance Verification Report (CVR) dated 08.12.2023. The CVR confirmed that, out of 48 points of observation, the petitioner had complied with all except four minor issues. These four issues related to the operability of the Centralized Attendance System (CAS) (Observation 1), qualification of an additional faculty member (Observation 7), completion of the AECS course by a principal or in-charge (Observation 41) and restoration of a fallen flag mast (Observation 47). The learned senior counsel submitted that these four observations were minor in nature and have since been fully resolved. He further asserted that it has provided



documentary proof of compliance with respect to each of these points.

For instance, the CAS issue arose due to a technical software error originating from the Directorate itself but the petitioner resolved it as per the inspection guidelines. Similarly, the issue concerning the faculty qualification was rectified as the concerned faculty member, fulfilled the qualification requirements under DGS Order 5 of 2013. Regarding the AECS course, the Vice Principal, Capt. Rajasekar Mookaiya, who is also the Course In-Charge, completed the AECS certification, satisfying the inspection's requirement. Lastly, the flag mast was restored to its proper position and its compliance was duly reported to the inspection team. Despite all these, the Directorate continued to cite unresolved issues in its refusal, thereby exposing a clear case of "shifting of goalposts" to unfairly deny the petitioner its lawful right to conduct two batches annually and to enhance its intake to 12 batches per year.

7. He also raised strong objections to the claim made by the Directorate regarding "unauthorized batches" for the years 2021, 2022 and 2023. The learned senior counsel contended that these batches were neither unauthorized nor illegal, as the Directorate had facilitated the process for these batches by allowing student data uploads on its



W.P.Nos.23104 & 24879 of 2024

e-Governance portal, issuing hall tickets and permitting students to take exams and oral tests. He also contended that the Directorate has highlighted this issue aiming to frustrate the petitioner's legitimate claim for approval. Moreover, the learned senior counsel for the petitioner pointed out that 2021 batch students were subsequently allowed to appear for exams and necessary certificates were issued to them. Therefore, using the past complaints as a basis for the current refusal, is contrary to the principles of natural justice.

8. The learned senior counsel further submitted that it has made substantial investments in infrastructure, faculty and facilities to meet the requirements for the G.P. Rating Course. The denial of permission for July 2024 batch, as well as the refusal to enhance the intake capacity to 12 batches per year, directly impacts the petitioner's financial stability and operational capacity. The petitioner's institution has adhered to all the requirements of Training Circular No.08 of 2016, which governs the conduct of the G.P. Rating Course and even secured a tie-up for the use of a swimming pool as permitted under Training Circular No. 07 of 2018. Despite this, the respondents have arbitrarily shifted their stance and raised irrelevant and extraneous objections that were never been the part of the original inspection observations.



Furthermore, he highlighted that this Court, in an earlier Writ Petition, directed the Directorate to approve the July 2021 batch and students from that batch were subsequently allowed to complete their onboard training. By reviving an issue that had already been resolved, the Directorate has acted in violation of the principles of natural justice which amounts to malice in law. He argued that such conduct by a regulatory authority violates its legitimate rights and reflects a blatant abuse of discretion.

9. He further claimed that the principles of legitimate expectation and promissory estoppel are squarely applicable in this case. He pointed out that the Directorate's own inspection teams including the Principal Officer of the Mercantile Marine Department (MMD), Chennai, consistently recommended approval for two batches annually (January and July) and for the enhancement to 12 batches per year. Relying on these recommendations, the petitioner made significant investments in infrastructure, faculty recruitment and operational facilities to comply with the inspection requirements. He submitted that the Directorate's own internal file notings clearly supported the enhancement of batches, yet the Directorate has unjustly refused to grant the request. He contended that the petitioner believed that its request for batch



enhancement would be approved, taking into account, the Directorate's previous orders in favour of other similarly placed institutions. In the light of the above said facts, the petitioner argued that the Directorate is estopped from denying approval after having induced the petitioner to invest substantial resources in compliance.

10. He also claimed that the refusal of permission to conduct a July 2024 batch is equivalent to "constructive closure" of its institution. Since the General Purpose Rating (GPR) Course is a six-month course, it is customary for institutions to conduct two batches per year — one in January and one in July. By permitting only one batch per year, the Directorate effectively forces the petitioner's infrastructure, resources and faculty to remain idle for six months annually. The learned senior counsel argued that such a decision is both irrational and unreasonable, as it causes severe operational hardship and financial loss. He stressed upon the fact that its faculty members, administrative staff and other employees face job insecurity and the risk of layoffs, if two batches are not allowed. It further asserted that the refusal to permit July 2024 batch is a targeted measure to force the petitioner into financial hardship, which could ultimately lead to the closure of the maritime academy.



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11. The learned senior counsel for the petitioner alleged that the fourth respondent has repeatedly obstructed and delayed the approval process, despite positive inspection reports and internal file notings in favour of the petitioner and contended that the action of the fourth respondent was harassing the petitioner and causing undue hardship. The petitioner highlighted that the fourth respondent's decisions are inconsistent with past approvals and is a clear abuse of power. He asserted that the refusal is not based on any rational justification but on an extraneous agenda to harass and obstruct the petitioner's legitimate rights. He argued that the impugned order should be quashed on this ground alone, as it violates the established principles of natural justice. He also alleges that the impugned order is riddled with procedural lapses and non-compliance with Court orders as this Court in its previous orders had directed the Directorate to process the petitioner's application within a specific timeframe but the same was not complied with and issued an order of denial, contrary to inspection reports and recommendations. He emphasized that the Directorate's introduction of new, unrelated objections after the completion of multiple inspections and a Compliance Verification Report is



W.P.Nos.23104 & 24879 of 2024

procedurally improper and shows a clear abuse of discretion and malafide intent. He submitted that the petitioner has a lawful right to conduct two GPR batches annually and that its request for 12 batches annually is fully justified. It seeks the intervention of this Court to protect its rights and made a representation to quash the impugned order dated 14.08.2024 and to direct the Directorate to grant approval for two GPR batches annually (January and July) and to permit the petitioner to enhance its intake to 12 batches annually. It also seeks a directive to recognize the ongoing July 2024 batch and to allow the petitioner to upload student details on the e-Governance portal. The learned senior counsel for the petitioner further prayed for an injunction to prevent the Directorate from interfering with the ongoing batch, as any disruption would cause irreparable financial loss and operational hardship.

12. Further, it was highlighted by the learned senior counsel in regard to inordinate delay in processing its application for enhancement of batches. The application was submitted on 11.06.2023 and despite several inspections, re-inspections and compliance reports, the respondents failed to issue a final decision within the statutory timelines prescribed by the Standard Operating



W.P.Nos.23104 & 24879 of 2024

Procedure. This delay is a breach of the respondents' duty to act promptly and fairly. The petitioner pointed out that this Court had already directed the respondents in W.P. No. 16109 of 2024 to pass an order within eight weeks and in W.A. No. 2113 of 2024, this Court reiterated that the order should be passed by 14.08.2024. The respondents, however, instead of complying with the aforesaid judicial directions had passed an order of denying the approval.

13. The learned senior counsel for the petitioner argued that the respondents' conduct violates Article 19(1)(g) of the Constitution, which guarantees the right to carry on trade, business, or occupation. The denial of approval to operate two batches per year and to increase intake to 12 batches per year effectively cripples the petitioner's right to operate its maritime training institution. Furthermore, the respondents' refusal to recognize the July 2024 batch will have a cascading effect on students' academic progression, employment opportunities, and the livelihoods of faculty and staff.

14. The learned senior counsel for the petitioner put forth that the respondents' actions are tainted with malice and intended to harass the petitioner institution. The issuance of the impugned order,



W.P.Nos.23104 & 24879 of 2024

despite the favorable recommendations of the Principal Officer, MMD and the Compliance Verification Report, demonstrates a clear intent to obstruct the petitioner's legitimate operations. The respondents' reference to complaints from students of 2021 batch is a lame reason to deny approval, especially when the issue had already been adjudicated by this Court.

15. The learned senior counsel for the petitioner also stated that it has complied with all inspection requirements, satisfied all regulatory obligations and adhered to all directives issued by the Directorate and the Court. He argued that the denial of permission for July 2024 batch and the enhancement to 12 batches annually is arbitrary, discriminatory, and illegal. The learned senior counsel submitted that the impugned order dated 14.08.2024 has to be quashed and a direction to be issued to the Directorate to grant approval for two GPR batches annually (January and July) and to permit the petitioner to enhance its intake to 12 batches annually. The petitioner also requested the Court to direct the Directorate to recognize the ongoing July 2024 batch and to allow the petitioner to upload student details on the e-Governance portal. He further sought for an injunction to restrain the Directorate from interfering with the ongoing batch, as any disruption would cause severe operational and financial hardship.



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16. Per contra, the learned Senior counsel appearing on behalf of the respondents submitted that the petitioner's institution has consistently failed to adhere to the regulatory norms and compliance standards established under the Merchant Shipping Act, the Standards of Training, Certification and Watchkeeping for Seafarers (STCW) Rules and the related DGS Orders and Circulars. He further submitted that the petitioner has violated the terms of its original approval, conducted unauthorized batches without permission, failed to comply with inspection requirements and consistently ignored directives issued by the Directorate. He emphasized that the petitioner has repeatedly exploited legal recourse to evade compliance, misused the judicial process and engaged in unfair practices, including admitting students without approval, which endanger the students' career and the integrity of maritime training regulations.

17. Furthermore, he argued that the petitioner has a long history of non-compliance with inspection requirements and pointed out that the original approval granted to the petitioner under DGS Approval No.F. No.3-TR(2)/2006-GP Ratings/03 was conditional, subject to compliance with the requirement to construct a swimming pool on the



W.P.Nos.23104 & 24879 of 2024

premises, secure approval for five STCW modular courses and meet specific capacity and intake limits. Despite repeated extensions of deadlines and leniency from the respondents, the petitioner failed to fulfill these conditions. While the approval was valid only for one batch annually, the petitioner allegedly conducted unauthorized batches in 2021, 2022 and 2023 which is in violation to DGS guidelines.

18. It is contended by the learned Senior counsel for the respondents that the aforesaid actions of the petitioner were deliberate and constituted a clear breach of terms of approval. They emphasized that despite repeated show-cause notices and opportunities to comply, the petitioner continued to operate in resistance of DGS directives. The respondents note that, in accordance with the principles of maritime education regulation, no institution can operate without valid approval and unauthorized batches undermine the credibility and integrity of the training system. The respondents further argued that while the petitioner claims to have resolved four specific observations raised during the Compliance Verification Report (CVR) dated 08.12.2023, those resolutions were incomplete, inaccurate or unverified. The four pending observations related to the Centralized Attendance System (CAS), the qualifications of a faculty member, the requirement for the



completion of the AECS course by a principal or in-charge and the condition of the flag mast on the parade ground. The respondents asserted that these deficiencies were never fully resolved and some were only partially addressed. The respondents submitted that the petitioner's attempts to portray these issues as "trivial" are misleading. He contended that the Centralized Attendance System (CAS) remained non-functional, affecting the credibility of attendance tracking for students. The learned Senior counsel argued that accurate attendance records are essential to maintain the integrity of maritime training. Additionally, they claim that the faculty member in question, Thiru A. Pachaiyappan, did not meet the required qualifications as per DGS Order 5 of 2013, despite the petitioner's claims to the contrary. Regarding the AECS course, the respondents asserted that the required certification was not obtained by the Principal or Course In-Charge, which constitutes a breach of DGS requirements. They further argued that the condition of the flag mast on the parade ground was symbolic of broader issues with maintenance and regulatory compliance at the petitioner's institution. The respondents contended that these compliance issues, though categorized as "minor" by the petitioner, were essential for maintaining regulatory standards in maritime education.



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19. The learned Senior counsel for the respondents also highlighted that despite the petitioner's claims of an "industry norm" of two batches per year (January and July), such a norm has never been officially recognized or implemented for the petitioner. He pointed out that the petitioner was only authorized to run one batch annually as per its original approval. According to the respondents, the petitioner's request for two batches per year and its subsequent unauthorized batches for 2021, 2022, and 2023 were in clear violation of the established guidelines. He further argued that DGS policies on batch intake are based on performance reviews, inspections and compliance with the regulations and no automatic entitlement to run two batches exists. He also contended that any decision to grant approval for multiple batches requires comprehensive compliance with DGS Circular 07 of 2018, DGS Order 04 of 2016 and DGS Order 23 of 2014. It is emphasized that institutions must undergo Comprehensive Inspection Program (CIP) for inspections and an approval is subject to the institution meeting the performance and compliance benchmarks during these inspections whereas the petitioner failed to meet these benchmarks. He asserted that the petitioner's reliance on legitimate expectation and promissory estoppel is misplaced.



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20. Moreover, the learned Senior counsel for the respondents contended that there was no clear, unequivocal promise or assurance from the Directorate to grant permission for two batches per year or for an increase to 12 batches annually. He pointed out that legitimate expectation cannot arise from mere recommendations made in internal file notings or inspection reports and submitted that these recommendations were conditional upon compliance with certain mandatory requirements, including the completion of inspections and clearance of all deficiencies. Since the petitioner failed to meet these conditions, the respondents asserted that no legitimate expectation can be claimed. Furthermore, since the petitioner's approvals were only for one batch per year, the petitioner cannot claim estoppel to force the Directorate to approve a second batch.

21. The learned Senior counsel argued that their actions are justified by the need to protect the interests of students. He emphasized that maritime education has national and international implications, as students are trained to work on vessels that operate globally and highlighted the fact that complaints have been received from students and faculty alleging deficiencies at the petitioner's



W.P.Nos.23104 & 24879 of 2024

institution. The complaints include allegations of non-issuance of course completion certificates, non-reimbursement of fees, misuse of faculty details, threatening of students and non-compliance with placement obligations. In response, the Directorate conducted a surprise inspection of the petitioner's institution on 15.03.2023 and several major deficiencies were discovered. He argued that the inspection report revealed fundamental issues with the institution's operation, which necessitated strict regulatory action and also emphasized that the petitioner had been warned multiple times to comply with DGS Circular 31 of 2018, which requires 85% of trainees to be placed on ships within 12 months of course completion. The respondents claimed that the petitioner failed to meet this target, further justifying the denial of its application for increased batch intake.

22. It was stated by the learned Senior counsel for the respondents that the petitioner's claim of "bias" and "personal vendetta" on the part of the fourth respondent, is baseless and unsubstantiated. He argued that the Directorate General of Shipping is required to uphold the standards of maritime education in accordance with the International Maritime Organization (IMO) guidelines and



W.P.Nos.23104 & 24879 of 2024

STCW conventions and contended that all actions taken by the fourth respondent were in accordance with law, were justified by inspection findings and were aimed at protecting the integrity of maritime education. He emphasized that the order was the result of extensive deliberations by the STCW Compliance Board, which includes highly qualified experts in maritime training. The board reviewed inspection reports, analyzed complaints and assessed the petitioner's compliance status before issuing the impugned order. The respondents argued that the decision was transparent, impartial and aligned with regulatory requirements. He further highlighted that any approval for batch enhancement or additional batches is at the discretion of the Directorate, subject to inspection compliance. He argued that the impugned order dated 14.08.2024 was passed after due consideration and in the larger interest of students as the petitioner's institution has failed to meet compliance obligations, conducted unauthorized batches, misused the judicial process and failed to resolve students grievances. He stated that approval for two batches per year or an increase to 12 batches annually would be against the public interest and the integrity of maritime education.



23. The learned Senior counsel for the respondents asserted that the petitioner's claims are legally flawed, factually incorrect and contrary to the established principles of maritime training and regulatory compliance. The respondents emphasized the importance of maintaining the integrity of maritime education and training, which is governed by strict national and international standards under the Merchant Shipping Act, STCW Conventions, and various DGS Circulars and Orders. At this juncture, it is relevant to point out that the petitioner has failed to maintain transparency, accountability, and compliance with the mandatory requirements for Maritime Training Institutes (MTIs). He claimed that the petitioner has failed to meet basic compliance obligations despite being granted multiple opportunities to rectify deficiencies. He highlighted that compliance is not a one-time event but a continuous process that must be maintained throughout the period of approval. They argue that inspections are conducted periodically to assess whether MTIs maintain their standards in accordance with DGS Order 5 of 2013 and the STCW Rules. He argued that if compliance lapses at any point, the Directorate has the authority to impose penalties, suspend operations, or restrict batch intake. The learned Senior counsel also pointed out the significant fact that the petitioner's inability to ensure student



welfare and placement on highlighting DGS Circular 31 of 2018 requires all MTIs to achieve a minimum placement rate of 85% for their graduates within 12 months of course completion. This placement rate ensures that students are provided with opportunities for onboard training, which is an essential component of maritime certification and the same has not been given by the petitioner. The respondents asserted that the petitioner's non-compliance with the placement requirement is a serious violation of DGS norms and directly affects students' welfare which paves way to unemployment. The respondents argued that students welfare is paramount in the maritime training sector and that the petitioner's track record on placements is a legitimate ground for refusing its application.

24. The learned Senior counsel for the respondents argued that unauthorized batches conducted by the petitioner in 2021, 2022 and 2023 are a serious breach of regulatory norms which is in direct violation of DGS Orders and Circulars, which require every batch to be pre-approved by the Directorate. The respondents pointed out that the petitioner's actions were deliberate and unlawful, as it admitted students to unapproved batches, collected fees from them and provided training without official clearance. He argued that students'



complaints regarding unauthorized batches are well-documented and have been cited in inspection reports. They further highlighted that the Directorate, in its order dated 14.08.2024, directed the petitioner to refund student fees for these unauthorized batches, but the petitioner failed to comply the same. The respondents argued that permitting the petitioner to operate additional batches would encourage a culture of non-compliance and weaken the regulatory oversight that underpins maritime training.

25. He stressed upon the importance of faculty qualification, infrastructure and operational readiness. He submitted that the petitioner failed to ensure that its faculty met the eligibility criteria prescribed by DGS Order 5 of 2013. The respondents pointed out that during inspection, it was revealed that one of the petitioner's instructors, Thiru A. Pachaiyappan, did not possess the required qualifications to teach the General Purpose Rating (GPR) Course. The respondents emphasized that under the DGS regulations, only qualified instructors with sufficient experience in maritime education are eligible to teach specialized courses like GPR. Since the petitioner failed to replace or upgrade the qualifications of this instructor, the respondents argued that the petitioner is not eligible for additional batches. They



W.P.Nos.23104 & 24879 of 2024

also contended that the Advanced Educational and Competency Standard (AECS) certification is mandatory for the Course In-Charge or Principal of the training institute, but the petitioner failed to meet this requirement. While the petitioner claims that its Vice Principal had completed the AECS certification, the respondents argued that the primary responsibility rests with the Principal or Course In-Charge, as per the regulations. The respondents highlighted that this failure to meet faculty qualification requirements undermines the quality of training provided to students and compromises the credibility of maritime training standards.

26. The learned Senior counsel argued that the petitioner's allegations of bias, malice and abuse of power by the fourth respondent, are baseless, defamatory and unsupported by evidence. He emphasized that the Director General of Shipping is a statutory authority tasked with upholding maritime training standards in accordance with international norms set by the International Maritime Organization (IMO). The respondents argued that the petitioner's claim of personal vendetta is a desperate attempt to divert attention from its own failures in regulatory compliance. He further asserted that the decision-making process regarding batch approvals is not a unilateral



decision of the Director General but a collective process involving the STCW Compliance Board. The Board, comprising experts and senior officials, reviews inspection reports, student complaints and operational compliance before making a decision. The respondents argued that the Director General acted as per due process and statutory obligations and that his actions were guided by considerations of students welfare, compliance and regulatory oversight.

27. The learned Senior counsel argued that the principles of legitimate expectation and promissory estoppel invoked by the petitioner do not apply in this case. They argued that legitimate expectation cannot override statutory obligations. The respondents asserted that approvals for batch intake are granted under the Merchant Shipping Act and STCW Rules and any approval must be preceded by strict compliance with regulatory norms. The respondents mentioned that mere recommendations in inspection reports do not create a right to approval, as recommendations are conditional upon compliance with DGS standards. The learned Senior counsel for the respondents contended that any representations made by the inspection team or internal file notings cannot bind the Directorate, as



W.P.Nos.23104 & 24879 of 2024

the final approval process is subject to higher-level review by the STCW Compliance Board and is guided by statutory rules.

28. He emphasized that the petitioner's claims for two batches annually and 12 batches per year are premature, speculative, and legally unsustainable and also that no institution can claim entitlement to batch approvals merely on the basis of recommendations or inspection reports. Batch approvals are based on the institution's past compliance record, capacity, infrastructure, faculty qualifications, student welfare and operational readiness.

29. He contended that the petitioner has failed to establish any legal basis for the grant of additional batches and the act of petitioner's conduct in running unauthorized batches, failing to meet student placement targets, and violating regulatory norms disqualifies it from seeking discretionary approvals. He vehemently argued that the Directorate General of Shipping (DGS) has the discretion to regulate batch approvals in the interest of student welfare, maritime safety, and India's compliance with IMO and STCW standards. The learned Senior counsel for the respondents stated that the impugned order dated 14.08.2024 has been passed rightly after a thorough



W.P.Nos.23104 & 24879 of 2024

review of inspection reports, student complaints and regulatory obligations which does not warrant judicial interference. He urged this Court to uphold the order and dismiss the petitioner's claims as the relief sought for by the petitioner would erode the credibility of India's maritime training system, endanger students' welfare and encourage other institutions to seek approvals without compliance. Hence, he seek dismissal of the petitions.

30. Considered the rival submissions made on either side and perused the materials available on record.

31. On a careful perusal, it reveals that the petitioner in both the cases have been granted conditional approvals and periodically granted extension also. It is also seen that sufficient opportunities were granted by the respondents to the petitioner to comply with the conditions for approval. In spite of the same, the petitioner without taking measures to comply with the conditions prescribed by the respondents, have acted deliberately by ignoring the welfare of the students and have filed the present writ petitions. The respondents have issued DGS Training Circular No.07 of 2018 outlining the specifications for swimming pools and also provided tie-up



W.P.Nos.23104 & 24879 of 2024

arrangements with other institutions to ensure compliance of Maritime Training Institute (MTI) however the petitioner have not provided proper practical and feasible training and it is pertinent to note that DGS standards have not been maintained. Lack of transparency and adherence to DGS requirements shows the credibility of the petitioner in regard to compliance and validity of training facilities which was reflected in paragraph 16 of the order of this Court in a similar issue in W.P.No.6988 of 2020 dated 06.08.2020. The respondent taking into account the welfare of the students and repeated representations of the petitioner, had taken a lenient view by according amendment to the consolidated approval No- TN No 212022 dated 10.05.2020, sent a letter dated 18.05.2021 stating that the validity of approval shall be subject to construction of swimming pool within the approved premises of the MTI latest by 31.05.2025 as per undertaking dated 12.05.2022 submitted by MTI but despite the same, the petitioner had failed to comply with the requirements of the respondents.

32. Moreover, the respondents have never granted approval for conducting a second batch i.e., July batch of GP Rating course to the petitioner. Since the petitioner failed to comply with the DGS orders and circulars, the respondent rejected their request on 28.07.2021



W.P.Nos.23104 & 24879 of 2024

confirmed the same by issuance of their letter dated 14.09.2021 stating that the petitioner was not eligible to upload their second batch details which is not approved and advised them to apply online as per guidelines to seek approval for an additional batch of G.P.Rating course. Challenging the same, the petitioner filed a petition but the same was not considered but this Court directed to file an application seeking ratification which was not complied with. In the meanwhile, the petitioner was issued with show cause notice for major non-compliance during inspection by Mercantile Marine Department (MMD). Further, during surprise inspection on 15.03.2023, the respondents have found out several deficiencies in the petitioner's institution. It is relevant to note that inspection team recommended stem against for non compliance of DGS norms and security threat against the petitioner's institution which was challenged by the petitioner in W.P.8774 of 2023 but the same was not considered by this Court. It is to be noted that several deficiencies were found out in CIP inspection by MMD in 2023 and no CIP inspection was conducted after 2024 as mandated by DGS Orders and circulars. No permission or enhancement was granted for conducting additional batches or any new course. On verification with DGS E-Governance portal, it came to light that the petitioner has been conducting unauthorized batches



W.P.Nos.23104 & 24879 of 2024

during the years 2021 to 2023. The petitioner also admitted candidates for July 2024 batch without authorization from first respondent.

33. The petitioner's recommendation for additional batch intake was based on satisfactory compliance and CIP inspection in 2024. However, the petitioner's attempts to gain post facto approval under the plight of newly-admitted students were unsuccessful. The petitioner's request for additional intake was rejected by the DGS through order dated 14.08.2024, in compliance with the order made in W.P.No.16109 of 2024. The rejection was not a mechanical act but a result of a thorough and mandated CIP procedure. The petitioner failed to meet mandatory requirements set-forth by the MS Act, MS (STCW) Rules and DGS orders, circulars and guidelines, justifying their disqualification. The rejection was based on specific instances of non-compliance and deficiencies on the part of the petitioner, reflecting a meticulous decision-making process by the STCW Compliance Board. The judicial review of administrative decisions is limited due to regulatory bodies' expertise. The second respondent has authority to uphold maritime education quality standards, aligning with international standards. The petitioner institution has not undergone



W.P.Nos.23104 & 24879 of 2024

any CIP since 2018 and has only been inspected by MMD, Chennai in 2023. The institution is not complying with DGS Training Branch Circular No.31 of 2018 for placing 85% of trainees on board ships within 12 months of course completion. The respondent issued a self-explanatory DGS Order dated 14.08.2024, following a thorough review of all representations and CIP reports. Looking from any angle, the petitioner's allegations against the respondents are baseless and unsupported and reveals that the petitioner is reluctant to comply with the conditions for grant of approval. It is obvious that this Court, by analysing the above facts, comes to the conclusion that the Writ Petitions are devoid of merit.

34. For the foregoing reasons, the Writ Petitions stand dismissed. Consequently, connected Miscellaneous Petitions are closed. There shall be no orders as to costs.

22.11.2024

Index: Yes/No
Order: Speaking/Non Speaking
NCC : Yes/No

DP

Page Nos.37/39



W.P.Nos.23104 & 24879 of 2024

To

WEB COPY

- 1.The Secretary,
Government of India
Ministry of Ports, Shipping & Waterways,
Parivahan Bhavan,
No.1, Parliament Street,
New Delhi – 110 001.
- 2.The Secretary,
Union of India,
Department of Personnel and Training,
New Delhi-110 001.
- 3.The Director General of Shipping,
O/o. The Directorate General of Shipping,
9th Floor, Beta Building, I-Think Techno Campus,
Kanchur Marg East, Mumbai-400 042.
- 4.The Deputy Director General (Training),
O/o. The Directorate General of Shipping,
9th Floor, Beta Building, I-Think Techno Campus,
Kanchur Marg East,
Mumbai-400 042.



W.P.Nos.23104 & 24879 of 2024

VIVEK KUMAR SINGH, J.

DP

ORDER MADE IN
W.P.Nos.23104 & 24879 of 2024
and
W.M.P.Nos.25221, 27228, 27229 & 27230 of 2024

22.11.2024