

No.16(35)/2012-PD.VI
Government of India
Ministry of Shipping
New Delhi

the 8th Sept., 2015.

To

As per list.

Sub: Central Sector Scheme for providing financial support to Major/ Non-Major Ports / State Governments for creation of infrastructure to promote movement of cargo/ passengers by sea/ National Waterways – reg.

Sir/s,

I am directed to convey that Government has approved a revised Central Sector Scheme for providing support to Major Ports/ Non-Major Ports/ State Governments for creation of infrastructure to promote movement of cargo/ passengers by sea/ National Waterways. The revised Scheme would be administered by Ministry of Shipping. Financial assistance under the Scheme would be given in the form of grant-in-aid for construction/ upgradation of berths/ Jetties/ platforms in port waters and National Waterways for coastal vessels/ passenger ferries/ inland vessels and barges/ hovercrafts/ seaplanes to promote movement of cargo/ passengers by sea/ National Waterways. The assistance under the Scheme would be governed by following conditions:

- (a) Financial assistance under the Scheme would be given only for (a) construction/ up-gradation of (i) exclusive coastal berths for coastal cargo (ii) berths/Jetties for passenger ferries in Major/ Non-Major Ports; (b) construction of platforms/ jetties for hovercrafts/ seaplanes by ports (Major Ports; Non-Major Ports/ State Governments) in port waters and (c) construction of berths/jetties in National Waterways by State Govts concerned.
- (b) Coastal berths proposed to be constructed under the Scheme should preferably be outside custom bond area so that they can be notified as exclusive coastal berths.
- (c) Assistance under the Scheme would be up to 50% of the total cost of the project relating to (a) construction/ up-gradation of exclusive coastal berths for coastal cargo/ passengers, subject to a maximum of Rs.25 crore and (b) construction of (i) platforms/ jetties for hovercrafts/ seaplanes by ports/ State Governments and (ii) jetties in National Waterways by State Governments, subject to a maximum of Rs.10 crores. The balance expenditure has to be incurred by the respective ports/ concerned State Government from their own resources.
- (d) 50% of the Government's share will be disbursed upon approval of the proposal submitted by the Major Port/ Non-Major Port/ State Government with

the condition that 40% of total work has been completed. Remaining 50% of the Central Government share shall be released upon completion of the work subject to submission of Utilisation Certificate of earlier released amount and the completion certificate which must be countersigned by third party monitor.

- (e) The concerned Major Port/ Non-Major Port/ State Government seeking assistance under the scheme shall submit, along with the proposal, (i) a certified statement of Chartered Accountant in respect of expenditure incurred in completion of 40% of the total work and (ii) a certificate from the third party independent engineer (monitor) that about 40% of the total work has been completed. Third party monitor would be appointed from the approved panel maintained by IPA for the purpose. In the case of Non-Major Ports/ state government, Ministry of Shipping may also have the work verified by the nearest Major Port, if required.
- (f) The assets created under the scheme will be maintained by respective ports. No assistance would be provided under the Scheme for maintenance of capital assets created under the Scheme.
- (g) No assistance will be provided for deployment of manpower.
- (h) The projects funded from the scheme would be implemented by respective ports/ State Governments.
- (i) Major Port/ Non-Major Port/ State Government which intends to seek assistance under the Scheme will formulate a proposal with proper estimated cost duly approved by competent authority and send it to Ministry of Shipping for approval/ release of funds. Non-Major Ports will have to send their proposals through the respective State Maritime Board or the State Govt. Department concerned in case of States having no Maritime Board.
- (j) The beneficiary Major Port/ Non-Major Port/ State Government will host the project details on the website of the Ministry of Shipping in a separate window to be created for the purpose. The progress of the project would be updated on monthly basis.
- (k) The beneficiary Port (Major/ Non-Major)/ State Government would appoint an independent third party to monitor the project and furnish status reports to the Ministry. The third party independent engineer (monitor) would be appointed from the approved panel maintained by Indian Ports Association for the purpose. In the case of Non-Major Ports/ state government, Ministry of Shipping may also have the work verified by the nearest Major Port, if required.

(l) Procedures being followed for securing other port infrastructures against nature/ manmade disasters like floods, cyclones, earthquakes, tsunamis, etc. will also be followed in respect of infrastructure created under the scheme.

(m) The financial assistance (grant-in-aid) given under the Scheme is subject to audit by the CAG of India.

2. These guidelines supercede the earlier guidelines on the subject issued vide this Ministry letter of even number dated 22.12.2014.

Yours sincerely,

(Raj Kumar)
Under Secy.to the Govt. of India.
Tel. No. 2371 9312

Copy to:

1. Pay & Accounts officer, Ministry of Shipping, Jamnagar House, New Delhi.
2. Niti Aayog (Shri Amit Bhardwaj Joint Adviser), Niti Bhawan, New Delhi.
3. Department of Expenditure (Director, PF-II Division), North Block, New Delhi.
4. IFW, Ministry of Shipping.
5. Indian Ports Association with the request to display the panel of independent engineers referred to in para 1 (e) above on its' website to enable beneficiaries under the scheme to appoint third party engineer for certification of work under the scheme.

Copy also forwarded for information to:

1. All DSs/USs of Ports Wing, Dir(IWT), US(IWT), Coastal Shipping Cell.
2. PPS to Secretary (S).
3. PPS to JS(P).