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**REVISED GUIDELINES FOR THE UTILISATION OF FERROUS SCRAP
DEVELOPMENT FUND**

The Ferrous Scrap Development Fund (hereinafter referred to as the 'Fund') shall be utilized for undertaking activities for promotion of ship breaking and ship recycling by Central Government Ministries and related authorities and to supplement the efforts of State Governments/State Maritime Boards in promoting, upgrading and developing the overall eco-system of safe and environmentally sound ship breaking and ship recycling.

2. The Fund will be managed, in accordance with these guidelines, by the Ship Breaking Scrap Committee (hereinafter referred to as the 'Committee') which has been constituted by the Ministry of Shipping vide order no.SR-12011/3/2012-MG dated 22.07.2014. The future accruals to the Fund may be met from the grants through the budget, external aid, levy of cess, CSR funds, interest income and voluntary contributions or any other source deemed fit.
3. Financial assistance from the Fund may be extended for the following purposes:
 - (a) Upgradation of ship breaking and recycling yards and related facilities including items of capital expenditure. No recurring expenditure on staff, operations and maintenance shall be admissible.
 - (b) Welfare measures including improvement of health and trauma infrastructure to attend to emergency medical needs; environmental friendly and resource-efficient housing and sanitation facilities for workers; protective cover against fire hazards; common facilities such as community and recreational centers, crèches etc.; support socio-cultural and such other activities which would enhance the quality of life of ship-breakers and recyclers and their dependents.
 - (c) Capacity building and skill development of workers including provision for training; undertaking research studies and consultancy for facilitating safe and environmentally sound ship breaking and recycling operations.
 - (d) Activities to promote better management of environmental hazards including financial support for effluent treatment plants, green warehouses, incinerators, setting up of hazardous material disposal yards outside the ship breaking yards and like activities for safe

disposal of hazardous and harmful substances in ship recycling yards.

- (e) Any other important activity including capital expenditure, which, in the opinion of the Committee, requires financial support in the pursuance of the stated objectives of the 'Fund'.
- (f) Any other activity related to ship breaking and recycling which is deemed fit for financial assistance by the Committee.
- (g) Funding for secondary steel sector will continue as was done in the past by the Ferrous Scrap Committee.

4. All proposals for grants from the Fund shall be sent by the applicants to the Member-Secretary of the Committee in the prescribed form (Form.I) The proposal should clearly indicate the reasons for undertaking the said activity which entitles them to make a claim for receipt of grant from this Fund and clearly bring out how the proposed activity falls within the purview of purposes specified for which the Fund can be utilized and should be accompanied by a Detailed Project Report (DPR), wherever necessary.

5. All grants disbursed from the Fund shall be non-recurring which may be released on a lump-sum basis or on instalment basis.

6. The recommendations of the Committee on applications for grants from the Fund shall be forwarded to the Ministry of Shipping for consideration and approval. On approval of the recommendations of the Committee, the Ministry will convey sanction to the Directorate General of Shipping (DGS), Mumbai. DGS may call up the grantee to ensure bank details given in the application are correct and release the grant within seven working days through e-payment mode, subject to satisfactory compliance with the conditions, laid down by the Ministry from time to time.

7. The Director General of Shipping will nominate two officers to act as authorised signatories for handling the Fund.

8. The grantee applicant shall furnish receipt as per Form II to the authorised signatories of the Fund who will also maintain a record of grants sanctioned from the Fund as per Form III.

9. The grantee applicant shall furnish a utilization certificate(UC), as specified in the sanction order and in conformity with UC format of GFR-19A to the DGS indicating details of expenditure supported with relevant receipt vouchers etc who in turn will provide detailed information to the Committee. DG(S) shall be responsible for proper utilisation of funds and ensuring that the conditions laid down in the sanction order, if any, for utilisation of the grant, are duly fulfilled.

10. The Fund shall be deposited and maintained in nationalised bank(s) and the DGS, Mumbai shall be responsible for management of the Fund including its investment as per the Government of India's instructions in this regard.

11. The DGS shall get the Funds audited and comply with all regulatory requirements for the proper accounting of the disbursements made from the Fund. A balance sheet will be sent by the DGS to the Member Secretary of the Committee at the end of each financial year to be placed before the Committee.

12. All records relating to the Funds including those transferred by the Joint Plant Committee, Ministry of Steel shall be maintained by the DGS, Mumbai.

13. Officials of DG(S) will make inspection regarding the proper utilisation of the sanctioned funds as may be required by the Committee. The Committee may also direct an appropriate third party monitoring and audit as may be required.

14. In case of furnishing false information, misutilisation of fund, violation of guidelines or on the directions of the Committee on a complaints being made in this regard, the grantee institution/applicant would refund the entire amount of funds released along with a penal interest of 18%. This will be without prejudice to any other action being taken against the organisation.

15. The above guidelines may be modified by the Ministry of Shipping as and when required.

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Form I

Application for Financial Assistance from Ferrous Scrap Development Fund

(Note: All pages of the application form duly filled in along with requisite documents must be signed by the authorized signatory of the organization)

1.	Name of the Organization:	
2.	Financial year for which grant-in-aid is applied:	
3.	Details of the Project:	
4.	Total cost of the Project	
5.	Category under which assistance is sought: (i) Upgradation of existing facility in ship recycling yards (Para 3(a) of guidelines) (ii) Welfare measures as specified ((Para 3(b) of guidelines) (iii) Capacity building and skill development etc (Para 3(c) of guidelines) (iv) Environmental management (Para 3(d) of guidelines) (v) Other activities(pl specify)(Para 3(e) and (f) of the guidelines.	
6.	Amount of assistance sought	
7.	Justification as to why the assistance is required	
8.	Total number of beneficiaries , if any, who will be assisted and other deliverable outcomes	
9.	Year and Date of commencement of the Project:	
10.	Whether the Project is recognized/approved by the state government / concerned authority	
11.	Undertaking to be enclosed that the grantee applicant has not obtained or applied for grants for the same purpose or activity from any other Ministry or Department of the Govt of India or State Govt.	

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12.	Details of funding from Govt of India and/or State Govt, or any other agency.	
13.	Address of Registered Office <i>Please provide complete details including STD code/Telephone/Fax No. E-mail address and Website address of the organization</i>	
14.	Complete Address of location(s)/location wherever programme/project/scheme is being implemented <i>STD Code/Telephone No./FAX No. iii)E-mail address and website address of the organization</i>	
15.	Whether separate project-wise accounts for both Grants received and Expenditure incurred thereon have been maintained?:	
16.	Details of bank accounts	
17.	If grants availed previously whether Audited accounts and Utilisation Certificate have been submitted.	

VERIFICATION

Certified that above information is in accordance with the records and accounts audited/ to be audited and is correct to the best of knowledge and belief of the office-bearers of the organization, and after its perusal and satisfaction, they have authorized the undersigned by a resolution dated to verify and submit the statement of information.

Signature of the Authorised Signatory

Name: _____

Designation: _____

Address: _____

Date: _____

(Office Stamp)

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Form-II

PROFORMA RECEIPT

Received Rs _____ (in _____ words
Rupees _____

_____) from the Ferrous Scrap
Development Fund, by means of E-payment mode transaction
ID _____ dated _____ drawn on the
_____ Bank _____.

Dated _____

(Stamp)

Signature

Place _____

Form-III

Details of sanction

Financial Year _____

Bill No. & Date	Transaction ID & Date	Date E- Payment	Progressive Expenditure	Unspent Balance
1	2	3	4	5