

Government of India
Ministry of Shipping, Road Transport & Highways
Department of Shipping
(Ports Wing)

No: PO-28015/8/2000-DRG

Delhi dated the 12th February, 2007

To

The Chairman,
All Major Ports
CMD, DCI

Sub: Dredging policy to be followed by major ports w.e.f . 1.4. 2007 for a period 3 years- reg.

Sir,

I am directed to refer to this Ministry's letter No. PO-28015/8/2000-DRG dated 17.2.2004 regarding the dredging policy to be followed by major ports w.e.f. 1.4.2007 for the period of 3 years.

2. The Department has since reviewed the existing policy and the revised policy guidelines shall be as under:-

- (i) All major ports shall invite open competitive bids for dredging works and Indian companies owing Indian flag dredgers, including Dredging Corporation of India (DCI) shall have the right of first refusal if the rate is within 10% of the lowest valid offer. This would apply to both maintenance and capital dredging works with sole exception of the maintenance dredging requirement of Kolkata Port for which separate instructions shall apply.
- (ii) If more than one company owing Indian flag dredger participates in the tender, the right of first refusal will go to that Indian company which has quoted the lowest rate and is within 10% of the lowest valid offer.
- (iii) All major ports may strictly adhere to the guidelines issued by the Central Vigilance Commission from time to time for processing the tenders in a transparent manner. Ports may ensure that a prequalification criteria is fixed in advance and should not be very stringent to restrict entry of certain potential Indian bidders. The prequalification conditions should be exhaustive, yet specific. The prescribed conditions should be clearly specified in the bid documents to ensure fair competition and transparency. Detailed instructions in this regard will be issued separately.
- (iv) The Government of India through Department of Shipping reserves the right to assign, in public interest, any contract for dredging work in any of the major ports to DCI on nomination.
- (v) Guidelines issued by DG(Shipping), Mumbai from time to time in terms of the relevant provisions of Merchant Shipping Act shall be applicable.

4. Kindly acknowledge receipt.

Yours faithfully,

Sd/-

(Rajeev Kumar)

Deputy Secretary to the Government of India