

File No. SY-16023/6/2015-SBR, Part -1
Government of India
Ministry of Ports, Shipping and Waterways
(SBR Division)

Transport Bhawan, Parliament Street
New Delhi- 110001

Dated the, 28 April, 2022

To,

Director General of Shipping, 9th floor, Beta building, I-Think,
Techno Campus, Kanjurmarg (East), Mumbai-400042.

Subject: Guidelines for Shipbuilding Financial Assistance Policy (SBFAP)-Amendment regarding.

Sir,

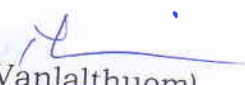
I am directed to refer to this Ministry's letter of even number dated 15.12.2021 on the subject mentioned above wherein modified guidelines for financial assistance policy (SBFAP) were sent and in view of the spread of COVID variants which have affected the global supply chain system, it has been decided to allow the competent authority (DGS) to provide relaxation up to a maximum of one year for construction and delivery of vessels for all contracts signed during the period 24.03.2021 to 31.03.2022.

2. Accordingly, the guidelines for Shipbuilding Financial Assistance Policy (SBFAP) have been amended and a copy of the same is enclosed herewith. Changes have been incorporated in para 3 of guidelines and are in bold.

This issues with the approval of Minister of State (MoS) in the Ministry of Ports, Shipping and Waterways.

Enclosure: as above

Yours faithfully,


(Vanlalthuom)

Under Secretary to Govt. of India

Ph. 011-23722252

Email: v.thoum@nic.in

Copy to:

1. Secretary (Defence Production), Department of Defence Production, Ministry of Defence, 136, South Block, New Delhi, Email id:sdpns@nic.in
2. President, Shipyards Association of India, 7/802, Mayur Vihar, Phase I Extn., Delhi -96, Email id: saindia2006@yahoo.co.in
3. The Chairman & Managing Director, Cochin Shipyard Ltd., Permanoor, P.O Bag No.1653, Kochi-682016, Email id: cmd@cochinshipyard.
4. Ministry's Website .
5. Internal distribution.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

**GUIDELINES FOR IMPLEMENTATION OF SHIPBUILDING FINANCIAL ASSISTANCE
POLICY (as consolidated and further amended in April, 2022)**

1. (a) Title: The policy for grant of financial assistance to shipyards shall be called “Shipbuilding Financial Assistance Policy” and the guidelines formulated to implement the policy shall be called “Guidelines for Implementation of Shipbuilding Financial Assistance Policy”.

(b) Validity: The Shipbuilding Financial Assistance Policy and the guidelines shall come into force with effect from April 1, 2016 and shall be applicable for shipbuilding contracts signed during the dates, April 1, 2016 to March 31, 2026, including the said dates.

(c) Applicability: The said policy as well as the guidelines shall be applicable to all the Indian shipyards.

2. Definitions.

(a) “Actual Payment” means the total quantum of payment received by the shipyard pertaining to a shipbuilding Contract including such payment received subsequent to the delivery of the vessel as is duly certified by a Chartered Accountant registered with Institute of Chartered Accountants of India in the format prescribed at Annexure-III of these guidelines and supported by requisite documentary evidence.

(b) “Competent authority” means the authority designated for performance of various functions under these guidelines for implementation of the policy by Ministry of Shipping in Schedule-V.

(c) “Shipbuilding Contract”, unless otherwise stated, means a shipbuilding Contract corresponding to construction of underlying vessel or vessels, as the case may be, and shall include the initial or the first Contract signed for such construction or any subsequent contracts amending the said initial Contract or executed replacing the said contract

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

provided that the Contract continues to pertain to the said underlying vessel or vessels of the initial Contract. In case of cancellation, Contract would mean the new shipbuilding Contract signed with the new buyer.

(d) “Contract Price” means the price at which the initial or the first shipbuilding Contract has been signed, or any such lower price agreed at a later date in a supplementary or subsequent Contract for the vessels required to be constructed under the Contract involving the shipyard as one of the parties to the said later Contract.

(e) “Date of Contract” means the date of signing of the initial or the first Contract for construction of underlying vessel or vessels, as the case may be.

(f) “Financial Assistance”, means the monetary incentive granted by the government to the shipyards for construction of vessels underlying a shipbuilding Contract under the policy, subject to fulfillment of conditions prescribed in policy guidelines.

(g) “Fair Price” means-

(i) In case of a standard vessel, the price of the underlying vessel as on the date of Contract as derived by the competent authority based on international trend;

(ii) In case of specialized vessels, and, vessels other than standard or specialised vessels, the lowest of the prices, as on the date of Contract, as are determined by three approved International Valuers listed in Schedule–III.

(iii) Fair price in respect of shipbuilding contracts for ships procured from Indian shipyards by Central Government / PSU / State government departments, Organisations set up under Acts of Parliament and controlled and managed by Central Government departments and CPSEs, secured by Shipyards on L1 basis through tender process, will be considered as the L1 price discovered / determined through competitive, open and fair bidding process.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

- (h) **“In principle approval”** means the approval granted by the competent authority establishing eligibility of claim of a shipyard for grant of financial assistance for vessel under construction, subject to fulfillment of conditions prescribed in the policy guidelines.
- (i) **“International Valuer”** means the valuers listed in Schedule-III, to which valuers could be added or deleted by Ministry of Shipping from time to time.
- (j) **“Rate of Financial Assistance”** means the rate at which the financial assistance shall be granted to the shipyard and determined with respect to the rate indicated in column (3) of the table in Schedule-IV corresponding to the date of Contract.
- (m) **“Recognized Organization”** means an organization recognized by the Government of India as per the Gazette Notification No. S.O. 3316(E) dated December 26, 2014.
- (n) **“Specialized Vessel”**, for the purpose of grant of financial assistance under these guidelines, means a type or class of vessel listed in Schedule-II.
- (o) **“Standard Vessel”** means a vessel that is not a specialized vessel and for which fair price is determined on a periodic basis by the competent authority based on international price trends.
- (p) **“Vessel other than Standard or Specialized Vessel”** means vessel which is neither specialized vessel nor standard vessel.
- (q) **“Shipyard”** means any floating or a land based facility comprising of all or any amongst the following as essential features, namely,- waterfront, turning basin, berthing and docking facility, slipways and ship lifts, and, located within the territories of India and undertaking construction, manufacture, reconstruction or repair of vessels in India.
- (r) **“Vessel”**, for the purpose of grant of financial assistance under these guidelines, means all types of floating crafts or structures built under the classification of one of the Recognized Organizations but shall exclude the crafts specified in Schedule-I.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(s) “Major portion of the hull” means, the main hull of the ship / vessel, that is made of Shipbuilding grade Steel, Aluminum or any such materials as approved for the purpose of construction of ships/ vessels by Recognized Maritime Authorities, and does not include, Superstructure, Equipment & Machineries, Mast, Equipment foundations, Shaft Support Brackets, Stern tube, Bow Thruster Tunnels, Rudder etc.

3. Eligibility of vessel for availing the Financial Assistance.

Only those vessels, which are constructed and delivered within a period of three years from the date of Contract, shall be eligible for availing financial assistance under the policy.

Provided that, in case of specialized vessels, the competent authority may grant in principle approval for construction and delivery of such vessels within a specific period even beyond the aforesaid three years, but not exceeding six years, when the shipyard applies for such approval for the vessel under the policy guidelines and thereafter the delivery period provided for in this Clause shall be such extended period as permitted by the Competent Authority.

Provided further that in view of the Covid-19 pandemic declared by the World Health Organisation on 11.03.2020, the subsequent order dated 24.03.2020 issued by the Government of India under the Disaster Management Act, 2005 for implementation of measures to prevent the spread of Covid-19 in the country, and the consequent Force Majeure conditions faced by many industries, the competent authority may grant extension for construction and delivery up to a period of one year for all contracts signed prior to 24.03.2020 or signed during the period 24.03.2020 to 23.03.2021.

Provided further that in view of the spread of COVID variants which have affected the global supply chain system, the competent authority may grant extension for construction and delivery up to a period of one year for all contracts signed during the period 24.03.2021 to 31.03.2022.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

4. Application for Financial Assistance.

(a) The application for in principle approval for grant of financial assistance for a vessel shall be made as per the procedure prescribed in Annexure-I of this policy.

(b) The application for release of financial assistance for a vessel shall be made subsequent to delivery of the vessel as per the procedure prescribed in Annexure-II of this policy and the competent authority shall, after due scrutiny of the application, permit release of the financial assistance to the applicant shipyard.

(c) In case the competent authority, after scrutiny, identifies deficiencies in the application made in pursuance of sub-clauses (a) or (b) above, it may give an opportunity to the applicant shipyard as per the procedure prescribed in Annexure-I and Annexure-II, as the case may be, to make good, the said deficiency and shall take a decision for in principle approval or release of financial assistance, as the case may be, based on response of the applicant shipyard. Any denial of benefit sought under the applications made in pursuance of sub-clauses (a) and (b) above by the competent authority shall be conveyed to the applicant shipyard in writing with reasons for such denial.

5. Computation of Financial Assistance.

(a) The quantum of financial assistance for a vessel shall be the product of the applicable rate of financial assistance prevailing on the date of Contract, and, the lowest of the contract price or the fair price when converted in Indian Rupees:

Provided that, at the time of release of financial assistance, if the actual payment received for a vessel is lower than the contract price, such payment shall replace the contract price in the formulae for computation of the financial assistance.

(b) In case of a Contract obtained through global tender or competitive bidding, the bid price shall be treated as the contract price for computation of financial assistance in the formulae specified at sub-clause (a) above.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(c) For the purpose of computation of financial assistance as per the formulae specified at sub-clause (a) above, the fair price or contract price or actual payment, if received in foreign currency, shall be converted into Indian Rupees as per the exchange rate published by the State Bank of India under the category of TT Buying Rates on the date of Contract:

Provided that, in case the exchange rate is not among the currencies published by the State Bank of India, the applicant shipyard shall obtain a certificate from the State Bank of India about the exchange rate for the currency prevailing on the date of Contract.

6. Release of Financial Assistance.

(a) Wherever, in principle approval for grant of financial assistance for a vessel has been granted by the competent authority, such financial assistance shall be released for the vessel subject to compliance of conditions of this policy:

Provided that, for all vessels other than specialized vessels, such financial assistance shall not exceed Rupees Forty Crores per vessel.

Provided further that, in case the budget is not available for release of financial assistance for vessel(s) under an eligible contract in a particular year for release of financial assistance, the same will be released on priority in the subsequent financial year on availability of budget.

(b) The requisite financial assistance shall only be released in Indian Rupees.

7. General Conditions.

(a) In case of shipbuilding contracts signed for construction or manufacture of more than one vessel, only those vessels under the Contract whose date of delivery lies within the period of three years or such extended period permitted under Clause 3 above by the Competent Authority from the date of Contract shall be granted in principle approval by the Competent Authority for claiming financial assistance for the vessels mentioned therein:

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

Provided that, only those vessels which are actually delivered within three years from the date of Contractor within the extended period permitted under Clause 3 above by the Competent Authority shall be considered for release of financial assistance.

Provided further that, if any supplementary contract/ addendum will be entered after March 31, 2026, the same will not be considered for the purpose of computation of financial assistance.

(b) The major portion of the hull of the vessel for which financial assistance is claimed is to be constructed and assembled in India.

(c) The assembly of the hull, installation and commissioning of the major machinery and equipment and tests/trials of the vessel is to be done in India. In case any test/trials are required to be conducted outside India, in terms of the Contract/owner requirements, the same shall also be acceptable for grant of financial assistance.

(d) The shipyard applying for financial assistance under the policy for a vessel should not have availed any monetary support under any other policy or scheme of the Central or State Government for the said vessel. Such support shall not include:

(i) any exemptions of domestic taxes or import duties applicable on procurement of raw materials, components or capital goods, as the case may be;

(ii) any fiscal or monetary benefits arising from the location of shipyard;

(iii) any fiscal or monetary benefits arising from grant of infrastructure status to the shipyard; or,

(iv) any other fiscal or monetary benefit available by virtue of being a shipyard irrespective of the vessel being constructed/ repaired thereat.

(e) Notwithstanding anything contained in these guidelines, only those vessels shall be eligible for grant of financial assistance for which the construction shall commence subsequent to the signing of valid contracts covered under these guidelines.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(f) The shipyard applying for in principle approval as well as release of financial assistance under the policy should submit an affidavit as per the format prescribed in Annexure-I and Annexure-II respectively, including for compliance of conditions in sub-clauses (b) to (e) above. In case of application for release of financial assistance such affidavit shall also be accompanied with a certificate from the Recognized Organization as per the format prescribed in Annexure-II.

8. Grievance Redressal, Amendments, Review and Interpretation.

(a) If any grievance arises from acts of commission or omission of the designated competent authority as prescribed under these guidelines, the same shall be referred to the Institutional Mechanism, as notified by the Ministry of Shipping in this regard, and the decision of such Institutional Mechanism in this regard shall be final. The Ministry of Shipping shall also notify the procedure for filing, as well as, resolution of such requests by the Institutional Mechanism.

(b) Ministry of Shipping shall review these guidelines every two years from the date of issue or the date of last review, as the case may be. However, this shall not affect the right of the Ministry to amend or modify these guidelines at any point of time including the Schedules and Annexures appended thereto.

(c) In case any doubts arise with respect to interpretation of these guidelines, the same would be resolved with the approval of Hon'ble Minister of Shipping and such decision shall be final.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

SCHEDULE-I

LIST OF VESSELS EXCLUDED FROM FINANCIAL ASSISTANCE POLICY

1. Vessels built for Indian buyer or ship owner, which are less than 24 meters in length, except classed* dredgers of length of 10 m and above (registered length / rule length as shown in the registry certificate / tonnage certificate). However, for export orders minimum 24 m length restriction is not applicable.
2. Vessels made of wood irrespective of their lengths.
3. Vessels built for defence purposes or for use by Navy or Coast Guard.
4. Vessels built under contracts secured on nomination basis from the Central or State Government or their agencies except those secured from the Central or State Public Sector Enterprises.

*classed with one of the Recognized Organizations (ROs) of the GoI and assigned with a Class notation as "Dredger (of any type)".

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

SCHEDULE-II

LIST OF SPECIALIZED VESSELS

1. LNG Carrying Vessels.
2. LPG Carrying Vessels.
3. All Passenger Vessels under MS Act/SOLAS with a minimum capacity of 500passengers.
4. Chemical Tankers.
5. Floating or Submersible Drilling or Production Platforms.
6. Floating,Production, Storage and Offloading (FPSO) units.
7. Floating, Storage and Offloading (FSO) units.
8. Floating, Storage, Regasification Units (FSRUs).
9. Mobile Offshore Drilling Unit (MODU) Rigs.
10. Mobile Offshore Production Units.
11. Self-Propelled Dredgers (Classified by the IACS members)

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

SCHEDULE-III

LIST OF INTERNATIONAL VALUERS

Sl. No.	Name of International Valuers
1.	M/s. Barry RoglianoSalles, 11, Boulevard Jean Mermoz, 92200 Neuilly-sur-Seine, France.
2.	M/s. Galbraiths Limited Shipbrokers, Bridge gate House 124-126 Borough High Street, London - SE1 1BL.
3.	M/s. Gibson Shipbrokers, P.O. Box 278, Audrey House, 16-20 Ely Place,London - EC1N 6SN.
4.	M/s. M3 Marine Group Pte. Ltd., 1 Commonwealth Lane, #09-19 ONE Commonwealth, Singapore –149544.
5.	M/s. Nor-Ocean Offshore AS,P.O.Box 1833 Vika, N-0123, Oslo,Norway.
6.	M/s. Affinity (Shipping) LLC, 44 th Floor, The Leadenhall Building, 122, Leadenhall Street, London, EC3A 8EE.
7.	M/s. Maersk Broker, Midtermolen, 1 DK-2100 Copenhagen, Denmark.
8.	M/s. Clarkson Platou, Commodity Quay, St. Katharine Docks, London E1W 1BF
9.	M/s. RBSA Advisors, 21-23, T.V. Industrial Estate, 248-A, S. K. Ahire Marg, Worli, Mumbai 400 030 INDIA
10.	M/s. Keellock C.W & Co. Ltd, Fifth Floor, 2 London Wall Buildings, London Wall, London, United Kindom, ECM 5PP. Phone No. 44(0) 3031234500.
11	J.B Boda Insurance Surveyors & Loss Assessors Pvt. Ltd., Maker Bhavan No. 1, Sir, Thackersey Marg, Mumbai-400021 (India), Tel No. (22) 66314949/66314917. Email id: jbbmbi@jbbodamail.com

SCHEDULE-III

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

LIST OF INTERNATIONAL VALUERS

12	Maritime Strategies International Ltd. 6 Baden Place, Crosby Row.London. SE1 1YW UK, Phone No. 44 20 79400070.
13	Simpson Spence Young Ltd , 50 Raffles Place #14-01/02, Singapore Land Tower. Singapore, Singapore 048623. Ph No. +65 68 547120.
14	Offshore Shipbrokers Limited. 17 Blossom Street, London E1 6PL UK. 44 207 3779774, 44 207 377 9775. Email id:chartering@offshore-shipbrokers.com&p@offshore-shipbrokers.com
15	English White Shipping Ltd., LondonTel: +44 (0) 20 8879 7966 Mobile: +44 (0) 7788 457 395. Email: sandp@ewshipping.com Web: www.ewshipping.com. Address:2, Pointgarry Road, North Berwick,East Lothian, EH39 4ET

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

SCHEDULE-IV

RATES FOR FINANCIAL ASSISTANCE

Sl. No.	Financial Year	Rate of Financial Assistance (%)
(1)	(2)	(3)
1.	2016-2017	20.00
2.	2017-2018	20.00
3.	2018-2019	20.00
4.	2019-2020	17.00
5.	2020-2021	17.00
6.	2021-2022	17.00
7.	2022-2023	14.00
8.	2023-2024	14.00
9.	2024-2025	14.00
10.	2025-2026	11.00

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

SCHEDULE-V

DESIGNATION OF COMPETENT AUTHORITY

Sr. No.	Sections of the Policy	Competent Authority
(1)	(2)	(3)
1.	2 (g), 2 (h), 2(o)	Director General of Shipping
2.	3	Director General of Shipping
3.	4	Director General of Shipping
4.	6	Director General of Shipping
5.	7	Director General of Shipping

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-I

PROCEDURE FOR OBTAINING “IN PRINCIPLE” APPROVAL

1.1. Within forty five (45) days from the date of signing the contract, the shipyard shall apply under the policy on the web portal created for the purpose by the competent authority and obtain a unique application number, which will be used for all future references.

1.2. Provided that, for contracts signed between the period 1st April, 2016 and the date of issuance of amended guidelines October, 2017 or the date* of launch of the corresponding updated software, whichever is later, forty five (45) days shall be available to shipyards from the date of issuance of amended guidelines October, 2017 or the date of launch of corresponding updated software, whichever is later, for applying under the policy and obtaining a unique application number, which will be used for all future references.

2After the unique application number has been generated, in case of contracts for construction of standard vessels, the applicant shipyard shall submit the application for in-principle approval along with the details sought by the portal and the following documents, within forty-five(45) days from the date on which the unique application number is generated:

- (i). Notarized copy of the Contract signed between the shipyard and the ship owner or buyer for construction of the vessel;
- (ii). Technical specifications of the vessel to be constructed;
- (iii). Bank Account details of the shipyard agreed under the contract.
- (iv). Affidavit signed by the Proprietor/Partner/Chairman/CMD/MD/CEO of the shipyard, duly authorized in this regard, as per the format attached at Annexure-IA.

ANNEXURE-I

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

3.1. In case of contracts for construction of specialised vessels, and, vessels other than standard or specialised vessels, along with generation of the unique application number the applicant shall simultaneously obtain details of five valuers, randomly selected by the portal from the list of valuers indicated in Schedule-III of these guidelines, for assessment of fair value of the vessels.

3.2 The applicant shipyard shall submit the application for in- principle approval, along with three valuation reports (from amongst the five valuers provided by the portal), other details sought by the portal, and the following documents, within forty-five(45) days from the date on which details of valuers are generated by the portal:

- (i). Notarized copy of the Contract signed between the shipyard and the ship owner or buyer for construction of the vessel;
- (ii). Technical specifications of the vessel to be constructed;
- (iii). Bank Account details of the shipyard agreed under the contract.
- (iv). Affidavit signed by the Proprietor/Partner/Chairman/CMD/MD/CEO of the shipyard, duly authorized in this regard, as per the format attached at Annexure-IA.

3.3. Provided that all valuation certificates from the valuers provided in Schedule III of the guidelines, obtained between the period 1st April, 2016 and the date of issuance of amended guidelines October, 2017 or the date* of launch of the corresponding updated software, whichever is later, shall be accepted by DG Shipping, irrespective of the fact whether these valuers were provided by the portal or not. A period of forty five (45) days from the date of issuance of amended guidelines October, 2017 or the date* of launch of the corresponding updated software, whichever is later, would be available for uploading any such valuation reports which have not already been uploaded on the portal.

ANNEXURE-I

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

3.4. In case out of the five valuers provided by the portal, more than two valuers either do not respond or are not willing to assess the value, the shipyard shall indicate the same on the portal and request for fresh set of five valuers within forty five (45) days from the date on which details of previous set of valuers are generated by the portal. The portal shall reselect another set of five valuers to assess the values upon such submission by the shipyard. The applicant shipyard shall submit the application for in-principle approval ,along with the three valuation reports (from amongst the five valuers provided by the portal) and requisite documents/ details within forty five (45) days from the date on which details of the fresh set of five valuers are generated by the portal.The applicant shipyard shall submit the application for in- principle approval , alongwith three valuation reports (from amongst the five valuers provided by the portal) and requisite documents /details within forty five (45) days from the date on which details of valuers are generated by the portal.

3.5. Provided that for all contracts signed between 1stApril, 2016 and the date of issuance of amended guidelines October, 2017 or the date* of launch of corresponding updated software, whichever is later, for which a unique application number already exists, list of valuers for the purpose of uploading any balance valuation reports (to have three valuation reports) must be requested for by the applicant shipyard on the portal within thirty (30) days of the date of issuance of amended guidelines October, 2017 or the date* of launch of the corresponding updated software, whichever is later.

3.6 Provided that, if inspite of having exhausted the entire list of valuers provided in Schedule-III of the guidelines, by repeatedly following the procedure indicated in para 3.4, three valuations cannot be obtained from the international valuers by a shipyard, then the Directorate General of Shipping shall after satisfying itself about the inability of the applicant shipyard to obtain three valuations, shall constitute an Expert Committee to recommend further course of action to the Ministry of Shipping.

ANNEXURE-I

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

4.1. Within thirty (30) days of final submission of application for obtaining in-principle approval, along with the three valuation reports, the competent authority shall scrutinize the application and either grant or decline in-principle approval to the applicant shipyard.

4.2. Provided that in case the competent authority notices any deficiency in the requisite documents, it may indicate the same to the shipyard within thirty (30) days from the date of final submission of the application and seek clarification through web portal only.

4.3. In cases where such clarifications are sought, the applicant shipyard shall make good the deficiency and/or provide clarification within thirty (30) days of receipt of such communication from the competent authority through web portal only.

4.4. On receipt of such clarification, the competent authority shall make a decision for grant or denial of in-principle approval on the said application within thirty (30) days of receipt of such clarification.

5. In case of denial either under aforementioned para 4.1 or para 4.4, the reasons for such denial shall be communicated by the Competent Authority to the applicant shipyard, along with the final decision, within thirty (30) days and ninety (90) days, respectively, of final submission of application for obtaining in-principle approval.

** The date of launch of corresponding updated software would be announced to the public through DG (Shipping) website including intimation through email to Shipyards Association of India (SAI), Indian Shipbuilders Association (ISBA) and Cochin Shipyard Limited (CSL).*

ANNEXURE-IA

DRAFT AFFIDAVIT FORMAT

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

I, _____ (insert name), son/daughter of _____ (insert Father's name), being the authorized signatory of _____(insert name of the Shipyard) (hereinafter referred to as the "Shipyard") do hereby solemnly affirm and state as under:

1. That I am the _____ of _____ (insert name of Shipyard) and am competent to swear this affidavit.

2. I state that _____ (insert name of the Shipyard) is a company/partnership firm/proprietorship firm registered under the applicable laws of the country and situated in _____ (insert name of the State) and the activities are carried out/operated within the territories of India.

3. I state that the shipyard has executed a contract dated _____(insert date of contract) with M/s. _____ (insert name and address of the ship owner/buyer) for construction of _____ (insert details of the vessel like Hull No, DWT and type/category of the vessel) (hereinafter referred to as the "Vessel").I state that the order is an export/domestic order and has been obtained on competitive bidding/negotiated/nomination basis.

4. I state that as per the contract the following vessel (s) have to be delivered to the ship owner M/s. _____ (insert name of the buyer) on the following dates, namely:-

(i) (Identification Details of Vessel 1) on _____ (contractual delivery date).

(ii) (Identification Details of Vessel 2) on _____ (contractual delivery date).

5. I state that the Shipyard shall use the following Bank Accounts for all financial transactions with the buyer/ship owner, namely:-

ANNEXURE-IA

(i) Bank Account No. _____ (insert bank account number) opened in _____ (insert name and address of the Branch of the Bank) in the name of _____ (insert name of the shipyard).

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(ii) Bank Account No. _____ (insert bank account number) opened in _____ (insert name and address of the Branch of the Bank) in the name of _____ (insert name of the shipyard).

....

5.1. I further state that any change in the Bank Account number shall be intimated by me or the authorized signatory of the Shipyard to the Government of India within seven (7) days of such change.

6. I state that the shipyard is not claiming any monetary support under any other policy or scheme of the Central or State Government for the said vessel. Such support shall not include:

(i) any exemptions of domestic taxes or import duties applicable on procurement of raw materials, components or capital goods, as the case may be;

(ii) any fiscal or monetary benefits arising from the location of shipyard;

(iii) any fiscal or monetary benefits arising from grant of infrastructure status to the shipyard; or,

(iv) any other fiscal or monetary benefit available by virtue of being a shipyard irrespective of the vessel being constructed/ repaired thereat.

7. I state that the construction of the subject vessel (s) has/have not commenced prior to signing of contract dated _____ (Date of contract as mentioned in Para 3).

ANNEXURE-IA

8. I state that the following documents have been furnished by the Shipyard in support of its application for release of financial assistance under Financial Assistance Policy of the Government of India, namely:-

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

- Notarized copy of the Contract signed between the shipyard and the ship owner or buyer for construction of the vessel;
- Technical specifications of the vessel to be constructed;
- Bank Account details of the shipyard agreed under the contract.

9. I state that all the above documents are true copies of their originals and are genuine.

I undertake to furnish any other/further/additional documents that may be asked by the Government of India for conveying in principle approval to the Shipyard.

VERIFICATION

Verified at _____(insert place) on this the _____ day of _____ 20__ that the contents of the foregoing affidavit are true and correct to the best of my knowledge and no part of it is false and nothing material has been concealed therefrom.

DEPONENT

NOTE:- The affidavit shall be executed after discharging the Stamp Duty Liability on the affidavit at the rate prescribed in the applicable State Stamp Act or the Indian Stamp Act whichever is applicable.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-II

PROCEDURE FOR RELEASE OF FINANCIAL ASSISTANCE

1.1 Within sixty (60) days from the date of delivery of the vessel, the shipyard, using its unique application number, shall apply for release of financial assistance under the policy on the web portal and submit electronic copies of the following documents, namely:-

- Protocol of Delivery and Acceptance of the Vessel.
- Certificate of Actual Payment received for a vessel duly certified by a Chartered Account registered with Institute of Chartered Accountants of India.
- Builder's Certificate.
- In case of export, Proof of export of the vessel in the form of:
 - Export Clearance Certificate issued by Customs authorities.
 - Shipping Bill
- Provisional/Final Registration Certificate of the vessel, as the case may be.
- Affidavit as per the format in Annexure-IIA.
- Certification from the Recognized Organization in the format attached at Annexure-IIB.
- Indemnity Bond as per the format prescribed in Annexure-IIC signed by the Proprietor, Partner, Chairman, CMD, MD or CEO of the shipyard, duly authorized in this regard, as per the format attached at Annexure-IIC inter alia stating that in case of any of the documents/information furnished in the claim for financial assistance for the vessel is/are found to be incorrect/false at a later stage, the shipyard shall return the financial assistance obtained along with interest @ 18% per annum computed from the date of grant of such financial assistance till the date of repayment. Beyond Ninety (90) days, however, 18% interest compounded quarterly would be payable by the shipyard.

1.2 Provided that for vessels delivered upto the date of issuance of amended guidelines October, 2017 or the date* of launch of the corresponding updated software, whichever is later, the respective shipyards shall apply for release of financial assistance under the policy within sixty days of grant of in-principle approval by Directorate General of Shipping. 2.1. Within forty five (45) days of final submission of application for financial

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

assistance, the competent authority shall scrutinize the application and either permit or deny release of financial assistance to the applicant shipyard.

2.2. Provided that in case the competent authority notices any deficiency in the requisite documents, it may indicate the same to the shipyard within forty five (45) days from the date of final submission of the application and seek clarification.

2.2.1 If any document required to be submitted along with the application within requisite time under clause 1.1. of guidelines above, is not submitted along with the application, then a deficiency letter may be issued and the applicant may be given 30 days to submit that document.

2.3. In cases where such clarifications are sought, the applicant shipyard shall make good the deficiency and/or provide clarification within thirty (30) days of receipt of such communication from the competent authority.

2.4. On receipt of such clarification, the competent authority shall make a decision to either permit or decline release of financial assistance on the said application within thirty (30) days of receipt of such clarification.

2.5. In case the competent authority proposes to deny release of financial assistance to the applicant shipyard, the competent authority shall hear the applicant shipyard in person and after such hearing, decide to either permit or deny release of financial assistance to the applicant shipyard. In case of denial, the competent authority shall also record reasons for such denial and communicate the same to the shipyard.

** The date of launch of corresponding updated software would be announced to the public through DG (Shipping) website including intimation through email to Shipyards Association of India (SAI), Indian Shipbuilders Association (ISBA) and Cochin Shipyard Limited (CSL).*

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-II

3.1 In case of contracts, wherein any payment is deferred by the buyer or any payment is withheld as performance guarantee as per the terms stated in the shipbuilding contract initially submitted to Directorate General of Shipping, the shipyard shall apply for release of financial assistance, limited to only two instances, in the following manner;

- I. At the first instance, the Initial application for the release of financial assistance shall be submitted, as mentioned in paragraph 1.1 of this Annexure, within 60 days of the delivery of vessel, for the portion of payment received from the buyers.
- II. At the second instance, the final application for the release of the remaining part of financial assistance to cater for the deferred payment or the performance guarantee money which is withheld by the buyer, shall be submitted within 45 days from the date of receipt of the final payment, along with following documents;
 - a. Certificate of Payments received for the vessel duly certified by a Chartered Account registered with Institute of Chartered Accountants of India, as per Annexure IIIA
 - b. Audited balance sheet of the shipyard for the completed financial years between the first application and the final application for the release of financial assistance.
 - c. Affidavit as per annexure -IV

3.2 In no case final Application for the fund release shall be made exceeding three (3) years from the end of the financial year in which the delivery of the vessel was made.

3.3 Time lines for processing of final application for fund release shall adhere to the same steps as described in Para 2.2 to 2.5.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-IIA

DRAFT AFFIDAVIT FORMAT

I, _____ (insert name), son/daughter of _____ (insert Father's name), being the authorized signatory of _____(insert name of the Shipyard) (hereinafter referred to as the "Shipyard") do hereby solemnly affirm and state as under:

1. That I am the _____ of _____ (insert name of Shipyard) and am competent to swear this affidavit.

2. I state that _____ (insert name of the Shipyard) is a company/partnership firm/proprietorship firm registered under the applicable laws of the country and situated in _____ (insert name of the State) and the activities are carried out/operated within the territories of India.

3. I state that the shipyard has executed a contract dated _____(insert date of contract) with M/s. _____ (insert name and address of the ship owner/buyer) for construction of _____ (insert details of the vessel like Hull No, DWT and type/category of the vessel) (hereinafter referred to as the "Vessel").I state that the order is an export/domestic order and has been obtained on competitive bidding/negotiated/nomination basis.

4. I state that as per the contract the following vessel (s) have been delivered to the ship owner M/s. _____ (insert name of the buyer) on the following dates, namely:-

(i) (Identification Details of Vessel 1) on _____ (actual delivery date).

(ii) (Identification Details of Vessel 2) on _____ (actual delivery date).

....

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-IIA

5. I state that the Shipyard has obtained the foreign currency in the following Bank Accounts for all financial transactions with the buyer/ship owner, namely:-

(i) Bank Account No. _____ (insert bank account number) opened in _____ (insert name and address of the Branch of the Bank) in the name of _____ (insert name of the shipyard).

(ii) Bank Account No. _____ (insert bank account number) opened in _____ (insert name and address of the Branch of the Bank) in the name of _____ (insert name of the shipyard).

....

6. I state that :

(a) The major portion of the hull of the vessel has been constructed and assembled in India.

(b) The assembly of the hull, installation and commissioning of the major machinery and equipment has been done in India. The tests/trials of the complete vessel have been done at _____ based on the owner's requirements/Contract.

(c) The shipyard has not claimed and will not claim any monetary support under any other policy or scheme of the Central or State Government for the said vessel. Such support shall not include:

(i) any exemptions of domestic taxes or import duties applicable on procurement of raw materials, components or capital goods, as the case may be;

ANNEXURE-IIA

(ii) any fiscal or monetary benefits arising from the location of shipyard;

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(iii) any fiscal or monetary benefits arising from grant of infrastructure status to the shipyard; or,

(iv) any other fiscal or monetary benefit available by virtue of being a shipyard irrespective of the vessel being constructed/ repaired thereat.

(d) The construction of the vessel (s) mentioned in Para 4 above has commenced after the signing of the said contract on _____ (Date of contract as mentioned in Para 3 above).

7. I state that the following documents have been furnished by the Shipyard in support of its application for release of financial assistance, namely:-

- Protocol of Delivery and Acceptance of the Vessel.
- Certificate of Actual Payment received for a vessel duly certified by a Chartered Account registered with Institute of Chartered Accountants of India.
- Builder's Certificate.
- In case of export, Proof of export of the vessel in the form of:
 - Export Clearance Certificate issued by Customs authorities.
 - Shipping Bill
- Provisional/Final Registration Certificate of the vessel, as the case may be.
- Affidavit as per the format in Annexure-IIA.
- Certification from the Recognized Organization in the format attached at Annexure-IIB.

- Indemnity Bond signed by the Proprietor, Partner, Chairman, CMD, MD or CEO of the shipyard, duly authorized in this regard, as per the format attached at Annexure-IIC.

ANNEXURE-IIA

8. I state that all the above documents are true copies of their originals and are genuine.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

I undertake to furnish any other/further/additional documents that may be asked by the Government of India for release of financial assistance to the Shipyard.

VERIFICATION

Verified at _____(insert place) on this the _____ day of _____ 20__ that the contents of the foregoing affidavit are true and correct to the best of my knowledge and no part of it is false and nothing material has been concealed therefrom.

DEPONENT

NOTE :- The affidavit shall be executed after discharging the Stamp Duty Liability on the affidavit at the rate prescribed in the applicable State Stamp Act or the Indian Stamp Act whichever is applicable.

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE -IIB

(Letter Head of the Recognized Organization)

To,

[The competent authority]

Subject: Inspection Certificate for Vessel No. _____

This is to certify that:

(a) The above vessel has been inspected by the surveyors of the Recognized Organization to verify that the said vessel has been built in accordance with technical specification as per the initial contract dated _____ and found to be conforming to the Contractual Specification.

(b) It is also certified that the construction of the vessel has commenced on _____.

(c) It is further certified that the major portion of the hull of the vessel has been constructed and assembled in India. The assembly of the hull, installation and commissioning of the major machinery and equipment has been done in India. The tests/trials of the complete vessel have been done at _____ based on the owner's requirements/Contract.

(d) Main Particulars of the ship, Report of Survey and Survey Findings are placed at Annexure-IIB1, Annexure-IIB2 and Annexure-IIB3 respectively.

Yours sincerely,

(Name of the authorized signatory)

Enclosures: As above.

Copy to: _____ (insert name of the Shipyard)

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-IIB1

MAIN PARTICULARS

Name of Ship : _____

Owner : _____

IMO No. : _____

Name of Shipyard : _____

Yard No. : _____

Contract Ref. : _____

Gross Tonnage : _____

Type of Vessel : _____

Main Dimensions:-

Length over all : _____ m

Breadth moulded : _____ m

Depth : _____ m

Class Notation: _____

Descriptive Note: _____

Issued at: _____

ANNEXURE-IIB2

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

REPORT OF SURVEY

Upon the request from Shipbuilder M/s. _____, India, the undersigned Surveyor carried out Survey of their _____ vessel _____ (Yard No. _____) to verify that the vessel, as built, conforms to the Contract Specification, during the period _____ date _____, at the Shipyard's premises at (_____ location _____).

The following have been observed/ verified as part of the above survey:

(a) _____

(b) _____

(c) _____

(d) _____

(e) _____

(f) _____

(g) _____

Sd/-

(Name of the authorized signatory)

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-IIB3

DEVIATIONS FROM THE CONTRACT SPECIFICATION

Sd/-

(Name of the authorized signatory)

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE -IIC

FORMAT OF THE INDEMNITY BOND

INDEMNITY BOND

1. THIS INDEMNITY BOND executed at _____ on this _____ day of _____ year, by _____. (insert name of the Shipyard), through its, _____ (insert name of proprietor/partner/Chairman/CMD/MD/CEO), son/daughter of _____ (insert father's name) of _____ (insert name and address of the Shipyard) (hereinafter called "the Shipyard")

IN FAVOUR OF

Government of India represented through Ministry of Shipping, Transport Bhavan, 1, Transport Bhavan, New Delhi- 110 001 (hereinafter called the "Government").

WHEREAS _____ (insert name of shipyard) ("Shipyard") had executed a Contract with M/s. _____ (insert full name and address of the buyer) vide agreement dated _____ for construction of _____ (insert details of the vessel like Hull No, DWT and type/category of the vessel). The order had been obtained on competitive bidding/negotiation/nomination basis.

AND WHEREAS the vessel was due for delivery on _____ as per paragraph _____ of the contract and has been delivered to the ship owner i.e. M/s. _____ (insert name of the Buyer) on _____ vide Protocol of Delivery and Acceptance dated _____.

AND WHEREAS the Shipyard has applied to the Ministry for release of financial assistance in respect of the Vessel, and obtained the in principle approval on _____.

ANNEXURE -IIC

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

AND WHEREAS on the basis of the documents furnished, the Shipyard is eligible for _____% financial assistance in respect of the Vessel on the following terms and conditions:

- (a) The documents furnished by the Shipyard are true copies of their originals and are genuine.
- (b) The vessel for which financial assistance is being claimed by the Shipyard has been built in accordance with the technical specification reflected in the initial contract document and there has been no major variation in the same.
- (c) The major portion of the hull of the vessel for which financial assistance is claimed has been constructed and assembled in India. The assembly of the hull, installation and commissioning of the major machinery and equipment of the vessel has been done in India. The test/trials have been done in India/outside India, in terms of the Contract/owner requirements.
- (d) The construction of the said vessel (s) has commenced after the date of signing of contract.
- (e) The Shipyard shall furnish any other further/additional documents that may be required by the Government for release of financial assistance to the shipyard.
- (f) The amount of financial assistance that may be received by the Shipyard shall be the full and final settlement of the claim of the shipyard towards financial assistance and the shipyard shall have no further claim from the Government in this regard.
- (g) The Shipyard shall accept the financial assistance as assessed by the Government as full and final settlement of their claim.

NOW, THEREFORE, THESE PRESENT WITNESSTH:

That in pursuance of conditions hereinbefore mentioned, which the Shipyard has accepted without any condition or reservation, the Shipyard hereby agrees to indemnify and keep harmless the Government against all damages, losses, claims, costs, etc.

ANNEXURE -IIC

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

which the Government may have to suffer, undergo, incur as a result of any misrepresentation of any information to the Government for release of financial assistance to the Shipyard for the Vessel. Further, the financial assistance received by the Shipyard would be returned with interest@18 percent per annum, from the date of grant of financial assistance, if any information/document furnished by the Shipyard for claiming such assistance is found to be incorrect.

(PROPRIETOR/PARTNER/CMD/CHAIRMAN/CEO/MD)

Witnesses:

1.(Name and sign)
2.(Name and sign)

NOTE :- The affidavit shall be executed after discharging the Stamp Duty Liability on the affidavit at the rate prescribed in the applicable State Stamp Act or the Indian Stamp Act whichever is applicable.

ANNEXURE-III

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

**[FORMAT FOR LETTER OF CHARTERED ACCOUNT ON THE LETTER HEAD OF THE
PRACTISING CHARTERED ACCOUNTANT]**

This is to certify that _____ (Name of Shipyard) (hereinafter referred to as the "awardee") was awarded a Contract for construction of _____ for the owner, M/s. _____ (Name and address of the ship owner/broker/charterer). As per the Contract, the vessel was to be delivered on _____ (contracted delivery date) but the delivery was effected only on _____ with a delay of _____ (days) which called for a liquidated damage(LD) due to the awardee of the contract. In view of above, the owner has deducted an amount of Rs. _____ (amount in Indian Rupees calculated based on the exchange rate prevailing on the date of effecting payment by the ship owner/ broker /charterer) as Liquidated damage and the net price received by the yard is Rs. _____ (in Indian Rupees). This Certificate is issued to _____ (Name of the Shipyard) for them to claim the financial assistance from the Government of India under the Shipbuilding Financial Assistance Policy of the Government of India promulgated as per GOI order no. _____ dated _____.

Signature

Name

Address

Dated.....

Member In Practice

Place.....

SEAL

ANNEXURE-IIIA

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

[FORMAT FOR LETTER OF CHARTERED ACCOUNT ON THE LETTER HEAD OF THE PRACTISING CHARTERED ACCOUNTANT]

This is to certify that _____ (Name of Shipyard) (hereinafter referred to as the "awardee") was awarded a Contract for construction of _____ for the owner, M/s. ____ (Name and address of the ship owner/broker/charterer).

With regard to the request for the release of financial assistance under the policy, the shipyard has earlier submitted an affidavit vide _____ dated _____ towards the first claim, a copy of which is attached with this certificate

The undersigned has carried out a financial audit onin order to ascertain the subsequent payments received by the shipyard from the buyer as stated in the contract. It is noted that the owner has deducted an amount of Rs _____ (amount in INR calculated based on the exchange rate prevailing on the date of effecting payment by the shipowner/broker /charterer) as Liquidated Damage towards the non-performance of vessel/ non fulfillment of performance guarantee as per the term of the original contract. The balance net price received by the yard against the deferred payment /performance guarantee money is Rs. _____ (In Indian Rupees) against the balance receivable amount of _____ (amount in INR).

This Certificate is issued to _____ (Name of the Shipyard), in order to make the second and final claim of the financial assistance from the Government of India, under the Shipbuilding Financial Assistance Policy of the Government of India, promulgated vide GOI order no. _____ dated _____.

Signature

Name
Address

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

Dated.....

Member In Practice

Place.....

SEAL

The break up details of the balance payment received by the shipyard, subsequent to the date of issuance of initial certificate by the Chartered accountant, is as follows;

S.No.	Invoice No.& date	Date of receipt of payment	Total Amount Received (INR)	Break-up of amount received (INR)	
				Principal component	Tax component
1					
2					
3					
4					

Signature

Name
Address

Dated.....

Member In Practice

Place.....

SEAL

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

ANNEXURE-IV

DRAFT AFFIDAVIT FORMAT

I, _____(insert name), son/daughter of _____(insert Father's name), being the authorized signatory of _____(insert name of the Shipyard) (hereinafter referred to as the "Shipyard") do hereby solemnly affirm and state as under:

1. That I am the _____ of _____(insert name of Shipyard) and am competent to swear this affidavit.

2. I state that as per the contract the following vessel (s) has / have been delivered to the ship owner M/s. _____(insert name of the buyer) on the following dates, namely:-

(i) (Identification Details of Vessel 1) on _____(actual delivery date).

(ii) (Identification Details of Vessel 2) on _____(actual delivery date).

....

3. I state that the Shipyard has obtained the foreign currency in the following Bank Accounts for all financial transactions with the buyer/ship owner, namely:-

(i) Bank Account No. _____(insert bank account number) opened in _____
_____(insert name and address of the Branch of the Bank) in the name of _____(insert name of the shipyard).

(ii) Bank Account No. _____(insert bank account number) opened in _____
_____(insert name and address of the Branch of the Bank) in the name of _____(insert name of the shipyard).

4. I state that:

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

(a) The vessel/s was delivered on (*dd/mm/yyyy*) at (*place*).

(b) The shipyard has already received / applied for (strike out which is not applicable) financial assistance (*amount in INR*) under “Shipbuilding Financial Assistance Policy” upon processing of the first application for the release of financial assistance on (*dd/mm/yyyy*, Date of sanction of release of financial assistance under first application).

(c) The shipyard has received the “¹retention money/performance guarantee money/deferred payment” for the remaining amount (*.....in INR*) on date (*dd/mm/yyyy*) from owner/buyer, after deduction of amount (*...../ or ‘nil’ as the case may be*) from the contract value.

(d) The cost for any additional work other than the terms of the contract is not included in the above amount.

5. I state that the following documents have been furnished by the Shipyard in support of its application for release of financial assistance, namely:-

- Certificate of Payments received for the vessel, duly certified by a Chartered Accountant registered with Institute of Chartered Accountants of India”. (Annexure IIIA)
- “Audited Balance Sheet” of the shipyard for the complete financial year between the first application for part release of financial assistance and the final application for the remaining amount of financial assistance.

6. I state that all the above documents are true copies of their originals and are

¹Keep only applicable term

Government of India

Ministry of Shipping

File No. SY-16023/6/2015-SBR

genuine.

I undertake to furnish any other/further/additional documents that may be asked by the Government of India for release of financial assistance to the Shipyard.

VERIFICATION

Verified at _____ (insert place) on this the _____ day of _____ 20____ that the contents of the foregoing affidavit are true and correct to the best of my knowledge and no part of it is false and nothing material has been concealed therefrom.

DEPONENT

NOTE :- The affidavit shall be executed after discharging the Stamp Duty Liability on the affidavit at the rate prescribed in the applicable State Stamp Act or the Indian Stamp Act, whichever is applicable.
