

No. PD-19017/1/2016-PD-VI
Government of India
Ministry of Shipping
(Sagarmala)

Transport Bhavan,
1, Parliament Street, New Delhi,
Dated: 13th November, 2017

To,

As per list

Subject: Extension of the existing Central Sector Scheme for providing financial support to Major/ Non-Major ports (including private ports)/ State Governments for creation of infrastructure for movement of cargo/ passenger by Sea/ National waterways beyond 12th Five Plan Period i.e from 1st April, 2017 to 31st March, 2020 and enlarging the scope of the Scheme to cover the cost of preparation of DPRs for projects and Capital Dredging at Major Ports.– reg.

Sir/s,

I am directed to say that Ministry of Shipping had formulated a Central Sector Scheme, on 22nd December, 2014 to provide financial support to Major Ports for creation of infrastructures to promote coastal shipping. The Scheme was revised on 16.07.2015 and 08.08.2016 to extend the scope of financial support to Non-Major Ports and State Governments. The existing scheme dated 08.08.2016 provides financial support to Major/Non-Major Ports (including Private Port)/State Governments for creation of infrastructure to promote movement of cargo/passengers by Sea/National Waterways. The scheme was operative upto 12th Five Year Plan period i.e upto 31st March, 2017. The period of the scheme was extended upto 30th September, 2017 vide Ministry of Finance's letter No. 42(02)/PF-II/2014 dated 27th March, 2017. The Ministry of Shipping, after due appraisal has extended the period of the scheme for three years beyond 12th Five Year Plan period i.e upto 31st March, 2020 and included some more components under the scheme.

2. The financial assistance under the Scheme would now be provided for the following :-
(a) Construction/upgradation of (i) exclusive coastal berths for coastal cargo (ii) berths/jetties (including the terminal building and allied facilities) for passenger ferries in Major/ Non-Major Ports (b) construction of platforms/ jetties (including the terminal building and allied facilities) for hovercrafts/ seaplanes by Ports (Major Ports, Non-Major Ports/State Governments) in port waters and (c) construction of berths/jetties (including the terminal building and allied facilities) in National Waterways and Islands by State Governments concerned (d) mechanization of coastal berths for Major Ports and Non-Major Ports (e) capital dredging grant for Major Ports and operating Non-Major Ports, (f) construction of breakwater for existing and Greenfield ports, and (g) preparation of DPR for the projects to be considered under this scheme.

3. Financial assistance would be upto 50% of the total cost of the project subject to (i) a maximum of Rs.25 crore for projects related to construction/up-gradation of coastal berths by Major/Non-Major Ports, (ii) a maximum of Rs.10 crore for construction of platforms/jetties for hovercrafts & seaplanes by Ports/State Governments & passenger jetties in National Waterways and islands by State Governments, (iii) a maximum of ₹15 crore for mechanization of berths by Major/Non-Major Ports,(iv) a maximum of ₹50 crore for capital dredging at Major Ports and operational Non-Major Ports and (v) a maximum of ₹50 crore for construction of breakwater for existing and Greenfield Ports. The financial assistance will also be provided for the preparation of DPRs for the projects to be considered under this scheme. However, the cost of preparation of DPR for the projects will be included as part of the total financial support provided for the respective project under the scheme and will not result in additional financial outlay for projects beyond the stipulated limits within this scheme. The balance expenditure has to be incurred by the respective Ports/ concerned State Governments (including State Maritime Boards) from their own resources.

4. The fund under the Scheme will be disbursed as per funding guidelines of Sagarmala circulated vide this Ministry's OM NO. SM-25021/4/2016-SM dated 22nd March, 2017. The contribution of Ministry of Shipping will be limited to 50 per cent of the project cost as per DPR or tendered cost, whichever is lesser. 50 per cent is the cap of assistance from all sources/schemes of Government of India and will be provided in three tranches of 50%, 40% and 10% based on project milestones. In case of UTs, where no other sources of funding are available, the limit of 50 per cent could be relaxed. 50% of the Ministry of Shipping's share will be disbursed upon approval of the proposal submitted by the Major Ports/Non-Major Ports/State Governments (including State Maritime Boards). Second installment of financial assistance equal to 40% of the share of

Ministry of Shipping will be released only after achieving financial progress of 50% or more for the project and furnishing of Utilization Certificate for already released first installment. Remaining 10% of the Central Government share shall be released upon completion of the work subject to submission of Utilization Certificate of earlier released amount and the completion certificate which must be countersigned by third party monitor.

5. The concerned Major Port/Non-Major Port and State Government(including Maritime Board) seeking financial assistance under the scheme will formulate a proposal and submit it with Project documents viz. TEFRR, DPR etc., Administrative Approval, confirmation of 50% funding by them etc. duly approved by the competent authority and send it to Ministry of Shipping for approval/release of funds. Non-Major Ports will submit proposals through State Maritime Boards or Port Department of Maritime States.

6. Major Port/Non-Major Port and State Government provided financial assistance under the scheme would appoint a third party monitor. Third party monitor would be appointed from the approved panel maintained by IPA for the purpose. The third party monitor would furnish periodic status reports to both the Ports/ State Governments and Ministry of Shipping and also countersign the Completion Certificate. The expenditure on account of appointing third party monitor will be borne by the respective Major Port/Non-Major Port/State Government (including State Maritime Board) seeking financial assistance.

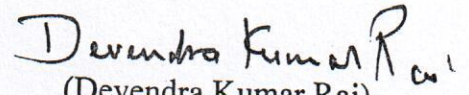
7. The Scheme will apply to State Governments/State Maritime Boards. In case private ports are selected by State Governments/State Maritime Boards through open transparent bidding and license is given to private ports by the State Governments, the support under the proposed scheme would be limited upto the amount of assistance permitted as per Department of Economic Affairs VGF scheme guidelines dated 23/01/2006. During the selection of concessionaire, the benefits under the scheme shall be informed upfront to bidders. However, the scheme will not be applicable to existing private ports.

8. Coastal berths proposed to be constructed under the Scheme should preferably be outside custom bound area so that they can be notified as exclusive coastal berths.

9. Breakwater and capital dredging proposals of Coastal Ports (not dealing with EXIM Cargo) will be given preference and it should be based on model studies from reputed institutions. The cost of maintenance dredging if any and O&M cost of equipments should be borne by the ports.

10. 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.
11. No assistance will be provided for deployment of manpower.
12. The projects funded under the scheme would be implemented by respective Ports/ State Governments/State Maritime Boards.
13. The beneficiary Major Port/Non-Major Port/State Government will host the project details on the website (www.sagarmalaprojects.gov.in) created for the monitoring of Sagarmala projects . The progress of the project would be updated on monthly basis.
14. Procedures being followed for securing other port infrastructure against nature/mandate disasters like floods, cyclones, earthquakes, tsunamis, etc., will also be followed in respect of infrastructure created under the scheme.
15. The financial assistance (Grant-in-aid) given under the Scheme is subject to audit both by the Comptroller & Auditor General (CAG) of India and Internal Audit of Ministry of Shipping.
16. These guidelines supercede the earlier guidelines on the subject issued vide this Ministry's letter of even number dated 08.08.2016.

Yours faithfully,


(Devendra Kumar Rai)

Director

Tel. No. 23719312

To,

1. The Chairman, Kolkata Port Trust, 15, Strand Road, Kolkata – 700 001
2. The Chairman, Paradip Port Trust, P.O. Paradip Port, Distt. Jagatsinghpur, Odissa – 754142
3. The Chairman, Visakhapatnam Port Trust, Port Area, Visakhapatnam – 530035
4. The Chairman, Kamrajar Port Limited (KPL), No. 23, First Floor, PT Lee Chengalvaraya, NaickerMaaligai, RajajiSalai, Chennai-600 001
5. The Chairman, Chennai Port Trust, 1, RajajiSalai, Chennai
6. The Chairman, V.O. Chidambaranar Port Trust, Bharati Nagar, Tutucorin-628004
7. The Chairman, Cochin Port Trust, Willingdon Island, Cochin-682009
8. The Chairman, New Mangalore Port Trust, Panambur, Mangalore-575010
9. The Chairman, Mormugao Port Trust, Headland Sada, Goa – 403 804
10. The Chairman, Jawaharlal Nehru Port Trust, Administrative Building, sheva, Navi Mumbai – 400 007
11. The Chairman, Mumbai Port Trust, Port House, ShoorjiVallabhdas Marg, Mumbai-400001
12. The Chairman, Deen Dayal Port Trust, Business Development Cell, Post Box No.50, Administrative Building, Gandhi Dham, Kutch-370 201
13. The Chief Executive Officer, Maharashtra Maritime Board, 3rd Floor, Ramji Bhai Kamani Marg, Ballard Estate, Mumbai – 400 038
14. The Chief Executive Officer, Tamil Nadu Maritime Board, No. 171, South Kesavaperumal Puram, Off Greenways Road, Raja Annamalai Puram, Chennai – 600 028
15. Vice Chairman & Chief Executive Officer, Gujarat Maritime Board, SagarBhawan, Sector 10-A, Gandhinagar – 382010
16. Secretary (Energy, Infrastructure & Investment & Ports), Government of Andhra Pradesh, Secretariat Office, FDC Complex, Opposite Mahaveer Hospital, A.C. Guards, Hyderabad
17. Principal Secretary to the Govt. of Karnataka, Department of Ports & IWT, Govt. of Karnataka, Public Works Department, 3rd Floor, VikasaSoudha, M.S. Building, Dr. Ambedkar Road, Bangalore-560 001
18. Secretary, Department of Ports, Govt. of Puducherry, Puducherry-605001

19. Additional Chief Secretary, Department of Ports, Govt. of Kerala, Thiruvananthapuram-695001
20. Secretary (Ports), Andaman & Nicobar Islands, Port Blair – 744101
21. Secretary (Ports), Govt. of Goa, Dayanand Bandokar Marg, Panaji, Goa
22. The Administrator, UT of Daman & Diu and UT of Dadara Nagar Haweli, Daman
23. Secretary (Ports), Govt, of Odisha, Secretariat, Bhubaneswar.
24. Chief Secretary, Govt. of West Bengal, 'NABANNA' HRBC Building, 325, Sarat Chatterjee Road, Howrah – 711102
25. The Administrator, UT of Lakshadweep, Kavaratti
26. Additional Chief Secretary (Transport & Ports), 2nd Floor, Home Department, Mantralaya, Mumbai – 400 032
27. Principal Secretary (Ports & Transport Deptt.), Block-2, 2nd Floor, Sachivalaya, Gandhinagar-382010
28. Principal Secretary (Highways & Minor Ports), Sectt. 5th Floor, Chennai-9
29. Chairperson, Inland Waterways Authority of India, Noida
30. DG, Directorate General of Light Houses & Lightships, Noida
31. DG, Directorate General of Shipping, Mumbai

Copy to:

1. Chief Executive Officer, NITI Aayog Yojana Bhavan, New Delhi
2. The Secretary, Deptt. of Expenditure, Ministry of Finance, North Block, New Delhi
3. AS&FA, Ministry of Shipping
4. Pr. Chief Controller of Accounts, Ministry of Shipping, IDA Building Jamnagar House, New Delhi
5. Pay & Accounts Officer(Control), Ministry of Shipping, IDA Building Jamnagar House, New Delhi
6. IFW, Ministry of Shipping
7. Indian Ports Association with the request to display the panel of independent engineers referred to in para 6 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. OSD to Hon'ble Minister (Shipping, RTH, Water Resources, River Development & Ganga Rejuvenation)
2. PS to Hon'ble Minister (Shipping & Finance)
3. PS to Hon'ble Minister (Shipping, RTH and Chemical & Fertilizers)
4. PPS to Secretary (Shipping)
5. PS to JS(Ports & Sagarmala),
6. PS to JS(Shipping & Administration)
7. PS to Adviser(Economics)
8. PS to Adviser(Statistics)
9. All Dirs/ DSs/USs of Ministry of Shipping.