

No. SC-18013/1/2013-ASO-I

Dated: 6<sup>th</sup> September, 2015.

OFFICE MEMORANDUM

Subject: Decentralisation of shipping arrangements in respect of ocean transportation of cargoes under the control of Government/Public Sector Undertaking.

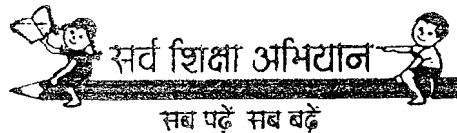
The undersigned is directed to say that as per the existing policy of the Government of India, all import contracts are to be finalized on FOB (Free on Board)/FAS (Free Alongside Ship) basis in respect of Government owned/controlled cargoes on behalf of Central Government Departments/State Government Departments and Public Sector Undertakings under them and in case of any departure therefrom, prior permission is required to be obtained from the Chartering Wing of the Ministry of Shipping on a case-to-case basis.

2. Based on the growing demand of various Government Departments/PSUs to allow them to organize their own shipping arrangements so as to take quick decisions in efficiently managing their cargo supply and logistics chain operations, it has now been decided by the Government that :

(a) All importing Government Departments/PSUs will make their own shipping arrangements without needing to route their requirements through Chartering Wing of Ministry of Shipping subject to the following:

(i) the import of bulk cargoes, both dry and liquid, will continue to be made on FOB/FAS basis by importing Government Departments/PSUs and shall remain subject to extant Government policy notified vide this Ministry's OM No. SC-11011/1/1994-ASO-II/Vol.III dated 27<sup>th</sup> February, 1996 (Annexure-I) and OM No. SC-11021/3/1999-ASO-I/Vol. III dated 15<sup>th</sup> November, 2001 (Annexure-II) and that in case of any departure therefrom, prior permission and No Objection Certificate will have to be obtained from the Ministry of Shipping on a case-to-case basis with the approval of the concerned administrative Ministry/Department.

Contd...../



(ii) the import of general liner cargoes (project cargoes, heavy lift, container, break bulk cargoes etc.) can now be made by Government Departments/PSUs on FOB (Free on Board)/FAS (Free Alongside Ship) or C&F (Cost & Freight)/CIF (Cost, Insurance & Freight) basis which shall otherwise remain subject to extant Government policy notified vide this Ministry's OM No. SC-11011/1/1994-ASO-II/Vol. III dated 27<sup>th</sup> February, 1996 (Annexure-I) and OM No. SC-11021/3/1999-ASO-I Vol. III dated 15<sup>th</sup> November, 2001 (Annexure-II). In case of C&F/CIF import, there is no need of obtaining NOC from the Ministry of Shipping.

3. Until the various Government Departments/PSUs organize their own chartering arrangements, the services of the Chartering Wing of the Ministry of Shipping will remain available during the transition period only until 31.12.2015.

4. It is requested that the above decision taken by the Government of India may kindly be brought to the notice of all the Public Sector Undertakings/projects/autonomous bodies/purchasing and selling organizations under the administrative control of Ministries and Departments concerned. Government Departments/PSUs may utilize the services of the Chartering Wing of the Ministry of Shipping till 31<sup>st</sup> December, 2015, if required.

5. A copy of the instructions issued may please be endorsed to this Ministry.

6. Hindi version is also enclosed.



(Barun Mitra)

Joint Secretary to the Government of India

Tele. No. +91-11-23356712

To,

- (1) All Ministries/Departments of Government of India.
- (2) The Chief Secretary to all the State Governments including the Union Territories.

1. The Directorate General of Shipping, 9<sup>th</sup> Floor Beta Building, Think Techno Campus, Kanjurmarg (East), Mumbai – 400042.
2. Chairman, Mumbai Port Trust.
3. Chairman, Kolkata port Trust.
4. Chairman, Chennai Port Trust.
5. Chairman, Visakhapatnam Port Trust.
6. Chairman, Cochin Port Trust.
7. Chairman, Kandla Port Trust.
8. Chairman, Mormugao Port Trust.
9. Chairman, Paradip Port Trust.
10. Chairman Tuticorin Port Trust.
11. Chairman, New Mangalore Port Trust.
12. Chairman, Jawaharlal Nehru Port Trust.
13. The Chairman cum Managing Director, Kamarjar Port Ltd., 23, Raja Salai, Chennai-1.
14. The Managing Director, Central inland Water Transport Corporation Ltd., 4, Fairlie Place, Kolkata-700001.
15. The Chairman & Managing Director, Cochin Shipyard Ltd., Cochin.
16. The Chairman, Dredging Corporation of India Ltd. LTC Building, Visakhapatnam-530004.
17. The Directorate General of Lighthouses & Lightships, A-13, Sector-24, Noida-20131 (UP).
18. The Chairman & Managing Director, Inland Water Authority, NOIDA, Ghaziabad, U.P.
19. The Chairman-cum-Managing Director, Shipping Corporation of India, Shipping House, 245, Madame Cama Road, Mumbai.
20. The President INSA, Mumbai.

contd...../

21. Reserve Bank of India, Foreign Exchange Control Department,  
RBI Building, Fort, Mumbai.
22. Ports Wing (05 copies)
23. Shipping Wing (05 copies)



( Barun Mitra)

Joint Secretary to the Government of India  
Tele. No. : +91-11-2335 6712

Copy also forwarded to :

1. Cabinet Secretariat, Rashtrapati Bhawan, New Delhi.
2. Principal Director Audit, IP Estate, New Delhi.
3. C&AG, New Delhi

सं. एससी-18013/1/2013-एसओ-1

दिनांक 05 सितंबर, 2015

### कार्यालय ज्ञापन

**विषय: सरकारी/सार्वजनिक क्षेत्र के उपक्रमों के नियंत्रण में कार्गोके समुद्री परिवहन के संबंध में नौवहन व्यवस्थाओं का विकेंद्रीकरण।**

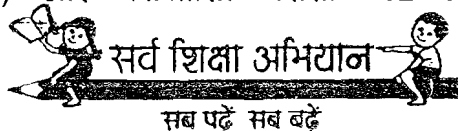
अधोहस्ताक्षरी को यह कहने का निदेश हुआ है कि भारत सरकार की मौजूदा नीति के अनुसार केंद्र सरकारी विभागों/ राज्य सरकारी विभागों और सार्वजनिक क्षेत्र के उपक्रमों के अंतर्गत और उनकी ओर से सरकार के अपने /नियंत्रित कार्गो के संबंध में सभी आयात संविदाओं को एफओबी (फ्री ऑन बोर्ड)। एफएस (फ्री अलांगसाइड शिप) आधार पर अंतिम रूप दिया जाना है और उनसे किसी प्रस्थान के मामले में मामला दर मामला आधार पर पोत परिवहन मंत्रालय के चार्टरिंग स्कंध से पूर्व अनुमति प्राप्त की जानी अपेक्षित है।

2. विभिन्न सरकारी विभागों/ सार्वजनिक क्षेत्र के उपक्रमों की बढ़ती हुई मांग के आधार पर उनके कार्गो आपूर्ति और लॉजिस्टिक चेन प्रचालनों के कुशल प्रबंधन के लिए त्वरित निर्णय लेने के लिए उन्हें अपनी नौवहन व्यवस्थाएं किए जाने की अनुमति देने के लिए सरकार द्वारा यह निर्णय लिया गया है वह हैं कि:

(क) सभी आयात करने वाले सरकारी विभागों/ पीएसयू पोत परिवहन मंत्रालय के चार्टरिंग स्कंध के माध्यम से अपनी अपेक्षाओं को रूट न करने की आवश्यकता के बिना स्वयं अपनी नौवहन व्यवस्थाएं करेंगे बशर्ते उनके पास निम्नलिखित हों :

i. आयात करने वाले सरकारी विभागों/ पीएसयू द्वारा बल्क कार्गो, दोनों शुष्क एवं लिक्विड का आयात एफओबी/एफएस आधार पर जारी रहेगा और इस मंत्रालय के का.जा.सं. एससी-11011/1/1994-एसओ-11 को खण्ड-111 दिनांक 27.2.1996 (अनुबंध-1) और का.जा.सं.-एससी-11021/3/1999-एसओ-11 खण्ड-111 दिनांक 15.11.2001 (अनुबंध-11) द्वारा अधिसूचित की गई मौजूदा सरकारी नीति के अधीन रहेगा और उनसे किए गए किसी प्रस्थान के मामले में संबंधित प्रशासनिक मंत्रालय/ विभाग के अनुमोदन से मामला-दर-मामला आधार पर पोत परिवहन मंत्रालय से पूर्व अनुमति और अनापत्ति प्रमाण पत्र लिया जाना होगा।

ii. सरकारी विभागों पीएसयू जनरल लाइनर कार्गो (परियोजना कार्गो, हैवी लिफ्ट, कंटेनर, ब्रेक बल्क कार्गो इत्यादि) का आयात एफओबी (फ्री ऑन बोर्ड)/ एफएस (फ्री अलांग साइड शिप) अथवा सी एंड एफ (कास्ट एंड फ्रेट/ सीआईएफ (कास्ट, इंश्योरेंस एंड फ्रेट) आधार पर कर सकते हैं जो अन्यथा इस मंत्रालय के का.जा.सं. एससी-11011/1/1994-एसओ-11/खण्ड-111 दिनांक 27.2.1996 अनुबंध (1) और का.जा.सं. एससी-11021/3/1999-एसओ-11 खण्ड-111 दिनांक



कार्य को प्रभावित नहीं है।

3. जब तक विभिन्न सरकारी विभाग/पीएसयू अपनी चार्टरिंग व्यवस्थाएं नहीं करते हैं तब तक पोत परिवहन मंत्रालय के चार्टरिंग स्कंध की सेवाएं 31.12.2015 तक केवल पारवहन अवधि के दौरान उपलब्ध रहेगी।
4. अतः यह अनुरोध किया जाता है कि सरकार द्वारा लिए गए उपर्युक्त निर्णय को मंत्रालय और विभागों के प्रशासनिक नियंत्रणाधीन/ सार्वजनिक क्षेत्र के उपक्रमों/परियोजनाओं/स्वायत्त निकायों/खरीदने तथा बेचने वाले संगठनों के ध्यान में लाया जाए। सरकारी विभाग/ पीएसयू पोत परिवहन मंत्रालय के चार्टरिंग स्कंध की सेवाएं 31 दिसंबर, 2015 तक ले सकते हैं, यदि अपेक्षित हो।
5. जारी किए गए अनुदेशों की एक प्रति इस मंत्रालय को कृपया अग्रेषित की जाए।

वरुण मित्रा

(वरुण मित्रा)

संयुक्त सचिव, भारत सरकार

दूरभाष +91-11-23356712

सेवा में,

1. भारत सरकार के सभी मंत्रालय / विभाग
2. संघ शासित क्षेत्रों सहित सभी राज्य सरकारों के प्रधान सचिव

2. अध्यक्ष, मुंबई न्याय न्यास
3. अध्यक्ष, कोलकाता पत्तन न्यास
4. अध्यक्ष, चैन्नई पत्तन न्यास
5. अध्यक्ष, विशाखापट्टणम पत्तन न्यास
6. अध्यक्ष, कोचीन पत्तन न्यास
7. अध्यक्ष, कंडला पत्तन न्यास
8. अध्यक्ष, मुरगांव पत्तन न्यास
9. अध्यक्ष, पारादीप पत्तन न्यास
10. अध्यक्ष, तूतीकोरिन पत्तन न्यास
11. अध्यक्ष, नव मंगलूर पत्तन न्यास
12. अध्यक्ष, जवाहरलाल नेहरू पत्तन न्यास
13. अध्यक्ष एवं प्रबंध निदेशक, कामराजार पत्तन लिमिटेड, 23, राजा सलाई, चैन्नई-1
14. प्रबंध निदेशक, केन्द्रीय अंतर्देशीय जलमार्ग परिवहन निगम लिमिटेड - 4 फेयरली प्लेस कोलकाता - 700001
15. अध्यक्ष एवं प्रबंध निदेशक, कोचीन शिपयार्ड लिमिटेड, कोचीन
16. अध्यक्ष, ड्रेजिंग कॉर्पोरेशन ऑफ इंडिया लिमिटेड, एलटीसी बिल्डिंग, विशाखापट्टणम - 530004
17. दीप पोत एवं दीपस्तंभ महानिदेशालय, ए-13, सेक्टर - 24, नोएडा-201301 (उत्तर प्रदेश)
18. अध्यक्ष एवं प्रबंध निदेशक, अंतर्देशीय जलमार्ग प्राधिकरण, नोएडा, गाजियाबाद, उत्तर प्रदेश
19. अध्यक्ष एवं प्रबंध निदेशक, भारतीय नौवहन निगम लिमिटेड, शिपिंग हाउस -245, मैडम कामा रोड, मुंबई।
20. अध्यक्ष, आईएनएसए, मुंबई ।
21. रिजर्व बैंक ऑफ इंडिया, फौरन एक्सचेंज कन्ट्रोल डिपार्टमेंट, आर बी आई बिल्डिंग, फोर्ट, मुंबई ।
22. पत्तन स्कंध (5 प्रतियां)
23. नौवहन स्कंध (5 प्रतियां)

(बरुण मित्रा)

(बरुण मित्रा)

संयुक्त सचिव, भारत सरकार,

दूरभाष - +91-11-23356712

प्रति अग्रेषित

1. मंत्रिमंडल सचिवालय, राष्ट्रपति भवन, नई दिल्ली ।
2. प्रधान निदेशक, लेखापरीक्षा, आई पी एस्टेट, नई दिल्ली ।
3. सी एण्ड एजी, नई दिल्ली ।



SECRET

File No. SC-18013/1/2013-ASO-I

Ministry of Shipping

Annexure-I

TELEGRAM: TRANSCHART  
FLEX: VAHAN IN 31-61157/  
31-61158/31-61159  
3718614  
TELEPHONE: 3710356/3710039/  
3718390/3719480

Government of India  
Ministry of Surface Transport  
(Chartering Wing)

SC-11011/1/94-ASO.II/Vol.III New Delhi, the 27th February, 1996

OFFICE MEMORANDUM

Subject: Ocean transportation of cargo under the control of Government/Public Sector Undertakings - review of the policy regarding.

...

The undersigned is directed to say that as per the existing policy of Government of India all import contracts are to be finalised on FOB (Free on Board/FAS (Free Alongside Ship) basis and those for exports on C&F (Cost and Freight)/CIF (Cost, Insurance, Freight) basis in respect of Government owned/controlled cargoes on behalf of Central Government Departments/State Government Departments and Public Sector Undertakings under them and in case of any departure therefrom, prior permission is required to be obtained from the Chartering Wing of the Ministry of Surface Transport on a case to case basis. The shipping arrangements are centralised in the Ministry of Surface Transport. These instructions about FOB/FAS purchases and C&F/CIF sales and entering into contracts where the element of foreign exchange expenditure is minimum already stand incorporated in the General Financial Rules of the Government.

2. Based on the difficulties/problems, as intimated by certain Government Departments/Public Sector Undertakings in the changed context of economic liberalisation, the thrust on performance improvement and competitiveness of Public Sector Undertakings, decanalisation of certain cargoes, Government has undertaken a through review of the above policy at various levels and it has now been decided by the Government that:-

- (i) Government policy for import contracts to be finalised on FOB/FAS basis and for exports on CIF basis in respect of Government owned/controlled cargoes on behalf of Central Government Departments/State Government Departments and Public Sector Undertakings under them and centralised shipping arrangements through the Ministry of Surface Transport (Chartering Wing) in

association with the concerned Ministry/Department/PSU may continue.

- (ii) Prior permission is required to be obtained from Ministry of Surface Transport on a case to case basis in case of any departure from the above policy. However, Ministry of Surface Transport shall ensure disposal of such requests within four working days on receipt of the complete information/request from the concerned Ministry/PSU.
- (iii) Ministry of Surface Transport, Chartering Wing (to ensure full utilisation of suitable Indian vessels in case they are able to meet the indenter's requirements at competitive rates and are able to maintain the time schedule.
- (iv) In case of import of bulk quantities like fertilisers, coal, foodgrains etc. where freight element is substantial, a representative from Ministry of Surface Transport may be invited to participate in the discussions for advising on the shipping aspects of import/export contracts.
- (v) Ministry of Surface Transport should make all out efforts to finalise vessels, Indian or foreign, at the most competitive rates and before fixing the vessels, prior approval of the indenting department/PSU should be obtained.
- (vi) In order to make imports and exports cost-effective and for judicious use of foreign exchange, Ministries/Departments should ensure imports on FOB/FAS and exports on CIF basis failing which necessary No Objection Certificate (NOC) should be obtained from Ministry of Surface Transport (Chartering Wing), while applying for release of necessary foreign exchange for the purpose of chartering foreign vessels and for making freight payment in foreign currency.
- (vii) The tendering system to be followed by Ministries/Departments/PSUs will be standardised. The Cabinet secretariat will initiate appropriate action in this regard.

3. It is requested that above decision taken by the Government of India may kindly be brought to the notice of all the Public Sector Undertakings/Projects/Autonomous Bodies/Purchasing & Selling Organisations under the administrative control of Ministries and Departments concerned and they may be advised to follow the prescribed procedure for arranging shipment of their cargoes through Chartering Wing (popularly known by its Cable Address "TRANSHART" in the shipping circle, the world over) of this Ministry and incorporating the prescribed Shipping Clauses in the purchase orders/contracts. They may also be instructed to

Send two copies each of the contracts in respect of both exports as well as imports, alongwith cargo particulars like weight, volume, loading port, discharging port, loading rate, discharging rate, period of shipment, parcel size and any other specific condition relating to shipment of cargoes etc. to this Ministry as soon as the same are finalised, for taking further necessary action with regard to the shipping arrangements.

4. A copy of the instructions issued may please also be endorsed of this Ministry.

*Shanbhag*  
(T.V. SHANBHAG)

Chief Controller of Chartering

To

- (1) All Ministries/Departments of Government of India 2 copies
- (2) The Chief Secretary to all the State Governments including the Union Territories.

Copy forwarded for information and necessary action to:-

1. The Directorate General of Shipping, Jahaz Bhavan, Walchand Hirachand Marg, Fort, Bombay-400001.
2. Chairman, Bombay Port Trust
3. Chairman, Calcutta Port Trust
4. Chairman, Madras Port Trust
5. Chairman, Visakhapatnam Port Trust
6. Chairman, Cochin Port Trust
7. Chairman, Kandla Port Trust
8. Chairman, Mormugao Port Trust
9. Chairman, Paradip Port Trust
10. Chairman, Tuticorin Port Trust
11. Chairman, New Mangalore Port Trust
12. Chairman, Jawaharlal Nehru Port Trust
13. The Chairman & Managing Director, Hindustan Shipyard Ltd., Visakhapatnam.

MINISTRY OF SHIPPING

The Managing Director, Central Inland Water Transport Corporation Ltd., 4, Fairlie Place, Calcutta-700024.

The Chairman & Managing Director, Cochin Shipyard Ltd., Cochin.

The Chairman, Dredging Corporation of India Ltd., LIC Building, Visakhapatnam-530004.

The Director General of Lighthouses & Lightships, Department of Lighthouses & Lightships, B.K. Puram, New Delhi.

The Chairman & Managing Director, Inland Water Authority, NOIDA, Gaziabad, U.P.

The Secretary (BRDB), B-Wing, Sans Bhawan, New Delhi.

The Chairman-cum-Managing Director, Shipping Corporation of India, Shipping House, 245, Madame Cama Road, Bombay.

The President INSA, Bombay.

The Reserve Bank of India, Foreign Exchange Control Department, RBI Building, Fort, Bombay.

Roads Wing (5 copies)

Ports Wing (5 copies)

Shipping Wing (5 copies)

(T.V. SHAMBHAG)

Chief Controller of Chartering

also forwarded to:-

Cabinet Secretariat, Rashtrapati Bhavan, New Delhi.

Principal Director Audit, IP Estate, New Delhi.

C&AG, New Delhi.

TELEGRAM: TRANSCHART  
TELEX: VAHN IN 31-61157/  
31-61158/31-61159

FAX NO: 3718614/3352726  
TELEPHONE: 3710356/3710039/  
3718390/3719480

GOVERNMENT OF INDIA  
MINISTRY OF SHIPPING  
CHARTERING WING

No.SC-11021/3/99-ASO-I VOL.III

Dated: the 15<sup>th</sup> November, 2001

OFFICE MEMORANDUM

Subject: Ocean Transportation of cargo under the control of Government/  
Public Sector Undertakings review of -The policy regarding.

.....

The undersigned is directed to say that as per the existing policy of Government of India all import contracts are to be finalised on FOB (free on Board)/FAS (Free alongside Ship) basis and those for exports on C&F (Cost and Freight)/CIF (Cost Insurance, freight) basis in respect of Government owned/controlled cargoes on behalf of Central Government Departments/State Government Departments and Public Sector Undertakings under them. In case of any departure therefrom, prior permission is required to be obtained from the Chartering Wing of the Ministry of Shipping. These instructions about FOB/FAS purchases and C&F/CIF sales and entering into contracts where the element of foreign exchange expenditure is minimum already stand incorporated in the General Financial Rules of the Government.

2. Based on the difficulties/problems, intimated by certain Government Departments/Public Sector Undertakings for exporting their cargoes in the changed context of economic liberalization, Government has undertaken a thorough review of the above policy at various levels. It has now been decided by the Government that:-

Contd...

(i) The present policy for placing import contract on FOB/FAS basis and Centralised shipping arrangements through Ministry of Shipping(Chartering Wing) notified vide this Ministry's O.M. No.SC-11011/1/94-ASO.II/VoL.III dated 27<sup>th</sup> February, 1996 in respect of government owned/controlled cargoes on behalf of Central Government Departments/State Government Departments and Public Sector Undertakings under them will continue.

(ii) The policy of centralized shipping arrangements through Chartering wing has been relaxed in case of exports. Government Departments/PSUs are free to finalize export contracts on FOB/FAS basis without seeking prior clearance from Ministry of Shipping(Chartering Wing).

3. It is requested that above decision taken by the Government of India may kindly be brought to the notice of all the Public Sector Undertakings/Projects/ Autonomous Bodies/ Purchasing & Selling Organisations under the administrative control of Ministries and Departments concerned and they may be advised to follow the prescribed procedure described above. They may also be instructed to send two copies of Import contracts alongwith cargo particulars like weight, volume, loading port, discharging port, loading rate, discharging rate, period of shipments, parcel size and any other specific condition relating to shipment of cargoes etc. to this Ministry as soon as the same are finalised for taking further necessary action with regard to the shipping arrangements in respect of import cargoes.

4. A copy of the instructions issued may please be endorsed to this Ministry.

5. Hindi version is also enclosed.

  
(T.V. SHANBHAG)

CHIEF CONTROLLER OF CHARTERING

To

(1) All Ministries /Departments of Government of India

.....2 copies

(2) The Chief Secretary to all the State Governments including the Union Territories.

Copy forwarded for information and necessary action to:-

1. The Directorate General of Shipping, Jahaz Bhavan, Walchand Hirachand Marg, port, Mumbai- 400001.
2. Chairman, Mumbai Port Trust.
3. Chairman, Kolkatta Port Trust.
4. Chairman, Chennai Port Trust.
5. Chairman, Vishakapatnam Port Trust.
6. Chairman, Cochin Port Trust.
7. Chairman, Kandla Port Trust.
8. Chairman, Mormugao Port Trust.
9. Chairman, Paradip Port Trust.
10. Chairman, Tuticorin Port Trust.
11. Chairman, New Mangalore Port Trust.
12. Chairman, Jawaharlal Nehru Port Trust.
13. The Chairman & Managing Director, Hindustan Shipyard Ltd. Vishakapatnam.
14. The Managing Director, Central Water Transport Corpn. Ltd. 4, Fairlie Place, Kolkatta-70001.
15. The Chairman & Managing Director Cochin Shipyard Ltd. Cochin.
16. The Chairman, Dredging Corporation of India Ltd., LIC Building Vishakapatnam -530004.
17. The Director General of Lighthouses & Lightships, Department of Light-Houses & Lightships, R.K.Puram, New Delhi.

Ministry of Shipping

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18. The Chairman & Managing Director, Inland Water Authority, NOIDA, Ghaziabad, U.P.
19. The Chairman -cum- Managing Director, Shipping Corporation of India Ltd, Shipping House, 245, Madam Cama Road, Mumbai.
20. The President, INSA, Mumbai.
21. The Reserve Bank of India, Foreign Exchange Control Department, RBI Building, Fort, Mumbai.
22. Ports Wing (5 Copies).
23. Shipping Wing (5 Copies).

*T.V. Shanbhag*

(T.V. SHANBHAG)

CHIEF CONTROLLER OF CHARTERING

Copy also forwarded to:-

1. Cabinet Secretariat, Rashpati Bhavan, New Delhi.
2. Principal Director Audit, IP Estate, New Delhi.
3. C&AG, New Delhi.

SECRET

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