

Table

S.No.	Details of disclosure	Remarks
1	Name of the programme of activity	Scheme for promotion of flagging of merchant ships in India.
2	Objective of the programme	To provide subsidy support to Indian Shipping Companies in global tenders floated by Ministries/Department/CPSEs for import of Government cargo.
3	Procedure to avail benefits	Terms & Conditions for release of subsidy may be seen at <u>Annexure A</u> .
4	Duration of the programme/scheme	2021-22 to 2025-26 (Annexure B)
5	Physical and financial targets of the programme	
6	Nature/ scale of subsidy /amount allotted	Funds utilized in 2022-23 – Rs. 3.25 crores (approx.) BE 2023-24 – Rs.14 crores
7	Eligibility criteria for grant of subsidy	Annexure A may be seen.
8	Details of beneficiaries of subsidy programme (number, profile etc)	(SAIL – 4 & RINL – 1) Copies of 4 sanctions issued till date under the scheme are attached.

Annexure – 1

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 29th May, 2023

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021
 - a) and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - c) The rate at which the above subsidy support is extended to ship at a) and b) above would be reduced by 1% every year, till it falls to 10% and 5% respectively, for the two categories of ship mentioned above.
3. For existing Indian flagged ship which is already flagged –
 - a) And less than 10 years old on 1st February 2021, the subsidy support would be extended @ 10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) And between 10 to 20 years old on 1st February 2021, the subsidy support would be extended @5% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.

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ANNEXURE B

ANNEXURE F
(Refer to Para 6.2, Page 8 of the note)

Year-wise break up in case all the subsidy is extended @10%

(Rs. In crores)

	2021-22	2022-23	2023-24	2024-25	2025-26	Total	Ministry to be reimbursed
Crude	41.40	82.80	124.19	165.59	206.99	620.97	MOPNG
LPG	23.14	46.29	69.42	92.58	115.72	347.15	MOPNG
Coal	6.92	13.83	20.75	27.66	34.58	103.74	Ministry of Coal/Ministry of Steel
Fertilizer	0.72	1.44	2.16	2.89	3.61	10.82	Deptt. of Fertilizer
Total	72.18	144.36	216.52	288.72	360.90	1082.68	

Year-wise break up in case all the subsidy is extended @15%

(Rs. In crores)

	2021-22	2022-23	2023-24	2024-25	2025-26	Total	Ministry to be reimbursed
Crude	62.10	124.19	186.29	248.39	310.49	931.46	MOPNG
LPG	34.72	69.43	104.15	138.87	173.59	520.76	MOPNG
Coal	10.37	20.75	31.12	41.50	51.87	155.61	Ministry of Coal/Ministry of Steel
Fertilizer	1.08	2.16	3.25	4.33	5.41	16.23	Deptt. of Fertilizer
Total	108.27	216.53	324.81	433.09	541.36	1624.06	

File No. 20(10)/2020-RM-1
Government of India
Ministry of Steel
Raw Material Division

Udyog Bhawan, New Delhi
Dated: 31st March, 2022

To

The Pay and Accounts Officer,
Ministry of Steel,
Udyog Bhawan,
New Delhi – 110107

Sub: Sanction for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

Sir,

I am directed to convey the sanction of the President of India for release of subsidy amount of Rs 1,31,96,845/- (Rupees One Crore Thirty-One Lakh Ninety-Six Thousand Eight Hundred and Forty-Five only) under Scheme for promotion of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

2. The funds in para 1 above being authorized for release is against budget provision in the Third Batch of Supplementary Demand for Grants 2021-22 and on SAIL certifying the following transactions under the scheme applicable from 14.07.2021:

Sl. No.	Enquiry No	Base Cargo Quantity (MT)	B/L Quantity	RA Date	L1 RA Rate	Rate of ROFR Owner	Difference in %	Vessel	Year of Built	Subsidy Payable approx USD	ROFR owner of tender
1	ENQ. NO.083 /COKING COAL/SAIL/FGN-IND/2021-22/DTD 01-09-2021	75000	78602	2-Sep-21	31.80	31.85	0.16%	Vishva Anand	2012	3851.50	THE SHIPPING CORPORATION OF INDIA
2	ENQ. NO.116/COKING COAL/SAIL/FGN-IND/2021-22 /01-11-2021	38000	38575.683	2-Nov-21	38.95	42.00	7.83%	Vishva Diksha	2012	115302.72	THE SHIPPING CORPORATION OF INDIA
3	ENQ. NO. 119/COKING COAL/SAIL/FGN-IND/2021-22 /DATE 05-11-2021	38000	38602.26	8-Nov-21	37.40	37.45	0.13%	Vishva Prerna	2011	1891.51	THE SHIPPING CORPORATION OF INDIA
4	ENQ. NO. 169 /PCI COAL/SAIL/FGN-IND/2021-22/DTD 20-01-2022	75000	78230	21-Jan-22	19.50	19.50	0.00%	Vishva Vinay	2012	0.00	THE SHIPPING CORPORATION OF INDIA
5	ENQ. NO. 173 /COKING COAL /SAIL /FGN-IND /2021-22 / DATE 14-02-2022	38000	38385.965	15-Feb-22	47.00	48.40	2.98%	Vishva Ekta	2012	52665.54	THE SHIPPING CORPORATION OF INDIA

(Total amount in US\$ = 1,73,711.27; Card rate – TT Buying as on 28.03.2022 = 75.970; Total in INR = 1,31,96,845.18/-)

3. The release of subsidy amount is subject to terms and conditions mentioned in the Annexure-I of this sanction letter.

4. The expenditure of Rs 1,31,96,845/- (Rupees One Crore Thirty-One Lakh Ninety-Six Thousand Eight Hundred and Forty-Five only) will be debited to Budget Head: 2852 Industries (Major Head), 06 Engineering Industries (Sub-Major Head), 102 Transport Equipment Industries (Minor Head), 27 Flagging of Merchant ships in India (Sub-Head), 02 Subsidy Support to Indian Shipping Companies in Global Tenders by Ministry of Steel and its CPSEs, 33 Subsidies under Grant No. 96 of Ministry of Steel for 2021-22.

5. Shri Nasim Uddin Ansari Section Officer in this Ministry will be Drawing & Disbursing Officer in respect of this sanction.

6. The subsidy amount of Rs 1,31,96,845/- (Rupees One Crore Thirty-One Lakh Ninety-Six Thousand Eight Hundred and Forty-Five only) is being released to Steel Authority of India Limited (SAIL), New Delhi through RTGS to the S/B A/c No. 10813608557 of State Bank of India, New Delhi vide IFSC Code No. SBIN0017313.

7. This sanction issues with the concurrence of the integrated Finance Division Vide Dy. No. R-12/IFD/2022 dated 31st March, 2022.

Encl: as above

Samin Ansari
31/03/2022

(Samin Ansari)

Under Secretary to the Government of India

Copy to: -

1. Chairman, Steel Authority of India Limited (SAIL), Ispat Bhawan, Lodhi Road New Delhi
2. Chief Controller of Accounts, Ministry of Steel, New Delhi
3. Office of Principal Director of Audit, Economic Service Ministries, AGCR Building, I.P. Estate, New Delhi.
4. Ministry of Ports, Shipping and Waterways [Kind Attn: Mandeep Singh Randhawa, Director], Transport Bhawan, New Delhi.
5. Cash Section, Ministry of Steel (2 copies).
6. Budget Section (2 copies)
7. Finance Section
8. SAIL Division
9. Sanction folder

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 31st March, 2022

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021 and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
3. For a Ship which is flagged in India after 1st February, 2021 and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.

File No. 20(10)/2020-RM-1

Government of India
Ministry of Steel
Raw Material Division

UdyogBhawan, New Delhi
Dated: 24 January, 2023

To

The Pay and Accounts Officer,
Ministry of Steel,
Udyog Bhawan,
New Delhi – 110107

Sub: Sanction for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

Sir,

I am directed to convey the sanction of the President of India for release of subsidy amount of **Rs 3,20,25,052/- (Rupees Three Crore Twenty Lakh Twenty Five Thousand and Fifty Two only)** under Scheme for promotion of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

2. The funds in para 1 above being authorized for release is against budget provision in the First Batch of Supplementary Demand for Grants 2022-23 and on SAIL certifying the following transactions under the scheme applicable from 14.07.2021:

Sl. No.	Enquiry No	B/L Date	Vessel Name	Date of flagging of Ships	Age of vessel	Last bid price	L1 Bidders who are foreign shipping companies	L-1 Price	Actual Difference (in % of L-1)	Rate of subsidy applicable (% of quote offered by the L-1 foreign shipping company)	Subsidy payable (in USD)
A	B	C	D	E	F	G	H	I	J	K	L
1	19	29.05.2022	Vishva Vijeta	22.11.2011	<10 Yrs	56.00	M/s Allianz Bulk CFR8 Pt. Ltd., Singapore	55.95	0.09	0.09% i.r.o.L1 rate#	1906.28
2	22	13.06.2022	Vishva Vinay	16.08.2012	<10 Yrs	37.85	M/s Brainbridge Navigation Pte. Ltd., Singapore	32.15	17.73	10% of the quote offered by the L-1 foreign shipping company.	246028.71
3	54	23.07.2022	Vishva Malhar	28.11.2011	<10 Yrs	29.40	M/s Platina Bulk Carriers Pte Ltd., Singapore	25.20	16.67	10% of the quote offered by the L-1 foreign shipping company.	135986.05
4	73	26.08.2022	Vishva Nidhi	05.09.2011	<10 Yrs	39.00	M/s Propel Shipping Pte Ltd. Singapore	38.95	0.13	0.13% i.r.o. L-1 rate#	1897.21
5	136	29.11.2022	Vishva Malhar	28.11.2011	<10 Yrs	31.85	M/s Propel Shipping Pte Ltd. Singapore	31.75	0.31	0.31% i.r.o. L-1 rate#	3780.92
TOTAL											389599.17
Rate											82.20
TOTAL in INR = ₹ 3,20,25,052/-											

The actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L-1 foreign shipping company

3. The release of subsidy amount is subject to terms and conditions mentioned in the Annexure-I of this sanction letter.
4. The expenditure of **Rs 3,20,25,052/- (Rupees Three Crore Twenty Lakh Twenty Five Thousand and Fifty Two only)** will be debited to Budget Head: 2852 Industries (Major Head), 06 Engineering Industries (Sub-Major Head), 102 Transport Equipment Industries (Minor Head), 27 Flagging of Merchant ships in India (Sub-Head), 02 Subsidy Support to Indian Shipping Companies in Global Tenders by Ministry of Steel and its CPSEs, 33 Subsidies under Grant No. 97 of Ministry of Steel for 2022-23.
5. Shri Nasim Uddin Ansari Section Officer in this Ministry will be Drawing & Disbursing Officer in respect of this sanction.
6. The subsidy amount of **Rs 3,20,25,052/- (Rupees Three Crore Twenty Lakh Twenty Five Thousand and Fifty Two only)** is being released to T&S-HQ, Steel Authority of India Limited (SAIL) through RTGS to the S/B A/c No.00000030700546121 of State Bank of India, CAG, Kolkata vide IFSC Code No. SBIN0009998.
7. This sanction issues with the concurrence of the integrated Finance Division Vide Dy. No. R-2/IFD/2023 dated 24.01.2023.

Encl: as above


(Gopalakrishnan Ganesan)
Deputy Secretary to the Government of India
Tel: 011 2306 1505

Copy to: -

1. Chairman, Steel Authority of India Limited (SAIL), Ispat Bhawan, Lodhi Road New Delhi
2. Chief Controller of Accounts, Ministry of Steel, New Delhi
3. Ministry of Ports, Shipping and Waterways [Kind Attn: Mandeep Singh Randhawa, Director], Transport Bhawan, New Delhi.
4. Cash Section, Ministry of Steel (2 copies).
5. Budget Section (2 copies)
6. Finance Section
7. SAIL Division
8. Sanction folder

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 24 January, 2023

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021
 - d) and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - e) and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - f) The rate at which the above subsidy support is extended to ship at a) and b) above would be reduced by 1% every year, till it fails to 10% and 5% respectively, for the two categories of ship mentioned above.
3. For existing Indian flagged ship which is already flagged –
 - c) And less than 10 years old on 1st February 2021, the subsidy support would be extended @ 10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - d) And between 10 to 20 years old on 1st February 2021, the subsidy support would be extended @5% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.

File No. 20(10)/2020-RM-1
Government of India
Ministry of Steel
Raw Material Division

UdyogBhawan, New Delhi
Dated: 24 January, 2023

To

The Pay and Accounts Officer,
Ministry of Steel,
Udyog Bhawan,
New Delhi – 110107

Sub: Sanction for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

Sir,

I am directed to convey the sanction of the President of India for release of subsidy amount of **Rs 2,86,385/- (Rupees Two Lakh Eighty Six Thousand Three Hundred and Eighty Five only)** under Scheme for promotion of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

2. The funds in para 1 above being authorized for release is against budget provision in the First Batch of Supplementary Demand for Grants 2022-23 and on SAIL certifying the following transactions under the scheme applicable from 14.07.2021:

Enquiry No	Base Cargo Quantity (MT)	B/L Quantity	RA Date	L1 RA Rate	Rate of ROFR Owner	Difference In %	Vessel	Year of Built	Subsidy Payable approx USD	Card Rate	Subsidy Payable in INR	ROFR owner of tender
ENQ NO. 085 /COKING COAL/SAIL/F GN-IND/2021-22/DATE 06-09-2021	38000	38466.395	7-Sep-21	51.20	51.30	0.20 %	Vishva Diksha	2012	3769.71	75.970	286384.62	THE SHIPPING CORPORATION OF INDIA

3. The release of subsidy amount is subject to terms and conditions mentioned in the Annexure-I of this sanction letter.

4. The expenditure of **Rs 2,86,385/- (Rupees Two Lakh Eighty Six Thousand Three Hundred and Eighty Five only)** will be debited to Budget Head: 2852 Industries (Major Head), 06 Engineering Industries (Sub-Major Head), 102 Transport Equipment Industries (Minor Head), 27 Flagging of Merchant ships in India (Sub-Head), 02 Subsidy Support to Indian Shipping Companies in Global Tenders by Ministry of Steel and its CPSEs, 33 Subsidies under Grant No. 97 of Ministry of Steel for 2022-23.

5. Shri Nasim Uddin Ansari Section Officer in this Ministry will be Drawing & Disbursing Officer in respect of this sanction.

6. The subsidy amount of Rs 2,86,385/- (Rupees Two Lakh Eighty Six Thousand Three Hundred and Eighty Five only) is being released to T&S-HQ, Steel Authority of India Limited (SAIL) through RTGS to the S/B A/c No.00000030700546121 of State Bank of India, CAG, Kolkata vide IFSC Code No. SBIN0009998.

7. This sanction issues with the concurrence of the integrated Finance Division Vide Dy. No. R-1/IFD/2023 dated 24.01.2023.

Encl: as above


(Gopalakrishnan Ganesan)
Deputy Secretary to the Government of India
Tel: 011 2306 1505

Copy to: -

1. Chairman, Steel Authority of India Limited (SAIL), Ispat Bhawan, Lodhi Road New Delhi
2. Chief Controller of Accounts, Ministry of Steel, New Delhi
3. Ministry of Ports, Shipping and Waterways [Kind Attn: Mandeep Singh Randhawa, Director], Transport Bhawan, New Delhi.
4. Cash Section, Ministry of Steel (2 copies).
5. Budget Section (2 copies)
6. Finance Section
7. SAIL Division
8. Sanction folder

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 24 January, 2023

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021
 - a) and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - c) The rate at which the above subsidy support is extended to ship at a) and b) above would be reduced by 1% every year, till it fails to 10% and 5% respectively, for the two categories of ship mentioned above.
3. For existing Indian flagged ship which is already flagged –
 - a) And less than 10 years old on 1st February 2021, the subsidy support would be extended @ 10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) And between 10 to 20 years old on 1st February 2021, the subsidy support would be extended @5% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.

File No. 20(10)/2020-RM-1

Government of India
Ministry of Steel
Raw Material Division

Udyog Bhawan, New Delhi
Dated: 22nd March, 2023

To

The Pay and Accounts Officer,
Ministry of Steel,
Udyog Bhawan,
New Delhi – 110107

Sub: Sanction for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

Sir,

I am directed to convey the sanction of the President of India for release of subsidy amount of **Rs 1,52,890/- (Rupees One Lakh Fifty Two Thousand Eight Hundred and Ninety only)** under Scheme for promotion of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

2. The funds in para 1 above being authorized for release is against budget provision in the First Batch of Supplementary Demand for Grants 2022-23 and on SAIL certifying the following transactions under the scheme applicable from 14.07.2021:

Enquiry No	VESSEL	B/L Quantity	RA Date	L1 RA Rate	Rate of ROFR Owner	Difference In %	Year of Built	Subsidy Payable approx USD	Card Rate	Subsidy Payable In INR	ROFR owner of tender
165/2022-23/06.01.2023	MV VISHVA BANDHAN	38275.30	09.01.2023	23.40	23.45	0.21%	2011	1875.49	81.52	152889.92	THE SHIPPING CORPORATION OF INDIA

3. The release of subsidy amount is subject to terms and conditions mentioned in the Annexure-I of this sanction letter.

4. The expenditure of **Rs 1,52,890/- (Rupees One Lakh Fifty two Thousand Eight Hundred and Ninety only)** will be debited to Budget Head: 2852 Industries (Major Head), 06 Engineering Industries (Sub-Major Head), 102 Transport Equipment Industries (Minor Head), 27 Flagging of Merchant ships in India (Sub-Head), 02 Subsidy Support to Indian Shipping Companies in Global Tenders by Ministry of Steel and its CPSEs, 33 Subsidies under Grant No. 97 of Ministry of Steel for 2022-23.

5. Shri Nasim Uddin Ansari Section Officer in this Ministry will be Drawing & Disbursing Officer in respect of this sanction.

6. The subsidy amount of Rs 1,52,890/- (Rupees One Lakh Fifty two Thousand Eight Hundred and Ninety only) is being released to T&S-HQ, Steel Authority of India Limited (SAIL) through RTGS to the S/B A/c No.00000030700546121 of State Bank of India, CAG, Kolkata vide IFSC Code No. SBIN0009998.

7. This sanction issues with the concurrence of the integrated Finance Division Vide Dy. No R-15/IFD/2023 dated 22/3/2023.

Encl: as above



(Devidatta Satapathy)
Director
Tel: 011 2306 2386

Copy to: -

1. Chairman, Steel Authority of India Limited (SAIL), Ispat Bhawan, Lodhi Road New Delhi
2. Chief Controller of Accounts, Ministry of Steel, New Delhi
3. Ministry of Ports, Shipping and Waterways [Kind Attn: Mandeep Singh Randhawa, Director], Transport Bhawan, New Delhi.
4. Cash Section, Ministry of Steel (2 copies).
5. Budget Section (2 copies)
6. Finance Section
7. SAIL Division
8. Sanction folder

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 22nd March, 2023

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021
 - a) and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - c) The rate at which the above subsidy support is extended to ship at a) and b) above would be reduced by 1% every year, till it falls to 10% and 5% respectively, for the two categories of ship mentioned above.
3. For existing Indian flagged ship which is already flagged –
 - a) And less than 10 years old on 1st February 2021, the subsidy support would be extended @ 10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) And between 10 to 20 years old on 1st February 2021, the subsidy support would be extended @5% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.

File No. 20(10)/2020-RM-1
Government of India
Ministry of Steel
Raw Material Division

Udyog Bhawan, New Delhi
Dated: 29th May, 2023

To
The Pay and Accounts Officer,
Ministry of Steel,
Udyog Bhawan,
New Delhi – 110107

Sub: Sanction for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

Sir,

I am directed to convey the sanction of the President of India for release of subsidy amount of **₹1,52,25,145/- (Rupees One Crore Fifty Two Lakh Twenty Five Thousand One Hundred and Forty Five only)** under Scheme for promotion of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs).

2. The funds in para 1 above being authorized for release is against budget provision for Grants 2023-24 and on RINL certifying the following transactions under the scheme applicable from 14.07.2021:

Sl. No.	Enquiry No	Vessel Name	Date of flagging of Indian Ships	Age of Vessel (as on 01.02.2021)	Quantity (In MT)	Rate of ROFR Owner (USD)	L1 RA Rate (USD)	Difference (G-H)		Subsidy (% of L1 RA Rate)		Rate of subsidy applicable (In USD) Col I OR Col L whichever is less	Subsidy payable (In USD) [F x M]	Subsidy Payable in INR
								USD	%	%	USD			
A	B	C	D	E	F	G	H	I	J	K	L	M	N	
1	2900002051 20.09.2022	MV Vishva Malhar	28.11.2011	9 Yrs	39200.308	39.95	39.00	0.95	2.38	10%	3.90	0.95	36495.49	30,02,210/-
2	2900002132 13.01.2023	MV Jag Radha	2009	12 Yrs	39704.610	21.70	19.75	1.95	6.56	5%	0.9875	0.9875	38424.14	31,60,865/-
3	2900002054 08.10.2022	MV Vishva Prema	25.10.2011	9 Yrs	38104.600	44.95	42.00	2.95	0.50	10%	4.20	2.95	110160.40	90,62,070/-
												TOTAL	185080.03	
												Rate	82.26250	
TOTAL in INR													1,52,25,145/-	1,52,25,145/-

[Subsidy payment formula:

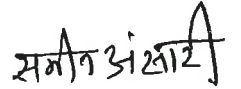
For Sl. No. 1 & 3 :- (rate of ROFR bidder - L1 rate) x B/L Quantity x Reduction of 2% due to in lieu of weight.

For Sl. No. 2 :- B/L Quantity x 5% of L 1 rate (as per age of ship which is more than 10 years) x Reduction of 2% due to in lieu of weight.]

3. The release of subsidy amount is subject to terms and conditions mentioned in the Annexure-I of this sanction letter.

4. The expenditure of ₹1,52,25,145/- (Rupees One Crore Fifty Two Lakh Twenty Five Thousand One Hundred and Forty Five only) will be debited to Budget Head: 2852 Industries (Major Head), 06 Engineering Industries (Sub-Major Head), 102 Transport Equipment Industries (Minor Head), 27 Flagging of Merchant ships in India (Sub-Head), 02 Subsidy Support to Indian Shipping Companies in Global Tenders by Ministry of Steel and its CPSEs, 33 Subsidies under Grant No. 97 of Ministry of Steel for 2023-24.
5. Shri Nasim Uddin Ansari Section Officer in this Ministry will be Drawing & Disbursing Officer in respect of this sanction.
6. The subsidy amount of ₹1,52,25,145/- (Rupees One Crore Fifty Two Lakh Twenty Five Thousand One Hundred and Forty Five only) is being released to Rashtriya Ispat Nigam Limited (RINL) through RTGS to the S/B A/c No.31563188242 of State Bank of India, Commercial Branch, Visakhapatnam- 530016 vide IFSC Code No. SBIN0014407.
7. This sanction issues with the concurrence of the integrated Finance Division Vide Dy. No R-20/IFD/2023 dated 29/05/2023.

Encl: as above



(Samin Ansari)

Under Secretary to the Government of India

Tel: 011 2306 3473

Copy to: -

1. CMD, Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant, Visakhapatnam-530031
2. Chief Controller of Accounts, Ministry of Steel, New Delhi.
3. Ministry of Ports, Shipping and Waterways [Kind Attn: Mandeep Singh Randhawa, Director], Transport Bhawan, New Delhi.
4. Cash Section, Ministry of Steel (2 copies).
5. Budget Section (2 copies)
6. Finance Section
7. RINL Division
8. Sanction folder

Annexure to Sanction Order No. 20(10)/2020-RM-1 dated 29th May, 2023

Terms & Conditions for release of subsidy amount under Scheme for promotion of flagging of merchant ships in India by providing subsidy support to Indian Shipping companies in global tender floated by Ministries/Department/ Central Public Sector Enterprises (CPSEs)

1. The Scheme will be implemented with effect from 14.07.2021.
2. For a ship which is flagged in India after 1st February, 2021
 - a) and is less than 10 years at the time of flagging in India, the subsidy support would be extended @15% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) and which is between 10 to 20 years old at the time of flagging in India, the subsidy support would be extended @10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - c) The rate at which the above subsidy support is extended to ship at a) and b) above would be reduced by 1% every year, till it falls to 10% and 5% respectively, for the two categories of ship mentioned above.
3. For existing Indian flagged ship which is already flagged –
 - a) And less than 10 years old on 1st February 2021, the subsidy support would be extended @ 10% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
 - b) And between 10 to 20 years old on 1st February 2021, the subsidy support would be extended @5% of the quote offered by the L1 foreign shipping company OR the actual difference between the quote offered by the Indian flag vessel exercising ROFR and the quote offered by the L1 foreign shipping company, whichever is less.
4. The provisions of this subsidy support would not be available in case where an Indian flagged vessel is the L1 bidder.
5. Ships older than 20 years would not be eligible for any subsidy under the scheme.
6. GST is not applicable on the subsidy amount.
7. The eligible shipping company shall be paid the subsidy amount along with charter hire amount as per the contract terms by the tendering Department/CPSEs and the tendering Department/CPSEs will be then reimbursed.
8. The tendering Department/CPSE will forward the certificate of payment to the concerned Ministry so that the Ministry may release the payment to them.