

File. No. SY-13013/1/2020-SBR
Government of India
Ministry of Shipping
(SBR Division)

Transport Bhawan, Parliament Street
New Delhi- 110001
Dated the, 15th September, 2020

OFFICE MEMORANDUM

Subject: SOP for charter of tugs by Major Ports under Atmanirbhar Abhiyan Policy and implementation of Public Procurement (Preference to Make in India) Order of DPIIT dated 04.06.2020-regarding

The undersigned is directed to enclose a copy of SOP for charter of tugs by Major Ports under Atmanirbhar Abhiyan Policy and to request you to kindly upload the same on website of this Ministry for easy access of stakeholders.



(R.K. Sen)
Assistant Director(SBR)
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Tech Director, NIC
(Kind attention: Ms.Lissy George)
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Ministry of Shipping
Transport Bhawan

Copy to

Director (DP)

SOP FOR CHARTER/PROCUREMENT OF TUGS BY MAJOR PORTS
UNDER ATMANIRBHAR BHARAT ABHIYAN

Government of India (GoI) is pursuing the ambitious "Atmanirbhar Bharat Abhiyan" aimed at attaining Self Reliance, which would in turn lead to heightened Make In India and manufacture in India. This initiative aims to promote not only the MSME's and domestic industries, but it also seeks to facilitating large-scale employment generation, while at the same time ensuring that India becomes truly self-reliant in all spheres. The Public Procurement (Preference to Make in India) Order 2017, "PPP-MII Order, 2017", as amended in June 2020 is also relevant in this context.

2. The Ministry of Shipping (MoS), as part of its commitment to implement the directives of GoI wishes to promulgate necessary guidelines to enable and ensure compliance with this initiative in its areas of administration and operations. As part of the many steps being initiated in this regard, MoS proposes to issue Standard Operating Procedures (SoP) pertaining to Procurement/Chartering of Port Crafts by the Major Ports under MoS. As a first step in this direction, the following SoP for procurement/chartering of Tugs is hereby promulgated, for strict compliance:

- i. Henceforth, short term charters for Tugs shall generally be discouraged, unless it is for specific cases. Typical charter agreements for routine Port operations shall be for not less than 7 years in duration.
- ii. In compliance with para 3 (b) of the Public Procurement (Preference to Make in India) Order, issued by the Department of Promotion of Industry and Internal Trade on 4-06-2020, no Global tender enquiry is to be issued by the Major Ports for either procurement or chartering of tugs, with estimated value of purchases less than Rs. 200 crores. To assist the Major ports in expeditious implementation of the Make in India Order, this Ministry proposes to issue Approved Standardized Tug Design & Specifications (ASTDS).
- iii. The ASTDS shall be developed by IPA through CSL for a certain number of variants (initially about 5 types), based on recommendations of a 'Standing Specification Committee' (SSC), comprising representatives from IPA, DGS, IRS, CSL and SCI. The ASTDS, which will cover Outline Specifications, General Arrangement, Basic Calculations, Basic Structural Drawings, Key System Drawings and other Construction Standards, etc. will be technically vetted by the SSC. Thereafter, the ASTDS will be



'Certified in Principle' by IRS and published by IPA on its official website.

- iv. Ports may either procure the Tugs or Charter the Tugs as per their requirements. Tenders for procurement/charter shall be issued well in advance to provide prospective bidders (*either the Shipyard - if the Tugs are directly procured by the Port or the Tug Operator - if the tender is for Charter*) sufficient time to plan and offer vessels complying with ASTDS. The tugs complying with the ASTDS shall be built in Indian shipyards. The detailed Design & Engineering shall be carried out either by the shipyard building the vessel or through any capable design agency in India. SCI can be considered for construction supervision if so desired by the Port.
- v. The minimum time to be provided for mobilization of a new Tug built in India as per ASTDS shall not be less than the time required to build new Tugs in the International Market, which is generally 15 Months for the first Tug.
- vi. To enable service providers to plan the positioning of Indian Built Tugs as per ASTDS, tenders for Tugs (both direct procurement as well as Charter) issued henceforth by Ports shall incorporate minimum bidding time of not less than 10 weeks. This will ensure sufficient time to either mobilise Indian built Tugs already under the possession of the party or for firming up a suitable construction plan with an Indian shipyard. The ASTDS will aid the tendering port to finalise the tender within a shorter duration.
- vii. In case none of the bidders in a tender is in a position to provide Indian built tugs, then the bidders shall be granted the option of offering an alternate Tug meeting the operational requirements of the Port, on the condition that the Tug initially offered is substituted with an Indian Built Tug as per the ASTDS not later than 18 months from the date of commencement of the charter, failing which the party shall be liable for appropriate penalties as laid out in the tender. Such defaulting parties shall thereafter be barred from participation in further tenders for chartering of any type of vessel for all Ports under the MoS.
- viii. Ongoing charter contracts shall continue till their natural expiry as per the current contract terms & conditions.
- ix. For any special requirement or emergency that crops up in any of the Major Ports for which this SoP cannot be complied with, such Ports shall obtain specific clearance from the Ministry, specifying the reasons for non-compliance and relevant proof as maybe desired by the Ministry.

3. Development and promulgation of ASTDS shall be done as per the indicative timelines at Annexure.



**Development & promulgation of ASTDS
(Indicative Timelines)**

Sl. No.	Task Description	Proposed Timeline	Duration (Days)	Remarks
1	Date of promulgation of the SOP for procurement/chartering of Tugs by Major Ports, under the Atmanirbhar Bharat Abhiyaan	T ₀	-	
2	Formation of the Standing Specification Committee (SSC)	T ₀ +15	15	IPA, CSL, SCI, IRS, DGS.
3	Details from IPA	T ₀ +45	30	Suggest to be undertaken in a progressive way. Overall completion date indicated.
4	Submission of preliminary basic designs (for 5 variants) - to SCI	T ₀ + 195	150	The submissions shall be in a progressive way - as & when finished we can submit to the standing committee however, the overall schedule remains the same
5	Technical Vetting & Issue of Comments & Completion of Modification by CSL	T ₀ + 225	30	SCI to provide comments within 3 Weeks.
6	Submission of final design and technical specifications to IRS	T ₀ + 232	7	GA, Lines, Outline Spec, Midship, Profile & Deck, Prelim. Stab, Key P&IDs, SLD, ELA * **
7	IRS Plan Review Completion	T ₀ + 253	21	Suggest to be undertaken in a progressive way. Overall completion date indicated.
8	Closing of IRS Comments & Issuance of "Approval in Principal" by IRS for the basic Specification and designs submitted.	T ₀ + 274	21	For incorporation of final IRS comments.
9	Submission of ASTDS to IPA for the various types of Tugs as initially agreed to based on requirement projected by IPA.	T ₀ + 281	7	Final delivery of the documentation package.
10	Effective date of ASTDS compliance	T ₀ + 289	8	

FPS

Note

Design Package

*

The final 'In-principle Approved' ASTDS design package comprises of General Arrgt. Drg, Outline Specification, Midship Section Drg, Profile & Deck Plans, Prelim. Stability Calculations, P&ID of key systems, Electrical Single Line Diagram & Ele. Load Analysis.

1. The Shipyard which will build the vessels based on the ASTDS shall obtain the 'Project-Specific * Approval' from IRS for the indented class notations & demonstrating statutory compliance. The * typical time duration required for approval by IRS is about 2 months once the required documentation is submitted.

2. The in-principle approval enables fast-tracking of the formal approval (project-specific approval by IRS) of the final design submitted by the Shipyard for shorter turn-around time in the post contract phase. Further, it ensures the required flexibility for the Shipyards for fine-tuning the detail and production design & procurement, to allow adequate competitiveness among the Shipyards.

3. The ASTDS package defines a high-level framework for ensuring a benchmarked level of performance & quality of the vessels when constructed, at the same time it permits ample room for information.

**Government of India
Ministry of Shipping
(SBR Section)**

**Transport Bhawan, Parliament Street
New Delhi - 110001**

No. SY-13013/1/2020-SBR

Dated 9, September, 2020

ORDER

Subject: Constitution of Standing Specification Committee (SSC)

Government of India (GoI) is pursuing the ambitious "Atmanirbhar Bharat Abhiyan" aimed at attaining Self Reliance, which would in turn lead to heightened Make In India and manufacture in India. This initiative aims to promote not only the MSME's and domestic industries, but it also seeks to facilitating large-scale employment generation, while at the same time ensuring that India becomes truly self-reliant in all spheres. The Public Procurement (Preference to Make in India) Order 2017, "PPP-MII Order, 2017", as amended in June 2020 is also relevant in this context.

2. The Ministry of Shipping (MoS), as part of its commitment to implement the directives of GoI and to assist the Major Port Trusts to expeditiously implement the same, proposes to prepare a set of Approved Standardized Tug Design & Specifications (ASTDS), pre-approved in-principle by the Indian Register of Shipping, to be published by the Indian Ports Association (IPA).


3. The ASTDS shall be developed by IPA through CSL for a certain number of variants (initially about 5 types), based on the recommendations of a Standing Specification Committee (SSC). The ASTDS, which will cover Outline Specifications, General Arrangement, Basic Calculations, Basic Structural Drawings, Key System Drawings and other Construction Standards etc. will be technically vetted by the SSC.

4. Accordingly, the undersigned is directed to inform that a Standing Specification Committee (SSC) for the above mentioned purpose is constituted comprising the following members:

- | | | |
|--|---|----------|
| (i) Managing Director, Indian Ports Association | - | Chairman |
| (ii) Representative of Directorate General of Shipping | - | Member |
| (iii) Representative of Shipping Corporation of India | - | Member |
| (iv) Representative of Cochin Shipyard Limited | - | Member |
| (v) Representative of Indian Register of Shipping | - | Member |

5. The Standing Specification Committee shall prepare the Approved Standardized Tug Design & Specifications (ASTDS) as per the timeline annexed.

6. This issues with the approval of the Competent Authority.


(Dashrath Prasad)
Director

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To,

1. DG(S)

2. MD, IPA
3. CMD, SCI
4. CMD, CSL
5. Chairman, IRS
6. Chairman, IPA

Copy to:

- 1) PS to Minister
- 2) PS to Secretary
- 3) PS to AS (S)
- 4) PS to JS (S)
- 5) PS to JS (P)
- 6) Guard File

**Development & promulgation of ASTDS
(Indicative Timelines)**

Sl. No.	Task Description	Proposed Timeline	Duration (Days)	Remarks
1	Date of promulgation of the SOP for procurement/chartering of Tugs by Major Ports, under the Atmanirbhar Bharat Abhiyaan	To	-	
2	Formation of the Standing Specification Committee (SSC)	To+15	15	IPA, CSL, SCI, IRS, DGS.
3	Details from IPA	To+45	30	Suggest to be undertaken in a progressive way. Overall completion date indicated.
4	Submission of preliminary basic designs (for 5 variants) - to SCI	To + 195	150	The submissions shall be in a progressive way - as & when finished we can submit to the standing committee however, the overall schedule remains the same
5	Technical Vetting & Issue of Comments & Completion of Modification by CSL	To + 225	30	SCI to provide comments within 3 Weeks.
6	Submission of final design and technical specifications to IRS	To + 232	7	GA, Lines, Outline Spec, Midship, Profile & Deck, Prelim. Stab, Key P&IDs, SLD, ELA * **
7	IRS Plan Review Completion	To + 253	21	Suggest to be undertaken in a progressive way. Overall completion date indicated.
8	Closing of IRS Comments & Issuance of "Approval in Principal" by IRS for the basic Specification and designs submitted.	To + 274	21	For incorporation of final IRS comments.
9	Submission of ASTDS to IPA for the various types of Tugs as initially agreed to based on requirement projected by IPA.	To + 281	7	Final delivery of the documentation package.
10	Effective date of ASTDS compliance	To + 289	8	

Note

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