

NO. SW-15011/7/2015-CS

Government of India  
Ministry of Shipping

Transport Bhawan, Parliament Street,  
New Delhi – 110001

Dated 10<sup>th</sup> September, 2018

General Order No. 4 of 2018

**Sub: Relaxation under section 407 of the Merchant Shipping Act, 1958 for coastal movement of fertilizers – clarification thereof.**

Whereas a General Order No. 3 of 2018 was issued on 22nd June, 2018 giving relaxation to foreign ships engaged in the coasting trade of India under section 407 of the Merchant Shipping Act, 1958.

2. Whereas doubts have been raised by some stakeholders about the provision under Para 12.3 of the above order, relating to the quantity of coasting trade of fertilizers.

3. Whereas the provision of coasting trade of fertilizers contributing to at least 50% of the total cargo onboard the ship has been kept to promote movement of fertilizer through coastal shipping.

4. It is hereby clarified that the minimum movement of fertilizer to the extent of 50% of the total cargo onboard a ship is applicable only for cargo loaded at any Indian port for coastal movement i.e. at least 50% of the total coastal cargo on board should be fertilizers and rest of the coastal cargo can be any other cargo. It is further clarified that the movement of fertilizers can be in either bulk, break bulk or containerized form.

5. The following examples will further clarify the issue:

(a) If a foreign flag ship carrying 50,000 MT of EXIM material unloads 20,000 MT at Deendayal Port, then the vessel can load any quantity of fertilizers for coastal movement in the empty space, from Deendayal port to any other port of India. However, if any cargo other than fertilizers is also loaded at Deendayal Port, then the quantity of fertilizers has to be at least 50% of the total coastal cargo loaded at Deendayal Port. If any EXIM cargo is loaded at the same port, it would have no linkage with the carriage of fertilizer; the restriction of 50% is only w.r.t coastal cargo loaded from that particular port.

(b) If a foreign flag ship is chartered by an Indian firm, the ship can load any quantity of fertilizers for coastal movement. But if any coastal cargo other than fertilizer is also loaded, then the quantity of fertilizer has to be at least 50% of the total cargo loaded on board for coastal trade.

6. The other terms and conditions of the order No. 3 of 2018 will remain unchanged.

7. This issues with the approval of competent authority.



(P. K. Sharma)

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