

To,

- 1) MANSA / INSA
- 2) SHIP OWNERS/CHARTERERS.
- 3) SHIPPING AGENTS
- 4) OIL COMPANIES (HPCL/BPCL/IOC/ONGC/AILBIEA)
- 5) SHIPPING CORPORATION OF INDIA
- 6) PORT USERS &
- 7) ALL CONCERNED.

CIRCULAR

Sub: Oil Pollution Cess payment.

Reference is drawn to Gazette Notification of MOS dated 22nd July 1988 and circulars issued by this office.

On 17th December 2009, a meeting was held with Oil Companies, Shipping Corporation of India and Agents of Oil Companies, wherein Oil Pollution Cess issue was clarified. However, for the sake of clarity and avoid any ambiguity, this circular is issued and immediate compliance is requested.

The Notification states that –

(QUOTE) **“EACH TONNE OF OIL THAT IS IMPORTED IN INDIA OR SHIPPED FROM ANY PLACE IN INDIA AS A CARGO OF SHIP”** (UNQUOTE)

THUS, IT IS APPLICABLE FOR THAT PARCEL OF CARGO.

The 3 months limit is given for that particular parcel of cargo which continues to be on board or discharged partly at each port of call e.g. :

- (1) If a vessel arrives Wadinar with 170000 tonnes of oil and pays Oil Pollution Cess for 170000 tonnes at Wadinar, discharges 100000 tonnes of cargo and proceeds to Mumbai to discharge 40000 tonnes and then at Vizag remaining 30000 tonnes. Then there is no pollution cess leviable at Mumbai & Vizag if it is within window period of three months.
- (2) In another case if a vessel arrives with 100000 tonnes of oil at Wadinar, pays Oil Pollution Cess for 100000 tonnes and discharges entire oil cargo and goes to another port (say a Gulf Port) and comes back with 80000 tonnes of oil cargo into Mumbai. The vessel's Owner/Master/Agent is liable to pay for 80000 tonnes as parcel of cargo is different even though it is within a period of three months.

Similar treatment is applicable to coastal movement of Oil Cargo.

Oil Pollution cess is a cargo specific charge and not a vessel related charge. It is noticed that this charge is equated to Light House Dues, which if paid in any Indian Port is valid for next 30 days.

Therefore, every vessel carrying oil for which oil pollution cess has not been paid at any other Indian port within the previous three months,

would have to pay pollution cess at Mumbai for the quantity of oil on board, imported or shipped.

Oil pollution cess is applicable to all Oil Cargo i.e. Crude, SKO, HSD, Gas Oil, Furnace Oil, MS, Naptha, ATF & Lub Oil.

DEPUTY CONSERVATOR