

भारत सरकार / GOVERNMENT OF INDIA

पोत परिवहन मंत्रालय / MINISTRY OF SHIPPING

नौयहन महानिदेशालय / DIRECTORATE GENERAL OF SHIPPING

टेलीफोन: 91-22-25752040/1/2/3 फेक्स: 022-25752029/35 ई-मेल: dgship-dgs@nic.in

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F. No. SD-13/POL/3/97

Dated: 28.08.15

S.D. Circular No. 3 of 2015

Sub: License under section 406 of the Merchant Shipping Act, 1958 & fee to be charged for granting such license, to vessels covered under this office DGS Order No. 10 of 2014 [F. No. SD-12/Misc(15)/12] dated 23.07.14 [Indian Controlled Tonnage vessels] - reg.

WHEREAS, the Directorate General of Shipping [DGS], Govt. of India, vide its DGS Order No. 10 of 2014 [F.No. SD-12/Misc(15)/12] dated 23.07.14, has implemented a policy initiative to facilitate the growth of Indian mercantile marine tonnage through the route of the Indian Controlled Tonnage [ICT], by allowing ships owned by Indian entities to be flagged outside India, subject to certain conditions mentioned in the said DGS Order.

- 2. WHEREAS the DGS, GoI has received representations from Indian shipping companies, including the Indian National Ship-owners Association [INSA], informing certain difficulties in genuinely leveraging the said DGS order, in particular the provisions under Para 5 (e) of the said order.
- 3. Now, therefore, the Director General of Shipping & ex-officio Additional Secretary, Govt. of India has decided the following;
- 3.1. The vessels under Indian Controlled Tonnage, in terms of the above mentioned DGS Order, may be granted licenses under section 406 of Merchant Shipping [MS] Act, 1958, as amended by treating such vessels as chartered vessels by dispensing/exempting them from the requirement of a charterer, in terms of power conferred by sub-section (1) of section 456 of the Merchant Shipping Act, 1958 read with the erstwhile Ministry of Transport & Communications, Govt. of India, in force, Standing Order [S.O.] No. 3144 dated 17.12.60.

3.2. The applicant company concerned [for the purpose] shall follow the procedures laid down from time to time, for the grant of such a license, including that of no objection certificate [NOC] from the INSA.

3.3. Considering that shipping companies owning vessels under the said Indian Controlled

Tonnage are the actual owners of such vessels [Merchant] flagged out of India, 50% of the

amount of the chargeable processing fee, and license fee, per month, currently applicable to

foreign flag vessels, as per this office SD Circular No. 02 of 2010 [F. No. SD-13/POL(3)/97]

dated 04.02.2010, shall be paid by them as processing/licenses fee. Accordingly, the vessels

under Indian Controlled Tonnage paradigm and which apply for such Licenses in terms of

para 3.1 above shall pay Rs. 20,000/- [rupees twenty thousand only] as processing fee and

Rs. 15,000/-[rupees fifteen thousand only] as license fee [i.e. total Rs. 35,000/- [rupees thirty

five thousand only] per month.

4. The foregoing measures have been put in place for boosting the ICT /promoting Indian tonnage, in public interest and without prejudice to the right of this office, whatsoever, to

alter/modify any of the provisions of the said DGS Order or this Circular, going forward.

5. This issues with the approval of the Director General of Shipping & ex-officio Additional

Secretary to the Govt. of India.

Assistant Director General of Shipping (SD)

To,

1. All India Stakeholders/shipping companies, through DGS Website.

2. INSA, ICSSA, FOSMA & MASSA, Mumbai.

Copy to forwarded for an information to the;

1. Secretary to the GOI, Ministry of Shipping, Transport Bhawan, New Delhi [Attn.: Shri Abhinav Gupta, Deputy Secretary].

NA/CSS/CS, DGS, Gol.

DDG (Trg./MTT) & DDG (Coord), DGS, GoI.

4. Hindi Branch, DGS, Gol.

(Ash Mohomad)

Assistant Director General of Shipping (SD)