

DRAFT

MINISTRY OF PORTS, SHIPPING AND WATERWAYS

NOTIFICATION

New Delhi, the _____ 2026

G.S.R. _____. - In exercise of the powers conferred by sub-clause (q) of section 237, sub-clause (a) of sub-section (1) of section 237, sub-section (1) of section 242, section 244, section 253, sub-section (4) of section 254, section 255, section 256, section 260 and section 319 of the Merchant Shipping Act, 2025 (24 of 2025), and in supersession of the Merchant Shipping (Wreck and Salvage) Rules, 1974, except as things done or omitted to be done before such supersession, the Central Government hereby makes the following rules, namely: –

PART I

PRELIMINARY

1. Short title and commencement. –

- (1) These rules may be called the *Merchant Shipping (Wreck and Salvage) Rules, 2026*.
- (2) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions. –

- (1) In this part, unless the context otherwise requires. –
 - (a) “Act” means the Merchant Shipping Act, 2025 (24 of 2025);
 - (b) “Competent Authority” means the Director General of Maritime Administration appointed under sub-section (1) of section 7 of the Act for the purpose of implementing and enforcing the provisions of these rules, and includes the Nautical Adviser and any other authority or officer, to whom such powers have been delegated under the Act or the rules made thereunder;
 - (c) “Convention Area” means a State Party that has signed and ratified the

Nairobi Convention on the Removal of Wrecks, 2007;

- (d) “distress” means a situation wherein there is a reasonable certainty that a person, a vessel or other craft is threatened by grave and imminent danger and requires immediate assistance;
- (e) “flag state administration” means the government or maritime administration of the country whose flag the ship is entitled to fly, or under whose authority it is operating;
- (f) “Marine Pollution Response Operators” means means a service provider who owns or controls resources for removal of hazardous, noxious substances and oil spill, or any other substance that may cause harm to the marine environment, including equipment, trained personnel, and expertise, designed to respond effectively to oil spill incidents as approved under the rules;
- (g) “Marine Pollution Response Operators contract” means a contract entered into by the registered owner of the vessel with an approved Hazardous, Noxious Substances and Oil Spill Response Operator under section 255 of the act and this rule;
- (h) “Maritime Safety Advisory Committee” means the committee constituted under these rules and as specified in Schedule VI, for the purpose of:
 - i. Empanelment of experts for the purposes, including but not limited to assessment of wreck, technical advisory for locating, marking and/or removal of wreck, compensation liability, and other matters specified under the Part XII of the Act and these rules;
 - ii. Empanelment of Salvors; and
 - iii. Empanelment of Hazardous, Noxious Substances and Oil Spill Response Operators.
- (i) “Salvage operations” means any act or activity undertaken to assist a vessel or any other property in danger in coastal waters.
- (j) “Salvage and Marine Firefighting contract” means a contract entered into by the registered owner of the vessel with an approved Salvor under section 255 of the act and this rule;
- (k) “valuer” means any person appointed by the receiver of the wreck under

these rules to assess the value of any ship, or any equipment of such ship,
or any other article of cargo or stores of such ship;

- (2) Words and expressions used in this rule but not defined in sub-rule (1) shall have the respective meaning assigned to them in the Act.

PART II

WRECK

3. Manner to report a wreck. –

- (1) Subject to the provisions of sub-section (1) and sub-section (2) of section 236 of the Act, the master or ship owner or operator of the ship or the flag state administration of the ship, shall furnish the following information while reporting a wreck:
- (a) the name and principal place of business of the registered owner;
 - (b) the precise location/geographic coordinates of the wreck;
 - (c) the type, size and construction of the wreck;
 - (d) the nature of the damage to, and the condition of, the wreck;
 - (e) the nature and quantity of the cargo;
 - (f) the quantity and types of hazardous noxious substances, oil on board, including bunkers and lubricating oils;
 - (g) whether the wreck constitutes a hazard, posing a danger or impediment to navigation, or may be expected to result in major harmful consequences to the marine environment or damage to the coastline;
 - (h) mitigation plan or course of action to mitigate the hazard posed by the wreck.

4. Assessment for Determination of Hazard. –

- (1) Upon receipt of a report of a wreck under these rules, the Competent Authority shall, within a reasonable time, carry out an assessment to determine whether the wreck constitutes a hazard in accordance with section 237 of the Act.
- (2) The Competent Authority shall, based on the assessment, issue an order declaring whether the wreck constitutes a hazard and issue necessary directions towards the removal of the wreck.

5. Locating and Marking of Wrecks. –

- (1) Upon receiving a report of a wreck as prescribed under section 236 of the Act, the Competent Authority shall employ all practicable means and resources, including the National Hydrographic Office, Directorate General of Light Houses & Lightships, Port Authorities, Vessel Traffic Services, or any other appropriate mechanism, to issue a navigational warning indicating the position of the wreck and any other relevant information. Such warning shall be broadcast by all means available, including but not limited to radio transmission, WWNWS, Automatic Identification System, Navigational Telex, International Maritime Organisation recognized mobile-satellite communication service.
- (2) The Competent Authority may direct the ship owner or the operator of the ship to undertake all necessary measures for marking the wreck, under section 238 of the Act, in accordance with the Marine Aids to Navigation Act, 2021 and the Recommendations and Guidelines on aids to navigation published by International Organisation for Marine Aids to Navigation (IALA), as amended from time to time.
- (3) The Competent Authority may give directions to the receiver of wreck, Port Authorities and/or Maritime Board, as the case may be, within their respective jurisdiction, to facilitate locating of wreck or marking of the wreck, or both.
- (4) The Director-General under the Act may give necessary directions to the Directorate General of Light Houses & Lightships towards the purpose of locating and marking the wreck as per section 325 of the Act.

6. Measures to facilitate the removal of the wrecks. –

- (1) Where a ship has been involved in a maritime casualty and, as a consequence, the ship or any part thereof, or any cargo from such ship, constitutes a wreck in the coastal waters, the receiver of wreck shall coordinate, direct and supervise all measures relating to the marking, securing, removal or disposal of such wreck.

Provided that in the event of any delay in response or difficulty as reported by the receiver of wreck, the Competent Authority shall coordinate and

- give further directions to facilitate removal of the wreck.
- (2) The registered owner shall, within such time and in such manner as may be specified by the Competent Authority, appoint a salvor approved or recognised by the Competent Authority in accordance with section 255 of the Act, or any other person possessing such qualifications and experience as may be approved by the Competent Authority, to carry out the removal of the wreck on behalf of the registered owner.
 - (3) The Competent Authority shall –
 - (a) assess the action plan and timelines proposed by the registered owner for removal of the wreck, as prescribed under sub-section (5) of section 242, and may approve or disapprove or approve with certain modifications, as it deems necessary to ensure safety of navigation and protection of the marine environment.
 - (b) prescribe a time, within which the ship owner or operator shall remove the wreck as prescribed under sub-section (6) of section 242 of the Act.
 - (c) determine the need for the Central Government to undertake the wreck removal operations as prescribed under sub-section (7) of section 242 of the Act.

7. Application for issue or renewal of a Certificate of Insurance or other Financial Security. –

- (1) The registered owner of an Indian vessel, who has maintained insurance or other financial security in respect of that ship in accordance with the provisions of sub-section (1) of section 244, shall make an application to the Registrar where the said ship is registered, for issue or renewal of Certificate of Insurance or other Financial Security to cover his liability under the Convention, as specified in Form 'A' annexed to these rules.
- (2) The ship owner or operator of a ship other than an Indian vessel, registered in a State which is not a Convention State, who has maintained insurance or other financial security in respect of such ship in accordance with the provisions of sub-section (2) of section 244, may make an application to the Registrar for issue or renewal of the Certificate of Insurance or other Financial Security to

cover his liability under the Convention, in Form 'A' annexed to these rules.

- (3) Every application under sub-rules (1) and (2) shall contain such particulars as may be mentioned therein and be accompanied by documentary evidence regarding maintenance of such insurance or other financial security and a receipt confirming payment of applicable fees as prescribed in Rule 11, Registrar.

8. Certificate of Insurance or other Financial Security in respect of liability for removal of wreck. –

- (1) After receiving the application under sub-rule (1) or sub-rule (2) of Rule 7, the Registrar shall, on being satisfied about the maintenance of insurance or other financial security in respect of that ship, issue the Certificate of Insurance or other Financial Security in respect of liability removal of wreck, in Form "B" annexed to these Rules.
- (2) The following are to be observed when completing the Certificate of Insurance or Other Financial Security annexed as Form "B" to these rules—
- (a) Where the total amount of financial security is furnished by more than one source, the amount provided by each shall be separately indicated;
 - (b) Where the financial security is furnished in several forms, such forms shall be enumerated in the certificate; and
 - (c) The "Duration of Security" shall clearly indicate the date on which the financial security will be in effect.
 - (d) The entry "Address" of the insurer shall indicate its principal place of business and, where applicable, the place of business at which the insurance or other financial security is established.

9. Issue of duplicate certificate. –

- (1) Where, the certificate issued under Rule 8 is destroyed or defaced or otherwise lost, the owner or agent of the ship may apply to the Registrar where the original certificate was issued, for issuance of a duplicate certificate on the payment of an applicable fee as prescribed in Rule 11, in Form 'C' annexed to these rules.
- (2) In case the lost certificate under sub-rule (1) is traced or found by the owner or

his agent subsequently, it shall be returned to the Registrar where such certificate was issued.

- (3) The procedure to be followed by the owner or agent of the ship for the purposes of these rules shall be as specified in Rule 10.
- (4) The provisions of this rule shall not apply to certificates issued in electronic form.

10. Procedure for issuance of a duplicate certificate. –

- (1) Where a certificate issued under these rules is lost, destroyed, stolen, misplaced, or rendered illegible, the owner or operator of the ship shall, without delay, report the same in writing to the Registrar, indicating the circumstances of such loss, the location, and the approximate date of occurrence.
- (2) Upon reporting under sub-rule (1), the owner or operator shall lodge a First Information Report or loss report with the nearest police station and shall submit a copy thereof to the issuing authority.

Provided that such a report shall clearly state, inter alia, the name and particulars of the ship, the type, name and number of the certificate lost and the circumstances and approximate date and place of such loss.

- (3) The registered owner shall publish a notice of loss in two daily newspapers, one in English and one in a vernacular language, in the format approved by the Director-General and such copies of the newspapers in which the notice is published shall be submitted to the issuing authority.

Provided that the said notice shall contain, inter alia, the particulars of the vessel, the details of the certificate lost, and shall invite objections, if any, to the issuance of a duplicate certificate within ten days from the date of publication.

- (4) After compliance with sub-rules (2) and (3), the registered owner or operator may apply for issuance of a duplicate certificate, along with the fee prescribed under Rule 11, and such application shall be accompanied by—
 - (a) a copy of the FIR or loss report;
 - (b) copies of both newspaper notices; and
 - (c) an undertaking stating that in any instance the original certificate is subsequently traced or recovered, the same shall be surrendered to the issuing authority immediately.

- (5) Until such time as a duplicate certificate is issued and public notice of invalidation of the original certificate is published, the owner or operator shall remain liable for any misuse, fraudulent representation, or improper use of the lost certificate.
- (6) A duplicate certificate issued under Rule 9 shall have the same legal force and validity as the original certificate, and shall bear an endorsement stating "Duplicate - Issued in lieu of Original Lost".

11. Fees for issuance of certificate. –

- (1) Every application for the issue of a Certificate of Insurance or other Financial Security under Rule 8 shall be accompanied by a fee of INR Ten Thousand only and shall be paid through the prescribed means.
- (2) Every application for the renewal of the Certificate of Insurance or other Financial Security under Rule 8 shall be accompanied by a fee of INR Ten Thousand only and shall be paid through the prescribed means.
- (3) A duplicate copy of the certificate under Rule 9 shall be issued to the owner or Agent, as the case may be, on payment of a fee of INR Two thousand only and shall be paid through the prescribed means.

12. Claims arising due to the wreck. –

- (1) Where a ship has been declared as a wreck, the claims may be brought directly against the insurer or other person providing financial security for the registered owner's liability as prescribed under the Convention.
- (2) The Protection and Indemnity insurer of the registered owner shall establish a Claims Desk immediately, or within a period not exceeding seven (07) days from the date of reporting of the wreck, or within such period as may be directed by the Competent Authority. The Claims Desk shall facilitate the expeditious processing and settlement of compensation claims arising from the wreck. These claims may include damage to property or infrastructure, environmental damage, and third party losses.
- (3) The Claims Desk shall maintain complete and accurate records of all claims received, assessed, and settled, which shall be submitted periodically to the

Competent Authority, detailing the status of claims processing and settlement.

13. Claims of registered owners to the wreck. –

- (1) All claims of the registered owner to the wreck or sale proceeds thereof shall be made to the receiver of wreck in the manner specified in Part-I of Schedule I.
- (2) Where any claim is made for delivery of a wreck or for payment of the sale proceeds thereof and the receiver of wreck has doubt as to the claimant's title, the Receiver may require the claimant to complete Part II of Schedule I and to furnish such further evidence of title as the Receiver deems necessary. The Receiver may also make inquiries from the Registrar of Ships, shipper, consignee or any other person as may be deemed necessary to establish the claimant's title.
- (3) No claim made by an agent or assignee of the registered owner of the wreck shall be considered valid unless the claimant produces to the satisfaction of the Receiver such documents as may be required to prove due authorization by the registered owner.
- (4) No claim in respect of any article of wreck or the sale proceeds thereof belonging to a deceased master, seaman or passenger of a wrecked ship shall be entertained unless the claimant satisfies the Receiver, by production of such documentary evidence as the Receiver may deem necessary, of the claimant's title thereto.

14. Appointment of valuers. –

- (1) Where a dispute arises as to costs related to the salvage operation, the receiver of wreck may, on the application of the ship owner or the salvor, appoint a valuer to assess the value of the property.
- (2) Upon completion of the valuation, the receiver of wreck shall furnish copies thereof to both parties.
- (3) A copy of the valuation purporting to be signed by the valuer and certified as a true copy by the receiver of wreck shall be admissible in evidence in any subsequent proceedings.

- (4) The valuer shall be paid such fees as the receiver of wreck may determine to be reasonable, which shall form a charge on the salvage expenses; provided that where the valuer is appointed at the request of either the ship owner or salvor without the consent of the other party, the fees shall be borne by the party making the request.

15. Delivery of wreck to rightful registered owner. –

- (1) Any rightful registered owner who establishes title to a wreck or any part thereof, or to the sale proceeds thereof, to the satisfaction of the receiver of wreck in accordance with these rules, shall be obligated to pay the receiver of wreck salvage charges, any other expenditure properly incurred by the receiver of wreck for the recovery, preservation or safety of the wreck and fees payable to the receiver of wreck under Rule 20.
- (2) The Receiver may withhold delivery of any wreck or part thereof, or the sale proceeds thereof, to any claimant until all claims referred to in sub-rule (1) are settled in full.
- (3) For the purposes of this rule, a claimant shall be under an obligation to pay salvage charges and other expenses incurred by the receiver in respect of the entire property constituting the wreck notwithstanding whether his claim pertains to the entire property or a part thereof.
- (4) The receiver shall, on hand over a wreck or sale proceeds thereof, obtain from the claimant a receipt in Part-I of Schedule I.

16. Procedure for the sale of a wreck. –

- (1) A receiver shall not sell any wreck otherwise than by public auction. Every such sale shall be made on, as is where is, basis with purchaser assuming full responsibility for any taxes, payable to Government or port authorities and for encumbrance on the wreck such as maritime lines.
- (2) A notice for sale of a wreck shall be published not less than fourteen days in advance of the appointed date of sale, in three consecutive issues of at least two daily newspapers having a wide circulation in the jurisdictional Mercantile Marine Department concerned. Every such notice shall include:

- (a) the description of the wreck under sale, its site and other known details, if any;
 - (b) the percentage of the auction price that shall have to be paid as down-payment immediately after the conclusion of the auction;
 - (c) the period within which the balance amount shall be payable by the successful bidder;
 - (d) any other details as may be deemed necessary depending upon the nature of the wreck being sold and the circumstances under which it is being sold;
 - (e) a provision reserving right in the receiver to reject highest bid or to postpone or cancel the sale without assigning any reason there for;
 - (f) a provision to the effect that amount of down-payment referred to in clause (b) shall be liable to forfeiture, should the successful bidder fail to effect full and final payment of the balance amount the period stipulated in clause (c).
- (3) Where a receiver of wreck does not accept, highest bid or postpones or cancels any auction he shall record in writing the reasons therefore and make a report to the Competent Authority.
- (4) Where any auction is frustrated by reason of the receiver of wreck having rejected the highest bid, or having cancelled the auction or by reason of failure on the part of the highest bidder to effect full and final payment of the price within the stipulated period, the receiver shall organise a fresh sale of the wreck.
- (5) Where no buyers emerge during the auction or the wreck remains unclaimed after the auction, the receiver of wreck shall proceed with the disposal of the wreck, by scrapping, recycling, destruction or by any other means necessary, without further involvement from the registered owner, discharging all liability upon delivery or sale proceeds payment to be appropriated by the receiver of wreck.

17. Wreck spread over two or more receiver's jurisdiction. – When a part of any wreck is washed or brought ashore within the jurisdiction of one receiver and the remaining part thereof is so washed or brought ashore in the jurisdiction of another receiver or receivers, each receiver shall act independently of each other.

18. Wreck delivered in the jurisdiction of another receiver. – When a wreck found in the jurisdiction of any receiver is delivered to any other receiver, the latter shall immediately report the matter to the former. The disposal of such wreck shall be done by the receiver to whom it is delivered in the like manner as if it was found in his jurisdiction.

19. Report book. –

(1) Every receiver of wreck shall, in respect of each calendar year, prepare and submit to the jurisdictional Mercantile Marine Department a report containing particulars of all wrecks occurring within their jurisdiction, in such form and manner as specified in Schedule II. Such report shall, inter alia, record in respect of each wreck—

- (a) the date, time and position of occurrence;
 - (b) the name and particulars of the ship and registered owner, so far as they can be ascertained;
 - (c) a description and estimated value of the wreck or any part thereof taken into possession;
 - (d) details of any measures taken for marking, guarding, preserving, removing or disposing of the wreck; and
 - (e) a statement of all monies received and paid in respect of such wreck, including salvage charges, expenses and fees.
- (2) The jurisdictional Mercantile Marine Department shall collate all such reports received from Receivers of Wreck and furnish a consolidated annual report to the Competent Authority in such form and manner as may be specified.

20. Fees. – In respect of all or any of the matters specified in Schedule III there shall be paid to the receiver such fees as are specified in the said Schedule.

PART III
SALVAGE

21. Conditions for reward. –

- (1) Salvage operations which have had a useful result give right to a reward.
- (2) Except as otherwise provided, no payment is due under the Act if the salvage operations have had no useful result.
- (3) This shall apply, notwithstanding that the salvaged vessel and the vessel undertaking the salvage operations belong to the same owner.

22. Criteria for fixing the reward. –

- (1) The reward shall be fixed with a view to encouraging salvage operations, taking into account the following criteria:
 - (a) The salvaged value of the vessel and other property;
 - (b) The skill and efforts of the salvors in preventing or minimizing damage to the environment;
 - (c) The measure of success obtained by the salvor;
 - (d) The nature and degree of the danger;
 - (e) The skill and efforts of the salvors in salvaging the vessel, other property and life;
 - (f) The time used and expenses and losses incurred by the salvors;
 - (g) The risk of liability and other risks run by the salvors or their equipment;
 - (h) The promptness of the services rendered;
 - (i) The availability and use of vessels or other equipment intended for salvage operations;
 - (j) The state of readiness and efficiency of the salvor's equipment and the value thereof.
- (2) Payment of a reward fixed according to paragraph 1 shall be made by all of the vessel and other property interests in proportion to their respective salvaged values.
- (3) The rewards, exclusive of any interest and recoverable legal costs that may be payable thereon, shall not exceed the salvaged value of the vessel and other property.

23. Special compensation. –

- (1) If the salvor has carried out salvage operations in respect of a vessel which by

itself or its cargo threatened damage to the environment and has failed to earn a reward under Rule 22 at least equivalent to the special compensation assessable in accordance with this rule, he shall be entitled to special compensation from the owner of that vessel equivalent to his expenses as herein defined.

- (2) If, in the circumstances set out in sub-rule (1), the salvor by his salvage operations has prevented or minimized damage to the environment, the special compensation payable by the owner to the salvor under sub-rule (1) may be increased up to a maximum of 30 per cent of the expenses incurred by the salvor. However, the tribunal, if it deems it fair and just to do so and bearing in mind the relevant criteria set out in rule 22, sub-rule (1), may increase such special compensation further, but in no event shall the total increase be more than 100 per cent of the expenses incurred by the salvor.
- (3) Salvor's expenses for the purpose of sub-rule (1) and sub-rule (2) means the out-of-pocket expenses reasonably incurred by the salvor in the salvage operation and a fair rate for equipment and personnel actually and reasonably used in the salvage operation, taking into consideration the criteria set out in clauses (h), (i) and (j) of sub-rule (1) of Rule 22.
- (4) The total special compensation under this rule shall be paid only if and to the extent that such compensation is greater than any reward recoverable by the salvor under Rule 22.
- (5) If the salvor has been negligent and has thereby failed to prevent or minimize damage to the environment, he may be deprived of the whole or part of any special compensation due under this article.

24. Services rendered under existing contracts. – No payment is due under the provisions of Rule 21, 22 and 23 unless the services rendered exceed what can be reasonably considered as due performance of a contract entered into before the danger arose.

25. The effect of salvor's misconduct. – A salvor may be deprived of the whole or part of the payment due under Rule 21, 22 and 23 to the extent that the salvage operations

have become necessary or more difficult because of fault or neglect on his part of, if the salvor has been guilty of fraud or other dishonest conduct.

26. Circumstances under which the Central Government shall undertake salvage.

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- (1) The Competent Authority may, in accordance with sub-section (4) of section 254 of the Act, determine the circumstances in which the Central Government shall itself undertake or assume control of salvage operations.
- (2) The Central Government may undertake salvage operations where:
 - (a) a registered owner of the vessel does not appoint salvors to render salvage operations or where the owner of the vessel or the appointed salvors fail to take necessary measures within prescribed time;
 - (b) a wreck has been determined as a hazard and poses a danger or impediment to navigation or may reasonably be expected to result in major harmful consequences to the marine environment or damage to the coastline; no response from the owner
 - (c) such other circumstances as the Competent Authority may deem necessary.
- (3) The cost incurred by the Central Government for undertaking salvage operations shall be as prescribed under section 251 of the Act, and shall be borne by or recovered from the owner of the vessel, cargo, equipment or wreck.

27. Constitution of a Maritime Safety Advisory Committee. –

- (1) The Competent Authority shall constitute a Maritime Safety Advisory Committee, for the purpose of empanelment of Experts, Salvors and Marine Pollution Response Operators as prescribed under section 255 of the Act.
- (2) The Committee shall assess applicants based on the criteria as prescribed in Schedule IV for empanelment as Salvors, and in Schedule V for empanelment as Marine Pollution Response Operators, and recommend grant of authorisation to those found suitable.
- (3) The constitution, duties, procedure and conduct of business of the Advisory Committee referred to in sub-section (1) shall be as prescribed in Schedule VI.

28. Maintenance of Salvage, Marine Firefighting, Hazardous, Noxious Substances and Oil Spill Response Contracts. –

- (1) The Competent Authority shall require registered owners to maintain valid contracts with with a Salvage and Marine Firefighting service provider and a valid contract with a recognised Hazardous, Noxious Substances and Oil Spill Response Operators, retained and notified under section 255 of the Act, subject to such terms and conditions as prescribed under Merchant Shipping (Regulation of Entry of Ships into Indian Waters) Rules, 2026, to ensure effective response to marine casualties and associated pollution incidents.
- (2) The Salvage and Marine Firefighting contract, as referred to in sub-rule (1), shall ensure the availability of adequate resources and trained personnel capable of performing emergency response functions including firefighting, salvage, lightering, dewatering, and emergency towing, commensurate with the size and type of the ship, within the response times prescribed by the Competent Authority.
- (3) The Marine Pollution Response Operators contract, as referred to in sub-rule (1), shall ensure capability for hazardous, noxious substance and oil spill containment and recovery, shoreline protection, and pollution control operations, consistent with the area contingency plans and national response frameworks promulgated by the Indian Coast Guard.

29. Procedure for grievance redressal by the Director-General. –

- (1) Any dispute between the registered owner of the vessel and salvor may be referred to the Director-General under section 256 of the Act.
- (2) The Director-General shall—
 - (a) acknowledge the complaint within seven days;
 - (b) call for written submissions and evidentiary documents from both parties;
 - (c) offer mediation or technical evaluation through an independent maritime expert panel;
 - (d) record minutes of discussions and issue an agreed settlement memorandum where consensus is reached;

- (3) Proceedings shall be conducted in an impartial, fair and confidential manner and, as far as practicable, concluded within ninety days from the date of filing of the complaint.

PART IV
GENERAL

30. Receipts and expenditure. –

- (1) Every salvor or person incurring expenditure under these rules shall maintain detailed records of all receipts and expenditures, including vouchers, invoices and proof of payment.
- (2) Claims for reimbursement of expenditure shall be submitted the registered owner or insurer within one year from the date of such expenditure incurred, accompanied by—
 - (a) original receipts or certified copies thereof;
 - (b) evidence demonstrating that the expenditure was reasonably incurred at prevailing market rates; and
 - (c) a certificate from an independent valuer or the Advisory Committee confirming reasonableness, where required.
- (3) Failure to submit claims within the stipulated time shall bar recovery unless sufficient cause is shown.

31. Residual Powers. –

- (1) The Competent Authority may issue detailed guidelines, standard operating procedures, and contingency protocols consistent with these rules to ensure effective implementation of this Part.
- (2) Where any doubt arises in the interpretation or implementation of these rules, the decision of the Competent Authority shall be final.

32. Penalty. – Notwithstanding anything contained in the Act, whoever contravenes any of the provisions of these rules shall be punishable with fine in accordance with the provisions of sub-section (2) of Section 320 of the Act.

SCHEDULE I

[As attached in the Excel Sheet - Draft - WRC Rules Schedule 1 - Claims]

SCHEDULE II

[See rule 19]

Issued by the

Government of India

REPORT BOOK PARTICULARS OF WRECK

Taken possession of by the Receiver of Wreck named below.

Name of Officer	Title of office	Jurisdiction

Note: This report book is to contain full particulars of Wreck or other articles taken into Custody by the Receiver, or seized by or reported to him, and of all transactions in respect thereof. Cases in which the Receiver render services to a vessel in distress but does not take it into his custody, are also to be entered therein.

The Report Book should, in fact, be kept in such a manner as to enable the Receiver to ascertain at once, and without reference to any other documents, the following:

- (6) the date, time and position of occurrence;
- (7) the name and particulars of the ship and registered owner, so far as they can be ascertained;
- (8) details of any measures taken for marking, guarding, preserving, removing or disposing of the wreck; and
- (9) a description and estimated value of the wreck or any part thereof taken into possession;
- (10) the value of each article bearing a separate reference number;
- (11) if the article has been sold, the gross proceeds of sale;
- (12) a statement of all monies received and paid in respect of such wreck, including salvage charges, expenses and fees.
- (13) all sums received and paid on account thereof;
- (14) the disposal of the property or proceeds of sale;

(15) any other relevant details which are to be reported.

SCHEDULE III

(See rule 20)

SCALE OF FEES OF RECEIVER OF WRECK

<p>(1) For every wreck taken into possession by or in the custody of the Receiver under section 235 of the Act: -</p> <p>(k) if the wreck is a ship as defined in section 3(73) of the Act</p> <p>(l) if the wreck is a sailing vessel as defined in section 3(39) of the Act or an inland vessel as defined in section 2(1) of the Inland Steam Vessels Act, 1917 (Act I of 1917)</p> <p>(m) if the wreck is a vessel other than those mentioned in sub-clauses(a) and (b)</p> <p>(n) if the wreck is of the description of goods other than the mentioned in sub-clauses(a),(b)&(c)</p>	<p>5% of the value of such a ship but not exceeding Rs. 500,000/-</p> <p>1% of the value of such a sailing vessel or inland vessel but not exceeding Rs. 100,000/-.</p> <p>Half of the value of such a vessel but not exceeding Rs.5000/-</p> <p>1% of the aggregate value of such goods but not exceeding Rs. 10,000./-.</p>
<p>2) For services rendered by the Receiver under Rule 9 in respect of a vessel, not being</p>	

<p>a wreck, stranded or in distress or in respect of articles forming part of or belonging to such vessel or any goods taken out or washed ashore from such vessel-</p> <p>33.if the value of the vessel with her cargo, if any, exceeds Rs. 2000/-----</p> <p>34.if the value of the vessel with her cargo, if any is 20,00,000 /-or under</p>	<p>Rs. 3200/- for the first visit and Rs. 1600/- for subsequent visit subject to a maximum of Rs. 12800/-.</p> <p>Rs. 1600/- for every visit, subject to a maximum of Rs.6400/-</p>
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SCHEDULE IV

(See rule 27)

DRAFT CHECK LIST FOR EVALUATING APPLICATIONS FOR APPROVAL OF
EMPANELMENT AND RETENTION OF SALVAGE FIRMS UNDER PART XII OF THE
MERCHANT SHIPPING ACT, 2025.

Sr. No	Criteria	Requirements	Remarks
(1)	(2)	(3)	(4)
1	Registration with a regulatory body	Mandatory	Copy of certificate of incorporation to be submitted
2	Type of Company (Indian Company or Joint Venture with an Indian Entity by foreign salvage firms)	Mandatory	In case of Joint Venture, details of all entities to be submitted
3	Total paid-up capital of the (Indian) entity	1 crores (Mandatory)	Evidence required to be submitted with the application
4	Audited Financial Statements indicating positive net worth and turnover of the Indian entity/Joint Venture with Indian entity	1 years (Mandatory)	Evidence required to be submitted with the application <u>Note: In case of newly formed Joint Venture entity, preceding individual turnovers of each entity shall be taken into account' to the Financial Statements indicating positive net worth and turnover criteria.</u>

5	Ability to give Bank Guarantee/ LOU (Letter of Undertaking]/ LOI [Letter of Intent]	Mandatory	Specimen to be provided with the application
6	Operational set-up/ Stand-by locations around Indian Coast	Establishment of minimum Operational set-up/ Stand-by locations at 1 location on East and West Coast of India each within 12 months (Assurance of setting up a minimum 4 locations around the Indian Coast within 3 years)	Evidence to be submitted for the existing facility. Detailed setup plan to be submitted along with the application <u>Note: Setup plan to be submitted within 3 months of empanelment' in the description</u>
7	Assets/Equipment's available on standby	Mandatory	Evidence of assets/salvage equipment's available in India or which may be shipped to India, to be submitted with the application
8	Manpower Requirements (Salvage Master, Naval Architect, Chemist, Firefighting Expert and other salvage personnel)	Mandatory	Details, qualifications and experience of Salvage Master, Naval Architect, Chemist, Firefighting Expert and other salvage personnel to be provided

9	Experience of successful completion of salvage operations in last 05 years.	Successful completion of minimum 4 salvage operations (Mandatory)	Evidence of successful completion of salvage operation to be submitted
10	Experience of conducting salvage operations around Indian Ocean Region, Red Sea, Gulf of Aden and Persian Gulf in the last 10 years	Successful completion of minimum 2 salvage operations (Preferred)	Evidence of successful completion of salvage operation to be submitted
11	Details of any unsuccessful salvage operations	As applicable	Details required to be submitted with the application
12	A Member of International Salvage Union or equivalent accreditation	Mandatory	Evidence required to be submitted with the application
13	Adequate Professional Indemnity insurance by reputable insurer to be maintained by Salvage company	Mandatory	Evidence required to be submitted with the application
14	Tie up with OSRO (Oil Spill Response Organisation) in India with the list of equipment's and its locations	Mandatory	Evidence of tie up with OSRO required to be submitted with the application
15	Tie up/MOU with Ship operators/owners/managers for Emergency deployment of Tugs	Agreement should state that the tugs should be mobilized within 24 hours of reporting (Mandatory)	Evidence of tie up/MOU with Ship operators/owners/managers required to be submitted with the

			application
16	24 X 7 availability of Point of Contact for salvage	Mandatory	Declaration to be provided with the details of Point of Contact
17	Affidavit to comply with Indian laws	Mandatory	In compliance with the Merchant Shipping Act, 2025, Indian Ports Act, 2025 & other applicable Indian Laws

SCHEDULE V

(See rule 27)

[To be finalized and circulated]

SCHEDULE VI

(See rule 27)

CONSTITUTION OF A MARITIME SAFETY ADVISORY COMMITTEE

1. **Constitution.** — The Competent Authority shall constitute a Maritime Safety Advisory Committee for the purposes of empanelment of experts, salvors and marine pollution response operators under section 255 of the Act, and for providing technical advice on matters under Part XII of the Act and these rules.
2. **Composition.** — The A Maritime Safety Advisory Committee shall comprise the following members, namely: —
 - (a) Nautical Advisor, Directorate General of Shipping — Chairman;
 - (b) Officer in charge of MMDAC-DGCOMM Centre — Member Secretary;
 - (c) Chief Surveyor, Directorate General of Shipping — Member;
 - (d) Chief Ship Surveyor, Directorate General of Shipping — Member;
 - (e) Representative from Ministry of Ports, Shipping and Waterways — Member;
 - (f) Representative from Indian Coast Guard — Member;
 - (g) Representative from Indian Navy — Member;
 - (h) Representative from International Salvage Union — Member;
 - (i) Representative from affected Port Authority — Member;
 - (j) Representative from affected Coastal State — Member;
 - (k) any other member co-opted by the Chairman.
3. **Functions.** — The Maritime Safety Advisory Committee shall —
 - (a) Evaluate applications from Salvors and Marine Pollution Response Operators for approval;
 - (b) Verify financial and regulatory credentials;
 - (c) Check the demonstrated experience in salvage operations, wreck removal, pollution response, spill containment, recovery, shoreline protection, and pollution control operations, and other marine casualty risks;

- (d) Assess Operational set-up, availability of assets/equipment's, manpower requirements capacity to carry out salvage operations;
- (e) Assess ability conduct salvage operations under these Rules;
- (f) Periodically review and update the list of empanelled Salvors and Marine Pollution Response Operators;
- (g) Assess compliance with any other requirement specified in Schedule V and VI of these Rules.

4. **Empanelment of Experts.** — The Maritime Safety Advisory Committee may, if necessary, engage experts for evaluating the salvage operations, assessment of wrecks, technical advice on location, marking, removal, compensation liability or other matters under Part XII of the Act and these rules; the cost of such engagement shall be recoverable from the ship owner or operator.

5. **Procedure and Conduct of Business.** —

- (a) Meetings shall be convened by the Chairman or Member Secretary at the request of the Competent Authority; notice of not less than seven days shall be given.
- (b) Quorum for meetings shall be half the members including the Chairman or his nominee.
- (c) Decisions shall be by majority of members present; Chairman shall have a second or casting vote.
- (d) The Competent Authority may require additional information, undertakings or guarantees during evaluation.
- (e) The Member Secretary shall maintain records of proceedings, which shall be submitted to the Competent Authority within seven days of each meeting.
- (f) Members shall treat all proceedings as confidential except as authorised by the Competent Authority.
- (g) Recommendations of the Committee shall be forwarded to the Competent Authority for final decision, which shall be binding.
- (h) Authorisation granted shall be subject to conditions, limitations or periodic review as deemed necessary.

- (i) The Competent Authority shall publish and maintain a list of empanelled salvors, operators and experts on the official website with validity periods.
- (j) Authorisation shall remain valid until revoked, suspended or terminated by Competent Authority.
- (k) Competent Authority may revoke or suspend authorisation if standards cease to be met or rules are violated.

<p align="center">SCHEDULE II (SEE RULES 13 AND 15) Issued by the Govt. of India</p> <p align="center">CLAIM TO WRECK OR OTHER PROPERTY IN THE CUSTODY OF A RECEIVER OF WRECK</p> <p align="center">* Obliterate words that do not apply.</p> <p align="center">PART - I</p>						
Name, Port of Registry, And Official No. of vessel	Name and Residences of Owner and Master	Title of Claim.	Reference No in Report Book	Description of Property and of Marks, thereon, if any.	Estimated Value.	Memorandum of all Charges paid by owner on delivery of Property.
1	2	3	4	5	6	7
				<p align="center">Total Value</p> <p>I hereby certify that the claimant in this case has produced satisfactory proof of ownership, or agency assignation of interests and that I consider him entitled to the claim (net proceeds of sale) of property described in column 5 above; payment of all just expenses as stated in column 7 having been made.</p>		<p align="right">Rs.</p> <p>If sold Gross Proceeds</p> <p>Charges paid viz :-</p> <p>Salvage</p> <p>Travelling</p> <p>Incidental expenses</p> <p>Such as warehouse rent</p> <p>Fees payable to Receiver .</p> <p>Fees, if any, payable to the Valuer</p> <p>Charge outstanding viz :-</p> <p>Salvage</p> <p>Travelling</p> <p>Incidental expenses</p> <p>Fees payable to Receiver</p> <p>Fees, if any, payable to the Valuer</p> <p>Total Charges Net Proceeds.</p> <p>Received this -----day</p> <p>of-----20--</p> <p>of the Receiver at -----..the</p> <p>@(net proceeds of sale of the) property</p> <p>described form column 5 above. Revenue</p> <p>stamp of appropriate value to be affixed if</p> <p>payment in Cash exceeds Rs. 20.</p>

*In any case of doubt as to title the declaration specified in Part II of this Schedule should be required to be made

Dated this -----.. day of-----..20

Signature of Receiver

Claimant

PART II
Declaration to be made by Claimant when Receiver has any doubt as to his Title.
Description of Documents produced in support of Claim

I, _____, do solemnly and Sincerely declare,

1. That the particulars contained in Columns 1, 2, 3, 4, 5 & 7 of the Form on the other side hereof are correct and true.

2. That I am entitled to possession of the property, described therein, and that I hereby claim possession of the said property, subject to the payment of all just expenses.

3. That the document produced herewith, as evidence of ownership, agency or assignation of interests and described in column 8 of the said Form are true and genuine documents, and that the said _____ mentioned in such documents is the said _____ abovenamed

And I make this solemn declaration conscientiously believing the same to be true.

Signature of Claimant

Declared before me at _____
this _____ day of _____, 20--
Signature of Receiver

					PARTICULARS OF SALVAGE					Transaction in respect of Wreck			Particulars of wreck Sold		Wreck delivered or sale proceeds paid to owners				
Date of Receipt	Estimated value	Description of property	Name & Address of owners (if known)	Name official No. and Port of Registry of vessel (if known)	Date when found	Exact Spot where found	Services rendered	Name of Salvor	Address of Salvor	Charges on the wreck	Account of money received from owners	Date of sale To whom sold	Amount realized by sale	Net proceeds to be paid to Owners or held in deposit under section 398 of the M.S. Act. 1985	Date of payment of delivery	To whom paid or delivered	Whether Owner or Agent etc.	Reference Vouchers and Correspondence or particulars entered over leaf.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
										Rs.	Rs.		Rs.	Rs. P.					
										1. Travelling	As deposit for salvage etc.		Gross proceeds Deduct Expenses per column 11						
										2. Incidental expenses such as warehouse, rent cartage, etc.	Of which was disposed of in payment of charges as per contract								
										3. Fees payable to Receiver.	Balance of deposit returned to owners								
										4. Fees, if any, payable to the valuer.	As payment of charges as per contract.								
										5. Customs duties.									
										6. Salvage Total Charges.									

Reference Number

Further Particulars