

SR-22014-72-2023-MG (363195)  
Government of India  
Ministry of Ports, Shipping and Waterways

Transport Bhawan,  
1, Parliament Street, New Delhi – 110001  
Date: 05.08.2024

**NOTE FOR PUBLIC/STAKEHOLDERS**

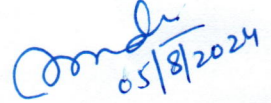
**Subject:-** Draft notification regarding Exemption from Licencing Requirement for Chartered Foreign Flag Vessels Notification, 2024

Sir/Madam,

Stakeholders/Public are hereby requested to furnish their comments/suggestions if any to the draft Exemption from Licencing Requirement for Chartered Foreign Flag Vessels Notification, 2024.

2. It is requested that stakeholders/public may furnish their comments/suggestions to the draft notification within 30 days from the above mentioned date at the email address given hereunder:

[somg-ship@nic.in](mailto:somg-ship@nic.in)

  
05/8/2024

(Sumit Nandan)  
Under Secretary to Govt. of India  
Tele/Fax: 23356711  
Email ID: usma-psw@gov.in

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, PART II, SECTION 3, SUB-SECTION (ii)]

Government of India

Ministry of Ports, Shipping and Waterways

Notification

New Delhi, dated the \_\_ \_\_ \_\_, 2024

S.O. \_\_.- In exercise of the powers conferred by sub-section (1) of 406 of the Merchant Shipping Act, 1958 (44 of 1958), the Central Government is of opinion that it is necessary or expedient in the public interest to hereby exempt chartered foreign flag vessels from the requirement of obtaining a licence, provided these vessels do not enter or operate within Indian waters.

**1. Short Title and Commencement.** —(1) This notification may be called the Exemption from Licencing Requirement for Chartered Foreign Flag Vessels Notification, 2024.

(2) It shall come into force on the date of its publication in the Official Gazette.

**2. Definitions.**— (1) “Act” means the Merchant Shipping Act, 1958 (44 of 1958);

(2) “Chartered by Indian Entity” means any contractual arrangement by an Indian company or individual to lease or hire a foreign flag vessel. It includes, —

(a) a citizen of India; or

(b) a company or a body established by or under any Central or State Act which has its principal place of business in India; or

(c) a co-operative society which is registered or deemed to be registered under the Cooperative Societies Act, 1912 (2 of 1912), or any other law relating to co-operative societies for the time being in force in any State;

(3) “Foreign Flag Vessel” means a ship registered under the flag of a country other than India;

(4) “Indian Waters” means the territorial waters, the exclusive economic zone, and other maritime zones of India as defined under THE TERRITORIAL WATERS, CONTINENTAL SHELF, EXCLUSIVE ECONOMIC ZONE, AND OTHER MARITIME ZONES ACT, 1976 (80 of 1976).

**3. Exemption from licencing requirement.**—(1) Notwithstanding anything contained in section 406 of the Act, foreign flag vessels chartered by Indian entities are hereby exempted from the requirement of obtaining a licence under the Act, provided these vessels do not enter or operate in Indian waters during the period of the charter.

(2) Notwithstanding the exemption as stipulated above, an Indian entity operating outside the jurisdiction of a Special Economic Zone may at its option, obtain the licence as per the extant rules.

**4. Conditions for exemption.**—(1) The exemption is applicable only when the foreign flag vessels are chartered by an Indian entity and strictly operate outside Indian waters throughout the charter period.

(2) Indian entities chartering foreign flag vessels under this exemption must maintain detailed records of the vessel's operations and submit quarterly reports to the Directorate General of Shipping, Ministry of Ports, Shipping and Waterways.

(3) The chartering entity must ensure that the exempted vessels comply with all relevant international maritime laws and regulations.

(4) Any breach of the conditions specified herein will result in the immediate revocation of the exemption and may attract penalties under the Act.

**5. Monitoring and compliance.**—(1) The Directorate General of Shipping shall implement a monitoring system to ensure compliance with the terms of this notification.

(2) The Ministry reserves the right to review and amend the conditions of this exemption as deemed necessary in the interest of national security and maritime safety.

**6. Repeal and Savings.**—(1) Any previous orders or notifications inconsistent with this notification are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said orders or notifications so repealed shall be deemed to have been done or taken under this notification.

[F.No. \_ \_ \_ ]

(Name of the Officer)

Joint Secretary to the Government of  
India