

भारत सरकार / GOVERNMENT OF INDIA
पत्तन, पोत परिवहन और जलमार्ग मंत्रालय
MINISTRY OF PORTS, SHIPPING AND WATERWAYS



नौवहन महानिदेशालय, मुंबई
DIRECTORATE GENERAL OF SHIPPING, MUMBAI

DGS ORDER

on Age Norms and other Qualitative Parameters w.r.t. vessels

F. No. 16-17011/5/2022-SD-DGS

Dated: 24.02.2023

DGS Order No. 06 of 2023

Sub: Age Norms and other Qualitative Parameters for Registration/operation of Vessels under Indian flag and, the foreign flag vessels required to apply for Licence under Sec 406 & 407 of The Merchant Shipping Act 1958.

The objective of the Merchant Shipping Act, 1958, is to foster the development and ensure the efficient maintenance of Indian mercantile marine in a manner best suited to serve the national interests.

2. The registration, certification, safety and security of Indian ships is a means to achieve the objective of the Merchant Shipping Act, 1958.
3. The quality tonnage is paramount for safe and secure expansion of the maritime sector and to achieve sustainability in ocean governance.
4. The safety of life at sea and ships depends on the quality of tonnage registered under the flag of a country.
5. The IMO has adopted initial strategy for reduction of Green House Gas and to achieve the targets defined by IMO, the vessel need to be transformed to alternate fuel ships and age norms will assist in ensuring gradual phasing out of fossil fuel ships and ushering of alternate/lowcarbon energy efficient ships.
6. The Merchant Shipping Act, 1958, is under review, and once the new legislation is enacted, the rules and conditions for registration shall be reviewed.
7. Whereas the average age of world fleet is on the declining trend, the average age of the Indian tonnage is on the increasing trend over the years.
8. Whereas, the existing guidelines stipulate that no prior technical clearance is required for acquisition of vessels below twenty-five years of age and would be required for vessels of and above twenty-five years of age.

9. Whereas, there is a need to modernise the Indian fleet, which requires extensive review of the requirements of the registration and operation of the ships, to ensure quality tonnage under Indian flag.

10. Whereas, there is also a need to create a level playing field for Indian ships by applying the requirements for quality tonnage over the foreign flag vessels also which are required to apply for licence under Sec 406 & 407 of Merchant Shipping Act 1958.

11. The matter has been discussed extensively with Indian National Ship-owners Association (INSA), and comments of other stakeholders like ICCSA/ ONGC have been taken. Further, four meetings were held on 18.02.22, 25.03.22, 18.08.22 and 16.12.2022 on the subject matter. Thereafter, a draft of the Order was published on 13.01.2023, for stakeholder's consultation; comments and suggestions from the stakeholders were considered on its merit, towards culmination of this Order.

12. Whereas, this order shall be applicable to all the Indian and foreign flag vessels required to be licenced under Sec 406 & 407 of the MS Act 1958. Accordingly, this order shall also be applicable to vessels granted exemption from licencing under sec 406 & 407 of the Act.

13. Whereas, this order shall not be applicable to Passenger Vessels, FSRU, FPSO, and Drilling/Production units certified under MODU/SPS Code, as applicable.

14. Whereas, the age of the vessel for the purpose of this Order, shall be computed from the "Date of Delivery" as mentioned in the Cargo Ship Safety Construction Certificate or any other Statutory Certificate issued under IMO Convention/Code.

15. Now therefore, in accordance with Section 406, 407 & 456 of the Merchant Shipping Act 1958, read with the notification S.O. No. 3144 dated 17.12.1960 and to meet the objective set out in the preamble of the said Act to ensure efficient maintenance of Indian mercantile marine and to promote acquisition of quality tonnage and enhance the safety of life at sea, the Directorate General of Shipping specifies the following requirements;

Sl. No.	Type of Ships	Application
(1)	(2)	(3)
15.1.	Ships for registration/operation under the Indian flag.	The vessels of type as specified in Column A of the Annexure-I to this Order, shall comply with the requirements stipulated in said Annexure, as made applicable therein.
15.2.	Ships acquired under Indian Controlled Tonnage:	The age and other qualitative parameters, as specified in the Annexure-I shall also apply to vessels of similar kind acquired under 'Indian Controlled Tonnage' regime (put in place vide DGS order 10 of 2014 dated 23.07.2014) carrying coastal cargo or providing services within the Exclusive Economic Zone of India.

15.3	Foreign Flag Ships:	The age and other qualitative parameters, as specified in the said Annexure-I shall also apply to all foreign flag vessels of similar kind requiring licence under Sec 406 and 407 of M S Act 1958, for operating within the Exclusive Economic Zone of India, whether chartered by an Indian entity or otherwise. In such cases the maximum age of the vessel shall be calculated on the date of commencement of service or carriage of cargo, as the case may be.
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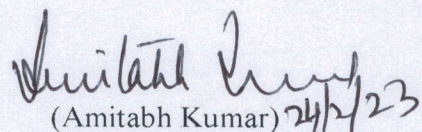
16. The Director General of Shipping reserves the right to dispense with any requirement of this Order on a case to case basis, after considering inputs from INSA, or of any other organisation, as may be deemed appropriate in the prevailing circumstances, in public interest.

17. The requirement specified under this order shall come into force from date of issue of this Order.

18. For the purpose of application of this Order, following would be considered an 'Existing Vessel' on the day of this Order, (a) vessels already registered under the Indian Flag on or before the date of issuance of this Order, and, (b) a vessel for which, a Memorandum of Agreement to acquire had been entered into and at least 10% of the purchase price of the vessel is deposited by the buyer on or before the date of issuance of this Order. Vessels acquired/to be acquired under Indian Control Tonnage regime would also be treated in the same line with Indian Flag vessel.

19. The 'Existing Vessels' regardless of its age on the date of issuance of this Order, affected by the maximum age prescribed in the Order, shall be allowed to operate up to three years from the date of the issue of this Order.

20. Foreign flagged vessels requiring licence under Sec 406 & 407 of the M S Act 1958 and already engaged in charter on the day of this order, shall also be allowed to operate up to three years from the date of the issue of this Order or until the charter period, whichever is earlier.


 (Amitabh Kumar) 24/7/23
 Director General of Shipping

To,

1. All stakeholders/Ship-owners/Charterers/Shippers/All Indian Shipping Companies through the official website of the DGS, GoI.
2. INSA/ICSSA/FOSMA/MASSA.
3. Indian Ports Association.
4. Indian Private Ports and Terminals Association.

Copy also forwarded for kind information to the:

The Secretary to the Govt. of India, Ministry of Ports, Shipping and Waterways, GoI, Transport Bhawan, 1, Sansad marg. New Delhi-110001.

ANNEXURE-I

COMPLIANCE REQUIREMENT			Remarks	Conclusion
Age Range	Entry into the Flag - New vessel or 2nd hand vessel	Existing vessels		
A	B	C	D	E
1. OIL TANKERS				
When below 15 years of age	Provided, vessel is Classed with an IACS Member.	No additional condition.		1. Oil Tankers (2nd hand) of 20 years and above age can't be acquired. 2. Withdrawal of GTL for all tanker of 25 years of age and above. 3. No relaxation for bunker barges (RSV/ICV)
When between 15 and 20 years	Provided, (i) vessel is Classed with an IACS Member, and (ii) CAP 1 rating for Hull and CAP 2 for Machinery & cargo systems.	Must obtain; (i) CAP 1 rating for Hull and minimum CAP 2 rating for Machinery and Cargo Systems from an RO of the GoI, at every dry-docking. (CAP ratings as above to be obtained from an RO of the GoI, within 2 years from the date of the circular, and maintained at every dry-docking thereafter)	Withdrawal of GTL in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years, whichever is earlier.	
When, 20 to 25 years of age	not permitted	Must obtain; (i) CAP 1 rating for Hull and minimum CAP 2 rating for Machinery and Cargo Systems from an RO of the GoI, at every dry-docking. (CAP ratings as above to be obtained from an RO of the GoI, within 2 years from the date of the circular, and maintained at every dry-docking thereafter.)		

2. BULK CARRIER/GENERAL CARGO VESSELS(Other than Exclusive Cellular Container Vessel)					
When below 15 years of age	Provided, vessel is Classed with an IACS Member.	No additional condition.			1. Bulker/GC vessels (2nd hand) of 20 years and above age cannot be acquired. 2. Withdrawal of GTL for all vessels of age 25 years and above. 3. No relaxation for Mini Bulk Carrier, special type vessels such as Ro-Ro etc.
When between 15 and 20 years	(i) Rightship Inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS.	(i) Rightship Inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS	Withdrawal of GTL in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years, whichever is earlier.		
When 20 to 25 Years of age	not permitted	In addition to above, (i) Rightship Inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS.			
3. OFFSHORE FLEET (Other than those addressed under this Order)					
When below 15 years of age	Provided, vessel is Classed with an IACS Member.	No additional condition.			1. No 2nd hand acquisition after attaining 20 years of age. 2. Except DP2 for all vessels, Withdrawal of GTL upon attaining 25 years of age. 3. Withdrawal of GTL for DP-2 vessels attaining 30 years of age.
When between 15 and 20 years	Provided, (i) vessel is Classed with an IACS Member, and (ii) OVID inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS	(i) The OVID inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS, to be completed within one year from the date of the circular, and once every year thereafter.	Withdrawal of GTL in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years, whichever is earlier. (except for vessel fitted with DP2 system).		
When between 20 to 25 Years	Not permitted	Same as above.			
When between 25 to 30 Years	Not Permitted.	Same as above.		Under this category, Only DP 2 vessels are permitted to operate beyond 25 years of age and up to 30 years.	

4. SPECIALISED VESSELS (Diving Support, Geo-technical, Pipe laying, Seismic Survey, Well Simulation, Accommodation Barge) (Note: Applicable for vessels other than those excluded through para 11)				
When below 15 Years of age	Provided, vessel is Classed with an IACS Member.	No additional condition		1. No 2nd hand acquisition after attaining 20 years of age.
When between 15 and 20 years	Provided, (i) vessel is Classed with an IACS Member, and (ii) OVID inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS	(i) OVID inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS within one year of the date of issue of the circular, and every year thereafter. In addition to above, (i) Annual FSI/GI is to be carried out.	Withdrawal of GTL in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years, whichever is earlier.	
When between 20 to 30 years	not permitted			
5. FULLY CELLULAR CONTAINER VESSELS AND CEMENT CARRIERS				
Up to 20 years	Provided, vessel is Classed with an IACS Member.	No additional condition.		1. No 2nd hand acquisition after attaining 20 years of age.
20 to 30 years	not permitted.	(i) Annual FSI as per rules.	Withdrawal of GTL upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years, whichever is earlier.	

6. GAS/CHEMICAL CARRIERS

When below 20 years of age	Provided, vessel is Classed with an IACS Member.	No additional condition.		
When between 20 and 25 years	Provided; (i) vessel is classed with an IACS member, and (ii) CAP 1 rating for Hull and CAP 2 for machinery and cargo systems from an IACS member.	Must obtain: (i) CAP 1 rating for Hull and CAP 2 for Machinery & cargo systems from an RO of the Gol. (CAP ratings as above to be obtained from an RO of the Gol within 2 years from the date of the circular, and at every dry-docking thereafter.)	Withdrawal of GTL upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years, whichever is earlier.	1. No 2nd hand acquisition after attaining 20 years of age.
25 to 30 years	Not permitted	Must obtain: (i) CAP 1 rating for Hull and CAP 2 for Machinery & cargo systems from an RO of the Gol. (CAP ratings as above to be obtained from an RO of the Gol within 2 years from the date of the circular, and at every dry-docking thereafter.)		

7. HARBOUR TUGS

up to 20 years	Provided, vessel is Classed with an IACS Member.	No additional condition.		1. Harbour tug means, tugs operating within harbour/port.
20 to 25 years	Not permitted	Regular Class surveys, DD inspection.		2. No 2nd hand acquisition after attaining 20 years of age.
25 to 30 years	Not permitted	Annual FSI.	Withdrawal of GTL upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 30 years of age, whichever is earlier.	

8. AHT's & TUGS INVOLVED IN LONG TOW				
up to 20 years	Provided, vessel is Classed with an IACS Member.	No additional condition.		1. No 2nd hand acquisition after attaining 20 years of age.
20 to 25 years	Not permitted	(i) TIQ inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS.	Withdrawal of GTL upon completion of 30 days in case of non-compliance with conditions in Column C Or Upon vessel attaining 25 years of age, whichever is earlier.	2. GTL to be withdrawn for all existing AHT's/Tow tugs of age above 25 years.
9. DREDGERS				
up to 20 years of age	Provided, vessel is Classed with an IACS Member.	No additional condition.		1. No 2nd hand acquisition after attaining 20 years of age.
20 to 30 years	Not permitted	No additional condition.		2. Inspection done between two successive Annual Survey(AS) shall be equivalent to the scope of AS.
30 to 40 years	Not permitted	(i) Bi annual Class inspection & annual FSI. (i.e., Additional Inspection done between two successive Annual Survey(AS))	Withdrawal of GTL of vessel upon the vessel attaining 40 years of age.	
10. NON-SELF-PROPELLED OCEAN-GOING CARGO CARRYING BARGES (Dumb Barges)				
up to 20 years	Provided, vessel is Classed with an IACS Member.	No additional condition.		
20 to 25 years of age	not permitted	(i) BIQ inspection or an evaluation by an RO under equivalent rating methodology developed by the DGS.	Withdrawal of GTL of vessel upon the vessel attaining 25 years of age.	
11. FOR VESSELS, OTHER THAN ABOVE				
up to 20 years	Provided, vessel is Classed with an IACS Member.	No additional condition.		
20 to 25 years of age	not permitted	(i) Annual Class and FSI.	Withdrawal of GTL of vessel upon the vessel attaining 25 years of age.	