



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



File No. 16-18011/9/2023-SD – DGS (C.No 22004)

Date: 05.10.2023

ADDENDUM No. 1 TO THE DGS CIRCULAR NO. 02 OF 2021

(SHIPPING DEVELOPMENT)

The DIRECTORATE GENERAL OF SHIPPING,

RECALLING the DGS Circular No. 02 of 2021 (Shipping Development) on “*Guidelines for exercise of right of first Refusal –Grant of Licence to foreign flag vessel*”, dated 14.01.2021.

RECALLING ALSO the Notification (No. SY-1 3017/4/2017-SBR) of the Ministry of Ports Shipping & Waterways’, dated 23.10.2020 on “*Promotion of Make in India initiative- RoFR (Right of First Refusal) for Indian built and Indian flagged ships through amendments to Guidelines for chartering of vessels done through tender process for all types of requirements*”

HAVING CONSIDERED the developments with regards to the permitted shipping operations (such as sale and lease back, purchase, chartering, operations etc.) under The International Financial Services Centres (IFSC), which is the constituted under the International Financial Services Centres Authority Act, 2019.

And also INCORPORATING the provisions of the Notification (No. SY-1 3017/4/2017-SBR) from Ministry of Ports, Shipping & Waterways, dated 20.09.2023 on “*Promotion of Make in India initiative- RoFR for Indian built and Indian flagged ships through amendments to Guidelines for chartering of vessels done through tender process for all types of requirements.*

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9वीं मंजिल, बीटा बिल्डिंग, आई थिंक टेक्नो कैम्पस, कांजुर गाँव रोड, कांजुरमार्ग (पूर्व) मुंबई- 400042

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Based on the above and in exercise of powers conferred under Section 406 and 407 of the Merchant Shipping Act, 1958, the Director General of Shipping, AMENDS parts of the DGS Circular No. 02 of 2021 as set out in this *Addendum*.

1. "Para 21.3.4. For further clarity the order of grant of RoFR would be as follows: -

- (a) Indian built, Indian flagged and Indian owned,
- (b) Indian built, Indian flagged and Indian IFSCA owned,
- (c) Foreign built, Indian flagged and Indian owned,
- (d) Foreign built, Indian flagged and Indian IFSCA owned,
- (e) Indian built, foreign flagged and foreign owned

Provided that:

1. All vessels flying the flag of India (i.e. registered in India) up to the date of issue (mid night of the date) of new circular by the Director General of Shipping, shall be deemed to be Indian built vessels and will fall in category (a) above.
2. The Foreign flagged vessels permitted by the DG Shipping, under section 406 of the MS Act, 1958, for chartering by an Indian citizen/company/society, who is building a ship in an Indian shipyard for registration under Indian flag, as a temporary substitute for the Indian Ship under construction, meeting the following two condition, shall be deemed to fall under category [a] above:
 - a) The 25% of the contract money has been paid to Indian shipyard
 - b) The 50% of the hull fabrication has been completed, as may be certified by a Recognized Organization

The duration of licences to such chartered vessel shall be limited to period of building of the Ship, as mentioned in the shipbuilding contract.”

2. This above-mentioned Licencing Condition & Circular will come into force w.e.f. the date of its issuance.
3. This Circular is issued with the Approval of the Director General of Shipping & Additional Secretary to the Govt. of India.

Shitesh Ranjan
05-10-2023

(Shitesh Ranjan)

Ship Surveyor –cum-Deputy Director General of Shipping [Tech./Shipping Development]

To,

1. All stakeholders/All Charterers/Shippers/All Indian Shipping Companies, through the official website of the DGS, Gol.
2. INSA/ICSSA/FOSMA/MASSA/Shipyards
3. Indian Private Ports and Terminals Association.
4. Shipyard Association of India.
5. E-gov cell of the Directorate General of Shipping

Copy also forwarded for kind information to the:

1. PS to Hon'ble Minister of State (Independent Charge) for ports, Shipping, and Waterways. Gol.

2. Secretary to the Govt. of India, Ministry of Ports, Shipping, and Waterways, Transport Bhawan, 1, Sansad Marg. New Delhi-110001
3. CEO, NITI Aayog, New Delhi.
4. Secretary, Department of Defence, South Block, Ministry of Defence, New Delhi.
5. Secretary, Department of Defence production, Ministry of Defence, South Block, New Delhi- 110011.
6. Secretary, Department of Industrial policy & promotion, Udyog Bhawan, New Delhi, 110011.
7. Secretary, Ministry of Petroleum and Natural Gas, A-Wing, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi- 110011.
8. Secretary, Ministry of Chemicals and Fertilizers, A-Wing Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi-110011.
9. Secretary, Ministry of Steel, Udyog Bhawan, Dr. Maulana Azad Road, New Delhi, 110011.
10. Secretary, Ministry of Home Affairs, North Block, Central Secretariat, New Delhi, 110001.