



भारतसरकार/ GOVERNMENT OF INDIA  
पत्तन,पोतपरिवहन और जलमार्गमंत्रालय  
MINISTRY OF PORTS, SHIPPING AND WATERWAYS  
नौवहनमहानिदेशालय, मुंबई

**DIRECTORATE GENERAL OF SHIPPING, MUMBAI**

**File No. 13-44012/2/2025-ENGG – DGS**

**Dated : 05.09.2025**

**Subject:- (DRAFT) Addendum to MS Notice 09 of 2014 dated XX/XX/2025**

**Strengthened Regulatory Framework for Interim Document of Compliance (DOC) and Transfer of Ship Management under ISM Code.**

**This draft Addendum to MS Notice 09 of 2014 dated XX/XX/2025 has been uploaded in the DGS website for Public Comments for a period of 15 days till including and up to 20.09.2025. Comments if any to be sent to gopikrishna.c@gov.in.**

**1. Background:**

The International Safety Management (ISM) Code and the Merchant Shipping (Management for Safe Operation of Ships) Rules, 2000 framed thereby, read along with Merchant Shipping Notice (MSN) 9 of 2014 provides the detailed requirements for the issuance Documents of Compliance (DOCs) for Indian companies. However, the Directorate General of Shipping (DGS), as the competent authority, has observed multiple operational and compliance challenges in the implementation of the International Safety Management (ISM) Code in India. Two critical concerns have emerged:

- Misuse of the Interim Document of Compliance (Interim DOC) by newly formed companies or unscrupulous operators with no long-term commitment to safe ship management; and
- The frequent transfer of ship management responsibilities by ship owners across different DOC holders, often driven by commercial motives, resulting in compromised continuity of Safety Management Systems (SMS), weak regulatory oversight, and safety risks.

Accordingly, this Addendum to MS Notice 09 of 2014 is issued to prescribe an integrated regulatory framework that addresses both these issues by strengthening the criteria for the grant and oversight of

Interim DOCs and imposing restrictions and approval mechanisms for frequent changes in ship management.

## **2. Objectives:**

This Order aims to introduce additional eligibility conditions and verification mechanisms for granting Interim DOC to new companies or those owners engaged in frequent change of management, to prevent misuse of the interim certification window and to enhance the credibility of ISM implementation under Indian administration.

## **3. Applicability:**

3.1. This Addendum to MS Notice 09 of 2014 shall apply to all new applications for Interim DOC for a new company or for addition of new ship types under an existing DOC and any request for change of management of ships received by the Directorate on or after the date of its issuance;

3.2. All existing DOC holders shall comply with the relevant provisions of this Notice within 24 months from the date of issuance of this MSN, or at the time of their next Renewal DoC Audit, whichever is earlier;

3.3. Notwithstanding anything contained herein, ships owned and managed directly by a registered shipowner or company - but not through any subsidiary, affiliate, special purpose vehicle, or related entity - shall be exempt from the bank-guarantee requirement prescribed in paragraph 4.1; provided that all other requirements stipulated in this Addendum shall apply and be complied with within twelve (12) months from the date of issuance of this Notice.

## **4. Additional Criteria for Grant of Interim DOC:**

MS Notice 9 of 2014 provides for Interim DoC, with limited verification of compliance under the ISM Code to facilitate newly formed or expanding companies in initiating the implementation of their Safety Management System (SMS) on a full-scale basis. However, it is being observed that in recent times, this relaxed framework of Interim certification is being misused by certain fly-by-night operators who establish companies without any serious commitment to long-term safety management, ship operations, or regulatory compliance. These entities obtain Interim DOCs without substantive infrastructure or implementation strategy, and often exit or dissolve operations upon the first sign of scrutiny. In many cases, such entities re-emerge under a new name, posing a recurring risk to maritime safety and damaging the credibility of Indian certification.

While the ISM Code and existing MS Notice No. 09 of 2014 provide sufficient framework for DOC issuance, including Interim DOC, the recent experiences necessitate the prescription of additional safeguards as below to ensure only credible, resourceful, and technically competent companies are granted Interim DOC.

### **4.1 Submission of Bank Guarantee:**

The applicant company shall submit a refundable Bank Guarantee, valid for 18 months, from a scheduled Indian bank. The amount shall be determined as follows:

4.1.1 Managing 1 vessel (minimum): INR 10 lakhs

4.1.2 2-5 vessels: INR 15 lakhs

4.1.3 6-10 vessels: INR 20 lakhs

4.1.4 More than 10 vessels: INR 25 lakhs

**4.2 The Bank Guarantee shall be invoked in case the company:**

4.2.1 Fails to complete the transition to full-term DOC within the validity period;

4.2.2 Discontinues operation without due intimation;

4.2.3 Is found to have made material misrepresentations in the application.

**4.3 Reimbursement of Bank Guarantee:**

Reimbursement of Bank Guarantee will be processed upon submission of notice by the company towards closure or withdrawal of DOC under normal circumstances and without any adverse complaints/ grievances from the crew onboard the vessels under their management towards payment of wages. The duration for such processing of reimbursement of Bank Guarantee will be within a period of 30 days of receiving the notice in the ISM cell.

**4.4 Minimum Office Infrastructure Requirements:**

The applicant company shall:

4.4.1 Maintain a minimum dedicated office space of 500 sq. ft. with sufficient office infrastructure facilities for the proposed functions including contingency arrangements;

4.4.2 Be equipped with IT infrastructure including SMS management software, server access logs, and documentation control systems.

4.4.3 Maintain minimum staff strength of:

I. One full-time qualified Designated Person Ashore (DPA): The qualification requirements and responsibilities of the Designated Person Ashore (DPA) and Alternate DPA (ADPA) shall remain as prescribed in MS Notice No. 09 of 2014. In addition, the DPA and ADPA must have successfully completed a DPA training course conducted by any of the Recognised Organisations (ROs) authorised by this Directorate. Documentary evidence of completion of such training shall be submitted at the time of application and verified during the Interim Audit.

II. One Technical Superintendent (Marine or Engineering background).

III. One Safety & Compliance Officer: Must have undergone the ISM familiarisation course.

#### **4.5 SMS Software and Record Management Tools:**

The company shall maintain and demonstrate the use of a digital SMS platform or software solution including but not limited to document management, non-conformity tracking, audit scheduling, training records, and statutory certification monitoring.

#### **4.6 Emergency and Contingency Mechanism:**

Every applicant for Interim DOC shall submit to the Directorate the Safety Management Manual explicitly documenting Emergency and Contingency Plan, outlining, inter-alia, :

- 4.6.1 Key contacts and escalation matrix in case of major safety or pollution incidents;
- 4.6.2 Emergency resource arrangements (standby crew, shore-side support, shipyard/repair contacts);
- 4.6.3 Procedures for handover in case the company ceases operations or is unable to manage the vessel;
- 4.6.4 Binding undertaking that a DPA or Alternate DPA will remain available 24x7 until the DOC is transferred or terminated through due process.

#### **4.7 Undertaking of Non-Dissolution:**

A formal undertaking shall be signed by the Managing Director/CEO of the company that:

- 4.7.1 The company shall not dissolve or abandon its DOC responsibilities without minimum 3-month prior notice to the DGS and to the owner concerned.
- 4.7.2 All managed vessels shall have uninterrupted technical management and support.

#### **4.8 Disclosure of Promoter History:**

All Promoters/Directors of the applicant company shall disclose any past association with companies whose DOCs were suspended, cancelled, or not renewed due to compliance failures.

#### **4.9 Audit for Grant of Interim DOC:**

In lieu of the pre-audit verification, a comprehensive Interim Audit shall be conducted at the company's premises. This audit shall be led by a senior officer (not below the rank of DyCS/DyNA/DyCSS) nominated by the Directorate. The audit shall include a 360-degree review of the company's infrastructure, management capability, technical resources, staff competency, and preparedness to assume ISM responsibilities for the applied ship type(s), except for operational records which are expected to be demonstrated later during the Initial DOC audit. The audit report shall form the basis for any grant of Interim DOC.

#### **4.10 Certification Fees:**

4.10.1 The audit fees for Initial, Annual, and Renewal DOC audits shall continue to be governed by DGS Circular 13 of 2010 dated 06.09.2010, as amended from time to time.

4.10.2 However, the audit fee for Interim DOC shall be INR 3,00,000, payable at the time of application submission and non-refundable. This enhanced fee reflects the additional scrutiny and administrative overheads required to assess new applicants seeking interim certification.

4.10.3 Additional fees shall also apply as follows:

4.10.3.1 Extension of Interim DOC (if granted): INR 3,00,000

4.10.3.2 Change of Company Name: INR 1,00,000

4.10.3.3 Change of Registered or Operational Address: INR 1,00,000

#### **4.11 Validity of Interim DOC and Transition Obligations:**

4.11.1 The Interim DOC shall be granted for a strict period of six months. Within this period, the Company shall:

- i. Offer itself for Initial DOC audit;
- ii. Demonstrate effective implementation of its Safety Management System on at least one vessel under its management;
- iii. Submit operational records of at least three months of the said vessel, evidencing satisfactory functioning SMS as per ISM Code.

4.11.2 In exceptional circumstances, an extension of the Interim DOC by another six months may be considered on a case-to-case basis with recorded justification and upon payment of an additional fee equal to the Interim DOC audit fee (INR 3,00,000). Such extension shall be granted only once.

4.11.3 Failure to offer the Company for Initial DOC audit within the overall validity period (initial + extended period, if granted) shall render the Interim DOC null and void. In such a case, the company shall be debarred from reapplying for any type of DOC for a minimum period of one year from the date of expiry of the Interim DOC.

#### **4.12 Withdrawal of Interim DOC:**

In addition to existing provisions under MS Notice No. 09 of 2014, an Interim DOC may be suspended or withdrawn if:

4.12.1 The Bank Guarantee is found to be invalid or withdrawn without notice;

4.12.2 The company premises are found vacated or staff not present during spot verification;

- 4.12.3 The SMS software/system is found non-functional or not implemented onboard vessels;
- 4.12.4 The company fails to activate the contingency mechanism in case of an emergency or loss of management control;
- 4.12.5 The company fails to comply with the validity, transition, or demonstration requirements prescribed under para 4.9 above.

### 5. Measures to discourage frequent change of Ship Management:

The Directorate General of Shipping (DGS) has observed a concerning trend wherein certain shipowners frequently shift the management of their vessels among different DOC-holding companies. This pattern, often motivated by commercial or regulatory evasion objectives, disrupts the continuity of the Safety Management System (SMS), undermines the objectives of the ISM Code, and creates challenges for Port State Control inspections and Flag State oversight. It also increases the risk of non-compliance, safety lapses, and poor accountability in ship operations.

To curb this practice and ensure commitment to long-term, stable, and competent ship management arrangements, the following regulatory measures are being implemented in addition to the general procedural requirements for change of management under MS Notice 9 of 2014.

**5.1 Minimum Management Tenure:** A vessel once brought under the management of a DOC-holding company shall remain under that company's management for a minimum period of 12 months, unless:

- 5.1.1. The DOC is withdrawn, suspended, or expired;
- 5.1.2. The ship is sold to another owner;
- 5.1.3. There is a Force Majeure situation or a critical safety deficiency recognized by DGS.

**5.2 Change Management Approval:** Any change in ship management within 12 months of a previous change shall require prior approval from the Directorate General of Shipping. The application must include:

- 5.2.1. Justification for the change;
- 5.2.2. Compliance performance history of the Owner and Ship;
- 5.2.3. Confirmation of SMS continuity by both outgoing and incoming DOC holders.

**5.3 Disincentive Fees:** To discourage frequent and unjustified changes, the following fees shall apply:

- 5.3.1. INR 1,50,000 per ship for each management change effected within 12 months;
- 5.3.2. No fee for changes necessitated by valid regulatory or safety-related reasons, subject to DGS approval.

**6. Integration with e-Governance:** A dedicated digital module will be implemented within the Directorate's e-Governance system to:

- 6.1. Register all ship management changes seamlessly, irrespective of the RO conducting the audit;
- 6.2. Ensure smooth and uniform issuance of relevant certificates, recognitions, and approvals;

6.3. Maintain comprehensive audit trails, including history of all audit observations, non-conformities, and corrective actions;

6.4. Track ship-owner history and management transitions across DOC holders;

6.5. Auto-flag cases needing DGS clearance and regulatory attention for audit.

#### **7. Transitional Provision:**

Companies who have already submitted applications for Interim DOC prior to the issuance of this Addendum to MS Notice 09 of 2014 shall be given a 60-days window to comply with these additional conditions. All existing DOC holders shall comply with the relevant provisions of this Order within 24 months from the date of issuance of this Order, or at the time of their next Renewal Audit, whichever is earlier. Failure to do so shall result in deferment of audit nomination.

#### **8. Miscellaneous:**

This Addendum shall be read in conjunction with MS Notice No. 09 of 2014. Where any conflict exists, the stricter provision shall prevail. Any relaxation to these norms shall require prior approval of the Director General of Shipping with recorded justification.

#### **9. Effective Date:**

This addendum to Merchant Shipping Notice is issued with the approval of the Competent Authority and shall come into effect from the date of issuance of the Notice.

(Gopikrishna C)

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