

**Amendment to Shipping Development Circular No.1 of 2008**

**NO: SD-9/CHRT(82)/97-IV**

**Dated 22.07. 2008**

**Subject : Revised guidelines for chartering of vessels under Sections 406 and 407 of Merchant Shipping Act ,1958.**

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In view of several concerns raised by various sectors of Offshore Industry in respect of the contents of DGS Circular No. 01 of 2008 pertaining to the revised guidelines issued by this Directorate for chartering of vessels under Sections 406 and 407 of M.S. Act 1958, it has been decided to partially modify the said circular with respect to paragraph 3.2. Accordingly, the following shall apply while chartering-in of OSVs regardless of the period of the year:

Offshore Service Vessels (OSVs) of all descriptions (e.g. anchor handling tug, accommodation barge, tug, supply vessels, support vessels, barges, pontoons, jack-up rigs etc.) or any other type of vessels, which are chartered-in/engaged for the purposes of operating in and around offshore oil exploration areas and/or where security/safety sensitivities are high, the vessels are to be classed with Indian Register of Shipping (IRS) or any other IACS Class Society.

In case the vessel is not classed with IRS and is above 25 years of age:

- (1) She must undergo an inspection equivalent to an Annual Statutory Survey and an Intermediate SMC Audit by IRS before undertaking operations in the field. Any such vessel found deficient during the aforesaid inspection must undertake **immediate** corrective action, failing which the license granted to the vessel is liable to be cancelled by the Directorate.
- (2) Vessels already having previously granted licenses and validity of which may have expired during the current year, the same will be renewed for a period of one month from the date of issue of this notice, within which period, they must comply with the aforesaid stated requirements.
- (3) An appropriate fee will be charged on charters which will be payable to D.G. Shipping. These fees so collected will be utilized for building up necessary safety infrastructure on the offshore area / coastal area. The guidelines governing the applicable fee payable and it's utilisation will be advised by a separate notice.
- (4) The charterers will be held jointly liable to meet all costs relating to wreck removable, oil pollution and damage to

fixed/floating platforms or vessels, and will be required to possess adequate insurance coverage from an insurer, which coverage shall not be less than the limits of liability prescribed in Chapter-X of the M.S. Act, 1958.

This issues with the approval of Ministry of Shipping, Road Transport & Highways, Govt. of India.

**Sd/-**

**(SamuelDarse)**

**Deputy Director General of Shipping**