

**Government of India
Ministry of Shipping (Shipping Wing)
New Delhi**

SD-11018/1/97-MD

dated 15th June, 2001

OFFICE MEMORANDUM

GUIDELINES FOR IMPORT OF ALL TYPES OF SHIPS

Ref: Para 3.49 of the "EXIM POLICY" and Chapter 5.3(vi) of the Handbook of Procedures (Vol.1) as amended on 31st March, 2001.

The following guidelines shall be followed for import of all types of ships/vessels without license:

1. TECHNICAL CLEARANCE :

1.1 No prior technical clearance is required for vessels below 25 years of age. The vessels, on arrival in India, will be surveyed at the time of registration by the Principal Officer, Mercantile Marine Department (PO, MMD), to ensure that the vessel proposed to be acquired by the company is classified with one of the IACs member (including Associate Member) classification societies and complies with statutory requirements of Director General of Shipping (DG(S)) and IMO Conventions/Protocols requirements ratified by India. In case the vessels is found to be deficient in any respect, the owner should obtain the concurrence of DG (S) for exemption from such rule requirements before registering the vessel.

1.2 DG (S), on request from an interested party, may provide a check list of IMO conventions/regulations/protocols and other statutory requirements/pre-requisites of Indian Maritime Administration for registering the vessel/ship under Indian flag.

1.3 Prior technical clearance would be required for vessels of and above 25 years of age. The vessels, on arrival in India, would be surveyed by P.O., MMD and deficiency, if any, removed before Registration.

2. PRICE REASONABLENESS :

2.1 No price reasonableness certificate will be required for import of vessels.

3. ACQUISITION OF VESSELS UNDER BAREBOAT CHARTER-CUM- DEMISE (BBCD) ARRANGEMENT :

- (i) Technical clearance : As per para 1 above.
- (ii) No price reasonableness certificate is required. However, interest margin on rental payments will be verified by ICICI.
- (iii) The charter period of the vessel will be for a maximum period of 5 years.

(iv) The rental agreement will come into force after the RBI takes it on record.

4. Ship Acquisition Licence Committee (SALC) constituted vide this Ministry's O.M. No. SW/MDO/111/86 dated 1st April, 1987 stands abolished.

5. These guidelines are issued in supersession of this Ministry's O.M. No. SD-11018/1/97-MD dated 24th September, 99 and Press Notes No. SW/MDOI/111/86/MD dated 29th March, 1995 and 13th September, 1995.