F.No. 450/71/99-Cus.IV

Circular No. 53/99-Cus
dated 24/8/1999

Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs, New Delhi

Subject: **Operation of Foreign flag vessels along the Indian Coast without a valid licence issued under the Marine Shipping Act, 1958 - Instructions-regarding**

It has been brought to the notice of Board by the Directorate General of Shipping, Ministry of Surface Transport, Mumbai that foreign flag sips are plying on the Indian Coast without obtaining licences from the D.G.Shipping, Mumbai under Sections 406 / 407 of the Marine Shipping Act, 1958. Attention has been drawn to Section 410 of the said Act, which states that "no Customs Collector shall grant a port clearance to a ship in respect of which a licence is required under this part until after production by the owner, master or agent of such a licence". However, Customs clearances are reported to be issued to ships leaving Indian Ports even if they do not have valid licence from the D.G... Shipping.

2. The matter has been examined by Board. It is seen that the Directorate General of Shipping has been entrusted with the responsibility of ensuring the safety of both Indian and Foreign flag vessels when call at Indian Ports under the Flag State and Port State Control regime Further, the D.G. Shipping is responsible for ensuring the safety of the Marine environment from pollution caused by ships while plying on the coast of India Keeping in view the above aspects, it has been decided that in all cases where a valid licence is not produced by the Master / Owner of the ship they should obtain a clearance from the office of the Mercantile Marine Department or an officer authorised by the Directorate General of Shipping as Surveyor of a port to ensure that the ships which call at the Indian Ports have a valid licence under the Marine Shipping Act. This needs to be done more so if the ship is engaged in coastal operations like servicing off shore platforms, drilling operations, assisting in port operations (tugs, etc.), supply vessels, etc.

3. These instructions may be brought to the notice of all the officers of Customs by way of issue of Public Notice etc. Any difficulty faced in implementation of instructions may be brought to the notice of the Board.

Sd/-
(Rajendra Singh)
Under Secretary to the government of India