Ship owners worldwide invited to now flag their ships in India to take advantage of the Make in India policy of the Government

- Government of India has recently revised its Make in India Policy for public procurement, among others, of all services.
- Under the revised policy, no global tender enquiry shall be issued, except with the approval of the Competent Authority, for the procurement of all services with estimated value of purchases less than Rs. 200 crores.
- Shri Mansukh Mandaviya, Minister of State (Independent Charge) for Shipping reviewed the readiness of Indian shipping for implementation of the Government’s Cargo Transportation Policy.
- It is estimated that the Make in India policy will provide an opportunity to at least DOUBLE the number of Indian flag vessels in the immediate term - from the present approximately 450 to at least 900 and more over a period of 3 years - leaving further scope for additional investment in the Indian flag tonnage.
- With a modern maritime administration, continuous supply of trained seafarers, ship management skills already available, ship owners worldwide are invited to now flag their ships in India to take advantage of the Make in India policy of the Government in respect of transportation of Government cargoes.
- Singapore-based container shipping company Pacific International Lines Pte Ltd is the first to convert one of its container ships registered in Singapore to the Indian flag to run a service linking Mundra port in Gujarat with the container transhipment terminal at Vallarpadum in Cochin port.

Indian Flag vessel

- A ship entitled to fly the flag of a country needs to be registered in that country.
- The object of registration is to ensure that persons who are entitled to the privilege and protection of the Indian flag get them.
- The registration affords evidence of title off the ship to those who deal with the property in question.
- It also gives protection to the members of the crew in case of casualties involving injuries and/or loss of life to claim compensation under the provisions of the Indian Acts in Indian courts.
- Indian Merchant Shipping Act of 1958, for the first time, dealt with registration of ships

Cabotage

- Cabotage is the transport of goods or passengers between two places in the same country by a transport operator from another country.
- It originally applied to shipping along coastal routes, port to port, but now applies to aviation, railways, and road transport as well.
Cabotage rule

- In shipping, a ship flies the flag of the country where it is registered and is subjected to the tax jurisdiction of that nation. Only Indian registered ships are allowed to carry cargo on local routes, according to a so-called cabotage rule.