October 14, 2026

MINISTRY OF PORTS, SHIPPING AND WATERWAYS

Foreign-flag vessel licence rules set fees and a 72-hour deadline

G.S.R. 884(E) sets how foreign flag vessels are licensed under the Coastal Shipping Act, 2025: licence types, fees through Bharatkosh and a 72-hour lead time.

THE MINISTRY OF PORTS, Shipping and Waterways issued notification G.S.R. 884(E), dated October 14, 2026, making the Coastal Shipping (Licencing of Foreign Flag Vessels) Rules, 2026. It was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 813, dated October 14, 2026. The Central Government made the rules under section 39 of the Coastal Shipping Act, 2025 (20 of 2025), after considering the objections and suggestions on a draft published as G.S.R. 911(E) on December 19, 2025 under the title "Coastal Shipping (Licencing of Foreign Vessels) Rules 2026". The rules come into force on the date of their publication in the Official Gazette. They are signed by Venkatesapathy S, Joint Secretary, under F. No. SY-19014/182/2025-MG.

KEY FACTS

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The rules apply to every foreign flag vessel participating in coasting trade, and to every foreign flag vessel chartered by the entities referred to or specified in sub-section (1) of section 11 of the Act. A separate order, S.O. 3690(E) of July 7, 2026, made under section 37 of the Act, exempts foreign vessels chartered by a unit set up in the International Financial Services Centre at the Gujarat International Finance Tec-City (GIFT), Gandhinagar, Gujarat from the requirement of a licence under section 11; the rules do not mention it. A foreign flag vessel is one registered under the laws of a State other than India and entitled to fly that State's flag. "EXIM trade" is defined as carriage of goods or passengers by sea from a port or place in India to one outside India or the reverse, performing any service outside India's coastal waters, or import of any service into India. Under rule 8, the licensee or agent of every foreign flag vessel engaged in coasting trade or chartered for EXIM trade must produce a valid licence to the proper officer for port clearance. The rules do not list the entities in section 11(1), so they do not themselves say which charterers rule 2(1)(b) covers.

An application goes to the Director-General online, through the e-Samudra Portal or such other portal as may be developed for the purpose, under the option "Chartering", and names the class or type of licence (voyage charter, time charter or Contract of Affreightment) and its category (export, import, coastal, worldwide or offshore). It must be made at least seventy-two hours before the laycan date; a late application carries a late fee of Rs. 50,000. Where the chartering is not through a global tender, the applicant first files an enquiry to ascertain whether Indian flag vessels are available, paying a processing fee of five thousand rupees; if an Indian flag vessel is selected, the process ends there. The application carries a declaration that the applicant has not violated the Act or its rules, and the tenders, enquiries and other documents required under the Guidelines on Right of First Refusal, evidence of compliance with the Guidelines for Contract of Affreightment, the age and qualitative parameters, and documents confirming placement of Indian crew on board. The First Schedule lists 24 documents to upload, as applicable, among them the vessel's certificates and a crew list signed by the Master. The Director-General grants the licence after verifying the documents and may add conditions.

Fees, set in the Second Schedule and paid through the Bharatkosh portal, depend on the licence and the period: Rs. 40,000 for the first 30 days for an import or export licence, Rs. 60,000 for a coasting licence and Rs. 70,000 for a worldwide licence on time charter, with further charges beyond 30 days, and Rs. 40,000 per vessel per month for an offshore operation licence. Modifying a licence costs Rs. 10,000. The charterer of an offshore vessel not classed with the Indian Register of Shipping and more than twenty-five years of age also pays a levy: one percent of the daily charter hire rate, in US dollars, multiplied by the days of the licence for a self-propelled vessel, and twenty-five percent of that for a non-propelled one. The rules set no fixed validity period: the licence forms record the period of charter or of operation, a licensee may apply to extend the licence for a delay in completing the voyage without a No Objection Certificate, and the forms say any change in their particulars renders the licence invalid.

The rules also set the form and the sums for compounding offences and penalties under the Act, from forty thousand rupees to fifteen lakh rupees, several given as an alternative to a multiple of the fees or payments received; an appeal to the Director-General within thirty days against an adjudicating officer's penalty order; and notices to the consular office when a vessel is detained or proceedings are brought. The fee table lists no fee for a Contract of Affreightment, although Form A, the in-principle approval for one, refers to a payment already made and a balance payment of fifty percent for each shipment. The rules do not reproduce the Guidelines on Right of First Refusal, the Guidelines for Contract of Affreightment or the age and qualitative parameters.

Issued by	Ministry of Ports, Shipping and Waterways
Document	Notification G.S.R. 884(E), the Coastal Shipping (Licencing of Foreign Flag Vessels) Rules, 2026
Dated	October 14, 2026
Published	Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), No. 813, October 14, 2026
Takes effect	The date of publication in the Official Gazette; the Gazette is dated October 14, 2026
Made under	Section 39 of the Coastal Shipping Act, 2025 (20 of 2025); draft published as G.S.R. 911(E), December 19, 2025
Applies to	Foreign flag vessels participating in coasting trade; foreign flag vessels chartered by the entities referred to or specified in section 11(1) of the Act
Exemption	Order S.O. 3690(E) of July 7, 2026, under section 37 of the Act: no licence under section 11 is required for foreign vessels chartered by a unit set up in the International Financial Services Centre (IFSC) at

	GIFT, Gandhinagar, Gujarat; IFSC as defined in section 3(1)(g) of the International Financial Services Centres Authority Act, 2019
Licence granted by	The Director-General
Class or type of licence	Voyage charter; time charter; Contract of Affreightment
Category of licence	Export; import; coastal; worldwide; offshore
When to apply	At least seventy-two hours before the laycan date
Late fee	Rs. 50,000
Fees paid through	The Bharatkosh portal
Enquiry for an Indian vessel	Rs. 5000 per application, where the chartering is not through a global tender
Licence modification fee	Rs. 10,000
Port clearance	A valid licence is produced to the proper officer by the licensee or agent of a foreign flag vessel in coasting trade or chartered for EXIM trade
Appeal	To the Director-General, within thirty days of receiving an adjudicating officer's order
Signed by	Venkatesapathy S, Joint Secretary
File number	F. No. SY-19014/182/2025-MG

Second Schedule: fees for licence

S.No.	Class or type of licences	Fees applicable	Illustration of the manner of calculation of fees
1.		Enquiry for Indian vessel fees Rs. 5000 per application	-
2.	Import / Export Licence on Single Voyage Basis	Rs. 40,000 for the first 30 days and for every contiguous block of 30 days thereafter, including fractions in terms of days.	40 or 60 days → Rs. 80,000
3.	Import/Export Licence on Time Charter Basis	Rs. 40,000 for the first 30 days, plus Rs. 1,500 per day for any fraction beyond the first 30 days.	40 days → Rs. 55,000 [Rs. 40,000 + (Rs. 1,500 × 10)]
4.	Coasting Licence on Single Voyage Basis	Rs. 60,000 for the first 30 days and for every contiguous block of 30 days thereafter, including fractions.	40 or 60 days → Rs. 1,20,000

5.	Coasting Licence on Time Charter Basis	Rs. 60,000 for the first 30 days; any fraction beyond these blocks is charged at Rs. 1,500 per day plus Rs. 20,000 for the fractional period.	40 days → Rs. 95,000 [60,000 + 20,000 + (1,500 × 10)]
6.	Worldwide Licence on Time Charter Basis	Rs. 70,000 for the first 30 days; any fraction beyond these blocks is charged at Rs. 1,500 per day plus Rs. 30,000 for the fractional period.	40 days → Rs. 1,15,000 [70,000 + 30,000 + (1,500 × 10)]
7.	Offshore Operation Licence	Rs. 40,000 per vessel per month for foreign-flag vessels operating in offshore operations.	40 days → Rs. 80,000 [Rs. 40,000 × 2 months]
8.		Late fees Rs. 50,000	-
9.		Licence modification fees Rs. 10,000	-

The notification (PDF, 1.6 MB)

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IndusDesk

hello@indusdesk.com · +91 11 4141 3939

9th Floor, Hemkunt House, Rajendra Place, New Delhi, Delhi 110008, India

Read online: indusdesk.com/mopsw/insights/foreign-flag-vessel-licence-rules-set-fees-and-a-72-hour-deadline/