MEMORANDUM OF UNDERSTANDING (MoU) FOR COOPERATION BETWEEN INDIAN COAST GUARD (ICG) AND INDIAN REGISTER OF SHIPPING (IRS)

Preamble

This Memorandum of Understanding between Indian Coast Guard, the Head Office of which is situated at Coast Guard Headquarters, National Stadium Complex, New Delhi – 110001, (hereinafter referred to as ICG) and Indian Register of Shipping, the Head Office of which is situated at 52A, Adi Shankaracharya Marg, Opposite Powai Lake, Powai, Mumbai – 400072 (hereinafter referred to as IRS), provides basis for the cooperation between the two organizations and regulations the principles of mutual cooperation of ships and field of technical advise, surveys, classification and certification of ships and associated equipment, components being classed or to propose for class with IRS. Indian Coast Guard and Indian Register of Shipping have agreed as follows:

Article 1: Definitions

In the present MoU, the expressions stated below shall have the following meanings:

- 1.1 "Ship" means any floating structure and its related systems, which are subject to services within the scope of cooperation of present MoU.
- 1.2 "Single class vessel" means any ship, which is classed only with IRS.
- 1.3 "Dual class vessel" means a ship, which is classed by IRS along with another classification society.
- 1.4 "Exclusive surveyor" means a person solely employed by IRS, who is duly qualified, trained and authorized to execute all duties and activities incumbent upon his employer, within his level of work responsibility. Such surveyor is not permitted to undertake other employment.
- 1.5 "Appointed surveyor" means Exclusive Surveyor who has been specifically trained to have competence and satisfies specific requirements of ICG and IRS, and is officially appointed by and accepted to perform survey activities on behalf of one of the parties to the present MoU.
- 1.6 "Classification" means any services, which are based on either of the "Rules for Construction and Classification of ships", "Rules & Regulations for the



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Construction and Classification of Vessels for Inland Waterways", "Rules & Regulations for the Construction and Classification of Vessels for Coast Guard" of IRS and any other Rules, which may be mutually agreed upon.

- 1.7 "Certification" means surveying and issuance of certificates (including document appraisal, if necessary) for all kinds of:
 - a) Non-class equipment and non-class materials for ships (e.g. for cargo gear);
 - b) Non-class equipment in relation to ships (e.g. containers);
 - Non-class equipment in relation to ships (e.g. checking of draft marks, surveys of vegetable oil tanks, loading port surveys of cargo, refrigeration installation, etc.);
- 1.8 "Statutory Survey" means activities which are to be performed on the basis of the national and international regulations and conventions/codes in force, including pertinent protocols and amendments:
 - a) International Load Line Convention (ILLC);
 - b) International Convention for the Safety of Life at Sea (SOLAS);
 - c) International Convention for the Prevention of Pollution from Ships (MARPOL);
 - d) IMO-Code for the Carriage of Dangerous Chemicals in Bulk;
 - e) Various other IMO-Codes and Resolutions including ISM Code;
 - f) International Convention on Tonnage Measurement of Ships;
 - g) ILO-Conventions of technical contents;
 - h) Other national and international documents, which govern the design, construction and operation of a particular ship.
- 1.9 "Project" means any scientific or technological pursuit of common interest in the scientific & technological field.
- 1.10 "Confidentiality" means protection of any knowledge or information or data pertaining to a project exclusively within the two organizations until receipt of explicit permission of dissipation of the same in writing by both.
- 1.11 "Simulation" means development of computational models using computer facilities to examine a theoretical model.



Article 2: Principles and Scope of Cooperation

- 2.1 The scope of cooperation and substitution according to the present MoU comprises mutual exchange and cooperation of services as follows:
 - a) IRS will undertake to act on behalf of ICG, when so authorized by ICG, for ships holding or intended to hold single and dual class, in respect of:
 - i. All kinds of Classification and Certification surveys for ships under construction or in service on case-to-case basis;
 - ii. New construction of ships to carry out classification, certification and statutory surveys as mutually agreed on case-by-case basis;
 - iii. Inspection and testing of materials, component parts, equipment, etc. which are subject to Classification and/ or Certification;
 - iv. Issuance of tests and survey reports and certificates as agreed by both parties;
 - v. Endorsement of classification and other certificates issued by any other classification society to verify compliance with the specification/ staff requirements established for a vessel on a case to case basis.
 - b) ICG & IRS will cooperate with each other in respect of Inspection and Certification of Shipboard Systems, Equipment and Material in accordance with the contractual specification & standard; and issuance of certificates thereof, as well as providing training for Capacity Building towards the above.
 - c) Each will cooperate with the other in respect of Certification of Management Systems to International Standards e.g. ISO 9000, ISO 14000, OHSAS 18001, SA 8000 & any other Standards and provide training or implementation of the Standard in ICG's operations.
 - d) "Exclusive Surveyors" will carry out all the above activities.
- 2.2 IRS will offer assistance to ICG in training selected officers for compliance with the requirements pertaining to classification, certification and training.
- 2.3 IRS & ICG will coordinate in the development of the detailed specifications for various vessels or procurement purposes. Further, IRS will provide assistance in analysis of the technical bids and establishment of qualified technical bidder for awarding the contract on case-to-case basis.



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- 2.4 IRS will provide comprehensive services towards planned maintenance of the hull & machinery of ICG vessels to facilitate economical maintenance commensurate with the operations and mission requirements at mutually agreed time and venue.
- 2.5 ICG can assign 'Projects' to pursue matters of its strategic interest to IRS to undertake either/both theoretical or experimental scientific study including 'Simulations', if necessary. Such studies can also be undertaken in collaboration with other recognized organizations as agreed by ICG.

Article 3: Confidentiality

3.1 Both Organizations shall treat confidential any documentation and information in connection with activities performed on the basis of the present MoU.

Article 4: Reports and Certificates

- 4.1 When IRS completes the surveys or testing of materials, components and equipment, it shall prepare survey reports and certificates. Survey reports, certificates and other documents shall be prepared in English and shall be submitted immediately to the party requesting survey after completion of surveys of testing.
- 4.2 Research reports, publications, certificates and other documents shall also be prepared in English and shall be submitted to the managements of two organizations after completion or during intermediate stages.

Article 5: Exchange of Documents and Information

The contracting organizations agree to regularly exchange:

- 5.1 Their current standards/documents or construction and classification of ships and later on with copies of all subsequent additions and amendments thereto.
- 5.2 Any instructions, guidelines, samples of relevant certificates, survey report forms for performance of survey and any of their subsequent changes.

Article 6: Liability

The Organizations undertake, in the performance of their duties as laid down in the present MoU, to proceed with utmost care. However, none of the Organizations will take over responsibility and/ or liability whatsoever for the personnel of the other.



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Article 7: Fees and Expenses

The fees and expenses of services, surveys/testing according to this MoU will be agreed on a case-by-case baisis and will be honoured over the period over which the fee would be valid.

Article 8: Validity, Duration and Amendments

- 8.1 This MoU shall enter into force as from the date of signing by both Organizations and will remain in force until the Organizations decide to terminate the MoU after the discussions between the Managements.
- 8.2 Any work commenced but not yet completed in case of an unfortunate termination of the MoU in future shall be continued till its completion in accordance with the Article of the present MoU.
- 8.3 This MoU may be amended upon written agreement of the two Organizations in advance.

In witness thereof the organizations have signed the present MoU in duplicate in the English language.

For INDIAN COAST GUARD

For INDIAN REGISTER OF SHIPPING

DIG T.P. Sadanandan

Principal Director (Material)

Date: 05 August 2008

Managing Director

Date: 05 August 2008