

Sixteenth Keralam Legislative Assembly

Bill No. 18

**THE KERALAM MARITIME BOARD (AMENDMENT)
BILL, 2026**

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**THE KERALAM MARITIME BOARD
(AMENDMENT) BILL, 2026**

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BILL

further to amend the Kerala Maritime Board Act, 2017.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Maritime Board Act, 2017 (16 of 2017) for the purposes hereinafter appearing;

BE it enacted in the Seventy-seventh Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Keralam Maritime Board (Amendment) Act, 2026.

(2) It shall come into force at once.

2. *Amendment of section 1.*—In the Kerala Maritime Board Act, 2017 (16 of 2017) (hereinafter referred to as the principal Act) for sub-section (1) of section 1, the following sub-section shall be substituted, namely:—

“(1) This Act may be called the Keralam Maritime Board Act, 2017.”

3. *Amendment of section 2.*—In section 2 of the principal Act,—

(i) for clause (c), the following clause shall be substituted, namely:—

“(c) “Chairperson” means the Chairperson of the Board;”.

(ii) after clause (d), the following clause shall be inserted, namely:—

“(da) “Concessionaire” means a person with whom the Board has entered into, through a concession agreement, for carrying out all or any of the

activities for the operation of a port or in any land vested in the Board in connection with the maritime sector or any activity allied thereto, and includes a company registered under the Companies Act, 2013 (Central Act 18 of 2013), partnership firms registered under the Indian Partnership Act, 1932 (Central Act 9 of 1932) and consortium;”.

(iii) clause (e) shall be omitted.

(iv) after clause (f), the following clause shall be inserted, namely:—

“(fa) “Enforcement Wing” means the Enforcement Wing constituted under section 15A;”.

(v) for clause (t), the following clause shall be substituted, namely:—

“(t) “Member” means a member of the Board;”

(vi) after clause (y), the following clause shall be inserted, namely:—

“(ya) “Port Area Development Authority” means the Port Area Development Authority constituted under section 103;”.

(vii) after clause (ze), the following clauses shall be inserted, namely:—

“(zea) “share” means share as defined in clause (84) of section 2 of the Companies Act, 2013 (Central Act 18 of 2013);

(zeb) “Spatial plan for a Special Area” means the Spatial plan for a Special Area as defined in clause (acb) of section 2 of the Kerala Town and Country Planning Act, 2016 (9 of 2016);

(zec) “Special Area” means a special area as defined in clause (aca) of section 2 of the Kerala Town and Country Planning Act, 2016 (9 of 2016);”.

(viii) after clause (zf), the following clause shall be inserted, namely:—

“(zfa) “State Maritime Land Bank” means the State Maritime Land Bank constituted under section 22A;”.

(ix) after clause (zh), the following clauses shall be inserted, namely:—

(a) “(zha) “Vice-Chairperson” means the Vice-Chairperson of the Board;

(b) “(z)hb) “Waterfront Royalty” means the rate payable for the use of water bodies comprised within the port limits;”.

4. *Amendment of section 3.*—In section 3 of the principal Act,—

(i) for sub-sections (4) and (5), the following sub-sections shall be substituted, namely:—

“(4) The Board shall consist of the following members, namely:—

- (i) The Chief Minister : Chairperson
- (ii) The Minister in charge of the Ports : Vice-Chairperson
Department of the State
- (iii) Chief Secretary : Member (*Ex-officio*)
- (iv) Secretary to Government, Ports : Member (*Ex-officio*)
Department
- (v) Secretary to Government, Fisheries : Member (*Ex-officio*)
Department
- (vi) Secretary to Government, Industries : Member (*Ex-officio*)
Department
- (vii) Secretary to Government, Coastal : Member (*Ex-officio*)
Shipping and Inland Navigation
Department
- (viii) Secretary to Government, Finance : Member (*Ex-officio*)
Department
- (ix) Secretary to Government, Revenue : Member (*Ex-officio*)
Department
- (x) Law Secretary, Law Department : Member (*Ex-officio*)
- (xi) Secretary to Government of such : Member (*Ex-officio*)
other Department as the Government
may consider necessary

- (xii) A representative from the Central Board of Excise & Customs : Member (*Ex-officio*)
- (xiii) Additional Director General of Police / Inspector General of Police in charge of Kerala coastal security : Member (*Ex-officio*)
- (xiv) A representative from the Indian Navy who is in charge of the Kerala coast : Member (*Ex-officio*)
- (xv) A representative from the Indian Coast Guard in charge of Kerala coasts and coastal sea : Member (*Ex-officio*)
- (xvi) Managing Director, Vizhinjam International Seaport Limited : Member (*Ex-officio*)
- (xvii) Chief Executive Officer : Member (*Ex-officio*)
- (xviii) Four members from various sectors nominated by the State Government : Member (*Ex-officio*)

(5) The expert members nominated under item (xviii) of sub-section (4) shall be persons having wide knowledge and experience in any of the fields of shipping, navigation, maritime industry [the Company of Master Mariners of India, the Institute of Marine Engineers], shipping and logistics, inland water transport or maritime laws.

(6) The maximum term of the nominated members under item (xviii) of sub-section (4) shall be three years.”.

5. *Amendment of section 4.*— For section 4 of the principal Act, the following section shall be substituted, namely:—

“4. *Absence of the Chairperson.*—(1) In the absence of the Chairperson, the Vice-Chairperson shall act as the Chairperson in the meetings of the Board.

(2) If the office of the Chairperson is vacant by reason of resignation or otherwise, the Vice-Chairperson shall in such circumstances act as the Chairperson.

(3) Where it becomes necessary for the Board, in any circumstance to convene an emergency meeting, Chairperson and the Vice-Chairperson are unable to attend such meeting, the Chief Secretary shall preside over such meeting.”.

6. *Amendment of section 5.*—Sub-section (2) of section 5 of the principal Act shall be omitted.

7. *Insertion of new section 7A.*—After section 7 of the principal Act, the following section shall be inserted, namely:—

“7A. *Functions of the Board.*—The Board shall have the following functions, namely:—

(a) to issue guidelines for the initiation and development of schemes for the non-major port sector;

(b) to be the agency of the State Government for protecting the seashore land in the coastal area of the State;

(c) to promote the use, development and improvement of non-major ports;

(d) to ensure the development of port connectivity projects and other inland infrastructure needed for the effective development of non-major ports;

(e) to formulate schemes for the maintenance, operation and effective functioning of non-major ports;

(f) to provide and maintain adequate and efficient lighthouses, beacons, other lights, buoys and other navigational aids and services at such places as the Board may deem appropriate;

(g) to regulate navigation within the port limits and at port approaches;

(h) to carry out licensing and regulatory functions in respect of port infrastructure and services;

(i) to exercise supervision and control over all port works in the State, including works given on contract;

(j) to review and revise, from time to time, the rates and scales for the services rendered by the Board;

(k) to provide and ensure a safe, economical and efficient sea transport system for the movement of goods and persons;

(l) to ensure other services and facilities necessary for the operations of the ports;

(m) to furnish to the Government, all information relating to the properties of the Board, the activities in the maritime sector and inland water transport as the Government may require;

(n) to implement the development of ports and to ensure the services of the necessary officers in accordance with the provisions of the Indian Ports Act, 2025 (Central Act 27 of 2025) and the other laws for the time being in force;

(o) to promote port-based industries and maritime tourism activities in the port sectors and the areas connected therewith;

(p) to protect the seashore within the jurisdiction of the Board and to promote improvement of the environment of the coastal areas, along with complying the statutory environmental standards and conditions by the international, national and State authorities from time to time set in accordance with the provisions of the laws for the time being in force;

(q) to collect the tax, duty and fees as provided for under this Act and the rules and regulations issued thereunder;

(r) to conduct, from time to time, technical and economic studies for maintaining the spatial plan for special area as part of port capacity development;

(s) to create and develop infrastructure facilities for shipbuilding, ship breaking and ship repairing;

(t) to provide facilities for carrying out crew change at the outer and inner anchorages, in conformity with the orders and guidelines issued from time to time by the Central-State Governments;

(u) to introduce tourism, education and skill development in the maritime-logistics sector and for this, comply with the orders and guidelines issued by the Central- State Governments from time to time;

(v) to comply with the policies, orders and directions issued by the Government from time to time in relation to non-major ports;

(w) to conduct studies, prepare projects for establishing new ports in the State with the approval of the Government, in accordance with the provisions of the Indian Ports Act, 2025 (Central Act 27 of 2025) and submit the same to the Government for approval;

(x) to implement projects on public private partnership basis for the operation, maintenance and infrastructure development of ports, in accordance with the guidelines of the Central -State Government;

(y) to use and develop the coastline of the State for promoting and encouraging port-allied activities and maritime activities, including merchant shipping, cargo movement, bunker traffic and the supply of bunker to vessels;

(z) to function in co-ordination with the major ports and container terminals within the State for the expansion of shipping activities;

(za) to arrange adequate infrastructure facilities in the fields of bunker supply, other gases in solid and liquid form, transport arrangement for passengers, cargo, industries connected with other coastal port shipping and services for the vessel arriving at the ports and shores;

(zb) to acquire ships, vessels, barges and boats for use of the movement of goods and passenger transport system, and to establish yards for the repair of ships;

(zc) to implement, regulate and monitor dredging operations for widening, deepening and improving any part of a port, portion of the port approaches or of the foreshore;

(zd) to grant licences and to ensure the safety of vessels, barges, yachts, boats, tugs, dredgers, jetties, ports, wharves and moorings;

(ze) to take necessary measures for the safety of persons engaged in port-related activities;

(zf) to ensure the protection of the environment and to implement sustainable development within the port limits;

(zg) to duly comply with and implement the orders of any statutory authorities, ports, customs, admiralty courts or other courts, in relation to vessels approaching the ports, local sea limits of the State;

(zh) to act as the designated authority in accordance with the provisions of the Inland Vessels Act, 2021 (Central Act 24 of 2021) and to utilise the services of the employees and officers of the Board, for the purpose of discharging the said functions;

(zi) to ensure, as and when the land comprised in the State Maritime Land Bank constituted under section 22A and the immovable properties comprised therein are received by the Board in accordance with the provisions of the said section, the protection and maintenance thereof, and to plan and implement projects, including integrated townships, by utilising the said land;

(zj) to establish and maintain new ports with the prior sanction of the State Government, obtaining clearances from the Central-State Governments or from the authorities concerned in accordance with the provisions of the Indian Ports Act, 2025 (Central Act 27 of 2025), and to submit report to the Government relating to non-operational ports in accordance with the provisions of the said Act;

(zk) to take steps for implementing the provisions of the Indian Ports Act, 2025 (Central Act 27 of 2025) in accordance with the directions, orders and notifications issued by the State Government from time to time;

(zl) to ensure constructions and services in non-major ports in accordance with the provisions of Chapter VI;

(zm) to formulate new and innovative policies conducive to private investment in the maritime sector and in the allied sector, and submit to the Government for approval;

(zn) to grant permission, within the port limits and on the sea shores, for survey, registration and other activities connected therewith in relation to the operation of floating jetty, floating bridge, floating cottage or floating restaurant, and to receive fees and impose fines respectively;

(zo) to formulate policies for the improvement of the trades connected with shipping at the ports and submit to the Government for approval;

(zp) to issue various certificates and licences in compliance with the provisions of the Acts and the rules issued thereunder applicable to the vessel, inland vessel, barge, yacht, boat, tug, dredger, jettie, port, wharf and mooring;

(zq) to plan and implement projects including integrated townships for the productive use of the non-port lands vested in the Board;

(zr) to undertake all matters relating to coastal shipping transport and the allied activities, and to prepare schemes, policies and projects for the prosperity and progress of the said sector and implement with the approval of the Government;

(zs) to recommend the State Government for the implementation of new and innovative policies which help to increase the volume of trade and to increase private investments in the maritime sector and in the allied sectors;

(zt) to fix the amount of waterfront royalty for the use of the water bodies comprised within the port limits, with the prior approval of the Government, and to revise such royalty amount from time to time;

(zu) to collect the fees for the services rendered by the Board in accordance with the provisions of the Inland Vessels Act, 2021 (Central Act 24 of 2021) and the Indian Ports Act, 2025 (Central Act 27 of 2025) and the rules issued under the said Acts;

(zv) to perform such other functions as may be entrusted by the Government from time to time, along with such other functions as may be necessary for implementing the provisions of this Act, the Inland Vessels Act, 2021 (Central Act 24 of 2021), the Indian Ports Act, 2025 (Central Act 27 of 2025) and the provisions of the rules issued under the said Acts.”.

8. *Amendment of section 13.*—In section 13 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The Chief Executive Officer shall be an officer of the Indian Administrative Service.”.

9. *Insertion of new section 15A.*—After section 15 of the principal Act, the following section shall be inserted, namely:—

“15A. *Constitution of the Enforcement Wing.*—(1) The Board shall constitute an Enforcement Wing, comprising the officers of the Board, for the inspection of operations of inland vessels in accordance with the provisions of the Inland Vessels Act, 2021 (Central Act 24 of 2021) and the rules issued thereunder.

(2) The constitution, functioning, duties and powers of the Enforcement Wing shall be such as may be prescribed.

(3) The assistance of the officers of the Police Department may be requested for the enforcement activities in necessary circumstances.”.

10. *Insertion of new section 17A.*—After section 17 of the principal Act, the following section shall be inserted, namely:—

“17A. *Special provisions relating to the employees appointed even after the appointed day against the vacancies in the various posts sanctioned in the Port Directorate and the subordinate offices.*—(1) Notwithstanding anything contained in this Act, all officers and employees who have obtained permanent appointment through the Kerala Public Service Commission or the Employment Exchange, against the vacancies in the various posts sanctioned in the Port Directorate and the subordinate offices, in accordance with the Special Rules and the General Service Rules applicable to the Ports Department, after the appointed day and before the Keralam Maritime Board (Amendment) Act, 2026, shall, notwithstanding that the Board has been constituted, be entitled to all such rights and protection as are available to Government servants, and may continue in such manner that such posts shall vanish on their superannuation.

(2) Nothing in sub-section (1) shall prevent such officers and employees from becoming employees of the Board by giving option in such manner as may be prescribed.

(3) The employees who have obtained appointment in the Board under sub-section (1) between the appointed day and this Amendment Act may continue to be Government employees without any change, loss of seniority or any other adverse effect on the terms and conditions of service and pay.

(4) The supervision and power to take disciplinary action against, the officers and employees referred to in sub-section (1) shall vest in the Board, and any person aggrieved by any disciplinary action taken by the Board may prefer an appeal to the Government, and the decision on such appeal shall be final.”.

11. *Amendment of section 22.*—In section 22 of the principal Act,—

(i) in clause (b), for the words “for the lease or licence of”, the words “for giving on lease or for granting licence or for giving on public private partnership basis” shall be substituted.”

(ii) after clause (b), the following provisos shall be inserted, namely:—

“Provided that, while giving on public private partnership basis an addition period is required for the execution of the project, at the time of the tender proceedings, such an additional period may be granted after assessing further investment potential and after obtaining the sanction of the Government:

Provided further that, upon completing the period of thirty years in accordance with the conditions of the contract, if the concessionaire decides to continue in partnership with the Board in the execution of the project, and where the Board considers that there are sufficient reasons for extending the period for such further additional time, the Board shall inform the Government of the said matter, and a further additional period may be granted with the approval of the Government, and the application for such an additional period shall be submitted by the concessionaire one year before the expiry of the period of the existing concession agreement.”

12. *Insertion of new section 22A.*—After section 22 of the principal Act, the following section shall be inserted, namely:—

“22A. *Constitution of the State Maritime Land Bank.*—(1) Notwithstanding anything contained in any other law for the time being in force in

the State, the Government shall, by notification, constitute a State Maritime Land Bank comprising the land under the control of the State Government, for the development of non-major ports, maritime industry, maritime logistics and other allied matters, in accordance with the provisions of this Act and the rules and regulations issued thereunder.

(2) In respect of the land comprised in the State Maritime Land Bank under sub-section (1), the Government may, by order, give the same to the Board on the basis of lease or on licence, for the purposes specified in the said section, at the rate and upon the terms and conditions stated in the order.

(3) Where any land comprised in the Maritime Land Bank under the sub-section (1) falls within the port limits but , for the time being, it is under the ownership of another Government department, the authorities concerned shall take steps, as expeditiously as possible, to confer the ownership of such land on the Board.”.

13. *Insertion of new section 63A.*—After section 63 of the principal Act, the following section shall be inserted, namely:—

“63A. *Shares of companies.*—Notwithstanding anything contained in this Act, the Board may purchase and sell the shares of any company registered in accordance with the provisions of the Companies Act, 2013 (Central Act 18 of 2013), or of companies under the control of Central-State Government, in connection with the development of port operations and allied infrastructure:

Provided that, the prior sanction of the Government shall be obtained for such purchase and sale of shares:

Provided further that, the interests of the Board shall be protected while purchasing and selling the shares.”.

14. *Amendment of section 70.*—In section 70 of the principal Act,—
after clause (i), the following clause shall be inserted, namely:—

“(ia) the amount paid to be payable in case of deficit that may arise in the Inland Vessel Fund under section 71A.”.

15. *Insertion of new sections 71A, 71B, 71C and 71D.*—After section 71 of the principal Act, the following sections shall be inserted, namely:—

“71A. *Fund relating to inland vessel operations.*—The Board shall have a special fund called the Inland Vessel Fund for all the amounts received by the Board for rendering the services under the provisions of the Inland Vessels Act, 2021 (Central Act 24 of 2021) and the rules issued thereunder, and for the other amounts, including the amount received as interest for the investment of the surplus amount;

71B. *Utilization of the amount in the Inland Vessel Fund.*—The amount credited to the Inland Vessel Fund under section 71A shall be utilised for paying the following charges, namely:—

For the purpose of implementing the provisions of the Inland Vessels Act, 2021 (Central Act 24 of 2021) and the rules issued thereunder in the State,—

(i) the salary, wages, allowances and other amounts payable to the officers and other employees deployed by the Board;

(ii) the expenditure required for the vehicles, boats and allied machineries purchased or obtained on hire by the Board;

(iii) the expenditure incurred in connection with the construction or hiring of detention yard for the purpose of keeping inland vessels;

(iv) litigation related expenditure;

(v) the amount payable to other Government departments;

(vi) the other expenses that may arise in connection with inland vessels;

71C. *Surplus amount in the Inland Vessel Fund.*—The surplus amount in the Inland Vessel Fund may be kept as fixed deposit in Nationalised Banks or in the treasury. In case of a deficit, the same may be met from the General Fund of the Board and may be returned to the General Fund as and when there is a surplus.

71D. *Accounts and audit.*—The Board shall keep proper accounts and other relevant records in connection with the Inland Vessel Fund, and the same shall be included in the accounts of the Board and subjected to the audit under section 84.”

16. *Amendment of section 84.*—Section 84 of the principal Act,—

(i) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) All the accounts of the Board shall be audited once in a year and such accounts shall be audited by an auditor appointed by the Government in consultation with the Comptroller and Auditor General of India, and any amount payable by the Board to the auditor in connection with such audit shall be deducted from the General Fund of the Board.”

(ii) after sub-section (3), the following sub-sections shall be inserted, namely:—

“(4) The internal audit of all the transactions of the Board shall be conducted every year, or at such intervals as the Board may decide, through an agency appointed by the Board, and the amount spent for this purpose shall be met out from the General Fund.

(5) The report relating to the internal audit under sub-section (4) shall be placed before the Board for examination and further actions.”.

17. *Amendment of section 103.*— For section 103, the following section shall be substituted, namely:—

“103. *Port Area Development Authority.*—(1) Notwithstanding anything contained in any other law for the time being in force in the State the Government may, constitute a Port Area Development Authority for each port.

(2) The constitution, functioning, powers, duties, responsibilities, meeting and quorum of the Port Area Development Authority shall be such as may be prescribed.

(3) The Port Area Development Authority shall prepare the spatial plan for a special area and shall submit the same to the Government for taking further steps in accordance with the provisions of the Kerala Town and Country Planning Act, 2016 (9 of 2016).”.

18. *Insertion of new section 103A.*—After section 103 of the principal Act, the following section shall be inserted, namely:—

“103A. *Operation of a floating jetty, floating bridge, floating cottage or floating restaurant.*—The Board shall grant permission for survey, registration and other activities connected therewith in relation to the operation of a floating jetty, floating bridge, floating cottage or floating restaurant within the port limits and the sea shores of the State, on the basis of such conditions as may be prescribed and the guidelines issued by the Government from time to time, and shall receive the fees and impose the fines, respectively, as may be prescribed.”.

19. *Amendment of section 106.*—In sub-section (2) of section 106 of the principal Act,—

(i) for clause (a), the following clauses shall be substituted, namely:—

“(a) the form for giving option to the officers and employees under sub-section (2) of section 17;

(aa) the form for giving option to the officers and employees under sub-section (2) of section 17A;”.

(ii) after clause (b), the following clause shall be inserted, namely:—

“(ba) the rate, terms and conditions for giving the land comprised in the State Maritime Land Bank under section 22A;”.

(iii) for clause (d), the following clause shall be substituted, namely:—

“(d) the constitution, functioning, powers, duties, responsibilities, meeting and quorum of the Port Area Development Authority under section 103;”.

(iv) after clause (d), the following clause shall be inserted, namely:—

“(da) the conditions for survey, registration and other activities connected therewith in relation to the operation of a floating jetty, floating bridge, floating cottage or floating restaurant under section 103A, the fees and fines;”.

20. *Substitution of certain expressions by certain other expressions.*—In the principal Act, wherever the words “Kerala”, “Chairman” and “Vice-Chairman” occur, the words “Keralam”, “Chairperson” and “Vice-Chairperson” shall be substituted respectively.

STATEMENT OF OBJECTS AND REASONS

The Kerala Maritime Board (Amendment) Act, 2022, was enacted to amend the Kerala Maritime Board Act, 2017 (Act 16 of 2017), passed by the State Legislature. It was decided to introduce necessary amendments because the provisions of the existing Act required the Kerala Maritime Board to seek government approval for its decisions, thereby causing delays in timely decision-making and the effective utilization of capital.

This amendment provides for the reconstitution of the Board with the Chief Minister as Chairperson, the Minister for Ports as Vice-Chairperson, to enhance operational efficiency; for the detailed inclusion of the Board's duties and powers, such as the development of non-major ports, coastal protection, creation of port infrastructure, dredging, vessel licensing, environmental protection, and the discharge of responsibilities under the Inland Vessels Act, 2021; and for the appointment of only senior officers from the Indian Administrative Service (IAS) or All India Services as the Board's Chief Executive Officer. This amendment envisages: designating the Board as the competent authority under the Inland Vessels Act, 2021; forming an 'Enforcement Wing' comprising Board officials to inspect inland vessels; granting rights and protections similar to those of government employees to all officers and staff appointed via the Kerala Public Service Commission and Employment Exchange to various posts in the Directorate of Ports and allied offices during the interim period between the prescribed cutoff date and the enactment of the Kerala Maritime Board (Amendment) Act, 2026; clarifying internal and external audit procedures; empowering the Board to purchase and sell shares of port development companies and public sector undertakings registered under the Companies Act, subject to prior government approval; amending provisions regarding the extension of contract periods for

Public-Private Partnership (PPP) projects; and establishing a 'State Maritime Land Bank' for the development of non-major ports and maritime industries by utilizing government-owned land.

This Bill is intended to achieve the aforementioned objectives.

FINANCIAL MEMORANDUM

The draft Kerala Maritime Board (Amendment) proposals, 2026 have been submitted for examination by the Finance Department, and the Finance Department has accorded approval to the provisions of the Bill. None of the provisions of the Bill impose any expenditure or liability on the Consolidated Fund of the State. All expenditures contemplated under the Bill are to be met from the General Fund of the Board under Section 70 of the principal Act. The Enforcement Wing is being constituted by including the existing officers of the Board. The expenditure on internal audit under Section 84 is to be met from the General Fund of the Board. The expenditure of the Port Area Development Authorities will be borne by the Board. The Inland Vessel Fund is constituted from the fees of that sector itself. Moreover, the Bill creates or clarifies five sources of revenue, namely, Waterfront Royalty for the use of water bodies within the port limits, fees under the Inland Vessels Act, 2021, fees and penalties on floating structures, higher premiums from longer-tenure concessions, and income from the shares of the Board. The Bill is therefore financially beneficial.

Therefore, the implementation of the said Bill does not impose any additional financial liability on the Government.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 9 of the Bill seeks to insert a new section as 15A after section 15 of the principal Act. The said section seeks to empower the Government to make rules regarding the Constitution, functioning, duties and powers of the enforcement wing so constituted by the Board

2. Clause 10 of the Bill seeks to empower the Government to prescribe Form for giving option for the officers and employees who got appointment as permanent employees of the Board after the appointed day in the vacancies of various posts sanctioned in Port Directorate and subordinate offices.

3. Clause 12 of the Bill seeks to empower the Government to issue notification for the constitution of the State Maritime Land Bank.

4. Clause 17 of the Bill seeks to empower the Government to prescribe the procedures for the constitution, functioning, powers, duties, responsibilities, meeting and quorum of the Port Area Development Authority.

5. In clause 19 sub-clause (i) of the Bill, seeks to empower the Government for the forum for giving option for the officers and employees of the Board, sub-clause (ii) make rules for the rate, terms and conditions for giving the land comprised in the State Maritime Land Bank sub-clause (iv) to make rules for the procedures of survey registration and other activities connected therewith fees and fine in relation to the operation of a floating jetty, floating bridge, floating cottage or floating restaurant.

V. D. SATHEESAN

EXTRACT FROM THE RELEVANT PORTIONS OF THE KERALA MARITIME BOARD ACT, 2017 (16 OF 2017)

** ** *

1. *Short title, extent and commencement.*—(1) This Act may be called the Kerala Maritime Board Act, 2017.

** ** *

2. *Definitions.*—In this Act, unless the context otherwise requires,—

(c) “Chairman” means the Chairman of the Board appointed under section 3 and includes the person appointed under section 4 of the Act as Chairman;

(d) “Chief Executive Officer” means the officer appointed under sub-section (1) of section 13 of the Act as the Chief Executive Officer;

(e) “Court” means the High Court of Kerala and other courts having admiralty jurisdiction on civil and criminal matters to arrest and detain a vessel;

(f) “dock” includes all basins, locks, cuts, entrances, graving docks, graving blocks, inclined planes, slipways, gridirons, moorings, transit sheds, warehouses, godowns, open plots and other works and things appertaining to any dock and also the portion of the sea enclosed or protected by the arms break water and outer anchorage including break waters and outer anchorage or groynes of a harbour;

** ** *

(t) “member” means a member of the Board or its committees, as the case may be;

** ** *

(y) “port approaches”, in relation to any port, means those parts of the navigable rivers and channels leading to the port in which the Indian Ports Act, 1908 (Central Act 15 of 1908) is in force and in addition includes the road and rail infrastructures within the port limits;

** ** *

(ze) “securities” mean the securities as defined in clause (h) of section 2 of the Securities Contracts (Regulation) Act, 1956 (Central Act 42 of 1956);

(zf) “State” means the State of Kerala;

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(zh) “vessel” includes anything made for the conveyance, mainly by water, of human beings or of goods;

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3. *Establishment of Kerala Maritime Board.*—(1) As soon as may be after the commencement of this Act, the Government may, by notification, establish a Board by name the Kerala Maritime Board.

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(4) The Board shall consist of the following members, namely:—

(i) the chairman shall be nominated by the State Government and he shall be a person who is or has been an officer of All India Service or a person having administrative experience as Executive Chairperson/ Managing Director/ Department Head in Government or public sector or major ports or Maritime Boards;

(ii) Vice Chairman to be nominated and appointed by the State Government and shall be a person who is or has been an officer of the All India Service not below the rank of Secretary to the Government of Kerala.

(iii) Secretary to Government, .. Member (*Ex-officio*)

Fisheries and Ports Department

(iv) Secretary to Government, .. Member (*Ex-officio*)

Finance Department

(v) Law Secretary to Government, .. Member (*Ex-officio*)

Law Department

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|--------|---|----|------------------------------|
| (vi) | One representative from the Indian Navy who is in charge of Kerala coast | .. | Member (<i>Ex-officio</i>) |
| (vii) | One representative from the Indian Coast Guard in charge of Kerala coasts and coastal sea | .. | Member (<i>Ex-officio</i>) |
| (viii) | Chief Executive Officer, Vizhinjam International Seaport Limited | .. | Member (<i>Ex-officio</i>) |
| (ix) | Four Members nominated by the State Government | .. | Members |
| (x) | Chief Executive Officer | .. | Member Secretary |

(5) The Maximum term of office of the nominated Chairman, Vice Chairman, Members shall be three years.

4. *Absence of Chairman.*—If the Chairman is absent or on leave, the Vice Chairman and in the absence of both the Chairman and the Vice Chairman, such person as the Government may appoint, shall act as the Chairman.

5. *Meeting of the Board.*—(1) The Board shall hold meetings at such times and places and shall subject to the provisions of sub-sections (2), (3) and (4), follow such procedure in regard to the transaction of business at its meetings as provided by regulations.

(2) The Chairman and in his absence the Vice Chairman and in the absence of both the Chairman and the Vice Chairman, any person chosen by the members present from amongst themselves, shall preside at the meeting of the Board.

7. *Defects in appointment not to invalidate acts, etc.*—No act or proceeding of the Board or of any of its Committees shall be invalid merely by reason of,—

(a) any vacancy therein or any defect in the constitution thereof; or

(b) any disqualification of or any defect in the appointment of, a person acting as member thereof; or

(c) any irregularity in its procedure not affecting the merits of the act or proceedings.

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13. *Chief Executive Officer of the Board.*—(1) The Government may, by order, appoint the Chief Executive Officer of the Board.

(2) The qualification, salary, allowances and other conditions of service etc. of the Chief Executive Officer shall be such as may be prescribed.

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15. *Power to grant leave, etc. to employees of the Board.*—(1) Subject to the provisions in the regulations, the power of granting extension of service, granting leave, suspending, reducing, removing or dismissing or of disposing of any other question relating to the service of the employees of the Board, including the power of dispensing with services of any such employee otherwise than by reason of the misconduct of such employee, shall be exercised by the Board or such authority as may be provided by the regulations.

(2) Any officer or employee of the Board aggrieved by an order involving his reduction in rank, removal or dismissal may, within such time and in such manner as may be provided for by regulations, prefer an appeal to the Government.

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17. *Special Provisions regarding employees of the Port Directorate and offices of the Ports.*—(1) Notwithstanding anything contained in this Act, the officers and other employees who worked in the Directorate of Ports and Port offices on and till the appointed day, shall continue as Government employees as such, with all the rights that would have been available to them, if the Board had

not been constituted and such posts may be continued as vanishing category on their superannuation;

(2) Nothing in sub-section (1) shall prevent such officers and employees from becoming employees of the Board by giving option, as may be prescribed.

(3) The Government shall have the right to utilise the services of employees who continue as Government employees under sub-section (1) in such manner that does not infringe their rights as specified in the said section:

Provided that the supervision and power of disciplinary action over the Government employees continuing as such shall vest in the Board. In the matter of disciplinary action taken by the Board against any employee, the said employee may prefer an appeal to the Government and the decision of the Government on the said appeal shall be final.

(4) On the superannuation of the employees who continue as Government employees as per sub-section (1), the entry cadre of that posts shall become the posts in the Board and appointments in such posts shall be made as per the regulations of the Board.

(5) Those who have become employees of the Board on the appointed day pursuant to the commencement of this Act may continue to be Government employees without any change, loss of seniority or any other adverse effect on the terms and conditions of service, consequent to the Kerala Maritime Board (Amendment) Act, 2022. If any dispute arises in the return of employees, who became the employees of the Board in between this Act and the Kerala Maritime Board (Amendment) Act, 2022, as Government employees, the Government may take appropriate decision in it and the decision of the Government shall be final.

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22. *Contracts by the Board.*—With respect to the making of contracts by the Board for the purposes of this Act, the following provisions shall apply, namely:—

(a) every contract shall be made on behalf of the Board by the Chief Executive Officer or an officer authorised by the Board;

(b) no contract for the acquisition of sale of immovable property or for the lease or licence of any such property for a term exceeding thirty years, shall be made unless it is previously approved by the Government, on such terms and conditions as it may think fit;

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(e) no contract which is not made in accordance with the provisions of this Act and the rules or the regulations made thereunder shall be binding on the Board.

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63. *Power of the Board to repay loans before due date.*—The Board may with the previous sanction of the Government, apply any sums out of the amounts which may come into its hands under the provisions of this Act and which can be so applied without prejudicing the security of other holders of the securities, in repaying to Government any sum which may remain due in respect of the principal of any loan although the time fixed for the repayment of the same may not have arrived:

Provided that no such repayment shall be made of any sum less than ten thousand rupees and that if such repayment is made, the amount of interest in each succeeding instalment shall be so adjusted as to represent exactly the interest due on the outstanding principal.

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70. *Application of amounts in General Fund.*—(1) The amounts credited to the General Fund under section 69 shall be applied by the Board in payment of the following charges, namely:—

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(i) any expenditure incurred under section 24;

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71. *Power to transfer amounts from General Fund to specified account and vice-versa.*—The Board may, with the previous sanction of the Government, apply any sum out of the amounts credited to the General Fund of the Board towards meeting deficits, if any, in the particular or specified accounts such as pilotage account, if so maintained or transfer the whole or part of any surplus funds in such particular accounts to the General Fund of the Board.

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84. *Accounts and audits.*—(1) The Board shall maintain proper accounts and other relevant records and prepare the annual statement of accounts including the balance sheet in such form as may be approved by the Government.

(2) The accounts of the Board shall be audited once in every year and if so required by the Government concurrently with the compilation of such accounts by an auditor appointed by the Government in consultation with the Comptroller and Auditor General of India and any amount payable to such Auditor by the Board in respect of such audit shall be debitable to the General Fund of the Board.

(3) The Auditor shall have the same rights, privileges and authority in connection with the audit of the accounts of the Board as the Comptroller and Auditor General of India has in connection with the audit of the Government accounts and in particular, shall have the right to demand production of book of accounts, connected vouchers and other documents of the Board.

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103. *Local Advisory Committee.*—(1) The Government may, from time to time, constitute for such ports as it may determine, Local Advisory Committees consisting of such number of persons as it may think fit in each case and on such terms and conditions as may be prescribed.

(2) The Board may, if it thinks fit, consult the Local Advisory Committee concerned on any business coming before it and shall do so in respect of such business as the Government may, by general or special order in this behalf, specify or when required by the regulation so to do.

(3) The Port Officer appointed under the Indian Ports Act, 1908 (Central Act 15 of 1908) shall be the *ex-officio* Chairman of a Local Advisory Committee.

(4) The Local Advisory Committee shall meet at such intervals as may be prescribed and for the transaction of urgent business on such other occasions as the Chairman of the Board may require.

(5) The number of the members necessary to constitute a quorum at a meeting of a Local Advisory Committee shall be such as the Government may specify.

(6) The recommendations of the Local Advisory Committee may be placed before the next Board meeting.

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106. *Power to make rules.*—(1) The Government may, by notification, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such rule may be made for all or any of the following matters, namely:—

(a) the terms and conditions of service of the Chief Executive Officer under sub-section (2) of section 13;

(b) the form and manner of executing contracts under section 22;

(c) the terms and conditions on which the Board with the previous sanction of the Government may raise loans under sub-section (1) of section 53;

(d) the terms and conditions of appointment of persons as member of a Local Advisory Committee under sub-section (1) of section 103; and

(e) any other matter which is to be or may be prescribed by rules.

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