

# Bill Summary

## The Merchant Shipping Bill, 2024

- The Merchant Shipping Bill, 2024 was introduced in Lok Sabha on December 10, 2024. It seeks to replace the Merchant Shipping Act, 1958. The Act regulates the shipping sector.
- **Mandatory registration of vessels:** Under the Act, all sea going Indian vessels must be registered, except certain vessels which are: (i) not mechanically propelled, or (ii) weighing below 15 tons and used only for navigating Indian coasts. The Act defines vessels to include any ships, boats, sailing vessels, or other vessels used in navigation. The Bill instead requires all vessels to be registered regardless of type of propulsion or weight. It expands the definition of vessels to include types such as mobile offshore drilling units, submarines, and non-displacement crafts.
- **Ownership of Indian vessels:** The Act specifies criteria for ownership of Indian vessels. Under the Act, an Indian vessel means a vessel wholly owned by a: (i) citizen of India, (ii) company or body established by or under Indian laws with its principal place of business in India, or (iii) registered co-operative society. The Bill relaxes the criteria to also include: (i) vessels which are partly owned by above persons, and (ii) vessels wholly or partly owned by Overseas Citizens of India (OCIs). The thresholds for ownership will be specified by the central government. The Bill also clarifies that it will not be mandatory for vessels wholly owned by OCIs to register in India.
- **Registration of certain foreign vessels:** The Bill adds that a foreign vessel chartered by an Indian person may be registered as an Indian vessel. This will apply where the ownership is intended to be transferred to the charterer after a specified period.
- **Registration for vessels to be recycled:** The Bill provides for temporary registration to unregistered vessels which are to be recycled in India.
- **Authorities for regulation of shipping:** The Act empowers the central government to appoint the Director-General of Shipping. The government may delegate its powers and functions under the Act to the Director-General. The Bill retains these provisions. It renames the Director-General as the Director-General of Marine Administration.  
  
The Act establishes Boards to advise the central government: (i) the National Shipping Board for matters related to shipping, and (ii) the National Welfare Board for Seafarers, to advise on welfare of seafarers. The Bill retains these provisions.
- **Regulatory body for security:** The Bill adds that the central government may create a new body to regulate security of vessels and ports.
- **Regulation of training institutes:** The Act requires certain officers on Indian vessels to be duly certified. The Bill retains this provision. The Bill empowers the Director-General to regulate maritime education and training. This includes powers to approve training institutes and courses.
- **Seafarer agreement:** The Act requires master in command of an Indian vessel to enter into an agreement with a crew member for formalising terms of employment. The Bill retains this provision and also allows following persons to enter into such an agreement: (i) owner of Indian vessel, and (ii) recruitment and placement service agencies for Indian or foreign vessels. The Bill adds that seafarers will also have access to social security as prescribed by the central government.
- **Pollution at sea:** The Act requires certain Indian vessels to get a pollution prevention certificate, which certifies compliance with pollution-related regulations. This applies to: (i) oil tankers of at least 150 gross tons and (ii) other vessels of at least 400 gross tons. The Bill mandates this certificate for all vessels irrespective of tonnage.
- **Offences and penalties:** The Bill retains several offences punishable with imprisonment, fine, or both. These include: (i) concealment of nationality of the vessel, (ii) misconduct of a seafarer endangering life or vessel, and (iii) taking a vessel to sea without required certified persons. The imprisonment term ranges between one month and two years. The Bill increases fines for these offences. It also retains most offences punishable with civil penalty. These include: (i) fraudulently altering certain certificates, and (ii) failure of a ship master to assist another ship in a collision.  
  
The Bill decriminalises some offences such as: (i) sending unseaworthy vessel to sea, and (ii) failure to comply with directions of the Director-General. It also adds certain new offences. These include: (i) operating unlicensed recruitment agencies which is punishable with imprisonment, fine, or both, and (ii) discharging any harmful pollutants into sea, which is punishable with civil penalty.

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