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Bill No. 103

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**THE KERALA METROPOLITAN TRANSPORT  
AUTHORITY BILL, 2018**

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**Fourteenth Kerala Legislative Assembly**

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[Translation in English of the "2018-ലെ കേരള മെട്രോപോളിറ്റൻ ട്രാൻസ്പോർട്ട് അതോറിറ്റി ബിൽ" published under the authority of the Governor.]

THE KERALA METROPOLITAN TRANSPORT  
AUTHORITY BILL, 2018

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BILL

*to provide for the constitution of Metropolitan Transport Authorities for the planning, supervision, co-ordination, development and regulation of Urban Transport in the Urban Mobility Areas and also for the Urban Transport Ancillary Services within the Urban Mobility Areas in the State of Kerala.*

*Preamble.*—WHEREAS it is expedient to provide for the constitution of Metropolitan Transport Authorities for the planning, supervision, co-ordination, development and regulation of Urban Transport in the Urban Mobility Areas and also for the Urban Transport Ancillary Services within Urban Mobility Areas in the State of Kerala;

BE it enacted in the Sixty-ninth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. *Short title and commencement.*—(1) This Act may be called the Kerala Metropolitan Transport Authority Act, 2018.

(2) It shall come into force on such date, as the State Government may, by notification in the Official Gazette appoint.

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

(a) “Authority” means a Metropolitan Transport Authority constituted under section 3;

(b) "Aggregator" means an intermediary or market place, digital or otherwise for a passenger or a group of passengers to connect with the driver of a transport vehicle for the purpose of transportation needs of that passenger or a group of passengers;

(c) "Central Government" means the Government of India;

(d) "Chairperson" means the Chairperson of an Authority appointed under sub-section (3) of section 3;

(e) "Chief Executive Officer" means a Chief Executive Officer appointed under section 8;

(f) "Comprehensive Mobility Plan" means the plan document as explained in section 13, that outlines the mobility plan for the Urban Mobility Area in synchronization with the area development plan for such Urban Mobility Area and delineates inter alia strategies and actions for achieving the objectives for ensuring optimum mobility of people and transportation of goods in such Urban Mobility Area and provision for safe, sustainable and efficient and properly co-ordinated urban transport;

(g) "Fund" means an Urban Transport Fund constituted under section 18;

(h) "member" means a member of the Authority;

(i) "regulations" means the regulations made by the Authority under this Act;

(j) "rules" means rules made by the State Government under this Act;

(k) "Schedule" means a Schedule to this Act;

(l) "State Government" means the Government of Kerala;

(m) "Transport Investment Programme" means a detailed multi-year investment programme for the development of Urban Transport and Urban Transport Ancillary Services for an Urban Mobility Area;

(n) "Urban Mobility Area" means the area as detailed in section 11;

(o) "Urban Transport" include different modes of transportation available to the general public in the Urban Mobility Areas, delineated in Schedule I;

(p) "Urban Transport Ancillary Services" means all ancillary services required for operationalising a modern integrated urban transport system and include the elements delineated in Schedule II, subject to the provisions of this Act.

## CHAPTER II

### METROPOLITAN TRANSPORT AUTHORITY

3. *Establishment of Metropolitan Transport Authority.*—(1) The State Government may, by notification in the Official Gazette, establish for each Urban Mobility Area under sub-section (1) of section 11 or notified under sub-section (2) of section 11, an Authority by name, 'Metropolitan Transport Authority' proceeded by the name of a major place coming under such Urban Mobility Area.

(2) The Authority shall be a body corporate by the name aforesaid having perpetual succession and a common seal, with power to enter into contracts, to acquire, hold and dispose of properties both movable and immovable and shall by the said name sue and be sued.

(3) The Authority shall consist of the following members, namely:—

(a) The Chairperson, who shall be an officer or a member not below the rank of a Secretary to the State Government, appointed by the State Government;

(b) The Secretary to the State Government, Transport Department-*ex-officio*;

(c) The Secretary to the State Government, Finance Department-*ex-officio*;

(d) The Secretary to the State Government, Public Works Department-*ex-officio*;

(e) The Managing Director, Kerala State Road Transport Corporation-*ex-officio*;

(f) The Transport Commissioner, Government of Kerala-*ex-officio*;

(g) The District Collector of the District which includes the Urban Mobility Area- *ex-officio*;

(h) The Secretaries of the Municipal Corporations or Municipalities in the Urban Mobility Area - *ex-officio*;

(i) The City Police Commissioner, concerned- *ex-officio*;

(j) The Managing Director of the relevant Mass Rapid Transit System of the Urban Mobility Area-*ex-officio*;

(k) Four experts from any of the fields of transportation engineering, urban transport planning, urban transport operations, corporate governance, finance or law, nominated by the State Government;

(l) The Chief Executive Officer of the respective Metropolitan Transport Authority.

4. *Members not to have certain interests.*—No member of the Authority shall have any share or interest, whether in his own name or otherwise, in any company or body corporate or an association of persons (whether incorporated or not) or a firm engaged in the business of Urban Transport or Urban Transport Ancillary Services.

5. *Term of office and conditions of service of Chairperson and members.*— (1) The term of office, salary or allowances payable to, and the other conditions of service of, the Chairperson or other members, as the case may be, shall be such as may be prescribed by rules.

(2) In the event of occurrence of a vacancy in the office of the Chairperson by reason of his retirement, resignation, removal, death or otherwise, a member as may be designated by the State Government shall act as the Chairperson until a new Chairperson is appointed.

(3) Where the Chairperson is unable to discharge the functions owing to his absence, illness or any other cause, a member as may be designated by the State Government shall discharge the functions of the Chairperson until the Chairperson resumes the charge of his functions.

(4) The Chairperson or any member ceasing to hold office as such shall not represent any person engaged in the commercial business of Urban Transport or Urban Transport Ancillary Services before the Authority in any manner.

6. *Resignation, removal or suspension of members.*—(1) Any member, other than an *ex-officio* member may, by notice in writing under his hand addressed to the State Government, resign his office:

Provided that a member, who has given notice of his resignation, shall continue to hold office till the acceptance of his resignation by the State Government.

(2) Notwithstanding anything contained in sub-section (1), the State Government may, by order, remove the Chairperson or any other member appointed or nominated by the State Government from his office if such Chairperson or member, as the case may be,—

(a) is or at any time, has been adjudged as an insolvent; or

(b) has been convicted of an offence which in the opinion of the State Government involves moral turpitude; or

(c) has so abused his position as to render his continuance in office prejudicial to the public interest; or

(d) has become physically or mentally incapable of acting as the Chairperson or a member:

Provided that no Chairperson or member shall be removed from office under clause (c) unless the State Government, after holding an inquiry and providing a reasonable opportunity of hearing to the person proposed to be removed from the office of the Chairperson or member in accordance with such procedure as may be prescribed by rules in this behalf, is satisfied that such person ought to be removed from such office on such grounds:

Provided further that the State Government may suspend such Chairperson or member during the period of such inquiry.

(3) If a casual vacancy occurs in the office of a nominated member, either by reason of death, resignation, removal or otherwise, such vacancy shall be filled up, as soon as may be, by the State Government and such nominated member shall hold office only for the remaining period of the term of office of the person in whose place he is nominated as a member.

7. *Powers of Chairperson.*—The Chairperson shall have the powers of general superintendence, direction and control in respect of all administrative matters of the Authority:

Provided that the Chairperson may delegate such of his powers relating to administrative matters of the Authority, in the manner as he may think fit, to any other member or officer of the Authority.

8. *Officers and staff of the Authority.*—(1) The State Government shall by notification in the Official Gazette, appoint a person as the Chief Executive Officer of the Authority with such qualifications and on such terms and conditions as may be prescribed by regulations. The Chief Executive Officer shall be responsible for the implementation of the decisions of the Authority and general administration as may be prescribed by regulations or any other matter as may be delegated by the Chairperson or the Authority.

(2) The Authority may appoint, in accordance with the procedure and on terms and conditions specified by regulations, such number of officers, experts, professionals and supporting staff as may be necessary. Such officers, experts or professionals shall have special knowledge and experience in transportation engineering, urban planning, law, business or such other disciplines related to urban transportation or other disciplines, as may be necessary to assist the Authority in the discharge of its functions.

(3) The Authority may with the concurrence of the State Government, engage, from time to time, on contract basis such other officers or consultants or an organisation having experts in fields as mentioned in sub-section (2), as it deems necessary, for the due and proper performance of its functions under this Act.

(4) The salaries and allowances payable to, and other terms and conditions of service of the Chief Executive Officer and other officers and employees of the Authority shall be governed by such conditions of service as may be prescribed by regulations.



9. *Meetings of the Authority.*—(1) The Authority shall meet at such time and places and shall observe such procedure in regard to the transaction of business at its meetings as may be prescribed by regulations and at least one such meeting shall be held in every three months. The quorum for a meeting of the Authority shall be one third of the total members.

(2) The Chairperson shall preside over the meetings of the Authority.

(3) Where the Chairperson is unable to attend any meeting of the Authority for any reason, a member, selected by other members present at the meeting, shall preside over the meeting.

(4) All issues which come before any meeting of the Authority shall be decided by a majority of votes of the members present and voting and in the event of equality of votes, the Chairperson or, in his absence, the person presiding, shall have a casting vote.

(5) Every member who in any way, whether directly, indirectly or personally, has an interest in any matter to be decided at the meeting, shall disclose the nature of his interest and after such disclosure, the member so interested shall not participate either in deliberations or in the voting on the matter.

(6) All orders and decisions of the Authority shall be authenticated by the Chief Executive Officer or any other officer of the Authority duly authorised by the Chairperson in this behalf.

(7) The proceedings of the Authority shall be valid notwithstanding any vacancy in the membership or any defect in the constitution thereof.

10. *Authority may Constitute committees.*—(1) The Authority may, from time to time, appoint committees consisting of such members as it deems fit and may associate with such committees, in such manner and for such period as required, any expert whose assistance or advice it may desire and refer to such committees for enquiry and report, any subject relating to the purposes of this Act.

(2) The Authority may, as required, appoint a committee of experts and refer to such committees any subject relating to the purposes of this Act for enquiry and report.

(3) The persons associated with the committee under sub-section (1) or appointed as members of the committee under sub-section (2) shall be eligible to get such allowances or fees for attending the meetings of the committees as may be determined by the Authority.

(4) Every committee appointed under sub-section (1) or sub-section (2) shall comply with the instructions that may, from time to time, be given to it by the Authority and the Authority may at any time alter the constitution of any committee so appointed or rescind any such appointment. The Authority shall nominate any one of the members as the Chairman of a committee constituted under sub-section (1) and any one expert as the Chairman in respect of a committee constituted under sub-section (2).

(5) The procedure to be followed by the committees and all other matters relating to the committees shall be such as may be prescribed by regulations.

### CHAPTER III

#### DECLARATION OF URBAN MOBILITY AREA

11. *Declaration of Urban Mobility Area and alteration of their limits.*—(1) The municipal corporation limits of Thiruvananthapuram, Kochi and Kozhikode shall be the Urban Mobility Area from the date of commencement of this Act.

(2) The State Government may, by notification in the Official Gazette, declare any other area specifying its territorial limits as Urban Mobility Area for the purposes of this Act.

(3) No Military Cantonment or any part of its area required for military or defence purposes or areas within the boundaries of a notified Special Economic Zone shall be included or cause to be included in an Urban Mobility Area without the sanction of the Central Government.

(4) A map indicating the boundary limits and area of any Urban Mobility Area under this section shall be published in at least two English and two vernacular newspapers having wide circulation in the respective Urban Mobility Area and it shall be given publicity in electronic media within such Urban Mobility Area.

## CHAPTER IV

## DUTIES, FUNCTIONS AND POWERS OF THE AUTHORITY

12. *Duties and functions of the Authority.*—(1) Notwithstanding anything contained in any other law for the time being in force, the Authority shall perform or cause to perform the following duties and functions, namely:—

- (a) Preparation of Comprehensive Mobility Plan, including but not limited to Urban Transport and non-motorised transportation within the Urban Mobility Areas as detailed in section 13 of this Act, in conjunction with the area development plan applicable for such period as the Authority deems fit and updation of such plans at regular intervals not exceeding five years to ensure integration of land use and transport planning on a regular basis, in consultation with the authorities concerned;
- (b) Preparation of a Transport Investment Programme;
- (c) Planning for financing, construction and operation relating to the Urban Transport and the Urban Transport Ancillary Services;
- (d) Promotion, development and regulation of integrated facility and systems for Urban Transport including seamless transport access;
- (e) Development, construction, operation and management of any integrated or stand-alone transport network facility that aid and enhance the efficiency of the Urban Transport to the consumer;
- (f) Creation and management of a Common Command and Control Centre for integration, co-ordination and management of Urban Transport;
- (g) Development, publication, and issuance of standards and guidelines relating to the development and operation of Urban Transport facilities;
- (h) Development and dissemination of performance indicators for Urban Transport services within the territorial jurisdiction of the Authority;
- (i) Regulation and enforcement of technical and performance standards on all strategic and operational matters that have a direct effect on the level of service provided to the users of Urban Transport;

(j) To recommend to the authorities concerned to take necessary steps for the regulation and enforcement of environmental standards for the aspects related, or incidental to, the Urban Transport and the Urban Transport Ancillary Services;

(k) Administration of the Urban Transport Fund as provided under Chapter V of this Act;

(l) Setting up and operation of, an operation control centre, a web based user information system and a helpline to provide integrated information to the users of Urban Transport;

(m) Setting up and operation of a smart card based ticketing system for payment of user charges for use of the Urban Transport and Urban Transport Ancillary Services with the concurrence of the authorities concerned;

(n) Setting up and operation of technology-based solutions for traffic management, transport planning, design of transport systems and selection of mode of transport with the concurrence of the authorities concerned;

(o) Detection and reporting of traffic offences to the authorities concerned with the help of Intelligent Transport System to be established by the Authority;

(p) Collation of information on Urban Transportation within Urban Mobility Area and to provide the same to the relevant agencies;

(q) Publication and display of information for the users of Urban Transport to promote consumer awareness on the integrated urban transport system;

(r) Promoting skill advancement of the persons engaged in the operation and maintenance of Urban Transport through education, training and research;

(s) Make recommendations to the railways, on railway services, schedules and time table to enhance the efficiency or service levels of the Urban Transport.

(2) The Authority may appoint any person or agency to perform duties and discharge functions provided in sub-section (1):

Provided that activities undertaken by any person or agency for performing such duties and discharging functions shall be subject to such restrictions, limitations and conditions as may be laid down by the Authority and shall also be subject to the supervision, control and revision by the Authority.

(3) Subject to the provisions of this Act and any directions issued by the State Government from time to time, the expenditure for undertaking duties mentioned in sub-section (1) shall be met by the Authority.

(4) The Authority shall ensure effective implementation of this Act in the Urban Mobility Area and discharge such other duties and functions as may be prescribed by rules.

13. *Preparation and publication of Comprehensive Mobility Plan for Urban Mobility Area.*—(1) The Authority shall prepare or cause to prepare a Comprehensive Mobility Plan in accordance with the National Urban Transportation Policy guidelines to ensure integrated, comprehensive and planned development of Urban Transport in the Urban Mobility Area and such plan shall include,—

(i) infrastructure facilities and other works;

(ii) various modes of public transport systems and Mass Rapid Transit Systems and their integration;

(iii) procedures and process to resolve any issues in relation to any existing transport system or transport services being operated and in relation to any new systems or services;

(iv) such other matters as may be necessary for the development and implementation of such plans in order to achieve the object and purpose of this Act:

Provided that where there are any other entity or committee constituted under any law for the time being in force which formulates, develops or implements any plan or scheme in relation to Urban Transport within such Area, then in such

circumstances, the Authority may discharge its functions under this section in consultation with such entity or committee, as the case may be.

(2) The draft plan shall be published in the Official Gazette inviting objections and suggestions before such date as may be specified, in such manner prescribed by rules. The Authority shall after giving adequate opportunity of being heard to the persons concerned and after considering the suggestions, objections and representations, if any, modify the draft plan, if necessary.

(3) The plan so prepared shall be submitted to the State Government for approval and the State Government may either approve the plan without modifications or with such modifications as it may consider necessary or reject the plan with directions to the Authority to prepare a new plan based on recommendations issued by the State Government in relation thereof.

(4) The Authority shall publish in the Official Gazette all plans approved by the State Government.

14. *Power to implement Comprehensive Mobility Plan and to formulate schemes.*—(1) The Authority shall have the power to take appropriate measures as it deems fit, for implementation of the approved Comprehensive Mobility Plan.

(2) The Authority may recommend to the State Government to formulate a draft scheme for aligning road transport services with the approved Comprehensive Mobility Plan, giving all relevant particulars of the nature of the services proposed to be rendered in the urban mobility area specified with the area or route proposed to be covered.

(3) The scheme may include the terms as applicable like, the area or route to which it operates, the date on which it comes into operation, the period of operation (which shall not, as far as possible, be more than ten years) and the services which are to be provided under specified permits, passenger transport operators who are to participate in the scheme.

15. *Power to recommend to issue directions and to order enquiry.*—(1) Subject to the provisions of any other law for the time being in force, the Authority may recommend to the State Government to issue directions to the

department, authority, transport operator, aggregator or any other persons concerned, with regard to the implementation of any Urban Transport project or scheme. Where any such department, authority, transport operator or aggregator or such person or institution does not abide by such directions, the Authority may bring the same to the notice of the State Government for proper compliance of the same.

(2) All police officers shall be bound to assist the Authority and the officers of the Authority in implementation of the measures taken by the Authority and its officers and also for carrying into effect the provisions of the Act.

(3) The Authority shall have power to order enquiry or cause to enquire any irregularity or non compliance with the provisions of this Act and the enquiry officer or the competent official of the department concerned shall conduct enquiry, or cause to enquire as and when ordered and submit report or copy of the report, as the case may be, to the Authority within such time as may be prescribed.

16. *Power to enter into agreement for development of public transport facility and transport system.*—(1) The Authority shall have the power to enter into any agreement or contract or sub-contract with a public or private entity for the development of any infrastructure or transport system as may be decided by the Authority or as is provided for in any plan made by the Authority. Besides the Authority shall have power to monitor public safety on these contracted public services and to give directions to the departments concerned.

(2) For the use of infrastructure or the transport system or services connected thereto, developed as provided in sub-section (1), the Authority shall also have the power to fix and notify the fees or user charges that may be levied as per such agreement or contract. The Authority shall have the power to vest the concessionaire or licensee or contractor or sub-contractor, as the case may be, with the power to collect and appropriate such fees or user charges in accordance with the terms stipulated in the relevant arrangement entered into in this regard. The Authority shall have the power to exempt totally or partially or to grant concessions, as they deem fit, with respect to fees or user charges:

Provided that no such fee or user charge shall be fixed or notified by the Authority without the prior approval of the State Government.

(3) The Authority may make regulations, orders or give instructions, as it may consider necessary, for entering into various arrangements referred to under sub-section (1).

(4) The receipts from such arrangements shall be credited to the Fund.

17. *General powers of the Authority.*—Subject to the provisions of any law for the time being in force, the Authority shall have the following powers, namely:—

(a) accept, acquire, hold, surrender, transfer or re-convey security, including security provided in a financing arrangement of any kind in any form, whatsoever;

(b) purchase, lease, hold, construct, manufacture, maintain, sell or dispose of any property, whatsoever, whether movable or immovable, or any part thereof required for, or in connection with, implementation of the objects and purposes of this Act;

(c) raise fund or facilitate financing of all transport related investment for the implementation of the projects, plans, schemes and proposals included in the Transport Investment Programme;

(d) execute all major transport projects proposed for or in the Urban Mobility Area by the Central Government or any State Government or any other agencies from the perspective of alignment with the Comprehensive Urban Mobility Plan or monitor all or any of them;

(e) recommend conditions for issuance of permits or licenses for public transport services by the authorities concerned;

(f) monitor and audit compliance with the Comprehensive Urban Mobility Plan and the Transport Investment Programme;

(g) recommend to the authorities concerned, the fees and charges for Urban Transport Ancillary Services and also to regulate fares for all Urban Transport;



(h) monitor use of Funds for Urban Transport activities and ensure audit of accounts and loans;

(i) ensure enforcement of regulations made under this Act;

(j) prepare appropriate performance related pay and service conditions for the employees of the Authority in consultation with the State Government;

(k) render advice or recommend for building sustainable operational framework for Para Transit Systems included in Schedule II.

(l) such other powers as may be prescribed by rules.

#### CHAPTER V

#### URBAN TRANSPORT FUND

18. *Fund of the Authority.*—(1) There shall be constituted a Fund to be called the 'Urban Transport Fund' for each Metropolitan Transport Authority.

(2) The following shall be credited to the Fund, namely:—

(a) grants, advances and loans sanctioned and funds received through allocations, including budgetary allocations, by the Central Government or the State Government to the respective Metropolitan Transport Authority;

(b) Subject to the provisions of any other law for the time being in force,—

(i) any fine imposed and realised and compounding fee collected under this Act;

(ii) any compounding fee collected by departments concerned, in cases of traffic violations detected through Intelligent Transport System and reported by the Authority;

(c) any user fee or charges collected from the Urban Mobility Area under this Act;

(d) Special Project Specific Viability Gap Funding as may be allocated by the State Government;

(e) any other sum legally received by the Authority.

(3) No sum shall be paid to the Fund or applied from and out of the Fund, except in such manner and subject to such conditions as may be prescribed by rules.

(4) The Fund shall be held and administered by the Chief Executive Officer of the Authority, subject to such general or special directions as may be issued by the State Government from time to time.

19. *Grants and loans by the Government.*—The Authority may receive from the Central Government or the State Government such grants, advances and loans as the Authority may deem necessary for the performance of its functions under this Act and all grants, loans and advances so received shall be subject to the terms and conditions as may be determined by such Government.

20. *Priority for payment of interest and repayment of loans.*—Subject to the provisions of any law for the time being in force, all payments due from the Authority on account of interest on loans or the repayment of loans shall be made in priority out of all other dues from the Authority.

21. *Power to raise finances.*—The Authority may raise finance or debt for the effective implementation of the objects and purposes of this Act through loans or debentures or issuing bonds from such sources, and on such terms and conditions as may be approved by the State Government.

22. *Grants and loans by the Authority.*—The Authority may, subject to the provisions of any law for the time being in force, take steps to make such grants, advances and loans to any urban transport operator within the Urban Mobility Area concerned as may be deemed necessary and all grants, loans and advances so made shall be on such terms and conditions as may be determined by the Authority, as per the laws applicable.

23. *Sinking fund.*—(1) The Authority shall, subject to the provisions of section 20 maintain a sinking fund for repayment of money borrowed by it and shall pay every year into the sinking fund the sum as may be sufficient for repayment within the period fixed for the repayment of all moneys so borrowed.

(2) The sinking fund or part thereof shall be applied in or towards the discharge of the loan for which such fund was credited and until such loan is wholly discharged, it shall not be applied for any other purpose.

24. *Budget of the Authority.*—(1) The Authority shall prepare every year, in such form and at such time as may be prescribed by rules, a budget in respect of the financial year next ensuing showing the estimated receipts and expenditure and shall forward to the State Government such number of copies thereof as may be prescribed by rules.

(2) The Budget prepared by the Authority, in so far as it does not require any revenue contribution from the State Government, shall be final and can be adopted by the Authority without the prior approval of the State Government. However, the budget prepared by the Authority, to the extent it requires any revenue contribution from the State Government, shall be subject to the final approval by the State Government with such change or terms and conditions as the State Government may direct.

25. *Audit.*—(1) The accounts of the Authority shall be subject to audit annually by the Accountant General of the State and any expenditure incurred by him in respect of such audit shall be payable by the Authority to the Accountant General. The Accountant General or any person appointed by him in connection with the audit of accounts of the Authority shall have the same right, privilege and authority as the Accountant General has in connection with the audit of the accounts of the State Government and in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers.

(2) A copy of the audit report shall be submitted to the State Government, the Authority and any other relevant person or authority specified by the State Government.

26. *Annual report.*—(1) The Authority shall prepare for every year a report of its activities during that year and submit the report to the State Government on or before the 1st day of June of the ensuing year.

(2) The State Government shall cause a copy of the annual report to be laid before the State Legislature as soon as may be after it is submitted.

(3) The Authority shall at the end of each financial year submit an audited annual statement to the State Government including but not limited to the following,—

- (a) amount of debt or loan raised;
- (b) details of the investment made during the year;
- (c) mode of repayment, including the amount that has been earmarked for the sinking fund;
- (d) amount of securities that have been created or raised;
- (e) any other matter that may be specified by the State Government from time to time.

27. *Returns.*—The Authority shall furnish to the State Government such reports, returns and other information as the State Government may require from time to time.

#### CHAPTER VI

#### PENALTIES

28. *Penalty for failure in complying with the provisions of this Act, rules or regulations.*—Whoever fails to comply with the provisions of this Act, rules or regulations made thereunder may on conviction, be punishable with fine, which may extend upto ten thousand rupees.

29. *Offences by companies.*—(1) Where the person who contravenes any of the provisions of this Act, rules or regulations made thereunder is a company, every person, who, at the time of such contravention was in-charge of, and was responsible to the company for the conduct of the business of the company, as well as the company, shall be deemed to be liable for such contravention and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the contravention was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such contravention.

(2) Notwithstanding anything contained in sub-section (1), where the contravention of the provisions of this Act, rules or regulations has been done by a company and it is proved that such contravention has been committed with the consent or connivance of, or is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that contravention and shall be liable to be proceeded against and punished accordingly.

*Explanation.*—For the purpose of this section,—

(a) “company” means a body corporate and include a firm or other association of individuals; and

(b) “director” in relation to a firm means a partner in the firm.

30. *Fines on realisation to be vested in the Authority.*—The proceeds of all fines realised under this Act shall, subject to the provisions of the Kerala Road Fund Act, 2001 (10 of 2001) and the Kerala Road Safety Authority Act, 2007 (8 of 2007) be credited to the Fund.

31. *Penalties not to affect other liabilities.*—The penalties imposed under this Act shall be in addition to, and not in derogation of, any liability under any other law for the time being in force.

32. *Cognizance of offences.*—(1) No court shall take cognizance for contravention of any of the provisions of this Act, rules or regulations punishable under this Act save on a complaint made on behalf of the Authority duly signed by the Chief Executive Officer.

(2) Notwithstanding anything contained in the Code of Criminal Procedure 1973 (Central Act 2 of 1974), no court inferior to that of a Judicial Magistrate of the First Class shall try an offence under this Act.

33. *Compounding of offences.*—(1) Any contravention of the provisions of this Act, rules or regulations punishable under this Act may, either before or after the institution of any prosecution, be compounded by the Authority or by an officer authorised in this behalf by the State Government by notification in the Gazette, by accepting a compounding fee as may be prescribed by rules and a receipt of the amount so received shall be issued to the offender or the person concerned, in the Form prescribed by rules:

Provided that the compounding fee shall not exceed the maximum amount of the fine mentioned in section 28:

Provided further that where the contravention of any of the provisions of this Act, rules or regulations is by any company or its officer such contravention shall not be compounded if the investigation against such company has been initiated or is pending under this Act.

(2) Nothing in sub-section (1) shall apply in case of the subsequent contravention of the provisions of this Act, rules or regulations made by a company or a person within a period of three years from the date on which an earlier contravention made by company or person was compounded under this section.

(3) Where the compounding of any contravention of the provisions of this Act, rules or regulations is made after the institution of any prosecution, such compounding shall be brought by the Authority, in writing, to the notice of the court in which the prosecution is pending and on such notice of the compounding of such contravention is being given, the person in relation to whom it is so compounded shall be discharged.

## CHAPTER VII

### MISCELLANEOUS

34. *Protection of action taken in good faith.*—No suit, prosecution or other legal proceedings shall lie against the State Government or the Authority or any officer of the State Government or any member, officer or other employee of the Authority for anything which is done in good faith or intended to be done under this Act, rules or regulations made thereunder.

35. *Service of summons, notice, order, etc.*—Every summons, notice, order or other document required by this Act or any rule or regulation made thereunder and all decisions of the Authority or permission given by it shall be authenticated by the signature of the Chief Executive Officer or any other officer authorised by the Authority in this behalf and shall be deemed to have been duly served upon the party or parties concerned if the service has been effected in anyone of the following manner:—

(i) by personal service;

(ii) by registered post to the last known address of the person;

(iii) in case of failure of service of such summons, notice, etc., under any mode mentioned in items (i) and (ii) above, by affixing it at the house or principal place of business of the party concerned, as the case may be; or

(iv) in case of failure of service of such summons, notice, etc., under any mode mentioned in items (i) to (iii) above, by publication in one prominent Malayalam daily and one English daily newspaper having wide circulation in the locality:

Provided that,—

(a) in case the party to be served is a registered company, a partnership firm or a body corporate, a local authority, a society or other body, it shall be served upon the principal officer of the firm, company, authority or organisation and it shall then be deemed to have been duly served on each director, partner or member of such firm, company, authority or organisation, as the case may be;

(b) in case the party to be served is a minor or a lunatic, it shall be served upon his guardian.

36. *Public notices.*—Every public notice given under this Act shall be in writing under the signature of the Chief Executive Officer and shall be published by affixing copies in the notice board of the Authority and shall be published in one prominent Malayalam daily and one English daily newspaper having wide circulation in the locality.

37. *Summons, notices, etc., to fix reasonable time.*—Save as otherwise provided in this Act, rules or regulations made thereunder, where any summons,

notice, order or other document issued under this Act or any rule or regulation made thereunder requires anything to be done, such summons, notice, order or other document shall specify a time not less than one week for doing the same.

38. *Members and officers to be public servants.*—Every member and every officer and other employee of the Authority shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code, 1860 (Central Act 45 of 1860).

39. *Power to delegate.*—The Authority may, by notification in the Official Gazette, delegate any power exercisable by it or any of its officers under this Act, except the power to make regulations.

40. *Effect of other laws.*—(1) The provisions of this Act and the rules and regulations made thereunder shall have effect within the Urban Mobility Area.

(2) Developments undertaken in an Urban Mobility Area in accordance with the provisions of this Act or the rules or regulations made thereunder shall not be deemed to be unlawfully undertaken by reason only that any permission, approval or sanction required under the provisions of any other law made by the State Legislature has not been obtained prior to such development.

41. *The Authority may request for exemption from the application of other laws in the Urban Mobility Area.*—The Authority may request the Government or any other authority, including Local Self Government Institutions, to make provisions to exempt from the provisions of any other Act for the time being in force or any rules, regulations or bye-laws made by the Government or such other authority if such provisions are inconsistent with any provisions of this Act or any rules or regulations made thereunder, from its application within the Urban Mobility Area.

42. *Notice of suits and period of limitation.*—(1) No suit shall be filed against the Authority or any member or any of its officers or other employees or any person acting under the directions of the Authority or any member or any officer or other employee of the Authority in respect of any act purported to have been done in pursuance of this Act or any rule or regulation made thereunder till the expiration of two months from the date on which a notice in writing has been



served on the Authority or such member or officer or employee or person and unless such notice states explicitly the nature of the cause of action, the relief sought, the amount of compensation claimed and the name and place of residence of the intending plaintiff and unless the plaint contains a statement that such notice has been served.

(2) Notwithstanding anything contained in any other law for the time being in force, no suit as described in sub-section (1) shall, unless it is a suit for recovery of immovable property or for a declaration of title thereto, be instituted after the expiry of six months from the date on which the cause of action arises.

(3) Nothing contained in sub-section (1) shall be deemed to apply to a suit in which the only relief claimed is an injunction of which the object would be defeated by giving of the notice or the postponement of the filing of the suit.

43. *Power to make rules.*—(1) The State Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

- (a) term of office and conditions of service of Chairperson and members under section 5;
- (b) procedures for the resignation, removal or suspension of members under section 6;
- (c) other duties and functions to be performed by the Authority under section 12;
- (d) the form and contents of the plans as provided under section 13, the procedure to be followed in connection with the preparation, submission and approval of such plans and the form and the manner of publication of the notice relating to such plans;
- (e) the time limit for submitting the enquiry report under section 15;
- (f) other powers of Authority as per section 17;

(g) manner and conditions of payment of amount to the Fund and the application of the amount from and out of the Fund under section 18;

(h) the form, time limit and the number of copies of the budget to be prepared by the Authority under section 24;

(i) compounding fee and the form of receipt of the amount under section 33;

(j) any other matter which is required to be, or may be, prescribed under this Act.

44. *Power to make regulations.*—The Authority may, with the approval of the State Government, by notification in the Official Gazette make regulations consistent with the provisions of this Act and the rules made thereunder to carry out the provisions of this Act, and without prejudice to the generality of the foregoing power, such regulations may provide for,—

(a) procedure for the implementation of the decisions of the Authority and general administration and terms and conditions of appointment of Chief Executive Officer, officers, experts, professionals and supporting staff of the Authority under section 8;

(b) procedure for the meeting of the Authority under section 9;

(c) procedure to be followed by the committee constituted under section 10 and all other matters relating to the committee;

(d) salaries, allowances, gratuities and conditions of service of the officers and employees of the Authority and disciplinary matters relating to them;

(e) the procedure for entering into contracts and arrangements by the Authority under section 16;

(f) any other matter which is required to be, or may be, prescribed by regulations.

45. *Rules and regulations to be laid before the Legislature.*—Every rule and regulation made under this Act shall be laid, as soon as may be after it is made, before the Legislative Assembly while it is in session for a total period of fourteen

days which may be comprised in one session or in two successive sessions, and if, before expiry of the session in which it is so laid or the session immediately following, the Legislative Assembly makes any modification in the rule or regulation or decides that the rule or regulation should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so however that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation, as the case may be.

46. *Power of the State Government to issue directions.*—(1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in exercise of its powers or the performance of its functions under this Act, be bound by such directions on questions of policy, other than those relating to technical and administrative matters, as the State Government may give in writing to it from time to time.

(2) Where an issue arises as to whether a question is one of policy or not under sub-section (1) the decision of the State Government thereon shall be final.

(3) Where any dispute arises between the Authority and other authorities, local bodies, body corporate, Department or other agencies of the Government, the matter shall be resolved at the level of the State Government and the decision of the State Government thereon shall be final and the parties involved in such dispute are bound to comply with the decision:

Provided that the State Government shall not pass an order in relation to any dispute under this section without affording the parties concerned, an opportunity of being heard.

47. *Power to remove difficulties.*—(1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by order published in the Gazette, make provisions not inconsistent with the provisions of this Act which appear to it to be necessary or expedient, for removing the difficulty:

Provided that no such order shall be issued after the expiry of a period of two years from the date of commencement of this Act.

(2) Every order issued under this section shall, as soon as may be after it is made, be laid before the Legislative Assembly.

## SCHEDULE I

[ See sections 2(o) ]

## URBAN TRANSPORT

Urban Transport consists of different modes of transport in an Urban Mobility Area that are available for use by all persons who pay the established fare and which are operated on fixed routes and with fixed schedules within the Urban Mobility Area, and include the following functional categories:—

- (a) Buses
- (b) Tramways
- (c) Metro Railway
- (d) Electric Trolley Bus
- (e) Cable Car
- (f) Mass Rapid Transit System
- (g) Light Rail Transit
- (h) Inter-city Railways

(I) Any other mode irrespective of its fuel or propulsion type which meet the requirements of Mass Transportation.

## SCHEDULE II

[ See sections 2(P) ]

## URBAN TRANSPORT ANCILLARY SERVICES

1. 'Para Transit' includes systems provided by operators within an Urban Mobility Area available to person on hire basis for individual and multiple trips, such as:—

- (a) Auto rickshaws/Shared auto rickshaws/E-rickshaws;
- (b) Taxi Cabs, Hire a Cab or Shared Taxi;
- (c) Minibus/Vans;

(d) Any transport vehicle operated under an aggregator;

(e) Any other mode irrespective of its fuel and propulsion system, which meet the requirements of Para Transit.

2. 'Non-Motorised Transport Modes' include walking, bicycle, cycle rickshaw and other green modes of transport that do not consume fuel propulsion or cause pollution.

3. Urban Freight: The movement of freight vehicles whose primary purpose is to carry goods/freight into, out of and within an Urban Mobility Area.

4. Intelligent Transport System are technology-based real time systems that aid in the improved management, coordination and integration of traffic and all the transportation systems in an Urban Mobility Area and include,-

(a) Passenger Information System

(b) Vehicle prioritization

(c) Electronic Fees/User charge/Fare collection

(d) Electronic road pricing

(e) Operations Management

(f) Safety and Security

(g) Traffic management and control

(h) Traffic Surveillance, online information system, etc.

(i) Helping the authorities concerned in relation to pollution control.

5. Parking Infrastructure includes surface, off-street and multi-level parking, including its management and enforcement irrespective of type of technology adopted.

6. Roads and associated infrastructure including street furniture, urban place making etc. within the Urban Mobility Area.

## STATEMENT OF OBJECTS AND REASONS

The Ministry of Urban Development, Government of India have accorded sanction for the Kochi Metro Rail Project, which costs rupees 5181.79 crores, in July, 2012 subject to certain conditions and the instructions for sustainable revenue procurement.

2. The co-ordination of various modes of transport systems including non-motorised systems, arrangement of places for parking, integrated and suitable ticket distribution system for all transport systems based on intelligent transport system, improvement of urban transport services etc. were the conditions while according sanction for the Kochi Metro Rail Project by the Central Government and also while signing the tripartite Memorandum of Understanding executed between the Central Government, Kochi Metro Rail and Government of Kerala. Besides, arrangement of co-ordinated transport services was a condition put forth by the foreign funding agencies also. A statutory arrangement with the above objects is necessary for the implementation of the Kochi Metro Rail Project. Besides, the Metro Rail Policy, 2017 of the Central Government stipulates for the urgent setting up of Urban Metropolitan Transport Authority (UMTA) in the urban areas where metro projects are implemented. Therefore the Government considers that it is necessary to provide for the constitution of Metropolitan Transport Authorities for the planning, supervision, co-ordination, development and regulation of Urban Transport in the Urban Mobility Areas and also for the Urban Transport Ancilliary Services within such Urban Transport Areas in the State of Kerala.

3. The Bill seeks to achieve the above objects

## FINANCIAL MEMORANDUM

Clause 3 of the Bill provides that separate Metropolitan Transport Authorities may be established for each Urban Mobility Area. There shall be ex-officio members and non-official members in each Authority.

2. As stated above, for establishing each Metropolitan Transport Authority and to start the office thereof a total non-recurring expenditure of Rs. 23 lakhs, inclusive of Rs. 18 lakhs as the approximate expenditure for initial expenses and

Rs. 5 lakhs for the purchase of furniture to the office is expected. Besides, towards the annual rent of building, for the functioning of each office, an approximate expenditure of Rs. 5 lakhs and towards other office expenses an approximate expenditure of Rs. 12 lakhs is expected.

3. An approximate expenditure of Rs. 3 lakhs is expected towards the allowances and other benefits for the ex-officio members and non-official members of the Authority in connection with the meetings and other proceedings of the Authority.

4. Clause 8 of the Bill provides that the Authority may appoint officers and other employees required for each Authority and to appoint experts or organisation of experts, from time to time, on contract basis, if it deems necessary. As per this clause, an approximate annual expenditure of Rs. 11 lakhs is expected towards the salary and other benefits for the officers, staffs and those appointed on contract basis.

5. Clause 18 of the Bill provides for the constitution of a Fund to be called the 'Urban Transport Fund'. It provides for the sanctioning of grants by the State Government and for the Special Project Specific Viability Gap Funding as may be specially allocated by the State Government. But, the amount that may be granted by the Government in this behalf from the Consolidated Fund of the State cannot be estimated at this stage. Similarly, the amount required for the studies relating to the projects like comprehensive transport project also cannot be estimated at present.

6. The Bill, if enacted and brought into operation, approximately a recurring expenditure of Rs. 31 lakhs and an approximate non-recurring expenditure of Rs. 23 lakhs is expected from the Consolidated Fund of the State. It is expected that in future, each of the Authorities can meet the amount required for the expenditure from their own Fund.

#### MEMORANDUM REGARDING DELEGATED LEGISLATION

1. Sub-clause (2) of clause 1 of the Bill empowers the Government to issue Gazette notification appointing the date of commencement of the Act.

2. Sub-clause (1) of clause (3) of the Bill empowers the Government to issue notification in the Gazette by establishing an Authority by name, 'Metropolitan Transport Authority' for each notified Urban Mobility Area proceeded by the name of a major place coming under such Urban Mobility Area.
3. Clause 5 of the Bill empowers the Government to make rules prescribing the term of office and conditions of service of Chairperson and members.
4. Clause 6 of the Bill empowers the Government to make rules prescribing the procedure for resignation, removal and suspension of members.
5. Clause 8 of the Bill empowers the Authority to make regulations regarding the salaries and allowances payable to, and conditions of service of the Chief Executive Officer, other officers and employees of the Authority.
6. Clause 9 of the Bill empowers the Authority to make regulations with respect to the procedure to be observed by the Committee regarding the meeting of the Authority and all other matters relating to the Committee.
7. Sub-clause (5) of Clause 10 of the Bill empowers the Authority to make regulations for the procedure to be followed by the committees appointed by the Authority and all other matters relating to the committees.
8. Sub-clause (2) of clause 11 of the Bill empowers the Government to issue notification in the Official Gazette by declaring any other area as Urban Mobility Area in addition to the Urban Mobility Area mentioned in sub-clause (1) of clause 11.
9. Sub-clause (4) of clause 12 of the Bill empowers the Government to make rules prescribing other duties and functions to be performed by the Authority.
10. Clause 13 of the Bill empowers the Government to make rules prescribing the manner of publication of Comprehensive Mobility Plans prepared for the Urban Mobility Area.
11. Clause 15 of the Bill empowers the Government to make rules prescribing the time limit for submitting the report of the enquiry conducted by the Authority on any irregularity or non compliance with the provisions of this Act.



12. Sub-clause (3) of clause 16 of the Bill empowers the Authority to make regulations regarding the procedure for entering into contracts and arrangements.

13. Sub-clause (1) of clause 17 of the Bill empowers the Government to make rules prescribing the other powers of the Authority.

14. Sub-clause (3) of Clause 18 of the Bill empowers the Government to make rules prescribing the manner and conditions of payment of amount to the Urban Transport Fund constituted as per section 18 and the application of the amount from and out of the Fund.

15. Clause 24 of the Bill empowers the Government to make rules prescribing the form of the budget of the Authority and the manner and time of preparing the same and the number of copies to be forwarded to the Government.

16. Clause 33 of the Bill empowers the Government to issue rules prescribing the compounding fee for compounding of any contravention of the provisions of this Act, rules or regulations punishable under this Act and the form of receipt of the amount and to issue Gazette notification authorizing an officer for compounding.

17. Clause 39 of the Bill empowers the Authority to issue Gazette notification to delegate any power except the power to make regulations.

18. Clause 43 of the Bill empowers the Government to make rules by notification for the purposes of carry out the provisions of the Act.

19. Clause 44 of the Bill empowers the Authority to make regulations by notification in the Gazette to carry out the provisions of this Act subject to the provisions of this Act and the rules made thereunder.

20. The matters in respect of which rules and regulations may be made or notifications may be issued, are matters of procedure and are of routine or administrative in nature. Further, the rules and regulations so made, and the notifications issued are subject to the scrutiny of the Legislative Assembly. The delegation of legislative power is, therefore, of a normal character.

A. K. SASEENDRAN.

## NOTES ON CLAUSES

*Clause 2.*—This clause seeks to define certain words and phrases used in the Act.

*Clause 3.*—This clause seeks to empower the Government to establish an Authority, by name 'Metropolitan Transport Authority'.

*Clause 4.*—This clause provides that members not to have certain interests.

*Clause 5.*—This clause seeks to provide the term of office and conditions of service of the Chairperson and members of the Authority.

*Clause 6.*—This clause seeks to provide the resignation, removal or suspension of members of the Authority.

*Clause 7.*—This clause seeks to provide for the powers of the Chairperson.

*Clause 8.*—This clause provides for the appointment of officers and other employees of the Authority.

*Clause 9.*—This clause provides for the meeting of the Authority.

*Clause 10.*—This clause provides for the constitution of the committees by the Authority.

*Clause 11.*—This clause provides for the declaration of Urban Mobility Areas and alteration of their limits.

*Clause 12.*—This clause provides for the duties and functions to be performed by the Authority.

*Clause 13.*—This clause provides for the preparation and publication of Comprehensive Mobility Plan for Urban Mobility Area.

*Clause 14.*—This clause provides for the power of the Authority to implement Comprehensive Mobility Plan and to formulate schemes.

*Clause 15.*—This clause seeks to provide for the power to recommend to issue directions and to order enquiry.

*Clause 16.*—This clause provides for the power to enter into agreement for development of public transport facility and transport system.

*Clause 17.*—This clause provides for the general powers of the Authority.

*Clause 18.*—This clause provides for the 'Urban Transport Fund' to be constituted for each Metropolitan Transport Authority.

*Clause 19.*—This clause provides for the grants, loans and advances to be received by the Authority.

*Clause 20.*—This clause provides for priority for payment of interest and repayment of loans.

*Clause 21.*—This clause provides for the power of the Authority to raise finances.

*Clause 22.*—This clause provides for the grants, loans and advances by the Authority.

*Clause 23.*—This clause provides for the sinking fund to be maintained by the Authority.

*Clause 24.*—This clause provides for the budget of the Authority.

*Clause 25.*—This clause provides for the audit of accounts of the Authority.

*Clause 26.*—This clause provides for the annual report of the Authority.

*Clause 27.*—This clause provides for furnishing reports, returns and other information to the State Government by the Authority.

*Clause 28.*—This clause provides for the penalty for violating the provisions of this Act, rules or regulations.

*Clause 29.*—This clause seeks to provide for the contraventions by the companies.

*Clause 30.*—This clause provides for fines on realisation to be vested in the Authority.

*Clause 31.*—This clause provides for penalties not to affect other liabilities.

*Clause 32.*—This clause provides for the cognizance of offences.

*Clause 33.*—This clause provides for the compounding of offences punishable under this Act.

*Clause 34.*—This clause provides for the protection of action taken in good faith.

*Clause 35.*—This clause provides for the manner of service of summons, notice, order and other document.

*Clause 36.*—This clause provides for the publication of public notice.

*Clause 37.*—This clause provides to fix reasonable time for summons, notices etc.

*Clause 38.*—This clause provides members, officers and other employees of the Authority to be public servants.

*Clause 39.*—This clause provides that Authority may delegate any power except the power to make regulations.

*Clause 40.*—This clause provides that the provisions of this Act, rules and regulations shall have effect within the Urban Mobility Area.

*Clause 41.*—This clause provides that the Authority may request for exemption from the application of provisions of other laws, rules, regulations or bye-laws in the Urban Mobility Area.

*Clause 42.*—This clause provides for the notice of suits and period of limitation.

*Clause 43.*—This clause provides to make rules to carry out all or any of the provisions of the Act.

*Clause 44.*—This clause provides for the power to make regulations by the Authority.

*Clause 46.*—This clause provides for the power of the State Government to issue directions.

*Clause 47.*—This clause provides to empower the Government to make necessary provisions, by order published in the Gazette, for removing the difficulties, if any such difficulty arises in giving effect to the provisions of this Act.

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