

Legislative Brief

The Indian Ports Bill, 2025

The Indian Ports Bill, 2025 was introduced in Lok Sabha on March 28, 2025. The Bill is pending for consideration and passing.

Ayush Stephen Toppo
ayush@prsindia.org

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Highlights of the Bill

- ◆ The Bill seeks to replace the Indian Ports Act, 1908. It provides for regulating port operations and management, levy of fees and tariffs, and environmental safeguards.
- ◆ It provides recognition to the Maritime State Development Council and State Maritime Boards. The Council will issue guidelines on tariff transparency, and on port data collection and submission. The State Maritime Boards administer non-major ports.
- ◆ State Governments must set up a Dispute Resolution Committee (DRC) to adjudicate upon disputes between non-major ports, concessionaires, port users, and service providers.
- ◆ The Bill requires compliance with global maritime conventions (MARPOL and Ballast Water). It also requires ports to prepare pollution control and disaster management plans which will be audited periodically by the central government.

Key Issues and Analysis

- ◆ The Bill does not provide a mechanism for appeal against the levy of penalty by the conservator.
- ◆ Port officers such as the conservator and the health officer are granted powers of entry and inspection. However, the Bill lacks safeguards against such powers.

PART A: HIGHLIGHTS OF THE BILL

Context

In India, ports are classified as either major or non-major ports.¹ Major ports are under the Union list, and are administered exclusively by the central government.² The Major Port Authorities Act, 2021 sets up a Board of Major Port Authority for the administration of each major port.³ Non-major ports are under the Concurrent List, which implies that both the centre and states can make laws on them.⁴ However, they are primarily administered by state governments. All coastal states except Goa have established State Maritime Boards for administering non-major ports. The Indian Ports Act, 1908 also provides for safety and conservation of ports, and levy of port charges.⁵

As of 2023-24, India had 12 major and 217 non-major ports.⁶ Among these 217 non-major ports, 66 handle cargo while the rest are mainly for fishing.⁶ These are located across nine states and three union territories which have a coastline.⁶ In 2023-24, major ports handled 53% of the maritime cargo traffic in the country.⁶ Two of the non-major ports, Mundra and Sikka (both privately owned) handled 19%, while the remaining 64 non-major cargo ports accounted for 28% of the traffic.⁶

The Indian Ports Bill, 2025 was introduced in Lok Sabha in March 2025. It seeks to repeal and replace the Indian Ports Act, 1908.

Table 1: Cargo Traffic in 2023–24 (in million tonnes)

	Cargo Traffic	% share of total
Total	1,543	-
of which		
Major Ports (12)	819	53%
Paradip	145	9%
Deendayal	132	9%
JNPT	86	6%
Others	456	29%
Minor Cargo Ports (66)	724	47%
Mundra Port (GAPL)	173	11%
Sikka (Bedi Sikka)	128	8%
Others	423	28%
Fishing Ports (151)	-	-

Source: Basic Port Statistics of India, 2023-24, Ministry of Ports, Shipping and Waterways; PRS.

Key Features

- **State Maritime Boards:** The Bill provides statutory recognition to all State Maritime Boards set up by coastal states. State Maritime Boards will be responsible for the administration and regulation of non-major ports within their respective states. Their functions include: (i) planning and developing port infrastructure, (ii) granting licenses, (iii) fixing tariffs, and (iv) regulating compliance with safety, security, and environmental requirements.
- **Maritime State Development Council:** The Bill also provides statutory recognition to the Maritime State Development Council. Under the Bill, the council will be chaired by the Union Minister for Ports, Shipping and Waterways. Other members include: (i) Ministers-in-charge of each coastal state, (ii) secretaries in the Indian Navy and Coast Guard dealing with coastal security, and (iii) the Secretary of the Union Ministry for Ports, Shipping and Waterways. The Council will issue guidelines in consultation with central and state governments on: (i) data or information to be collected by ports along with the manner of collection, updation, storage and submission to the Council, (ii) dissemination of data or information related to ports, and (iii) ensuring transparency of port tariff. It will also advise the central government on the formulation of a national perspective plan and make recommendations on matters related to legislative adequacy, efficiency of ports and connectivity to ports.
- **Dispute Resolution Committee:** The Bill requires state governments to constitute a Dispute Resolution Committee (DRC) to adjudicate upon disputes between non-major ports, concessionaires, users, and service providers within the state. Appeals against orders of the DRC will lie before the High Court. Civil courts are barred from matters entrusted to the DRC. The agreements or authorisations by the State Maritime Boards may provide for arbitration or alternative dispute resolution mechanisms other than the DRC.
- **Tariffs:** The tariff for a major port will be fixed by the: (i) Board of Major Port Authority, or (ii) Board of Directors of a port registered as a company. For non-major ports, the State Maritime Board or a concessionaire authorised by it will fix the tariff.
- **Port officers:** The Act specifies the conservator as a port officer appointed by the state government for each port or a group of ports. The Bill adds that all other port officers will be subordinate to the conservator. Other port officers include a harbour master and a health officer. The Bill retains the power of the conservator under the Act to issue directions to any vessel regarding anchoring, berthing, movement within port limits, obstruction removal, and recovery of fees and charges. The Bill adds certain functions for the conservator: (i) issuing directions to prevent the spread of contagious diseases, (ii) assessing damage to port property, and (iii) adjudicating penalties.
- **Safety and conservation:** The Act penalises actions which endanger safety such as injuring buoys, discharging firearms, and boiling combustible materials on board. The Bill retains these provisions. For environmental protection, the Act prohibits discharging ballast or rubbish at port. The Bill mandates compliance with MARPOL (International Convention for the Prevention of Pollution from Ships) and Ballast Water Management Convention. It also adds new obligations with regard to prevention and containment of pollution, emergency preparedness, and disaster management. These include: (i) preparing a waste reception and handling plan, (ii) providing adequate facilities to receive waste, and (iii) preparing emergency preparedness and response plan. The central government will undertake audits of ports with regard to the implementation of these plans.
- **Offences and penalties:** Offences under the 1908 Act include: (i) failure to comply with any lawful directions of the conservator or port rules, (ii) refusal to allow the conservator or authorised persons to board a vessel, (iii) impeding navigation or causing any damage to port property, (iv) unauthorised movement of a vessel, and (v) evasion of port charges. The offences under the Act are punishable with imprisonment, fine, or both. The Bill retains these offences. It decriminalises certain offences and makes them punishable with a monetary penalty instead. It also introduces compounding for all first-time contraventions.

The Bill introduces some new offences and makes certain existing offences punishable with imprisonment. Offences that are punishable with imprisonment up to six months, a fine of up to one lakh rupees, or both include: (i) endangering vessel safety and (ii) disturbing the waterbed or geophysical structures without permission. New offences punishable with a monetary penalty include: (i) commencement of port operations without notification by the central or state government, (ii) failure of the port to report pollution incidents and provide pollution-related facilities, and (iii) failure to comply with orders of the DRC.

PART B: KEY ISSUES AND ANALYSIS

Adjudication of penalties

The Bill authorises the conservator to impose penalties for offences under the second schedule of the Bill. We discuss issues with these provisions below.

Lack of appeal mechanism against penalty adjudged by the conservator

Bill: Section 54

The Bill does not provide for an appeal mechanism against a penalty levied by the conservator. This is in contrast with laws such as the Jan Vishwas (Amendment of Provisions) Act, 2023 which decriminalised 42 laws and the Bharatiya Vayuyan Adhiniyam, 2024 which regulates civil aviation.^{7,8} These laws provide for an appeal before an official ranking higher than the adjudicating officer.

The conservator may be required to adjudicate penalty against its supervising authority

Bill: Section 18(4), Second Schedule (11)

The Bill empowers the conservator to impose penalties when the entities fail to electronically publish port tariffs. These entities include the Port Authority or concessionaires. However, the conservator is an officer who functions under the control of the Port Authority. This creates a situation where the conservator may be required to adjudicate penalty against its supervising authority. This raises the question whether such a mechanism is appropriate.

Lack of safeguards against the powers to enter and inspect

Bill: Section 23(1), 23(2), 24(3)(b)

The Bill empowers the conservator and the health officer to enter and inspect vessels within port limits. Laws with similar provisions specify certain safeguards against such actions. Such safeguards are absent from the Bill. For example, laws such as the Occupational Safety, Health, and Working Conditions Code, 2020 and the Food Safety and Standards Act, 2006 refer to safeguards under the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023 against such actions.^{9,10} Safeguards mentioned in the BNSS include: (i) recording reasons for the action in writing, (ii) taking recording of the proceedings through electronic means, and (iii) ensuring the presence of witnesses.¹¹ The Food Safety and Standards Act, 2006 also penalises undertaking any vexatious search, or seizing articles without reasonable grounds.¹⁰

Lack of clarity on ‘mega ports’

Bill: Section 73

The Bill empowers the central government to notify a port as a ‘mega port’. The Bill states that ports notified as mega ports will continue to be governed in accordance with their existing classification between a major or a non-major port. There are no further provisions under the Bill regarding mega ports. The purpose of classifying a port as ‘mega port’ in addition to its status as a major or non-major port is unclear.

Comparison with the 1908 Act

Table 2: Comparison between 1908 Act and 2025 Bill

	Indian Ports Act, 1908	Indian Ports Bill, 2025
Scope	All ports and parts of navigable rivers leading to the ports	Expanded to include all aircrafts, while on water, making use of any part of port
Jurisdiction	Major ports: central government Non-major ports: state government	No change
Statutory Bodies	No statutory body created	Gives statutory recognition to the Maritime State Development Council and State Maritime Boards, and requires state governments to constitute Dispute Resolution Committees
Port Management	Conservator, harbour master, health officer and other officers as notified by the government	Retains all port officers. Empowers the conservator to also adjudicate penalties for certain contraventions
Port Tariff Determination	Major ports: central government Minor ports: state government	Major ports: (i) Board of Major Port Authority or (ii) Board of Directors of a port registered as a company Non-major ports: State Maritime Boards or authorised concessionaires
Obligations of the ports	Obligations relate to port safety, vessel regulation, and cooperation in defence manoeuvres in war times or emergency	Adds that ports should provide waste reception facilities, prepare plans for waste handling, emergency preparedness and disaster management; they should also provide welfare services to seafarers
Pollution Prevention	Prohibits discharging ballast water, oil, rubbish etc., harmful to navigation	Adds compliance with International Convention for the Prevention of Pollution from Ships and the Ballast Water Management Convention

Source: The Indian Ports Act 1908, The Indian Ports Bill 2025; PRS.

1. Annual Report 2022-23, Ministry of Ports, Shipping and Waterways, <https://shipmin.gov.in/sites/default/files/Annual%20Report%202022-23%20English.pdf>.
2. Union List: Entry 27, Constitution of India.
3. The Major Ports Authority Act, 2021, https://www.indiacode.nic.in/handle/123456789/16956?view_type=browse.
4. Concurrent List: Entry 31, Constitution of India.
5. The Indian Ports Act, 1908, https://www.indiacode.nic.in/handle/123456789/2344?view_type=browse.
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