

# **Cabinet approves enactment of Admiralty (Jurisdiction and Settlement of Maritime Claims) Bill 2016 and to repeal five archaic admiralty statutes**

The Union Cabinet under the Chairmanship of Prime Minister Shri Narendra Modi has given its approval to the proposal of Ministry of Shipping to enact Admiralty (Jurisdiction and Settlement of Maritime Claims) Bill 2016 and to repeal five archaic admiralty statutes.

The Bill consolidates the existing laws relating to admiralty jurisdiction of courts, admiralty proceedings on maritime claims, arrest of vessels and related issues. It also repeals five obsolete British statutes on admiralty jurisdiction in civil matters, namely, (a) the Admiralty Court Act, 1840 (b) the Admiralty Court Act, 1861, (c) Colonial Courts of Admiralty Act, 1890, (d) Colonial Courts of Admiralty (India) Act, 1891, and (e) the provisions of the Letters Patent, 1865 applicable to the admiralty jurisdiction of the Bombay, Calcutta and Madras High Courts.

## **Salient Features of Admirability Bill, 2016**

This legislative proposal will fulfil a long-standing demand of the maritime legal fraternity. The salient features are as follows:-

- The Bill confers admiralty jurisdiction on High Courts located in coastal states of India and this jurisdiction extends upto territorial waters.
- The jurisdiction is extendable, by a Central Government notification, upto exclusive economic zone or any other maritime zone of India or islands constituting part of the territory of India.
- It applies to every vessel irrespective of place of residence or domicile of owner.
- Inland vessels and vessels under construction are excluded from its application but the Central Government is empowered to make it applicable to these vessels also by a notification if necessary.
- It does not apply to warships and naval auxiliary and vessels used for non-commercial purposes.
- The jurisdiction is for adjudicating on a set of maritime claims listed in the Bill.
- In order to ensure security against a maritime claim a vessel can be arrested in certain circumstances.
- The liability in respect of selected maritime claims on a vessel passes on to its new owners by way of *maritime liens* subject to a stipulated time limit.
- In respect of aspects on which provisions are not laid down in the Bill, the Civil Procedure Code, 1908 is applicable.

## **Background:**

India is a leading maritime nation and maritime transportation caters to about ninety-five percent of its merchandise trade volume. However, under the present statutory framework, the admiralty jurisdiction of Indian courts flow from laws enacted in the British era. Admiralty jurisdiction relates to powers of the High Courts in respect of claims associated with transport by sea and navigable waterways. The repealing of five admiralty statutes is in line with the Government's commitment to do away with archaic laws which are hindering efficient governance.