

सत्यमेव जयते

The Recycling of Ships Act, 2019

(ACT NO. 49 OF 2019)

[*As on the* 1st *July*,2026]

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AMENDMENT ACT

1. The *Jan Vishwas* (Amendment of Provisions) Act, 2026 (8 of 2026).

LIST OF ABBREVIATIONS USED

Cl., cls.	*for*	Clause, clauses.
Ins.	,,	Inserted.
Notifn.	,,	Notification.
S., ss.	,,	Section, sections.
Sch.	,,	Schedule.
Subs.	,,	Substituted.
w.e.f.	,,	with effect from.

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THE RECYCLING OF SHIPS ACT, 2019

ARRANGEMENT OF SECTIONS

CHAPTER I
PRELIMINARY

SECTIONS

1. Short title, commencement and application.
2. Definitions.

CHAPTER II
AUTHORITIES UNDER THE ACT

3. Designation of National Authority.
4. Designation of Competent Authority.

CHAPTER III
REQUIREMENTS FOR SHIPS

5. Non-application of provisions of this Chapter.
6. Controls on hazardous materials.
7. Surveys.
8. Certificate on inventory of hazardous materials.
9. Validity of certificate.
10. Suspension or cancellation of certificate.

IndiaCode

CHAPTER IV
SHIP RECYCLING FACILITY

11. Authorisation of ship recycling facility.
12. Ship recycling facility management plan and procedure for authorisation of ship recycling facility.
13. Suspension or cancellation of authorisation.
14. Emergency preparedness and response.
15. Workers safety, training and insurance.

CHAPTER V
PROCESS OF RECYCLING OF SHIPS

16. Ready for recycling certificate.
17. Ship recycling plan.
18. General requirements.
19. Obligations on part of ship owner.
20. Procedure for grant of permission for ship recycling.
21. Safe and environmentally sound management of hazardous materials.
22. Obligation on Ship Recycler to take measures for protection of environment.

CHAPTER VI

REPORTING REQUIREMENTS

SECTIONS

23. Statement of completion.
24. Report to National Authority.

CHAPTER VII

APPEALS

25. Appeal against decision of Competent Authority.
26. Appeal against decision of National Authority.

CHAPTER VIII

POWERS AND FUNCTIONS OF NATIONAL AUTHORITY, COMPETENT AUTHORITY AND CENTRAL GOVERNMENT

27. Power to search and seize records, etc.
28. Power to inspect, dismiss, exclude or detain a ship.
29. Power to exempt.
30. Act not to apply to certain ships.

IndiaCode

CHAPTER IX

OFFENCES, PENALTIES AND COMPENSATION

31. Punishment for contravention of provisions of Act or rules or regulations.
32. Penalty for contravention of provisions of this Act or rules or regulations.
32A. Adjudication of Penalties.
33. Punishment for other offences.
34. Offences by companies.
35. Offences to be non-congnizable, bailable and compoundable.
36. Cognizance of Offences.
37. Amount payable by owner, master or agent.
38. Place of trial and jurisdiction of court.
39. Compensation.

CHAPTER X

MISCELLANEOUS

40. Delegation of powers.
41. Act not in derogation of any other law.
42. Power to make rules.
43. Power to make regulations.
44. Laying of rules and regulations.
45. Protection of action taken in good faith.
46. Removal of difficulties.

THE RECYCLING OF SHIPS ACT, 2019

ACT NO. 49 OF 2019

[13*th December*, 2019.]

An Act to provide for the regulation of recycling of ships by setting certain standards and laying down the statutory mechanism for enforcement of such standards and for matters connected therewith or incidental thereto.

WHEREAS, the International Maritime Organisation adopted the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, 2009 which ensures that ships, when being recycled after the end of their operational lives, do not pose any unnecessary risk to the environment and to human health and safety;

AND WHEREAS, the said Convention was developed with inputs from International Maritime Organisation Member States, Non-Governmental Organisations and in co-operation with the International Labour Organisation and the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, 1989;

AND WHEREAS, the Hong Kong Convention lays down the aspects relating to design, construction, operation and preparation of ships so as to facilitate safe and environmentally sound recycling, without compromising the safety and operational efficiency of ships and the establishment of an appropriate enforcement mechanism for recycling of ships;

AND WHEREAS, the said Convention contains the provisions which are not covered in the Ship-breaking Code (Revised), 2013 notified by the Government of India to regulate the recycling of ships in India;

AND WHEREAS, the said Convention lays down the multilateral framework to be followed internationally by countries which become a party to it;

AND WHEREAS, India, being a Member-State of the International Maritime Organisation, had participated in the said Convention and expressed views for the protection of environment and human health and safety during the process of recycling of ships;

AND WHEREAS, it is considered expedient to accede to the aforesaid Convention now and to have an appropriate legislation on issues relating to the recycling of ships.

BE it enacted by Parliament in the Seventieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title, commencement and application.—(*1*) This Act may be called the Recycling of Ships Act, 2019.

(*2*) It shall come into force on such date[1] as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

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1. **27th October, 2020**- S. 3 *vide* notifn. No. S.O. 3838(E), dated 27th October, 2020, *see* Gazette of India, Extraordinary, Part II, *sec*. 3 (ii).
25th February, 2021- S. 6, 30 and 42 *vide* notifn. No. S.O. 889 (E), dated 25th February, 2021, *see* Gazette of India, Extraordinary, Part II, *sec*. 3(ii).
10th December, 2025- S. 43 *vide* notifn. No. S.O. 5648(E), dated 8th December, 2025, *see* Gazette of India, Extraordinary, Part II, *sec*. 3 (ii).
24th December, 2025- Sub-section (3) of s. 1, s. 2, ss. 4 and 5, ss. 7 to 29 [both inclusive], ss. 31 to 41 [both inclusive] and ss. 44 to 46 [both inclusive], *vide* notifn. No. S.O. 5942(E), dated 22nd December, 2025, *see* Gazette of India, Extraordinary, Part II, *sec*. 3 (ii).

(*3*) Unless otherwise expressly provided, the provisions of this Act shall apply to—

(*a*) any existing ship which is registered in India wherever it may be;

(*b*) any new ship which is required to be registered in India, wherever it may be;

(*c*) ships, other than those referred to in clauses (*a*) and (*b*), that enter a port, shipyard or off-shore terminal or a place in India or within the Exclusive Economic Zone or territorial waters of India or any marine areas adjacent thereto over which India has, or may have, exclusive jurisdiction with respect to control of pollution under the provisions of the Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976 (80 of 1976), or any other law for the time being in force;

(*d*) any warship, naval auxiliary or other ship owned or operated by an Administration and used on Government non-commercial service, and which is destined for recycling in a ship recycling facility operating in or within the territorial jurisdiction of India; and

(*e*) ship recycling facilities operating in India or within any area falling under the exclusive territorial jurisdiction of India.

2. Definitions.—(*1*) In this Act, unless the context otherwise requires,—

(*a*) "Administration" means the Government of the country whose flag the ship is entitled to fly, or under whose authority it is operating;

(*b*) "certificate of authorisation of ship recycling facility" means the certificate referred to in sub-section (*6*) of section 12;

(*c*) "certificate on inventory of hazardous materials" means the certificate referred to in section 8;

(*d*) "Competent Authority" means such Authority designated by the Central Government under section 4;

(*e*) "hazardous material" means any material or substance, which is liable to cause harm to human beings, other living creatures, plants, micro-organisms, property or the environment;

(*f*) "National Authority" means such Authority designated by the Central Government under section 3;

(*g*) "notification" means a notification published in the Official Gazette and the expressions "notify" or "notified" shall be construed accordingly;

(*h*) "prescribed" means prescribed by rules made under this Act;

(*i*) "ready for recycling certificate" means the certificate referred to in section 16;

(*j*) "regulations" means the regulations made by the National Authority under this Act;

(*k*) "ship" means a vessel and floating structure of any type whatsoever operating or having operated in the marine environment and includes submersibles, floating craft, floating platforms, self-elevating platforms, the floating storage units, and the like;

(*l*) "ship owner" means—

(*i*) a person or an association of persons or body of individuals or a company registered as the owner of the ship;

(*ii*) any organisation or a person such as the Manager or the Bareboat Charterer, who has assumed the responsibility for operation of the ship from the owner of the ship;

(*iii*) a company, which is registered as operator and is operating a ship owned by the Government; or

(*iv*) a person or an association of persons or company owning the ship for a limited period pending its sale or handing over to a ship recycling facility;

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(*m*) "Ship Recycler" means the owner of the ship recycling facility or any other organisation or person who has assumed the responsibility for operation of the ship recycling facility and who has agreed to take over all duties and responsibilities imposed by or under this Act;

(*n*) "ship recycling" means the activity of dismantling of a ship at a ship recycling facility in order to recover components and materials for reprocessing and reuse, while taking care of hazardous and other materials and includes associated operations such as storage, treatment of components and materials on site, but not their further processing or disposal in separate facilities;

(*o*) "ship recycling facility" means a defined area that is a site, yard or facility used for the recycling of ships and meets such requirements as may be specified by the regulations;

(*p*) "ship recycling plan" means a plan specific to a ship developed by the ship recycling facility to recycle such a ship in safe and environmentally sound manner;

(*q*) "statement of acceptance" means a statement of acceptance referred to in sub-section (*4*) of section 20;

(*r*) "statement of completion" means a statement of completion referred to in section 23;

(*s*) "Surveyor" means a Surveyor as defined under clause (*48*) of section 3 of the Merchant Shipping Act, 1958 (44 of 1958) or any other person or body of persons as may be notified by the Central Government;

(*t*) "worker" means a person employed, directly or by or through any agency (including a contractor) with or without the knowledge of the principal employer, whether for remuneration or not, in any ship recycling, or in cleaning any part of the machinery or premises used for ship recycling, or in any other kind of work incidental to, or connected with, the ship recycling, or the subject of the ship recycling but does not include any member of the armed forces of the Union.

(*2*) The words and expressions used and not defined in this Act but defined in the—

(*i*) Explosives Act, 1884 (4 of 1884);

(*ii*) Inland Vessels Act, 1917 (1 of 1917);

(*iii*) Petroleum Act, 1934 (30 of 1934);

(*iv*) Factories Act, 1948 (63 of 1948);

(*v*) Merchant Shipping Act, 1958 (44 of 1958);

(*vi*) Atomic Energy Act, 1962 (33 of 1962);

(*vii*) Wildlife (Protection) Act, 1972 (53 of 1972);

(*viii*) Water (Prevention and Control of Pollution) Act, 1974 (6 of 1974);

(*ix*) Territorial Waters, Continental Shelf, Exclusive Economic Zone and Other Maritime Zones Act, 1976 (80 of 1976);

(*x*) Forest (Conservation) Act, 1980 (69 of 1980);

(*xi*) Air (Prevention and Control of Pollution) Act, 1981 (14 of 1981);

(*xii*) Environment (Protection) Act, 1986 (29 of 1986),

shall have the same meanings respectively assigned to them in those Acts.

CHAPTER II

AUTHORITIES UNDER THE ACT

3. Designation of National Authority.—The Central Government shall, by notification, designate an officer not below the rank of Joint Secretary to the Government of India as the National Authority, which shall administer, supervise and monitor all activities relating to ship recycling under this Act.

4. Designation of Competent Authority.—The Central Government shall, by notification, designate an Authority to be called the Competent Authority, for performance of such duties within the geographical area or areas of expertise as may be prescribed.

CHAPTER III

REQUIREMENTS FOR SHIPS

5. Non-application of provisions of this Chapter.—Nothing contained in this Chapter shall apply to—

(*a*) any warship, naval auxiliary, or other ships owned or operated by the Government and used for Government non-commercial purpose;

(*b*) ships of less than five hundred gross tonnage:

Provided that the Central Government may notify appropriate measures, not impairing operations or operational capabilities of such ships to ensure, as far as practicable, that such ships act in a manner consistent with the provisions of this Act.

6. Controls on hazardous materials.—(*1*) No ship shall instal or use such prohibited hazardous materials as may be notified by the Central Government:

Provided that the Central Government may, by notification and for the reasons specified therein, exempt certain class or category of ships from the provisions of sub-section (*1*).

(*2*) Every ship shall comply with such restrictions and conditions, as may be prescribed.

7. Surveys.—(*1*) The National Authority or such person or organisation, as the Central Government may by notification authorise, shall carry out following surveys of the ships—

(*a*) an initial survey before the issue of certificate on inventory of hazardous materials, so as to verify such requirements as may be prescribed;

(*b*) a renewal survey at intervals not exceeding five years as may be prescribed;

(*c*) an additional survey either general or partial, at the request of the ship owner after a change, replacement or significant repair of the structure, equipment, systems, fittings, arrangements or material;

(*d*) a final survey prior to the ship being taken out of service and before the recycling of the ship so as to verify such requirements as may be prescribed; and

(*e*) such other surveys as may be prescribed.

(*2*) The survey shall be conducted and a certificate to this effect shall be issued in accordance with the provisions of this Act and the rules or regulations made thereunder.

8. Certificate on inventory of hazardous materials.—(*1*) The owner of every new ship shall make an application to the National Authority for a certificate on inventory of hazardous materials for the purposes of this Act and such certificate shall be specific to each ship:

Provided that the existing ships on the date of commencement of this Act and for which the certificate on inventory of hazardous materials had not been issued, the owner of such ship shall make an application to the National Authority within a period of five years from the date of commencement of this Act:

Provided further that a certificate on inventory of hazardous materials issued by any Administration shall be valid for the purposes of this Act.

(*2*) The terms and conditions, the format and the manner for granting the certificate on inventory of hazardous materials shall be such as may be prescribed.

(*3*) The certificate on inventory of hazardous materials shall be properly maintained and updated throughout the operational life of the ship, reflecting the new installations containing hazardous materials and relevant changes in the ship structure and equipment.

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Explanation.—For the purposes of this sub-section, the expression "new installation" includes systems, equipment, insulation or other material installed on a ship after the date of coming into force of this Act.

(*4*) The certificate on inventory of hazardous materials shall be endorsed by the National Authority after successful completion of an additional survey conducted in accordance with clause (*c*) of sub-section (*1*) of section 7.

Explanation.—For the purposes of this section, the expressions—

(*i*) "existing ship" means a ship which is not a new ship;

(*ii*) "new ship" means a ship,—

(*a*) for which the building contract is placed on or after the date of coming into force of this Act; or

(*b*) other than the ship referred to in sub-clause (*a*), the keel of which is laid or which is at a similar stage of construction after six months from the date of coming into force of this Act; or

(*c*) which is to be delivered after thirty months from the date of coming into force of this Act,

and which is intended to be registered in India.

9. Validity of certificate.—The certificate referred to in sub-section (*1*) of section 8 shall be issued or renewed for such period, not exceeding five years, as may be prescribed:

Provided that where validity of certificate on inventory of hazardous material expires at a time when a ship is not in the port in which it is to be surveyed, the Administration may extend the period of validity of such certificate and this extension shall be granted only—

(*a*) for the purpose of allowing the ship to complete its voyage to the port in which it is to be surveyed; or

(*b*) in cases where it appears proper and reasonable to the Administration to do so:

Provided further that no certificate shall be extended for a period longer than three months, and a ship to which an extension is granted shall not, on its arrival on the port in which it is to be surveyed, be entitled by virtue of such extension to leave that port without having the certificate renewed.

10. Suspension or cancellation of certificate.—The certificate on inventory of hazardous materials shall be liable to be suspended or cancelled by the National Authority in any of the following cases, namely:—

(*i*) if the ship, *prima facie*, does not comply with the particulars of the certificate;

(*ii*) where the inventory of hazardous materials is not properly maintained and updated with such changes in the ship structure and equipment as may be prescribed;

(*iii*) in case of transfer of the ship to the flag of another State;

(*iv*) if the survey specified by the Administration is not completed within the period specified in section 7; or

(*v*) if endorsement of certificate does not disclose,—

(*a*) conduct of an additional survey as required under section 7; or

(*b*) extension of the validity of the certificate required under section 9:

Provided that no certificate under this section shall be suspended or cancelled unless the owner of the ship has been given an opportunity of being heard.

CHAPTER IV

SHIP RECYCLING FACILITY

11. Authorisation of ship recycling facility.—No Ship Recycler shall recycle a ship, unless the ship recycling facility is authorised as per the procedure laid down in section 12.

12. Ship recycling facility management plan and procedure for authorisation of ship recycling facility.—(*1*) A Ship Recycler seeking a certificate of authorisation for ship recycling facility from the Competent Authority or an organisation recognised by it, shall prepare a ship recycling facility management plan as specified by the regulations and submit an application to the Competent Authority.

(*2*) Every application for authorisation under sub-section (*1*), shall be made to the Competent Authority in such form and manner and accompanied by such fee as may be prescribed.

(*3*) Every ship recycling facility engaged in recycling of ships, immediately before the commencement of this Act, shall apply for authorisation within sixty days from the date of such commencement.

(*4*) Subject to the provisions of sub-section (*3*), every ship recycling facility engaged in recycling of ships, immediately before the commencement of this Act shall cease to conduct any such recycling on the expiry of six months from the date of commencement of this Act unless such ship recycling facility has applied for authorisation and is so authorised or till such application is disposed of, whichever is earlier.

(*5*) No ship recycling facility shall be authorised under this Act unless the Competent Authority is satisfied that such facility maintains such equipment and standards as may be specified by the regulations.

(*6*) The Competent Authority shall, after holding an enquiry and after satisfying itself that the applicant has complied with all the requirements of this Act and the rules and the regulations made thereunder, grant a certificate of authorisation in such format as may be specified by the regulations.

(*7*) If, after an enquiry and after giving to the applicant an opportunity of being heard, the Competent Authority is satisfied that the applicant has not complied with the requirements of this Act, or the rules or regulations made thereunder, it shall, for reasons to be recorded in writing, reject the application for authorisation.

(*8*) Every certificate of authorisation for ship recycling facility shall be valid for such period not exceeding five years as may be specified by the regulations.

(*9*) Every certificate of authorisation shall be renewed in such manner and after such period and on payment of such fee as may be prescribed.

(*10*) The Competent Authority shall undertake an annual audit of every ship recycling facility to satisfy compliance with the requirements of this Act, the rules and regulations made thereunder and forward such audit report to the National Authority.

13. Suspension or cancellation of authorisation.—(*1*) The Competent Authority may, whenever it considers necessary, for the reasons to be recorded in writing, conduct an enquiry or inspection of a ship recycling facility and issue a notice to the Ship Recycler to show cause as to why the authorisation of his ship recycling facility should not be suspended or cancelled for the reasons mentioned in the notice.

(*2*) The manner of enquiry or inspection by the Competent Authority shall be such as may be specified by the regulations.

(*3*) If the Competent Authority is satisfied that there has been a breach of the provisions of this Act or the rules or the regulations made thereunder, it may, without prejudice to any criminal action that it may take against such Ship Recycler, suspend or cancel the authorisation of his ship recycling facility:

Provided that no such authorisation shall be suspended or cancelled without giving an opportunity of being heard in the matter to the Ship Recycler.

(*4*) Notwithstanding anything contained in sub-sections (*1*) and (*2*), if the Competent Authority is of the opinion that it is necessary or expedient so to do in public interest, it may, for reasons to be recorded

in writing, suspend or cancel the authorisation of any ship recycling facility without issuing any notice referred to in sub-section (*1*).

14. Emergency preparedness and response.—Every Ship Recycler shall maintain adequate measures for emergency preparedness and response in accordance with the provisions of the Factories Act, 1948 (63 of 1948) in his ship recycling facility.

15. Workers safety, training and insurance.—(*1*) Every Ship Recycler shall provide adequate measures for safety, health, training and welfare of workers in his ship recycling facility and for this purpose, the provisions of the Factories Act, 1948 (63 of 1948) shall apply.

(*2*) Every Ship Recycler shall provide an individual or comprehensive insurance coverage for the regular and temporary workers in such manner as may be prescribed.

CHAPTER V

PROCESS OF RECYCLING OF SHIPS

16. Ready for recycling certificate.—(*1*) The owner of a ship who intends to recycle his ship shall make an application to the National Authority for a ready for recycling certificate in such form, manner, and accompanied by such fee as may be specified by the regulations or the Administration concerned as per the procedure determined by such Administration.

(*2*) A ready for recycling certificate referred to in sub-section (*1*) may be issued after successful completion of a survey and shall be valid for a period of three months from the date of its issue:

Provided that the period of validity may be extended by the National Authority for such reasons as may be specified by the regulations or the Administration concerned as per the reasons determined by such Administration.

(*3*) A ready for recycling certificate shall cease to be valid, if the condition of the ship does not correspond with the particulars of the certificate.

17. Ship recycling plan.—(*1*) No Ship Recycler shall recycle any ship without a ship recycling plan prepared in accordance with the guidelines issued under sub-section (*2*) and approved by the Competent Authority.

(*2*) The National Authority may specify the guidelines for the preparation of a ship recycling plan for different categories of ships:

Provided that the Competent Authority may, after hearing the Ship Recycler, refuse to approve the ship recycling plan if it has reasons to believe that the plan does not comply with the guidelines specified by the National Authority.

(*3*) Where the Competent Authority fails to convey its decision regarding approval of the ship recycling plan within fifteen days of its submission, the plan shall be deemed to have been approved.

18. General requirements.—(*1*) No ship shall be recycled without the written permission or, as the case may be, the deemed permission of the Competent Authority obtained in such manner as may be specified by the regulations.

(*2*) Any ship registered in India and intended to be recycled outside the territory of India shall be recycled only at a ship recycling facility duly authorised by such authority as may be specified by the regulations.

19. Obligations on part of ship owner.—(*1*) The owner of a ship which is intended to be recycled within the territory of India shall—

(*i*) give an advance intimation to the Maritime Rescue Co-ordination Centre and the Competent Authority about the date of arrival, in such manner as may be prescribed;

(*ii*) clear all port dues, if any, upon arriving at the port and submit the documents as specified in the regulations; and

IndiaCode

(*iii*) keep the ship clear of cargo residues and shall minimise any remaining fuel oil and wastes on board.

(*2*) The owner of a tanker which is intended to be recycled within the territory of India shall fulfil such conditions for safe-for-entry or safe-for-hotwork or both, as specified by the regulations.

20. Procedure for grant of permission for ship recycling.—(*1*) The Competent Authority shall grant permission for recycling only after physical inspection of the ship and for this purpose it may requisition the services of representatives of such agencies as may be prescribed.

(*2*) Where the Competent Authority fails to convey its decision regarding grant of permission within fifteen days of receipt of application, the permission shall be deemed to have been granted.

(*3*) The Competent Authority may deny permission for recycling for reasons to be recorded in writing after affording an opportunity of being heard to the ship owner.

(*4*) The Ship Recycler, on receipt of a copy of permission to recycle the ship, shall issue a statement of acceptance to the ship owner under intimation to the Competent Authority in such form and manner as may be specified by the regulations and thereafter the ship owner may get the ship de-registered.

21. Safe and environmentally sound management of hazardous materials.—Every Ship Recycler shall,—

(*a*) ensure safe and environmentally sound removal and management of hazardous materials from a ship; and

(*b*) comply with such requirements related to basic infrastructure facilities including those related to environmentally safe disposal or management of wastes and hazardous materials, in such manner as may be specified by the regulations.

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22. Obligation on Ship Recycler to take measures for protection of environment.—(*1*) Every Ship Recycler shall,—

(*i*) ensure that there is no damage caused to the environment in any form due to the recycling activities at the ship recycling facility; and

(*ii*) take necessary measures for protection of the environment.

(*2*) In case of oil spill in the facility, the Ship Recycler shall be served a notice by the Competent Authority to take remedial action in such manner as may be specified by the regulations.

(*3*) For contravention of the provisions of this section, the Ship Recycler shall be liable to pay such environmental damages and cleanup operation compensation in such manner as may be prescribed.

CHAPTER VI

REPORTING REQUIREMENTS

23. Statement of completion.—When a ship is recycled in accordance with the provisions of this Act, a statement of completion containing such particulars as may be specified by the regulations shall be submitted by the Ship Recycler to the Competent Authority.

24. Report to National Authority.—The Competent Authority shall give report to the National Authority, from time to time, which shall include information comprising the list of approved facilities, list of ships which have not complied with the provisions of this Act and action taken on such ships and list of ships recycled, as may be required by the National Authority.

CHAPTER VII

APPEALS

25. Appeal against decision of Competent Authority.—(*1*) Any person who is aggrieved by any decision made by the Competent Authority or the authorised surveyor or any authorised organisation or authorised person may file an appeal to the National Authority within a period of thirty days from the date of receipt of such decision in such manner as may be prescribed:

Provided that in respect of matters under any other law for the time being in force for which an appellate provision exists, in such law, then the appellant shall file the appeal to the authority specified in such law.

(*2*) The appeal filed under sub-section (*1*) shall be disposed of in such manner as may be prescribed.

26. Appeal against decision of National Authority.—(*1*) Any person who is aggrieved by any decision made by the National Authority may file an appeal to the Central Government within a period of thirty days from the date of receipt of such decision in such manner as may be prescribed.

(*2*) The appeal filed under sub-section (*1*) shall be disposed of in such manner as may be prescribed.

CHAPTER VIII

POWERS AND FUNCTIONS OF NATIONAL AUTHORITY, COMPETENT AUTHORITY AND CENTRAL GOVERNMENT

27. Power to search and seize records, etc.—(*1*) If the National Authority or the Competent Authority has reason to believe that an offence under this Act has been or is being committed at any ship recycling facility, such Authority or any officer authorised therefor in this behalf may, subject to the rules and regulations made under this Act, enter and search at all reasonable times with such assistance, if any, as such Authority or officer considers necessary, such ship recycling facility and examine any record, register, document, equipment or any other material object found therein and seize the same if such Authority or officer has reason to believe that it may furnish evidence of the commission of an offence punishable under this Act.

(*2*) The provisions of the Code of Criminal Procedure, 1973 (2 of 1974) relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this Act.

28. Power to inspect, dismiss, exclude or detain a ship.—(*1*) The National Authority or Administration or any Surveyor authorised by it, may inspect any ship, at a reasonable time, while at any port or within Indian waters:

Provided that any such inspection shall be only for the purpose of verifying that there is on board either a certificate on inventory of hazardous materials or a ready for recycling certificate.

(*2*) The National Authority may dismiss, exclude or detain the ship from its ports or within Indian waters in case of,—

(*a*) failure to carry a valid certificate on inventory of hazardous materials or a valid ready for recycling certificate or both, as applicable; or

(*b*) non-compliance with the control measures for hazardous materials notified by the Central Government.

(*3*) A ship detained under sub-section (*2*) shall remain under detention till such time until the non-compliance is rectified or till such time until permission is granted by the National Authority for such detained ship to proceed to an appropriate repair yard or port, without danger to the ship, environment or persons on board.

(*4*) Any Commissioned Officer of the Indian Navy or Indian Coast Guard or any Port Officer, Pilot, Harbour Master, Conservator of Port or Customs Collector may detain the ship, the detention of which is authorised or ordered to be detained under this Act.

29. Power to exempt.—(*1*) Notwithstanding anything contained in this Act, the Central Government may, by order in writing and upon such conditions, if any, as it may think fit to impose, exempt any vessel or any class thereof, ship recycling facility or Ship Recycler from any specified requirement contained in or prescribed in pursuance of this Act or dispense with the observance of any such requirement, if it is satisfied that the requirement has been substantially complied with or that compliance with the requirement is or ought to be dispensed within the circumstances of the case.

(*2*) Where an exemption granted under sub-section (*1*) is subject to any conditions, a breach of any of those conditions shall, without prejudice to any other remedy, be deemed to be an offence under this Act.

30. Act not to apply to certain ships.—The provisions of this Act shall not apply to such category of Indian ships, as the Central Government may, from time to time, by notification specify:

Provided that such ships shall be required to act in such manner as may be prescribed.

CHAPTER IX

OFFENCES, PENALTIES AND COMPENSATION

31. [1][Punishment] for contravention of provisions of Act or rules or regulations.—(*1*) Whoever [2][installs] or uses any prohibited hazardous material in a ship in contravention of the provisions of this Act or rules or regulations made thereunder shall be punishable with imprisonment for a term which may extend to three months or with fine which may extend to five lakh rupees or with both.

[3]* * * * *

(*3*) Whoever contravenes the provisions of sub-section (*1*) of section 17 shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to ten lakh rupees or with both.

(*4*) Whoever contravenes the provisions of sub-section (*1*) of section 18, shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to ten lakh rupees or with both.

(*5*) Whoever fails to ensure safe and environmentally sound removal and management of any hazardous material from a ship in accordance with the regulations shall be punishable with an imprisonment for a term which may extend to six months or with fine which may extend to five lakh rupees or with both.

[4][(*6*) Whoever fails to respond within twenty-four hours of issuance of third notice for taking remedial action for oil spill under sub-section (*2*) of section 22, shall be punishable with imprisonment which may extend to three months or with fine which may extend to ten lakh rupees or with both.]

[5]**[32. Penalty for contravention of provisions of this Act or rules or regulations**.— (*1*) Whoever contravenes the provisions of section 12 shall be liable to penalty which may extend to ten lakh rupees.

(*2*) Whoever fails to respond to the notice issued for taking remedial action for oil spill under sub-section (*2*) of section 22 shall be liable to a penalty, which may extend to—

(*i*) five lakh rupees, in case of no response within twelve hours of issuance of first notice; and

(*ii*) ten lakh rupees, in case of no response within twenty-four hours of issuance of second notice.

(*3*) Whoever contravenes any of the provisions of this Act or any rules or regulations made thereunder, for which no specific punishment or penalty has been provided in this Act, shall be liable to penalty which may extend to two lakh rupees.

32A. Adjudication of penalties.—(*1*) For the purpose of adjudicating penalties under section 32, the Central Government shall appoint an officer not below the rank of Deputy Secretary to the Government of India as an adjudicating officer for holding an inquiry and imposing penalties in such manner as may be prescribed:

Provided that the Central Government may appoint as many adjudicating officers as may be required:

Provided further that no such penalty shall be imposed without giving the person concerned a reasonable opportunity of being heard.

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1. Subs. by Act 8 of 2026, s. 2 and Sch., for "Penalty" (w.e.f. 01.07.2026).
2. Subs. by s. 2 and Sch., *ibid*., for "instals" (w.e.f. 01.07.2026).
3. Sub-section (*2*) omitted by s.2 and Sch., *ibid*. (w.e.f. 01.07.2026).
4. Subs. by s. 2 and Sch., *ibid*., for sub-section (*6*) (w.e.f. 01.07.2026).
5. Subs. by s. 2 and Sch., *ibid*., for s.32 (w.e.f. 01.07.2026).

(*2*) Whoever is aggrieved by the order of the adjudicating officer under sub-section (*1*), may within thirty days from the date of receipt of such order, prefer an appeal to an officer at least one rank higher than the adjudicating officer who shall be appointed by the Central Government as an appellate authority, in such form and manner as may be prescribed.

(*3*) The appellate authority may admit an appeal after the expiry of the said period of thirty days, if the appellant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within that period.

(*4*) The appellate authority may, after giving the parties to the appeal an opportunity of being heard, pass such an order as he may deem fit.

(*5*) An appeal under sub-section (*2*) shall be disposed of within sixty days from the date of filing.

(*6*) If penalty imposed by the adjudicating officer under sub-section (*1*) or by an order of the appellate authority under sub-section (*4*), as the case may be, is not deposited, the amount shall be recovered as an arrear of land revenue.]

33. Punishment for other offences.—(*1*) If any ship, after detention or after service of any notice or order for such detention, proceeds to sea before it is released by the National Authority, the owner or master of the ship shall be guilty of an offence under this Act.

(*2*) Whoever restrains or detains or forcibly takes to sea, any person authorised under this Act to detain or survey the ship, on the execution of his duty, the owner, master or agent of such ship shall each be liable to pay all expenses of, and incidental to, such person being so taken to sea and shall also be guilty of an offence under this Act.

34. Offences by companies.—(*1*) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed 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 guilty of the offence 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, provided in this Act, if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offence.

(*2*) Notwithstanding anything contained in sub-section (*1*), where an offence under this Act has been committed by a company and it is proved that the offence 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 offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(*a*) "company" means anybody corporate and includes a co-operative society, firm or other association of individuals; and

(*b*) "director" means a whole time director in the company and in relation to a firm means a partner in the firm.

[1][**35. Offences to be non-cognizable, bailable and compoundable**.—(*1*) Notwithstanding anything contained in the Bharatiya Nagarik Suraksha Sanhita, 2023 (46 of 2023), every offence under this Act shall be non-cognizable, bailable, and compoundable.

(*2*) Any offence punishable under sub-sections (*1*), (*3*), (*4*) and (*5*) of section 31, may, before or after the institution of prosecution, be compounded by an officer designated by the Central Government by notification in this behalf, on payment for credit to the Central Government of such sum and in such manner as may be prescribed:

Provided that such sum shall not, in any case, exceed the maximum amount of the fine which may be imposed under this Act for the offences so compounded:

1. Subs. by Act 8 of 2026, s. 2 and Sch., for s. 35 (w.e.f. 01.07.2026).

Provided further that in case of subsequent offence, the same shall not be compounded under sub-section (*2*).

(*3*) The officer referred to in sub-section (*2*) shall exercise the powers to compound an offence, subject to the direction, control and supervision of the Central Government.

(*4*) Every application for the compounding of an offence shall be made in such form and manner as may be prescribed.

(*5*) Where any offence is compounded before the institution of any prosecution, no prosecution shall be instituted against the offender in relation to whom the offence is so compounded.

(*6*) Where the compounding of any offence is made after the institution of any prosecution, such composition shall be brought by the officer referred to in sub-section (*2*), in writing, to the notice of the court in which the prosecution is pending and on such notice for compounding the offence being given, the person against whom the offence is so compounded shall be discharged.

(*7*) Any person who fails to comply with the order of compounding made by the officer referred to in sub-section (*2*), shall be liable to pay a sum equivalent to twenty per cent. of the maximum fine provided for the offence, in addition to the fine provided for the said offence.

(*8*) No offence punishable under this Act shall be compounded except in accordance with the provisions of this section.]

36. Cognizance of offences.—No court shall take cognizance of an offence under this Act except on a complaint made by—

(*a*) the Central Government;

(*b*) the National Authority or an officer authorised in this behalf; or

(*c*) the Competent Authority or an officer authorised in this behalf.

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37. Amount payable by owner, master or agent.—When any owner or master or agent is convicted of an offence under sub-section (*2*) of section 33, the amount payable on account of expenses by such owner or master or agent shall be determined and recovered in such manner as may be prescribed.

38. Place of trial and jurisdiction of court.—Any person committing any offence under this Act or any rules made thereunder, may be tried for such offence in any place in which he may be found, or in any Court which the Central Government may, by notification, direct in this behalf, or in any Court in which he might be tried under any other law for the time being in force.

39. Compensation.—(*1*) Where a ship is unduly detained or delayed as a result of an inspection or investigation without any reasonable cause, then, such ship shall be entitled to compensation for any loss or damage suffered thereby.

(*2*) The rate of compensation referred to in sub-section (*1*), the method of calculation and the manner of payment of such compensation shall be such as may be prescribed.

(*3*) For the purpose of adjudging compensation under this section, the Central Government may, by notification, nominate an officer of the Central Government, not below the rank of Joint Secretary to the Government of India, to be an adjudicating officer for holding an inquiry in the prescribed manner, after giving any person concerned an opportunity of being heard.

CHAPTER X

MISCELLANEOUS

40. Delegation of powers.—(*1*) The Central Government may, by general or special order, subject to such conditions and restrictions as may be provided in such order, direct that any power, authority or jurisdiction exercisable by it under or in relation to a provision of this Act (except the power to make rules), be exercisable also by the National Authority or Competent Authority or such other officer not below the rank of Joint Secretary to the Government of India.

(*2*) The National Authority or the Competent Authority may, with the previous approval of the Central Government, by general or special order, subject to such conditions and restrictions as may be provided in such order, direct that any power, authority or jurisdiction exercisable by it under or in relation to a provision of this Act (except the power to make regulations), be exercisable also by such officer or other authority as may be specified in such order.

41. Act not in derogation of any other law.—The provisions of this Act shall be in addition to and not in derogation of any other law for the time being in force.

42. Power to make rules.—(*1*) The Central Government may, by notification, make rules to carry out the provisions of this Act.

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

(*a*) the duties of Competent Authority within the geographical area or areas of expertise under section 4;

(*b*) the restrictions and conditions imposed on installation or use of any hazardous material, to be complied by every ship under sub-section (*2*) of section 6;

(*c*) the requirements to be verified for the survey of ships under clauses (*a*), (*b*) and (*d*) of sub-section (*1*) of section 7;

(*d*) the other conditions to be required for the survey of ships under clause (*e*) of sub-section (*1*) of section 7;

(*e*) the terms and conditions, validity, the format and manner for granting the certificate on inventory of hazardous materials under sub-section (*2*) of section 8 and section 9;

(*f*) the changes in ship structures and equipment under clause (*ii*) of section 10;

(*g*) the form, fees and the manner of making the application for authorisation of ship recycling facility under sub-section (*2*) of section 12;

(*h*) the manner, period and fees for renewal of certificate of authorisation under sub-section (*9*) of section 12;

(*i*) the manner of providing individual or comprehensive insurance coverage for the regular and temporary workers under sub-section (*2*) of section 15;

(*j*) the manner of advance intimation about the arrival of ship under sub-section (*1*) of section 19;

(*k*) the requisition of the services of representatives of agencies for grant of permission under sub-section (1) of section 20;

(*l*) the liability of the Ship Recycler for environmental damages under sub-section (*3*) of section 22;

(*m*) the manner of filing an appeal against the orders of the Competent Authority and the manner of disposal of such appeal under section 25;

(*n*) the manner of filing an appeal against the orders of National Authority and the manner of disposal of such appeal under section 26;

(*o*) the manner in which the ships are required to act for non-application of the provisions of the Act under the proviso to section 30;

[1][*oa*) the manner of holding an inquiry and imposing penalties under sub-section (*1*) of section 32A;

(*ob*) the form and manner of preferring an appeal to the appellate authority against the order of adjudicating officer under sub-section (*2*) of section 32A;

1. Ins. by Act 8 of 2026, s. 2 and Sch. (w.e.f. 01.07.2026).

(*oc*) the sum and manner of compounding under sub-section (*2*) of section 35;

(*od*) the form and manner of making an application for compounding of an offence under sub-section (*4*) of section 35;]

(*p*) the manner of determination and recovery of amount payable under section 37;

(*q*) the rate of compensation, method of calculation and the manner of compensation entitled by a ship under sub-section (*2*) of section 39;

(*r*) the manner of holding an inquiry for the purpose of payment of compensation under sub-section (*3*) of section 39; and

(*s*) any other matter which is to be, or may be, prescribed or in respect of which provision is to be made by rules.

43. Power to make regulations.—(*1*) The National Authority with the previous approval of the Central Government, by notification in the Official Gazette, may make regulations not inconsistent with the provisions of this Act and the rules made thereunder.

(*2*) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(*a*) the requirements relating to ship recycling facility under clause (*o*) of sub-section (*1*) of section 2;

(*b*) the manner of preparation of a ship recycling facility management plan under sub-section (*1*) of section 12;

(*c*) the equipment and other standards to be maintained by the Ship Recycler under sub-section (*5*) of section 12;

(*d*) the form in which a certificate of authorisation shall be issued under sub-section (*6*) of section 12;

(*e*) the period of validity of certificate of authorisation for ship recycling facility under sub-section (*8*) of section 12;

(*f*) the manner of enquiry or inspection by the Competent Authority under sub-section (*2*) of section 13;

(*g*) the manner of making an application to the National Authority for a ready for recycling certificate under sub-section (*1*) of section 16;

(*h*) the manner and format for issuing of the ready for recycling certificate under sub-section (*2*) of section 16;

(*i*) the manner of obtaining the written permission of the Competent Authority under sub-section (*1*) of section 18;

(*j*) the authority to authorise the ship recycling facility under sub-section (*2*) of section 18;

(*k*) submission of documents by ship owner under clause (*ii*) of sub-section (*1*) of section 19;

(*l*) the conditions for safe-for-entry or safe-for-hot work or both under sub-section (*2*) of section 19;

(*m*) the form and manner of issue of statement of acceptance by the Ship Recycler under sub-section (*4*) of section 20;

(*n*) the requirements relating to removal and management of hazardous materials and basic infrastructure to be complied with by the Ship Recycler under clause (*b*) of section 21;

(*o*) the manner of serving of notice by the Competent Authority to a Ship Recycler in case of oil spill under sub-section (*2*) of section 22;

IndiaCode

(*p*) the manner of submission of statement of completion by the Ship Recycler under section 23; and

(*q*) any other matter which is required to be, or may be, specified by regulations.

44. Laying of rules and regulations.—Every rule made by the Central Government and every regulation made by the National Authority under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation or both Houses agree 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, any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

45. Protection of action taken in good faith.—No suit, prosecution or other legal proceeding shall lie against the Central Government or the State Government or the National Authority or the Competent Authority or any officer authorised by the Central Government or the State Government or the National Authority or the Competent Authority for anything done in good faith or intended to be done in pursuance of the provisions of this Act.

46. Removal of difficulties.—(*1*) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as may appear to it to be necessary for removing the difficulty:

Provided that no such order shall be made under this section after the expiry of a period of three years from the date of commencement of this Act.

(*2*) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

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STATEMENT OF OBJECTS AND REASONS

India is a leader in the global ship recycling industry with a share of over thirty per cent. The ship recycling industry is a labour-intensive sector, but, it is susceptible to concerns relating to environmental safety. The existing regulatory framework, namely, the Ship Breaking Code (Revised), 2013, governs the ship recycling activity in India and lays down the standards for environmental protection and workers' safety. However, the said Code does not provide penalties for contravention of the provisions of the Code or deal with the restrictions and prohibitions on use of hazardous materials on ships.

2. In view of the above, it is proposed to enact a legislation to provide for restrictions or prohibitions on use of hazardous material on ships and regulation of recycling of ships by setting certain standards and laying down the statutory mechanism for enforcement of such standards and for matters connected therewith or incidental thereto.

3. The proposed Recycling of Ships Bill, 2019, *inter alia*, provides for the following, namely:—

(*i*) to designate an Authority to be called the National Authority to administer, supervise and monitor all activities relating to ship recycling;

(*ii*) to designate an Authority to be called the Competent Authority, to perform the prescribed duties within the geographical areas of expertise;

(*iii*) the provisions of this Bill shall not apply to any warship, naval auxiliary, or other ships owned or operated by the Government and used for Government non-commercial purpose;

(*iv*) to provide that no ship shall install or use any prohibited hazardous material notified by the Central Government;

(*v*) to issue a certificate on inventory of hazardous materials and ready for recycling certificate which are an essential documents to the ships which are destined to be recycled by its owner;

(*vi*) the provisions relating to ship recycling plan which shall be prepared by the Ship Recycler and the general requirements for recycling of ships;

(*vii*) to impose an obligation on the Ship Recycler to take measures for protection of environment during the process of ship recycling; and

(*viii*) providing for appeal against the orders of Competent Authority to the National Authority and from the National Authority to the Central Government.

4. The Notes on clauses explain in detail the various provisions contained in the Bill.

5. The Bill seeks to achieve the above objectives.

NEW DELHI; MANSUKH MANDAVIYA.

The 21*st November*, 2018.