

(5) Where there is any dispute as to the persons who are entitled to the salvage amount under this section, the ¹[the Judicial Magistrate of the first class or the Metropolitan Magistrate or the High Court as the case may be,] shall decide the dispute and if there are more persons than one entitled to such amount, ²[such magistrate] or the High Court shall apportion the amount thereof among such persons.

(6) The costs of and incidental to all proceedings before ³[a Judicial Magistrate of the first class or Metropolitan Magistrate] or the High Court under this section shall be in the discretion of ²[such magistrate] or the High Court, and ²[such magistrate] or the High Court shall have full power to determine by whom or out of what property and to what extent such costs are to be paid and to give all necessary directions for the purpose aforesaid.

403. Savings.—Nothing in this Part shall—

(a) affect any treaty or arrangement with any foreign country to which India is a party with reference to the disposal of the proceeds of wrecks on their respective coasts; or

(b) affect the provisions of section 29 of the Indian Ports Act, 1908 (15 of 1908), or entitle any person to salvage in respect of any property recovered by creeping or sweeping in contravention of that section.

404. Power to make rules respecting wreck and salvage.—(1) The Central Government may make rules to carry out the purposes of this Part.

(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 procedure to be followed by a receiver of wreck in respect of the taking possession of wrecks and their disposal;

(b) the fees payable to receivers in respect of the work done by them;

(c) the procedure to be followed for dealing with claims relating to ownership of wrecks;

(d) the appointment of valuers in salvage cases;

(e) the principles to be followed in awarding salvage and the apportioning of salvage;

(f) the procedure to be followed for dealing with claims for salvage;

(g) the detention of property in the custody of a receiver of wreck for the purpose of enforcing payment of salvage.

PART XIV

CONTROL OF INDIAN SHIPS AND SHIPS ENGAGED IN COASTING TRADE

405. Application of Part.—This Part applies only to sea-going ships fitted with mechanical means of propulsion of not less than one hundred and fifty tons gross, but the Central Government may, by notification in the Official Gazette, fix any lower tonnage for the purposes of this Part.

406. Indian ships and Chartered ships to be licensed.—(1) No Indian ship and no other ship chartered by a citizen of India or a company ⁴[or a co-operative Society] shall be taken to sea from a port or place within or outside India except under a licence granted by the Director-General under this section:

Provided that the Central Government, if it is of opinion that it is necessary or expedient in the public interest so to do, may, by notification in the Official Gazette, exempt any class of ships

1. Subs. by Act 12 of 1983, s. 17 and the Schedule, for “the magistrate or the High Court, as the case may be” (w.e.f. 18-5-1983).

2. Subs. by s. 17 and the Schedule, *ibid.*, for “the magistrate” (w.e.f. 18-5-1983).

3. Subs. by s. 17 and the Schedule, *ibid.*, for “a magistrate” (w.e.f. 18-5-1983).

4. Ins. by Act 43 of 1981, s. 7 (w.e.f. 28-9-1981).

chartered by a citizen of India or a company ¹[or a co-operative Society] from the provisions of this sub-section.

(2) A licence granted under this section may be

- (a) a general licence;
- (b) a licence for the whole or any part of the coasting trade of India; or
- (c) a licence for a specified period or voyage.

(3) A licence granted under this section shall be in such form and shall be valid for such period as may be prescribed, and shall be subject to such conditions as may be specified by the Director-General.

407. Licensing of ships for coasting trade.—(1) No ship other than an Indian ship or a ship chartered by a citizen of India ¹[or a company or a co-operative society which satisfies the requirements specified in clause (b) or, as the case may be, clause (c) of section 21], shall engage in the coasting trade of India except under a licence granted by the Director-General under this section.

(2) A licence granted under this section may be for a specified period or voyage and shall be subject to such conditions as may be specified by the Director-General.

(3) The Central Government may, by general or special order, direct that the provisions of sub-section (1) shall not apply in respect of any part of the coasting trade of India or shall apply subject to such conditions and restrictions as may be specified in the order.

408. Revocation or modification of licence.—(1) The Director-General may, at any time if the circumstances of the case so require, revoke or modify a licence granted under section 406 or section 407.

(2) No licence shall be revoked or modified under this section unless the person concerned has been given a reasonable opportunity of making a representation against such revocation or modification, as the case may be.

409. Licences to be surrendered when they cease to be valid.—When a licence under section 406 or section 407 ceases to be valid, the person to whom it was granted shall, without unreasonable delay, return it or cause it to be returned to the Director-General.

410. No port clearance until licence is produced.—No customs collector shall grant a port clearance to a ship in respect of which a licence is required under this Part until after production by the owner, master or agent of such a licence.

411. Power to give directions.—The Director-General may, if he is satisfied that in the public interest or in the interests of Indian shipping it is necessary so to do, give, by order in writing, such directions as he thinks fit—

(a) in the case of a ship which has been granted a licence under section 406, with respect to all or any of the following matters:—

- (i) the ports or places whether in or outside India, to which, and the routes by which, the ship shall proceed for any particular purpose;
- (ii) the diversion of any ship from one route to another for any particular purpose;
- (iii) the classes of passengers or cargo which may be carried in the ship;
- (iv) the order of priority in which passengers or cargo may be taken on or put off the ship at any port or place, whether in or outside India;

1. Subs. by Act 43 of 1981, s. 8, for “or a company which satisfies the requirements specified in clause (b) of section 21” (w.e.f. 28-9-1981).