

THE KARACH PORT TRUST ACT, 1886.

BOMBAY ACT NO.VI OF 1886

(8th February, 1887)

An Act to vest the Port of Karachi in a Trust

Preamble, Whereas it is expedient to vest the Port of Karachi in a true and to provide for the management of the affairs of the said port by trustees; It is enacted as follows:-

I – PRELIMINARY

1. **Short Title** – This Act may be called the Karachi Port Trust Act, 1886.
2. **Definitions** – In this Act, unless there be something repugnant in the subject or context:-
 - (1) **“Port”** means the port of Karachi as defined for the purpose of this Act;
 - (2) **“high-water mark”** means a line drawn through the highest points reached by ordinary spring-tides at any season of the year.
 - (3) **“low-water mark”** means a line drawn through the lowest points reached by ordinary spring-tides at any season of the year.
 - (4) **“land”** includes the bed of the sea below high-water mark, and also things attached to the earth or permanently fastened to anything attached to the earth;
 - (5) **“master”** when used in relation to any vessel, means any person having for the time being the charge or control of such vessel;
 - (6) the word **“goods”** includes wares and merchandise of every description;
 - (7) **“owner”** when used in relation to goods includes any consignor, consignee, shipper, agent for shipping, clearing or removing such goods, or agent for the sale or custody of such goods; and when used in relation to any vessel includes any part-owner, charterer, consignee or mortgagee , in possession thereof.
3. **Power to define and alter limits of Port-** Government may, by notification in the (Official Gazette).
 - (a) define the limits of the port for the purpose of this Act, and
 - (b) from time to time alter such limits.

Such limits may extend to any part of the navigable approaches to the port, and may include any wharves, tramways, warehouses, sheds and other works made on behalf of the public for convenience of traffic, for safety of vessels or for the improvement, maintenance and good government of the port, whether within or without high-water mark, and subject to any rights of private property therein, any portion of the shore within fifty yards of high-water mark.

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II – OF THE BOARD OF TRUSTEES CONSTITUTION OF BOARD

4. Act to be carried out by trustees – The duty of carrying out the provisions of this Act shall subject to such conditions and limitations as are hereinafter contained, be vested in a board to be called. “The Trustees of the Port of Karachi”, and such Board, hereinafter referred to as “the Board” shall be a body corporate and have perpetual succession and a common seal, and shall sue and be sued by the name first aforesaid.

5. Number of trustees – The Board shall consist of (eleven) members.

6. Appointment of Chairman and election of Vice-Chairman – (1) Government shall from time to time appoint a person to be Chairman of the Board. The person so appointed may be public officer or not. The Chairman shall be a trustee.

(2) The Board shall elect at its first meeting held at the beginning of each year of the term of the trustees composing that Board one of the trustees to be Vice-Chairman of the Board for a period of one year expiring with the expiry of that of the term.

(3) In the event of the death, resignation or disqualification of the Vice Chairman or of his absence from four successive meetings of the Board, the Board shall elect a successor who shall hold office, for the remainder of his predecessor’s period of office.

7. Nomination of other trustees – (1) Of the remaining trustees, one shall be elected by the Chamber and Industry, Karachi, one shall be elected by the Karachi Chamber of Commerce and Industry, Karachi, one shall be elected by the Karachi Cotton Association, Karachi, one shall be elected by the Pakistan Shipowners Association, Karachi, one shall be elected by the Karachi Municipal Corporation, and five, of whom one shall be a non-official associated with the Karachi Port Trust Labour Unions, shall be appointed by the (Federal Government).

Any trustee elected or appointed under this section may or may not be a public officer.

(2) The right to elect trustees conferred on the Chamber of Commerce and Industry, Karachi, the Karachi Chamber of Commerce and Industry, Karachi, the Karachi Cotton Association, Karachi, the Pakistan Shipowners Association, Karachi, shall accrue only on such Chamber or association, being or becoming, registered under the law for the time being in force for the registration of companies or association.

8. Conduct of elections – (1) The election of trustees by the Chamber of Commerce and Industry, Karachi, the Karachi Chamber of Commerce and Industry, Karachi, the Karachi Cotton Association, Karachi, the Pakistan Shipowners Association, Karachi and the Karachi Municipal Corporation shall be conducted in such manner, as may from time to time be determined at a meeting of the members of the bodies concerned convened in

accordance with the rules for the time being in force in this behalf. The Secretary of the body concerned shall make a return to the (Federal Government) of the names of the persons so elected.

(2) **Nomination by Government in default of election.** In the event of default by any of the aforesaid bodies in electing any trustee under the foregoing provisions within the period hereinafter prescribed in this behalf, Government may appoint a person to represent such body and the person so appointed shall be deemed to be a trustee as if he had been duly elected by that body.

9. Publication of names of trustee in the official Gazette – The name of every person appointed by Government to be Chairman (and of every person elected to be) Vice Chairman of the Board and the names of all trustees duly elected or appointed to the Board shall be published in the (Official Gazette).

10. (Term of office of first trustees when to commence) Rep by Bom Act-II of 1902, S/4.

11. Term of office of trustees and Chairman – Every trustee other than the Chairman, shall unless he becomes in the meantime disqualified, hold office for a term of two years.

(Provided that the (Federal Government) may by notification in the official gazette, extend (or reduce) the term for such period as may be specified in the notification).

(The Chairman shall hold office for such period as the (Federal Government) may from time to time decide).

12. Time for holding elections and making appointments – (1) The election of trustees by the bodies mentioned in sub-section (1) of Section 7 of the Act to succeed trustees whose term of office expires, or to take office in accordance with the provisions of clause (b) of sub-section (4) of Section 82 and the case may be, shall be held on some day between such dates as may by notification in the official Gazette be fixed by the (Federal Government) in this behalf, and appointments of such trustees by the (Federal Government) shall be made on some day prior to the date of the first meeting of the new Board.

(2) The term of office of the trustees so elected or appointed shall begin on the day next following that on which the term of their predecessors in office, or the period specified in an order under sub-section (1) of Section 82 or extended under clause (a) of sub-section (4) of that section as the case may be expires.

13. Filling up of casual vacancies – (1) In the event of the death, resignation or disqualification of a trustee or of his becoming incapable of acting previous to the expiry of his term of office, the vacancy shall be filled up, as soon as it conveniently may be, by the election or appointment, as the case may be, of a person thereto, who shall hold office so

long only as the trustees in whose place he is elected or appointed would have been entitled to hold it if the vacancy had not occurred.

(2) **Acting trustee.** If a trustee departs from Karachi with an intention of being absent for a period of three months or more, a person shall be elected or appointed as aforesaid to act for such trustee during his absence, or until he shall cease to be a trustee; and the person so acting shall be deemed for all the purpose of this Act to be trustee.

(3) Saving provision for acting appointment when necessary for less than three months. Nothing in the last preceding sub-section shall prevent a person being elected or appointed for a shorter period than three months in the place of an absent trustee, on the application of the Board if the absentee be an active trustee or at the discretion of Government if he be a nominee trustee.

14. Re-eligibility of trustees – A person who has already been a trustee on one or more occasions shall, if not disqualified under Section 15, be again eligible at any time for election or appointment.

DISQUALIFICATIONS OF TRUSTEES

15. Disqualifications for office of trustee – (1) A person shall be disqualified to be a trustee who:-

- (a) is an un-certificated bankrupt or insolvent; or
- (b) has been convicted and sentenced to imprisonment for an offence punishable with imprisonment for a term exceeding six months, or to transportation, such conviction not having been subsequently reversed or quashed, and whose disqualification on account of such conviction has not been removed by an order, which Government is hereby empowered to make, if it shall think fit, in this behalf; or
- (c) hold (or has held) any office or place of profit under the Board; or
- (d) has directly or indirectly, by himself or his partner, any share or interest in any contract or employment with, by or on behalf of the Board (or).
- (e) has not
 - (i) paid back the loan advice or credit amounting to one million rupees or more including any mark-up accrued thereon, obtained from any bank, financial institution or corporate body in his personal name or any business concern mainly owned by or having any share in such business concern for more than one year from the due date;

- (ii) paid the tax amounting to fifty thousand or more in respect of each category of tax for over six months; and
- (iii) paid the utility expenses, including telephone, electricity, gas and water charges, amounting to twenty-five thousand rupees or more for each utility for over six months.

(1A) Not with standing anything contained in sub-section (1), an officer of the Port shall not, during service of the Port or thereafter, be eligible for appointment as trustee to represent Labour Union).

(2) *Proviso.* But a person shall not be so disqualified, or be deemed to have any share or interest in such contract or employment by reason only of his having a share or interest in –

- (a) any lease, sale, exchange or purchase of immovable property, or any agreement for the same; or
- (b) any licence by the Board, or right by agreement or otherwise with the Board to the sole or preferential use of any railway sidings or any berth for vessels in the dock, wharves, quays, stages, jetties and piers belonging to the Board; or
- (c) any agreement for the loan of money, or any security for the payment of money only; or
- (d) any newspaper in which any advertisement relating to the affairs of the Board is inserted; or
- (e) any joint-stock company which shall contract with or be employed by or on behalf of the Board; or
- (f) the occasional sale to the Board, to a value not exceeding two thousand rupees in any one official year of any article in which he trades.

15A. Grounds on which trustees shall vacate office – (1) Any trustee who –

- (a) becomes disqualified for any of the reasons mentioned in the last preceding section ; or
- (b) is absent from the meetings of the Board for a period exceeding twelve consecutive months or without the permission of the Board from six consecutive ordinary meetings of the Board; or
- (c) acts in contravention, the provisions of the next succeeding section (or).
- (d) Ceases to be a member of the Constituency by which he has been elected

shall cease to be a trustee, and his office shall thereupon become vacant.

(2) In the event of the Chamber of Commerce and Industry, Karachi or the Karachi Chamber of Commerce and Industry, Karachi, or the Karachi Cotton Association, Karachi, or the Karachi Pakistan Shipowners Association, Karachi or Karachi Municipal Corporation being dissolved, or ceasing to exist, the office of the trustee elected by the body which is dissolved, or which ceases to exist, shall become vacant).

15B. Restriction on power of trustees to vote or discuss matters in which they are interested – A trustee shall not at any meeting of the Board or a Committee thereof take part in discussion of, or vote on, any matter in which he has directly or indirectly by himself or his partner, any share or interest such as is described in Section 15, or in which he is interested either professionally on behalf of a client or as agent for any person.

REMUNERATION OF TRUSTEES

16. Remuneration of Chairman to be fixed by Government – (1) The Chairman's remuneration and other conditions of service shall be determined by the (Federal Government).

(2) Every trustee, other than the Chairman, who attends a meeting of the Board at which a quorum is present and business is transacted, shall be paid such fees as is admissible to Director of Joint Stock Companies subject to a maximum of one thousand rupees.

PROCEEDINGS OF BOARD

17. Provisions concerning the Board's proceedings – The following provisions shall be observed with respect to the proceedings of the Board (namely):-

(1) Vacancy not to affect Board's proceedings. During any vacancy in the Board the continuing trustees may act as if no vacancy had occurred.

(2) Board to meet together and arrange for transaction of business. The Board shall meet together and shall from time to time make such arrangements not inconsistent with this Act, with respect to the place, day, hour, notice, management and adjournment of such meetings, and generally with respect to the transaction of business as they think fit subject to the following conditions (namely):-

(a) **Two ordinary meetings in each month.** That two ordinary meetings at least shall be held in every month.

- (b) **Special meetings.** That the Chairman may whenever he thinks fit and shall upon the written request of not less than three trustees, call a special meeting;
- (c) **Quorum.** That no business shall be transacted at any meeting unless at least four trustees are present from the beginning to the end of such meeting.
- (d) **Meeting to be presided over by the Chairman.** That every meeting shall be presided over by the Chairman, if he is present at the time appointed for holding the same, and if he is absent, by the Vice Chairman or, in his absence, by such one of the trustees present as may be chosen by the meeting;
- (e) **Questions to be decided by a majority of votes.** That all questions shall be decided by a majority of votes of the trustees present, the president having second or casting vote in all cases or equality of votes.
- (f) **Votes to be recorded if a poll is demanded.** That if a poll be demanded, the names of the trustees voting and the nature of their votes shall be recorded by the President;
- (g) **Minutes of proceedings.** That minutes shall be kept of the names of the trustees present and of the proceedings at each meeting in a book to be provided for this purpose which shall be signed, as soon as practicable, by the president of such meeting, and shall be open to inspection by any trustee during office hours.

(2A) The minutes of the meetings of the Board shall be open for inspection by any member of the public on payment of such fees as may be fixed by the Board, and any member of the public may obtain copies of the minutes on payment of a copying fee prescribed for copies obtainable from the offices of the Provincial Government : Provided that the Chairman may under the direction of the Board refuse to allow access or give copies to any person of such portions of the minutes as he may consider to be of a confidential nature.

(3) **Board may delegate powers to committees.** The Board may appoint committees consisting of such trustees as it thinks fit to examine and advise the Board on any matter referred to the Committees and may also delegate to such committees such of its powers as it may think fit. Any committee so formed shall conform to any instructions that may from time to time be given to it by the Board and the Board may at any time discontinue or alter the constitution of any committee so formed.

(4) **Committees' meetings to be presided over by a Chairman.** A committee may elect a Chairman of their meetings, and if, no such Chairman is elected or if he is not present at the time appointed for holding the same; the members present shall choose one of their members to be Chairman of such meeting.

(Provided that if the Chairman is a member of the Committee, he shall be Chairman thereof and if he is not, but the Vice Chairman is a member of the Committee, the Vice Chairman shall be Chairman thereof).

(5) Meetings of Committees. Committees may meet and adjourn as they think proper, but the Chairman of the Board may whenever he thinks fit and shall upon the written request of not less than two members of a committee, call a special meeting of such committee.

(6) **Questions how to be decided at committees' meetings.** Questions at any meeting of a committee shall be decided by a majority of votes of the members present, and in case of an equal division of votes, the Chairman of the meeting shall have a second or casting vote, but no business shall be transacted at any such meeting unless at least two-thirds of the members of the Committee are present from the beginning to the end thereof.

(7) **Acts of Board etc. not to be invalidated by informalities.** No act of the Board, or of any committee or of any person acting as trustees, shall be deemed to be invalid by reason only of some defect in the appointment of such Board, committee or trustee, or on the ground that they or any of them, were disqualified for the office of trustee.

18. Competency of the Board to lease, sell and transfer – (1) The Board shall be competent, subject to the restrictions contained in sub-section (2) to lease, sell or otherwise transfer any moveable or immovable property which may for the purposes of this Act, have become vested in or been acquired by them and so far as is not inconsistent with the provision and purposes of this Act, and subject to the restrictions contained in sub-sections (3) and (4) to enter into and perform all such contracts as they may consider necessary or expedient in order to carry into effect the said provisions and purposes.

(1A) The Chairman shall be competent to sell, transfer or otherwise dispose of any moveable property the depreciated value of which (does not exceed five hundred thousand) rupees and which in his opinion, is not longer required or useful for the purposes of the Port.

(2) Subject in certain cases to sanction of Government. In the case of every lease of immovable property for a term exceeding (twenty five years with an option to renew for a like period of twenty five), in the case of every sale or other transfer of any such property, the previous sanction of Government is required.

(3) Approval of Government to estimate when no pressing emergency and expenditure involved exceeds rupees (two hundred fifty thousand). In the case of every contract which will involve expenditure exceeding (two hundred fifty thousand) rupees not reported under Section 67 to Govt. as required for a pressing emergency the previous and final approval of Government to an estimate at the time in force in which provision is included for such expenditure is required.

(4) Sanction of Board on plan and estimate for new work costing over rupees (one million). In the case of every contract in respect of any new work, the estimated cost of

which exceeds (one million) rupees the sanction of the Board on a plan and estimate submitted to and considered and approved by them, is required.

- (5) Sanction of Board by resolution requisite in certain cases. In the case-
- (a) of a lease for a period exceeding one year, or of a sale or other transfer, or contract for the purchase of any immoveable property.
 - (b) of every contract which will involve expenditure not covered by a budget grant.
 - (c) of every contract the performance of which cannot be completed within the official year current at the date of the contract.

The sanction of the Board by a resolution passed at a meeting thereof is required.

(6) Sanction of the Board when required to purchase or sale of moveable property. In the case of a contract for the purchase of a moveable property, or for the sale of any moveable property belonging to the Board, if the expenditure which the purchase would involve, or the value of the property to be sold as estimate in the accounts of the Board, exceeds (one million) rupees the sanction of the Board is required.

(7) Sanction by Chairman. In the case of every contract not otherwise provided for in the preceding sub-sections of this section, the sanction of the Chairman is required.

Provided that the Chairman may by an order in writing delegate all or any of his powers under this section to an officer or officers as he may deem fit.

(8) Mode of executing contracts. Every contract entered into by or on behalf of the Board other than a contract to which sub-section (7) applies shall be in writing, and shall be signed by the Chairman and two other trustees and shall be sealed with the common seal of the Board.

Every contract to which sub-section (7) applies shall be executed by the Chairman, or by such officer mentioned in sub-section (7) as is empowered to sanction such contract, in such manner and form as according to the law for the time being in force would bind the Chairman or officer if such contract were executed by him on his own behalf.

(9) Invalidity of contracts unless requirements of this section are fulfilled. No contract shall be binding on the Board in any case referred to in this section, unless all such requirements as are specified in sub-sections (2), (3), (4), (5), (6) and (7) in respect of such case are fulfilled, and unless it is executed in accordance with the provisions of sub-section (8) applicable thereto.

Provided, that the signatures of the Chairman and two other trustees may be engraved, lithographed or impressed by any mechanical process on coupons attached to debentures which the Board is at any time authorized to issue under (this Act) and the signatures so engraved, lithographed or impressed shall have the same validity as they were written in the proper handwriting of the Chairman and other trustees.

19. Board may compound for claims against them – The Board may compound or compromise for in respect of any claim or demand made against them, for such sum of money, or other compensation, as they shall deem sufficient.

(Provided that the Chairman may compound or compromise any claim or demand (not exceeding two hundred thousand rupees).

THE CHAIRMAN AND VICE CHAIRMAN

20. Duties of Chairman – The Chairman shall –

- (1) attend every meeting of the Board, unless prevented by sickness or other reasonable cause;
- (2) exercise supervision and control over the acts and proceedings of all officers and servants of the Board in matters of executive administration and in the matters concerning the accounts and records of the Board, and subject to the regulations at the time being in force framed by the Board under Section 22, dispose of all questions relating to the service of the said officers and servants and their pay privileges and allowances.
- (3) furnish to Government a copy of the minutes of any of the Boards proceedings and any returns or other information which Government may from time to time call for.

Duties of Vice Chairman. The Vice Chairman shall exercise such of the powers and perform such of the duties of the Chairman as the Chairman from time to time deposes to him.

(Provided that such deputation shall be made only during the temporary absence from duty, owing to illness or other cause, of the Chairman).

III – OF THE OFFICERS AND SERVANTS OF THE BOAFD

STRENGTH OF STAFF

21. Schedule of officers and servants, and of their pay and allowances, to be prepared and sanctioned by the Board – The Board shall from time to time prepare and sanction of the staff of officers and servants whom they shall deem it necessary and proper to maintain for the purpose of this Act. Such schedule shall also set forth amount and nature of the salaries, fees and allowances which the Board sanctions for each such officer or servant.

Provided –

(1) that artisans, porters and labourers and mukaddams of porters and labourers, persons temporarily employed in the Engineering department, and any member of the staff engaged for a period not exceeding six months whose pay is not more than rupees one hundred per mensem, shall not be deemed to be officers or servants within the meaning of this section or Section 22 clause (1) to (4) both inclusive, or of Section 23.

(2) that, if an officer is lent to the Board by (the Government of a Province of the (Federal Government) the Board shall make such contributions, if any, on account of his pension and leave allowances as may be required by the rules in this behalf from time to time in force, and shall not except with the consent of (the lending Government), dispense with his further services at any time without giving (the lending Government) six months previous notice.

22. Board to frame regulations - The Board may with the prior sanction of the (Federal Government) frame regulations-

- (1) For regulating leave; for regulating the grant of leave to the officers and servants of the Board.
- (2) For setting absentee allowances for authorizing the payment of allowances to the said officers and servants or to the certain of them whilst absent on leave.
- (3) For fixing acting allowances for determining the remuneration to be paid to the person appointed to act for any such officers or servants during their absence on leave.
- (4) For regulating length of services; for regulating the period of service of all such officers and servants.
- (5) For fixing pensions etc.; for determining whether any of the said officers and servants, and, if so, which of them, shall on retirement receive pension, gratuities or compassionate allowances, and the conditions under which such

pensions, gratuities or compassionate allowances shall be payable and the amount of the same.

- (6) For authorizing contributions to provident fund for authorizing the payment of contributions at certain prescribed rates and subject to certain prescribed conditions to any provident fund which may be established by the Board for the benefit of its officers (including such officer as may be appointed by the (Federal Government) to act as Chairman) and servants of which with Board's approval may be established by its officers and servants themselves.
- (7) Determining conditions of grant of wound pensions or compassionate allowances. For determining the conditions under which pensions, gratuities or compassionate allowances may be paid to any of such officers and servants injured, or to the surviving relatives of any such officers and servants killed in the execution of their duty.
- (8) for regulating the conduct and the terms and conditions of service of the officers and servants of the Board, and all other service matters including recruitment, promotion, inquiries, punishments and appeals.

POWERS OF APPOINTMENT ETC

23. Appointments etc. by whom to be made – (1) subject to the provisions of the regulations made under Section 22 and of the Schedule of officers and servants for the time being in force, all administrative powers including those of appointment, promotion, suspension and punishment of the officers and servants of the Board shall be exercised by -

- (a) the Chairman, in respect of officers holding posts in Basic Pay Scale 16 to 18.
- (b) the Board in respect of officers holding posts in Basic Pay Scale 19; and
- (c) the Board subject to the approval of the Federal Government in respect of the officers holding posts in Basic Pay Scales 20 and 21.

Provided that the Chairman may, by an order in writing, delegate all or any of his powers under this sub-section to the respective Heads of Department or such other officers as he may think fit.

(2) In the case of an order passed by a Head of the Department or other officer in exercise of the power delegated to him under sub-section (1) an appeal shall lie to the Chairman and in the case of any other order under that sub-section to the (Federal Government) and the orders of the Chairman or (Federal Government) as the case may be in such appeal shall be final.

(3) An appointment made in this section shall not be deemed to be a contract or agreement within the meaning of Section 18.

24. Orders and regulations for officers – Every order or regulation shall be made by -

- (i) the Chairman, in the case of officers in Basic Pay Scale 16 to 18;
- (ii) the Board, in respect of officers holding posts in Basic Pay Scales 19; and
- (iii) the Board, subject to the approval of the Federal Government, in respect of officers holding posts in Basic Pay Scale 20 and 21.

IV. OF THE PROPERTY AND LIABILITIES OF THE BOARD

GENERAL POWERS AS TO PROPERTY

25. Powers of Board as to property – The Board shall for the purpose of this Act, have power to acquire and hold moveable and immovable property within or without the limits of the port or city of Karachi.

26. Procedure to be observed when the Board are unable to acquire by agreement, any immovable property – When the Board are unable to acquire by agreement, any immovable property required for the purposes of this Act, the (Federal Government) may order proceedings to be taken for acquiring the same on behalf of the Board as if such property were land needed for a public purpose within the meaning of the Land Acquisition Act, 1894 (1 of 1894).

The amount of compensation awarded and all other charges incurred in the acquisition of any such property shall be forthwith defrayed by the Board, and thereupon the said property shall vest in the Board.

27. Transfer of Government property to the Board – (1) The property specified in schedule A shall vest in the Board.

Provided that –

- (i) If any question arises between (the Federal Government) and the Board as to the boundaries of any portion of such property, Government may define and demarcate such boundaries, and the decision of Government in respect to such boundaries shall be conclusive;
 - (ii) any portion of the land specified in the said schedule which shall be required by (the Federal Government) for a public purpose may be resumed by (the Federal Government) without claim to compensation on the part of the Board, except for buildings or other permanent structures erected thereon.
- (2) Nothing in clause (ii) of the proviso sub-section (1) shall apply to land reclaimed from harbour waters, and the Board shall be compensated for any improvements effected by it on any land resumed under that clause.
- (3) The railway now under construction between the Bander station and the Keamari station may be constructed by Government along the foreshore or on reclaimed land and any other work which the (Federal Government), may consider necessary in the public interests may be executed by Government in or upon any of the property specified in the said schedule without claim to compensation on the part of the Board except for building or other

permanent structures which it shall be necessary to clear away for the purposes of such railway or work.

28. Transfer to the Board of the Karachi Harbour Board's liabilities and claims – The loans specified in schedule B, which (were) contracted by the Karachi Harbour Board and have not yet been discharged, and all other debts and obligations incurred, all contracts entered into and all matters and things engaged to be done by with or for the Karachi Harbour Board, shall be deemed to have been incurred, entered into or engaged to be done by, with or for the Board;

and all sums of money due to the said Karachi Harbour Board shall be deemed to be due to the Board;

and all suits or other legal proceedings, civil or criminal, instituted, or which might, but for the passing of this Act, have been instituted, by or against the said Karachi harbour Board, may be continued or instituted by or against the Board.

28A. Special provisions as to the liabilities of the Board to the Corporation – (1) The Board shall pay annually on the thirtieth day of September to the Municipal Corporation of the City of Karachi in lieu of the general tax and fire-brigade tax, if any, leviable by the said Corporation in respect of the property or some portion of the property vested in the Board which would otherwise be liable to the said taxes a sum ascertained in the manner provided in sub-section (2) and (3).

(2) The annual value of the buildings and lands in the City of Karachi (as defined in the City of Karachi Municipal Act, 1933) vesting in the Board in respect of which the said taxes would be leviable from the Board shall be fixed from time to time by Government. The said value shall be fixed with a general regard to the provisions contained in the city of Karachi Municipal Act, 1933, concerning the valuation of property assessable to property taxes, at such amount as Government shall hold good for a term of five years subject only to proportionate variation, if in the meantime, the number or extent of the buildings and lands vesting in the Board materially increases or decreases.

(3) The sum to be paid annually to the Municipal Corporation of the City of Karachi by the Board shall be nineteenth-twentieths of the amount which will be payable by an ordinary owner of buildings or lands in the city of Karachi on account of property taxes, on an annual value of the same amount as that fixed under sub-section (2).

(4) Notwithstanding anything contained in sub-sections (1) to (3), it shall be competent to the said corporation and the Board to agree in writing that the Board shall pay to the said Corporation in lieu of the sum payable under sub-section (1) on such terms and conditions, as may be mutually agreed a sum ascertained otherwise than as provided in sub-sections (2) and (3) and thereupon the Board shall pay to the said Corporation in lieu of the sum mentioned in sub-section (1) the sum ascertained accordingly.

- (5) Except as hereinbefore, in this section provided, nothing shall effect the liability of the Port Trust property to any tax which may lawfully be imposed by the said Corporation in the City of Karachi.

V – OF THE POWERS AND DUTIES OF THE BOARD

WORKS

29. Works to be constructed – The work to be constructed and carried out by the Board may include the following:-

- (1) wharves ; quays, stages, jetties, piers and docks with all necessary and convenient arches, drains, landing-places, stairs fences, roads railways and approaches ;
- (2) tramways, warehouses, sheds, engines and other appliances for conveying, receiving and storing goods landed or to be shipped, or otherwise.
- (3) Lighthouses, light-ships, beacons, pilot-boats, and other appliances necessary for the safe navigation of the port and of the approaches thereto within a distances of three miles from the limits of the port ; (and with the sanction of Government as to the funds to be contributed by the Board for the purpose, lighthouses beyond the said distance at the mouths of the Indus and at Cape Monze or the maintenance and lighting thereof)
- (4) Laying down moorings and the erection of cranes, soales and all means and appliances necessary for berthing, loading and unloading vessels ;
- (5) Reclaiming, excavating, enolosing and raising any part of the foreshore of the port vested in the Board.
- (6) The construction, procuring and application of dredges and other machines for cleaning, deepening and improving any portion of the port or foreshore aforesaid ;
- (7) Procuring and employing (vessel) for lowing vessels into, out of or within the port.
- (8) The construction of such works, without the limits of the port, as shall be necessary for the protection of works executed by the Board within the port, and all such other work and appliances as may, in the opinion of the Board, be necessary or desirable for carrying out the purposes of this Act ;
- (9) The extinguishing of fires on the property of the Board and the equipment, maintenance and use of engine for that purpose ;
- (10) The equipment of vessels (tugs) or other boats and their use as well within the limits of the port as on the high seas beyond those limits, and whether in territorial waters or otherwise for the purpose of lowing or rendering assistances to any vessel whether entering or leaving the port or bound elsewhere, and for the purpose of saving or protecting life or property;

- (11) The supply of water to shipping in the port, and the equipment, maintenance and use of boats and barges for that purpose ;
- (12) The extinguishing of fires in the port, and the equipment, maintenance and use of engines for that purpose ;

Approval of the Board and Government for Commencing new works provided always that no new work, the estimated cost of which exceeds (one million) rupees shall be commenced by the Board until a plan and estimate of such work shall have been submitted to the Board and considered and approved by them, nor shall any new work, the estimated cost of which exceeds (two million) rupees, be commenced until such plan and estimate shall have been submitted to, and approved by Government).

29A. Lease, transfer or works, etc – The board may or carrying out the works referred to in Section 29 and for their operation and maintenance, entrust, transfer, lease or assign such work to any other person, agency, department, company or contractor on such terms and conditions as may be prescribed by the Federal Government.

Provided that such persons, agency, department, company or contractor shall abide by all rules, regulations and instructions made, or issued, under this Act.

30. Free landing places to b provided – The Board shall provide such number of public landing places as shall in the opinion of the (Federal Government) be sufficient, from and upon which the public shall be permitted to embark and to land free of charge.

31. Removal of bathing and landing places – The Board may occupy or remove or alter any bathing place or landing place within the port, and prohibit the public from resorting to or using the same : Provided that the Board shall provide for the use of the public such other bathing places or landing places, if any as the (Federal Government) may direct.

LANDING AND SHIPPING OF GOOS

32. Appliances for shipping etc. for seagoing vessels – The Board shall, so far as the funds at their disposal will allow, provide and maintain wharves, quays, stages, jetties, piers, warehouses, sheds and appliances for the expeditious and convenient shipment and landing of goods in and from seagoing vessels within the port and for the storing of such goods, and shall by their servants land and ship all goods, from and in any such vessel coming to any such wharf, quay, stage, jetty or pier (or standing in the stream) except where there is lawful excuse for refusing to land or ship such goods or such vessel is under any enactment for the time being in force, not entitled to have her cargo shipped or discharged.

Provided that –

- (1) the Board shall not be bound to land, ship or move any single article or package exceeding ten tons of twenty hundred-weight, in weight except at such special charge as may be agreed on in respect of such article or package ;

- (2) the Board may by special agreement with the masters of vessels or the owners of goods, permit goods to be landed and shipped by other than the servants of the Board but every such permission shall be subject to the condition that the means to be employed and the appliances to be used by the said masters or owners for landing or shipping goods shall be subject to the approval of the Board, whose duty it shall be to satisfy themselves that the said means and appliances are at all times such and in such conditions as not to endanger the lives or safety of the persons employed.

33. Seagoing vessels compelled to use wharves, etc – When any wharf, quay, stage, jetty or pier has been made and completed, with sufficient warehouses, sheds, and appliances for landing or for shipping goods from and in seagoing vessels the Board may, with the previous sanction of the (Federal Government) by a notification published in three consecutive numbers of the (official Gazette) declare that such wharf, quay, stage, jetty or pier is ready for receiving, landing and shipping or for landing or for shipping as the case may be, goods from and in seagoing vessels.

From and after such publication, the Board may from time to time, when there is room at such wharf, quay, stage, jetty or pier, order to come alongside of such wharf, quay, stage, jetty or pier, for the purpose of landing and shipping goods or for landing or for shipping the same, as the case may be any seagoing vessels within the port which has not commenced to discharge cargo, or which being about to take in cargo, has not commenced to do so. In making such order the Board shall have regard, as far as possible, to the convenience of such vessel, and of the shippers, in respect of the use of any particular wharf, quay, stage, jetty or pier.

34. If accommodation sufficient, all seagoing vessels compelled to use wharves etc – When a sufficient number of wharves, quays, stages, jetties, piers, warehouses, sheds and appliances have been provided as aforesaid, the Board may, with the previous sanction of the (Federal Government) by an order published in three consecutive numbers of the (official Gazette), direct that no goods shall be landed or shipped from or in any seagoing vessel within the port save at such wharves, quays, stages, jetties and piers, and may in like manner, alter, vary or revoke any such order; Provided that it shall be competent to the Board at any time to exempt any specified vessel from the operation of any order made under this section.

35. Power to order vessels not to come alongside of or to be removed from wharves, etc – (An officer appointed by the (Chairman) in this behalf) may in cases of emergency, or for any reason which appears to (him) sufficient, by notice in writing, order the master or owner of any vessel not to bring such vessel alongside; or to remove such vessel from any wharf, quay stage, jetty or pier belonging to the (Chairman) and, if such notice is not obeyed, the (Chairman) may charge in respect of such vessel such sum as they think fit, not exceeding (two hundred thousand) rupees for each day of twenty-four hours, or portion of such day, during which such vessel remains at such wharf, quay, stage, jetty or pier.

Provided that in the case of a vessel ordered to be removed such charge shall not commence to be made till after the expiry of (twelve hours from the service of such notice as aforesaid) on the mater or owner of the vessel.

Provided further that no claim, whether financial or otherwise, against any order issued under this section shall be against the Board or as the case may be the Chairman).

36. Power of Federal Government to exempt from obligation to use wharves, etc. and – Notwithstanding anything contained in Section 23 and 34, the (Federal Government) may, by notification in the (Official Gazette) from time to time permit certain specified vessels or classes of vessels to discharge or ship cargo, or certain specified cargo or classes of cargo, at such part of the port, in such manner during such period, subject to such payments and on such conditions as he may think fit, and otherwise grant exemption from the provisions of such sections.

To require preference to be given to Government vessels – The (Federal Government) may also by like notification cancel or modify any such notification.

The (Federal Government) may also at any time require that any vessel belonging to or in the service of the (Federal Government) shall be permitted to come alongside of any wharf, quay, stage, jetty or pier belonging to the Board in preference to all other vessels at the time in port, and it shall be incumbent on the Board to give effect to any such requisition.

37. Discharge of liability on goods landed – Whenever any goods are landed by the Board from any vessel, the Board shall, if so require, give to the Master of such vessel a receipt in the form of a provision out turn report within seventy-two hours of the completion of the discharge of the vessel;

Provided that –

- (a) the liability of the Board in respect of the goods on such vessel shall not exceed the value thereof specified in the bill of landing.
- (b) The receipt shall relate only to the outward appearance of packages and shall not be construed as relating to the contents or the state of contents of the packages.
- (c) The receipt shall specify the number of packages and shall not relate to weight and their measurement;
- (d) The receipt shall not give the number of small articles, loose cargo or goods in bulk.

Provided further the Board shall not be liable for any loss, destruction or damage to any goods accruing from.

- (a) Fire flood or reasons beyond human control;
- (b) And act of God
- (c) An act of war
- (d) Seizure under any legal process
- (e) Quarantining restrictions; and
- (f) Riots or civil commotions.

37A. Landing in case of emergency, etc. – In case of any emergency, including war, navigational and environmental hazards, storms and nature calamities, the Board may by order in writing and with the previous approval of the Federal Government, allow any goods to be landed from any vessel in the custody of any person, company, agency or terminal operator till delivery of such goods to the lawful claimant on such terms and conditions as it may deem fit.

CUSTOMS – WHARVES ETC.

38. Accommodation to be provided for customs officers in wharves etc. appointed under Sea Customs Act – When Government appoint, under the provisions of any Act for the levy of sea custom duty, any wharf, quay, stage, jetty, pier, warehouse or shed provided under this Act for the use of seagoing vessels to be a wharf for the landing or shipping, or shipping, or a warehouse for the storing of goods within the meaning of such Act, the Board shall set apart, maintain and secure on or in such wharf, quay, stage, jetty, pier, warehouse or shed such portion thereof or place therein, or adjoining thereto, for the use of the officers of customs as the (Federal Government) approves or appoints in that behalf.

39. Dues at (Customs and other Government departments or functionaries) wharves etc. Notwithstanding that any wharf, quay, stage, jetty, pier, warehouse or shed or portion thereof has under the provisions of the last section, been set apart for the use of the officers of (Customs and other Government departments or functionaries) all dues, rates, tolls, charges and rent (including charges on account of use of utilities like electricity, water and telephone) payable under this Act, in respect thereof or for the use thereof, or for the storage of goods therein, shall be paid and be payable to the Board or to such persons as they may appoint to receive the same.

ERECTION OF WHARVES, ETC, BY PRIVATE PERSON.

40. Private wharves, etc. prohibited – Save as hereinafter provided no person except the Board shall make, erect or fix below high-water mark within the port any wharf, dock, quay, stage, jetty, pier, erection or mooring.

Any matter or thing so made, erected or fixed may be removed by the Board, and the person who has so made, erected or fixed any such matter or thing shall be punished with fine, which may extend to one thousand rupees, and with a further fine which may extend to one hundred rupees for every day during which such matter or things has been permitted to

remain so made, erected or fixed after notice to remove the same has been given to him, and shall also be liable to pay all expenses which may have been incurred by the Board in removing such matter or thing.

41. Power to permit erection of private wharves, etc. within the port subject to conditions – The Board may by an order in writing and subject to the conditions contained in the same, permit any person to make, erect or fix below high-water mark within the Port any wharf, dock, quay, stage, jetty, pier, erection or mooring.

42. Wharves, etc. beyond port limits – in case any wharf, dock, quay, stage, jetty, pier, erection or mooring is, after the date on which this Act comes into force, without the written consent of Government, made, erected or fixed below high-water mark without the limits of the time being of the port, and thereafter the limits of the port are extended so as to include the place in which such wharf, dock, quay, stage, jetty, pier, erection or mooring has been made erected or fixed, the Board may remove, fill up or destroy such wharf, dock, quay, stage, jetty, pier, erection or mooring without making any compensation therefore.

R A T E S

43. Scale of tolls and charges to be framed – The Board shall frame and may from time to time alter -

(a) a scale of tolls, dues, rates and charges for the landing and shipment of goods of the wharves, quays, stages, jetties and piers and for the strong and keeping of any goods stored in any premises belonging to the Board and for the removal of goods and for the use of any mooring.

Provided that no goods shall be released on credit.

(b) a scale of tolls for the use of the said wharves, quays, moorings, stages, jetties and piers, in case the Board permit the goods to be landed or shipped by others than their own servants.

(c) A scale of charges for any services to be performed by the Board or their servants in respect of any vessel or goods, or for the use of any works or appliances to be provided by the Board and

(d) A scale of charges and fees for vessels entering port limit or approaches for the purpose of anchoring or victuals.

43A. Scale of charges for use of dock, etc- The Board may also frame, and from time to time alter, a scale of charges to be levied.

(a) for the permission to use, and for the use of any dock in the possession of the Board and for the services which the Board renders to and for gear, tackle,

tools, instruments, utensils, staging or materials supplied by the Board for the purpose of any vessel using or any person working in any such dock.

- (b) Subject to the provisions of Section 29 for the use of water-boats, barges and fire engines belonging to or maintained by the Board and for water supplied by the Board in accordance with the provisions of Section 29 and
- (c) For the towing of and rendering assistance of the nature referred to in clause (10) of Section 29 to vessels outside the limits of the port.

43B. Scales framed under last two sections to be submitted to Government for sanction – Every scale framed and every alteration of a scale made by the Board under either of the last two sections proceeding shall be submitted to Government for sanction and when so sanctioned and published in the (official Gazette) shall have the force of law.

44. Tolls and charges may be remitted in special cases – The Board may in special cases with the previous sanction of the (Federal Government) remit the whole or any portion of tolls, due, rate or charge leviable (according to any scale for the time being in force) under the last preceding sanction.

(Provided that the sanction of the Federal Government shall not be necessary if the remission in any one case does not exceed such maximum limit as may be notified by the Federal Government in the official Gazette).

(Provided further that the Board may direct that their powers under this section shall, in such circumstances and subject to such conditions, if any, as they may specify, be exercisable also by the Chairman or an officer specified by them.

45. (Tolls on troops) Rep by Bom Act II of 1901.

46. Board's lien for tolls and charges – For the amount of all tolls, dues, rates and charges leviable under this Act in respect of any goods; the Board shall have a lien on such goods, and shall be entitled to seize and detain the same until such tolls, dues, rates and charges are fully paid (and for the amount of rent lawful due on buildings, plinths, stcking areas and other premise, the property of the Board, and not paid after bills therefore have been duly preferred, the Board shall have a lien on all goods, therein or thereon, and shall be entitled to seize and detain the same).

Tolls, dues, rates and charges in respect of goods to be landed shall become payable immediately on the landing of the goods and in respect of goods to be removed from the premises of the Boar or to be shipped for export, shall be payable before the goods are removed or shipped.

The lien for such tolls, dues, rates and charges shall have priority over all other liens and claims, except a lien for freight primage and general average, where such lien has been preserved in the manner hereinafter provide and a lien for money payable to (the Federal Government) under any law for the time being in force.

47. Owners lien for freight – If the master or owner of any vessel, at or before the time of landing from such vessel of any goods at any wharf, quay, stage, jetty or pier, gives to the Board notice in writing that such goods are to rem in subject to a lien of freight, primate or general average of an amount to be mentioned in such notice, such goods shall continue liable, after the landing thereof, to such lien.

Such goods shall be retained either in the warehouses and sheds of the Board, or, with the consent of the Chief Officer of Customs, in a public warehouse, at the risk and expenses of the owner of the said goods, until the lien is discharge as hereinafter mentioned.

48. Discharge of ship owners lien for freight – Upon the production to any officer appointed by the Board in that behalf of a document purporting to be a receipt for, or a release from, the amount of such lien, executed by the person by or on whose behalf such notice has been given, the Board may permit such goods to be removed without regard to such lien; Provided they shall have used reasonable care in respect to the authenticity of such document.

49. Goods may be removed to warehouse – Whenever goods, which have been landed have, without any default on the part of the Board, been left for five clear days on or in any wharf or shed belonging to the Board, the Board may cause such goods to be removed either to any warehouse belonging to them, or, with the consent of the Chief Officer Customs, to a public warehouse, and the removal to and detention in any such warehouse shall be at the risk and expense of the owner of the said goods.

(Whenever any goods are so removed, the Board, the Board shall give notice of such removal to the consignee or other person concerned by notification in the official Gazette specifying therein the name of the ship which brought the goods, the date of her arrival, and the numbers, mark and descriptions of the goods so far as the same appear; and the consignee of such goods or other person to whom notice has been given as aforesaid, in addition to the expenses of the removal of the same, shall be liable, in case the goods as removed to any warehouse of the Board, to a charge for warehousing for the time during which the goods shall remain in the said warehouse).

It the goods are removed to a public warehouse the said consignee shall be liable to the charges for warehousing goods in such public warehouse; and the said goods shall remain subject to all liens to which they would have been liable if they had remained in the possession of the Board and shall be subject to the power of sale, hereinafter given.

50. Recovery of toils and charge, by sale of goods – If the toils, dues rates and charges payable to the Board under this Act in respect of any goods which have been landed (or if rents due under Section 46) are not paid, or if the lien for freight, primage or general

average, where such notices as aforesaid has been given, is not discharged, the Board may, and in the latter event, if required by or on behalf of the person claiming such lien for freight, primage or general average, shall at the expiration of (two months) from the time when the goods were placed in their custody, (for seized and detained for rents due) sell by public auction the said goods, or so much thereof as may be necessary to satisfy the amounts hereinafter directed to be paid out of the produce of such sale.

Before making such sale at least ten day's notice of the same shall be given by publication thereof in the (official Gazette) and in two local newspapers.

If the addressed of the consigned of the goods or of his agent has been stated on the manifest of the cargo, or in any of the documents which have come into the hands of the Board, or is otherwise known, notice shall also be given to the consignee of the goods or to his agent by letter delivered at such addressed or invalidated by reason of the omission to send such notice, nor shall any such purchaser be bound to inquire whether such notice has been sent.

Provided that, if such goods are of so perishable a nature as, in the opinion of the officer appointed by the Board in that behalf to render early or immediate sale necessary or advisable, the Board may within such period being not less than twenty-four hours after the landing of the goods, as they think fit, sell by public auction the said goods or such portion of them as aforesaid, in which event such notice, if any, shall be given to the consignee of the goods or his agent as the urgency of the case admits or.

(50A. Removal of unclaimed goods – (1) When delivery of goods placed in the custody of the Board is not claimed by the owner before the expiration of such period as may be prescribed by by-laws made under this Act, the Board shall cause a notice to be served upon the owner requiring him to remove the goods within such period as may be specified in the notice).

(2) Such notice shall be published and served in the manner prescribed in paragraph 2, 3 and 4 of Section 50 but where the owner is not known or the notice cannot be served upon him or he does not comply with the notice, the Board may sell the goods by public auction after the expiration of (thirty days) from the date on which such goods were placed in the custody of the Board as may be prescribed by by-laws made under this Act.

(3) The (Federal Government) may by notification in the official Gazette, exempt any goods or class of goods from the operation of this section.

51. Application of sale proceeds – The proceeds of every such sale shall be applied as follows:-

- (a) in payment of the expenses of the sale.
- (b) In payment, according to their respective priorities, of the liens and claims accepted in Section 46 from the priory of the lien of the Board;

- (c) In payment of the tolls, dues, rates and charges of landing, removing, storing or warehousing, the same and of all other charges due to the Board in respect thereof.

The surplus, if any, shall be paid to the owner of the goods, or to his agent, on his applying for the same; Provided such application be made within one year from the sale, or reason be shown to the satisfaction of the Board why such application was not so made, and, in case such application shall not be so made nor reason shown, such surplus be held by the Board upon trust for the purpose of this Act.

52. Power to distrain vessels for the non-payment of rates, etc – if the master of any vessel in respect of which any tolls, dues, rates, charges or penalties shall be payable under this Act, or any bye-laws made in pursuance hereof refuses or neglects to pay the same or any part thereof on demand, it shall, be lawful for the Board to distrain or arrest of their own authority such vessel, and the tackle, apparel or furniture belonging thereto, or any part thereof and detain the same until the amount so due shall be paid.

And, in case any part of the said rates or penalties, or of the costs of the distress or arrest or of the keeping of the same, shall remain unpaid for the space of fifteen days next after any such distress or arrest shall have been so made, the Board may cause the vessel, or other thing so distrained or arrested, to be sold, and with the proceeds of such sale may satisfy, such tolls, dues, rate, charges or penalties and costs of sale remaining unpaid, rendering the surplus, if any, to the master or such vessel on demand.

53. Port-clearance not to be granted till rates, etc. paid – If the Board shall give to the officer of Government whose duty is to grant the port-clearance of any vessel, a notice stating that an amount therein specified is due in respect of tolls, dues, rates, charges or penalties chargeable under the Act, or any by laws or orders made in pursuance thereof, against such vessel or the owner of master of such vessel, in respect thereof, such officer shall not grant such port clearance until the amount so chargeable shall have been paid.

53A. Alternative remedy by suit – Notwithstanding anything contained in the eight sections last preceding and in Section 77, the Board may recover by suit any tolls, dues, rates, charges, damages, costs, or in case of sale the balance thereof, when the proceeds of sale are insufficient or under any by-laws made in pursuance thereof.

54. Surplus of port-dues be paid to Board – The surplus, if any, of the moneys credited under Section 36 of the (Indian Ports Act, 1889 to the account of the Port Fund of Karachi, after defraying there from all expenses legality chargeable to the said account, shall be paid to the Board.

CONTROL OF PILOTS

55. Trustees to be vested with the right and privilege of maintaining pilots – The Board shall have right and privilege of maintaining pilots for the navigation of vessels at the port and shall be bound to provide a sufficient number of pilots for that purpose, and all fees for pilotage shall be paid to the Board; Provided that no person shall be appointed to be a pilot by the Board who is not for the time being authorised by Government under the provisions the Ports Act, 1889 to pilot vessels

The Board may also, from time to time, make such by-laws and regulations as they shall think fit.

- (a) for fixing and regulating the wages and allowances for pilotage to be received by pilots, and
- (b) for regulating the behavior and conducts of pilots (whether maintained by the Board or not)

and shall enforce the observance of such by-laws and regulations by the imposition of pecuniary penalties not exceeding (twenty thousand) rupees for each offence, or by suspension; or deprivation of appointment, or otherwise as to them may appear expedient; Provide that such by-laws shall first have been approved by Government, and published in the manner directed by Section 57.

BYE-LAWS

56. Trustees, empowered to make bye-laws – The Board may, from time to time, make bye-laws, consistent with this Act and with the (Indian Ports Act, 1889):-

- (a) for regulating, declaring and defining the wharves, quay, stages, jetties and piers, on and from which goods shall be landed from and shipped in vessels within the port.
- (b) for the safe and convenient use of such wharves, quay, stages, jetties, piers and of landing places, tramways, warehouse, sheds and other works in and adjoining the same.
- (c) for regulating the reception and removal of goods within and from the premises of the Board, and for declaring the procedure to be followed in taking charge of goods, which may have been damaged before landing or may be alleged to be so damaged.
- (d) for setting the mode of payment of tolls, charges dues and rates levied under this Act;

- (e) for providing water for ships and for licensing and regulating water-boats within the port;
- (f) for the removal of wrecks from the port and keeping clean the port, the foreshore and the works of the Board and for preventing filth or rubbish being thrown therein or thereon;
- (g) for the guidance of persons employed by them under this Act, and generally for carrying out the purposes of this Act.

The Board may also from time to time alter or revoke any bye-laws so made by them.

57. Approval and publication of bye-laws – No bye-law, or alteration or revocation of a bye-law, shall have effect until the same shall have been approved by Government, and such approval shall have been published in the (Official Gazette) and no bye-law or alteration or revocation of a bye-law shall be approved by Government until a draft of the same and a notice specifying a date at or after which the draft will be submitted to Government shall have been published in the (official Gazette) and in such other manner as Government from time to time prescribed nor unless the said draft shall have been submitted for their approval.

Concealment by Government – It shall be lawful for Government at any time by notification in the (official Gazette) to cancel any bye-law or regulation made and published under the provisions of this and of the two last preceding sections.

58. Penalties for infringement of bye-laws – The Board may, in the bye-laws made under Section-56, prescribe such penalties as they shall deem fit for the infringement of the same: Provided that no penalty for any one infringement of a bye-law exceed (one hundred thousand) rupees, nor in case of a continuing infringement, shall any penalty exceed (fifty thousand) rupees per diem for every day after notice of such infringement shall have been given by the Board to the person guilty of such infringement.

59. Bye-laws and scales of rate and charges to be exhibited – The Board shall cause the said bye-laws and every scale of tills, dues, rates and charges leviable by the Board to be printed in the English, (Urdu), Gujrati and Sindhi Languages, and to be kept hung up in some conspicuous place at each of the several wharves, quay, stages, jetties, piers, warehouses and sheds belonging to the Board.

VI. OF BORROWING POWERS

59A. Power to borrow – The Board may, with the previous sanction of Government and after due notification in the (official Gazette), raise money required for carrying out the purposes of this Act, provided that the dates within which any loan is to be raised under this Act shall not be published or otherwise notified without the previous sanction of the (Federal Government).

59B. Mode of raising money – (1) All loans raised under this Act shall be raised on the security of –

- (a) the property now vested, or which may hereafter become vested in the Board, and
- (b) the tolls, dues, rates, rents and charges leviable under this Act, less any sums set apart by the Board as a sinking fund for the purpose of paying off loans.

(2) Borrowing powers – The (Federal Government) may from time to time, advance money to the Board for the general purposes of this Act or

The Board may after notification in the (official Gazette), raise money for the said purposes or for the purpose of repaying, either in whole or in part, any moneys heretofore of hereafter borrowed or owing by the Board;

Provided that –

- (i) No loan shall be raised without the previous sanction of Government.
- (iv) No expenditure shall be charged by the Board to capital except with the express sanction of Government.

59C. Form and transferability of debentures – (1) All debentures issued under this Act shall be in such form as the Board, with the previous consent of the (Federal Government) shall from time to time determine.

(2) The holder of any debenture in any form duly authorized under this section may obtain in exchange therefore, upon such, terms as the Board shall from time to time determine, a debenture in any other form so authorized.

(3) Every debenture issued by the Board shall be transferable in such manner as shall be therein expressed.

(4) Right to use on debentures – The right to use, in respect of moneys secured by such debentures shall be exercisable by the holders thereof for the time being, without any preference by reason of some such debentures being prior in date to others.

(5) Like remedies in respect of loans from Government – The (Federal Government) shall have, in respect of all loans made by it to the Board, the same remedies as debenture-holders, but it shall not be deemed to possess any prior or greater rights in respect of such loans than debenture-holders.

59D. Loans to be first charge on property and income of Board – All loans repayable by the Board, whether contracted prior to or after the commencement of this section, shall, subject to the provisions of Section 61, be a first charge on the income of the Board and on the property now vested, or which may hereafter become vested, in the Board.

59E. Loans to be raised in Pakistan and in Pakistan currency – All loans contracted by the Board shall be raised in (Pakistan, and in Pakistan currency), unless Government shall by notification otherwise direct.

59.F Establishment of sinking fund – (1) in respect of every loan raised by the Board after the commencement of this section for a term exceeding one year (except a loan taken from the Federal or Provincial Government, the Board shall provide a sinking fund. Payment shall be made (annually) to such sinking fund and such payments shall be of such amount as will be sufficient to liquidate the loan within (the period of loan) from the date of the contracting of the same as the Federal Government may in each case direct).

(2) Application and investment of sinking fund. The Board may apply the whole or any part of the sums accumulated in the sinking fund in or towards the discharge of the money for the payment of which the fund has been established, provided that they pay into the fund in each year and accumulated until the whole of the moneys borrowed are discharged; a sum equivalent to the interest which would have been produced by the sinking fund, or the part of the sinking fund so applied.

The sums so set apart a sinking fund shall be invested in public securities as defined by Section 69 of this Act, or in such other securities as Government may approve in this behalf, and shall be held in trust for the purposes of this Act by the Board.

59G. Annual examination of sinking fund – The sinking fund established for the liquidation of any loan shall be subject to annual examination by the (Accountant General Pakistan Revenues) who shall ascertain whether the cash and the value of the securities at the credit of the fund are actually equal to the amount which would have been accumulated, had investments been regularly made, and had the rate of interest as originally estimated been obtained thereon.

The Board shall pay forthwith into the sinking fund any amount which the Accountant General may certify to be deficient, unless the (Federal Government) specially sanctions a gradual readjustment.

59H. Powers to repay loans from Government before due date – The Board may apply any sums, which can be so applied without prejudicing the security of other debenture-holders of the Board, in repaying to the (Federal Government) any sum which may remain due to it in respect of the principal of any loan, although the time fixed for the repayment of the same may not have arrived.

Provided that no such repayment shall be made or any sum less than ten thousand rupees, and that if such repayment is made the amount of interest in each succeeding installment shall be adjusted so as to represent exactly the interest due on the outstanding principal.

591. Saving of power to borrow under Act III of 1904 – Nothing contained in this Act shall prevent the Board from raising, with the sanction of the (Federal Government) loans under the (Local Authorities Loan Act, 1904).

VII. OF REVENUE AND EXPENDITURE

MANAGEMENT OF FUNDS

60. Moneys where to be deposited – (1) (All moneys at the credit of the Board which cannot immediately be applied in the manner or to the purposes specified in this Act shall be deposited in such bank or banks and subject to such conditions as may from time to time be prescribed by Government; provide that nothing in this section shall be deemed to prohibit an investment in public securities as defined in Section 69; and said securities shall be held in trust for the purposes of this Act by the Board.

(2) No draws from the bank, or disbursement of such moneys or part thereof, shall be made except upon a cheque signed.

- (a) Jointly by the Deputy Chief Accounts Officer and Assistant Accounts Office, if the amount does not exceed fifty thousand rupees.
- (b) Jointly by the Chief Accounts Officer and Dy. Chief Accounts Officer, if the amount does not exceed two hundred thousand rupees.
- (c) Jointly by the General Manager (Finance) and the Chairman or in his absence by the Vice-Chairman, if the amount exceeds five hundred thousand rupees, in cash, cheques for sums not in excess of five (thousand) rupees each, signed as aforesaid being drawn from time to time in favour of such officer to cover such payments.

61. Moneys on what purposes to be expended – the moneys belonging to the Board shall be held by them in trust and, except as is hereinafter provided, shall be applied by them in payment of the following charges:-

- (1) The salaries, fees, allowances, pensions, gratuities, compassionate allowances or other moneys due to the trustees and to the officers and servants appointed under this Act or lent to the Board (the Government of a Province or the (Federal Government) and to officers and servants of the Board injured or to the surviving relative of such officers and servants killed, in the execution of their duty, and the contributions, if any, payable (the lending Government), on account of the pension and leave allowances of any officer lent to the Board by (that Government) and the contributions, if any, duly authorized to be made to any provident or annuity fund established by the officers and servants appointed under this Act.
- (2) The interest and installments of capital due in respect of any loan that may have been raised by the Board or for the repayment of which it is liable;

- (3) Any charges for which the Board may be liable under Section-79 or Section-80.

(Such sums as the (Federal Government) may from time to time agree upon as a reasonable contribution) on account of expenses in connection with the Harbuor-police and police employed in guarding the docks, warehouses and other property of the Board, and on account of medical services supplied in the port, in lieu of or in addition to any expenditure which Government may direct to be made from the funds or hospital port-dues, the control or application of which is by Section-36 and 50 of the (Indian Ports Act, 1889, vested in Government;

- (4) the costs of repairs and maintenance of the property vested in the Board, and all charges upon the same and all working expenses.
- (5) the cost, or such portion of the cost, of any new work plant vessel or appliances which the Board may determine to charge to revenue.
- (6) any other charges which may be especially sanctioned (if the amount does not exceed (twenty-five thousand rupees) by the Board, and in other cases) by the (Federal Government) on the application of the Board, or for which the Board may be legally liable.

(Provided that the total amount so sanction by the Board shall not in a year exceed (one hundred thousand) rupees.

ANNUAL ESTIMATES

62. Chairman to submit annual estimate of income and expenditure to Board. The Chairman shall, at a special meeting to be held not later than sixty days preceding the commencement of the then next ensuing financial year, lay before the Board an estimate of the income and expenditure for such financial year, in such manner and form and giving such detail as the (Federal Government) may, from time to time direct

Such estimate shall be completed and printed, and a copy thereof sent by post, or otherwise, to each trustees, at least ten clear days prior to the meeting before which the estimate is to be laid.

63. Board to revise and sanction the estimate – The Board shall consider the estimate so submitted to them and shall sanction the same either unuttered or subject to such alterations as they shall think fit.

64. Estimate to be submitted to Government – The estimate as sanctioned by the Board, shall be submitted, to the Government, which may, if it thinks fit, at any time within (forty-five days) after receipt of the same, disallow such estimate, or any portion thereof, and

return the same for amendment. The Board shall, if the estimate is so returned by Government, forthwith proceed to amend the same, and shall re-submit the estimate so amended to the Government.

65. List of works to accompany estimates – Together with the said estimate, the Board shall submit to the Government, a list of the works which the Board propose to execute during the year to which the estimate relates, showing the order in which the said works are to be executed and the date within which each of them will probably be completed or, in the case of any work which will not be completed within the year, the progress intended to be made therewith during the said year.

66. Supplementary estimates may be made when necessary – The Board may, at any time during the year for which any such estimate has been sanctioned, cause a supplementary estimate to be prepared and submitted to them. Every such supplementary estimate shall be considered and sanctioned by the Board, and submitted to the Government in the same manner as if it were an original annual estimate.

66A. Re-appropriation of sanctioned sum of money – Subject to any directions given in this behalf by the (Federal Government) any sum of money or part thereof, which has not been spent for any purpose authorized in the estimate sanctioned under the foregoing provisions, may be re-appropriated by the Board to meet any excess expenditure for any other purpose authorized in such estimate.

67. Circumstances under which any sum exceeding Rs.(2,50,000) not included in an estimate may be expended.

(If any sum exceeding (two hundred fifty thousand) rupees in amount not being included in any estimate at the time being in force which has been finally approved by Government is expected on a pressing emergency, the circumstances shall be forthwith reported by the Chairman to Government, together with an explanation of the way in which it is proposed by the Board to cover such extra expenditure.

AUDIT OF ACCOUNTS

68. Accounts to be audited and examined – The accounts of the receipts and expenditure of the Board shall, twice in every year, be laid before Government and shall be audited and examined in such manner and by such auditor or auditors as shall, from time to time, be appointed by Government.

Auditors to have power to call for books, etc – For the purpose of such audit and examination, the auditors may by summons in writing, require the production before them of all books, deeds, contracts, vouchers and all other documents and papers which they may deem necessary, and may require any person holding or accountable for any such books, deeds, contracts, accounts, vouchers, documents or papers, to appear before them at any such

audit and examination or adjournment thereof and to make and sign a declaration with respect to the same.

Their remuneration to be fixed by Government. Their report to be published. The auditors shall be paid by the Board such remuneration as Government shall determine; and, within fourteen days after the audit and examination of the accounts for any half-year shall have been completed, the auditors shall forward a report upon the accounts for such half-year to the Board, who shall cause the same to be published, together with an abstract of the accounts, in the (official Gazette).

DISPOSAL OF BALANCES

69. Balances may be invested by the Board in public securities. The Board may invest any balance in public securities and may from time to time sell the said securities, and either reinvest the proceeds in other such securities or credit the same to the general funds of the Board.

Amounts which may be so invested to be limited to Government – But the money so invested by the Board shall not exceed such amount annually, or in the aggregate, as shall from time to time be prescribed by Government.

In this section the words “public securities” mean:

- (a) promissory notes, debentures, stock or other securities of the provincial or the (Federal Government) and
- (b) debentures or other securities for money issued by or on behalf of:
 - (i) any Municipal body or any Port Trust under the authority of any Act of a Legislature established in Pakistan or the Karachi Harbour Board or by the Board;
 - (ii) the Karachi Development Authority, under the authority of the Karachi Development Authority Order, 1957, (P.O.5 of 1957).

The securities shall be endorsed by the Chairman and two trustees.

(69A. Investment of balances in debentures issued by the Board – (1) In respect of any balance with the Board are empowered to invest in public securities under the last preceding section, it shall be lawful for the Board to reserve and set apart for the purposes of any such investment any debentures to be issued on account of any loan for which the sanction of the (Federal Government) shall have been obtained, provided that the intention to so reserve and set apart such debentures shall have been notified as a condition of the issue of the loan.

(2) The issue of any such debentures direct to and in the name of “The Trustees of the Port of Karachi” shall not operate to extinguish or cancel such debentures, but every debenture so issued shall be valid in all respects as it issued to and in the name of any other person.

69B. Purchase, etc. by the Board of debentures issued by the Board not to operate to extinguish such debentures – The purchase by or the transfer, assignment or endorsement to the Board of any debenture issued by the Board shall not operate to extinguish or cancel any such debenture, but the same shall be valid and negotiable in the same manner and to the same extent as if held by or transferred, assigned or endorsed to any other person.

69C. Validation of debentures heretofore issued etc. in the name of the Board – All the several debentures of the Board heretofore issued, transferred, assigned or endorsed in the name of the Board, as specified in schedule E, and all debentures heretofore issued by way of renewal consolidation or sub-division of any of the said debentures shall be deemed to be and to have always been valid and negotiable in all respects and in the same manner as if the same had been issued against moneys borrowed from the (Federal Government) or any other source.

VIII - PENALTIES

70. Penalty for being interested in contracts with Board – Any person who being a trustee, or an office or servant of the Board, shall acquire, directly or indirectly any share or interest in any contract or employment with by or on behalf of, the Board shall be deemed to have committed the offence made punishable by Section, 168 of the (Pakistan Penal Code).

(Provided that nothing in this section shall apply to any person by reason only of his having any such share or interest as is described in clauses (a) to (f) of sub-section (2) of Section 15).

71. Penalty for obtaining illegal gratification – Any person employed under this Act, not being a public servant within the meaning of Section 21 of the (Pakistan Penal Code) (XLV of 1860) who shall accept or obtain or agree to accept or attempt to obtain from any person for himself or for any other person any gratification whatever other than legal remuneration, as a reward for doing or for bearing to do any official act or for showing or forbearing to show in the exercise of his official functions, favour or disfavour to any person, or for rendering, or attempting to render any service or dis-service to any person with the Board or with any public servant as such, or with the Government shall be liable to the same punishment as is provided by the (Pakistan Penal Code) (XLV of 1860) in the case of the like offence committed by a public servant.

72. Penalty for infringement of Section 33, 34, 36 or 41 – Whoever infringes any order issued under Section 33 or 34 or any condition prescribed under Section 36 or 41 shall

be punished with fine which may extend to (two hundred thousand) rupees, and if the infringement be continuing, with a further fine which may extend to (twenty thousand) rupees for every day such order or condition is infringed.

73. Penalty for refusing or neglecting to appear before an auditor of accounts, etc – Any person who shall refuse or neglect to appear before any auditor of accounts, or to produce any books, deeds, contracts, accounts, vouchers, documents or papers or to make or sign any declaration when duly required so to do by any audit of accounts under Section 68 shall be punished for every such neglect or refusal with fine which may extend to (one thousand) rupees.

74. Penalty for understating quantity or weight of goods etc – If it be found, when goods are imported at, or exported from any wharf, quay, stage, jetty or pier in the possession of the Board, that the (description) weight or quantity of such goods, or the tonnage of any vessel carrying such goods has been (misstated or) understated in any document presented to any officer of the Board for the purpose of enabling him to determine the tolls, dues, rates or charges payable in respect of the said goods or vessel, the consignee, in the case of goods imported, and the consignor, in the case of goods exported, shall be liable to pay to the Board such sum not exceeding twice the proper tolls, dues, rates or charges on the (description) weight or quantity of goods or amount of tonnage so (misstated or) understated as may be determined by the Board; and the said sum shall, on the application of the Board, be recoverable under the warrant of a Magistrate as if it were a fine inflicted by such Magistrate.

75. Penalty for evading rates etc – Any person who removes or attempts to remove or abets within the meaning of the (Pakistan Penal Code) (XXV of 1860), the removal of any goods, vessel, animal or vehicles with the intention of evading payment of the tolls, dues, rates or charges lawfully payable in respect thereof to the Board shall be punished with fine which may extend to (two hundred thousand) rupees.

76. Compensation for damage to property to Board – In case any damage or mischief is done to any wharf, dock, quay, jetty, stage, pier or work constructed or acquired by the Board under this Act by any vessel; through the negligence of the master thereof or of any of the marines or person employed therein not being in the service of the Board, any Magistrate of the class having jurisdiction at Karachi may on the application of the Board and on declaration by them that payment for such damage or mischief has been refused or has not been made on demand, issued a summons to the master or owner of such vessel, requiring him to attend on a day and at an hour named in the summons to answer touching such damage or mischief.

If, at the time appointed in the summons and whether the person summoned appears or not, it is proved that the alleged damage was done through such negligence as aforesaid and that the pecuniary amount of the same does not exceed (two thousand) rupees, the Magistrate may issue his warrant of distress, under which a sufficient portion of the boats, master, spares, ropes, cables, anchors or stores of the vessel may be seized and sold to cover the expenses of and attending the execution of the distress, and the pecuniary amount of

damage as aforesaid and such amount shall be paid to the Board out of the proceeds of the distress.

Provided that, if, at the time of the damage or mischief, the vessel was under the orders of a duly authorised officer belonging to the pilot service (Maintained by the Board under Section 55) or to the Harbour Master's or Port Officer's department (and if such damage or mischief is in any way attributable to the order, act or improper omission of such officer), the case shall not be cognizable by the Magistrate under this section.

77. Cognizance of offences against Act – Except as is otherwise, provide in Sections 74 and 76, all offences against this Act or against any bye-law made under Section 56 shall be cognizable by a Magistrate.

All damages recovered from any offender or by any distress under Section 76 shall be paid to the Board.

Notwithstanding anything contained in any law for the time being in force (the Board may appoint such person as it deems fit to) detain and search any person (on vehicle) employed in or found in or in the vicinity of any workshop, store depot or other place for the deposit or handling of any property entrusted or belonging to the Board, who is reasonably suspected of (or as to which there is reasonable suspicion that it is being used in) removing such property without authority).

78. Prosecutions – Prosecution under this Act may be instituted by the (Chairman) or by any person authorized by (him) in this behalf, and not otherwise.

C O N T R O L

79. Government may order survey – Government may at any time order a survey and examination of any work of the Board under this Act, or of the site thereof, and the cost of such survey or examination shall be borne and paid by the Board.

79A. Power of the Federal Government to cancel, suspend or modify acts or proceedings of the Board – All acts and proceedings of the Board shall be subject to the control of the (Federal Government) and the (Federal Government) may cancel, suspend or modify and such acts or proceedings.

79B. Application of Civil Servants Act, 1973 (LXXI of 1973), etc. Notwithstanding anything hereinbefore contained or any law for the time being in force or in the terms and conditions of service, where in any case or matter not specifically provided in this Act, the provisions of the Civil Servants Act, 1973 (LXXI of 1973), or the rules made thereunder shall as far as may be apply to the officers of the Port.

80. Government may carry out neglected works – If the Board allow any work acquired or constructed by them under this Act to fall into disrepair, or do not complete any work commenced by them or duly estimated for and sanctioned and do to after notice given by Government in writing, proceed effectually to repair or complete such work to the satisfaction of Government, Government may cause such work to be restored, completed or constructed and the cost thereof shall be borne and by the Board.

81. In default, Government may require Board to increase the rates – If it shall at any time appear to Government that sufficient provision is not being made by the Board to meet their liabilities, Government may require the Board by an order in writing to increase, subject to its sanction and to the provision of Section 43 to such extent and for such period as shall appear necessary, the tolls, dues, rates and land charges or any of them for the time being in force under the said section.

And on Board's failing to do so, may itself increase them – If within fifteen days after receipt of such order, the Board do not comply with the same, Government may by notification in the official Gazette, increase the said tolls, dues, rates, charges, or any of them, and such notification shall have the same force as if a new scale to the same effect had been duly framed, sanctioned and published under Section-43.

82. Government may revoke powers of Board – (1) If at any time the (Federal Government) is satisfied.

- (a) that the purpose intended to be accomplished under this Act, have not been, and are not likely to be accomplished by the Board; or
- (b) that it is desirable to withdraw or revoke the powers the Board by this Act conferred, in order to ensure the maintenance, improvement, development or better administration of the Port.

It may by an order published in the official Gazette declared such powers to be withdrawn or revoked, for such period as may be specified in the order and thereupon such powers shall be withdrawn and revoked accordingly, and all the powers, rights and authorities and all the property vested by this Act in the Board shall vest in the (Federal Government).

Provided that in the case of (a), no powers shall be withdrawn unless notice of six months has been given to the Board and the Board fail to take measures to the satisfaction of Government within the period of notice for properly accomplishing the purposes intended to be accomplished.

(2) When the powers are withdrawn and revoked by an order under sub-section (1), all members of the Board shall, on such date as may be specified in the order, vacate their offices as such members but without prejudice to their eligibility for nomination under Sections-7 and 8 or their appointment under the following sub-section.

(3) The (Federal Government) may by notification in the official Gazette appoint any person, persons or authority to exercise on its behalf any or all of the powers vested in it under sub-section (1).

(4) On or before the expiry of the period specified in the order issued under sub-section (1), the (Federal Government) may by an order published in the official Gazette.

(a) extend, from time to time, the period so specified or

(b) restore to the Board the powers withdrawn and revoke and thereupon the Board shall be reconstituted in accordance with the provisions of Chapter-II of this Act.

(X) – MISCELLANEOUS

83. Saving of previous port regulations – All acts done and proceedings taken by the Karachi Harbour Board before this Act comes into force, and all orders, rules and regulations relating to the port and to wharves, quays, stages, jetties, piers and landing-places within the port made and issued before this Act comes into force, shall whenever such acts, proceedings, orders, rules and regulations would have been lawful if this Act had been in force, be deemed to have been respectively done, taken, made and issued under the provision of this Act.

84. Recovery of dues as fines under Code of Criminal Procedure – All fees and sums due on account of property for the time being vested in the Board and all arrears of tolls, charges, rates and dues imposed under this Act, may be recovered, in addition to the other modes hereinbefore provided, upon a summary proceedings before a magistrate in the manner provided in the (Code of Criminal Procedure, 1882, for the recovery of fines.

84A. Declaration of trustees, officers and servants of the Board as public servants – all trustees, and all officers and servants of the Board other than artisans, porters and labourers, shall be deemed to be public servants within the meaning of Section 21 of the Pakistan Penal Code).

85. Trustees not personally liable – No trustee shall be personally liable for any contract made or expense incurred by or on behalf of the Board; but the funds from time to time in the hands of the Board shall be liable for and chargeable with all contracts made in manner provided in this Act.

86. Trustees liable for breach of trust – every trustee shall be liable for any misapplication of money entrusted to the Board to which he has been a party or which happens through or is facilitated by the neglect of his duty.

87. Limitation of suits, etc. – No suit shall be commenced against any person for anything done or purporting to have been done; in pursuance of this Act, without giving to such person one month's previous notice in writing of the intended suit and of the cause thereof, nor after six months from the accrual of the cause of such suit.

And, in the case of a suit for damages if tender of sufficient amends shall have been made before the suit was brought, the plaintiff shall not recover more than the amount so tendered and shall pay all costs incurred by the defendant after such tender.

88. Board, not responsible for certain acts of their officers and servants – The Board shall not be responsible for any misfeasance, malfeasance or non-feasance of any officer or servant appointed under this Act.

NOR, if they should be appointed by Government under the (Ports Act, 1908 (XV of 1908) Conservators of the port, for any misfeasance, malfeasance or non-feasance of any Deputy Conservator, Port Officer or Harbour Master, or of any assistant or deputy of any such office or of any person acting under the authority or direction of or in sub-ordination to any such officer, assistant or deputy.

Provided that nothing in this section shall protect the Board from a suit in respect of damage to or loss of goods landed or shipped by them or retained in their custody.

(89. Responsibilities of Master etc – The Master, Agent and owner of a vessel shall, severally and jointly be responsible for -

- (a) any damage caused to the property and servants of the Port, whether within Port's limit or in the approaches, by their vessel or servant and such vessel shall be detained till such time the costs of the damage as determined by the Board are paid;
- (b) any misdeclaration of particulars of a vessel and for disobeying the parameters specified for handling of vessels in Karachi Harbour and shall be liable to a penalty not exceeding five hundred thousand rupees to be imposed by the Chairman or Deputy Conservator; and
- (c) the sinking or grounding of any vessel or causing damage to any other vessel in the Port limits or approaches and for removal of the vessel at their own risk and cost failing which the Board may salvage or remove such vessel out of the Port's limit and the cost of such removal shall be recoverable from the sate proceeds of such vessels.

90. Port to be pollution free etc – (1) The Board shall be responsible for maintaining the marine environments of the Port's limit free from pollution of the sea.

(2) No discharge of solid and liquid wastes, oily noxious, radioactive and hazardous substance, bilge discharge from tankers and vessels, residues and mixtures containing noxious solid and liquid wastes, deballasting of unwashed cargo tanks and line washing garbage or other substance may be specified by the Board shall be made within the Port limits.

(3) Any person contravening the provisions of sub-section (2) shall be liable to penalty not exceeding ten million rupees for each contravention in addition to the charges for cleaning of the Port and removal of pollution therefrom.

91. Validation – Notwithstanding any order, decision of any court anything done, actions taken, orders passed, notifications or instructions issued, orders of appointments made, procedure adopted, proceedings initiated or notices or instruction issued, jurisdiction or powers conferred assumed exercised or any thing done in connection with or incidental thereto by any authority or officer in accordance with the provisions of this Act as amended by the Karachi Port Trust (Amendment) Ordinance, 1997 (XLIV of 1997), at any time before the commencement of the Karachi Port Trust (Amendment) Ordinance, 2000, shall be deemed to have been avidity done, made, issued, taken, initiated, conferred, assumed and exercised and shall be deemed always to have had effect accordingly.

AND WHEREAS the National Assembly and the Senate suspended in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provincial Constitution Order No. 1 of 1999;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No.1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:-

1. **Short title and commencement.**--- (1) This Ordinance may be called the Karachi Port Trust (Amendment) Ordinance, 2001.

2. It shall come into force at once.

2. **Amendment of Section 29, Bombay Act VI of 1886.**--- In the Karachi Port Trust Act, 1886 (Bombay Act VI of 1886), hereinafter referred to as the said Act, in section 29, for the proviso the following shall substituted, namely :-

“ Provided that no new work the estimated cost of which exceeds one million rupees shall be commenced by the Board on self finance basis until a plan and an estimate of such work has been submitted to the Board and considered and approved by it:-

Provided further that where the work involves public sector development programme allocation or foreign assistance or Government guarantees, it shall require prior approval of the Federal Government.”.

3. **Substitution of section 29A, Bombay Act VI of 1886.**- (1) In the said Act, for section 29A, the following shall be substituted, namely :-

“29 A. Lease, transfer of works, etc.—In order to carry out the purpose of this Act, the Board of Trustees---

- (a) may, with the approval of the Federal Government, rent, lease, buy, own acquire, mortgage and dispose of such property, real or personal, as the Board may deem proper to carry out the purposes of this Act;
- (b) may acquire, construct, maintain, equip and operate wharves, docks, ship piers, quays, elevators, compressors, refrigeration storage plants, warehouses and other structures and all other facilities needful for the convenient use of the same in the aid of trade and commerce being national requirement, including the dredging of approaches thereto and the construction of belt line roads, highways, bridges and causeways being necessary or useful and shipyards, shipping and transportation facilities useful or convenient for the use thereto including terminal railroads, on self-finance basis:~

Provided that where such works require foreign assistance or Government guarantees, prior approval of the Government shall be obtained.

- (c) may make rules and regulations governing the business of Karachi Port property or facilities, including the adoption of safety standards and insurance coverage or proof of financial responsibilities, and shall provide for the licensing of persons, firms or corporation using or doing business on ;`such property or facilities, and licence fees to cover the expense thereof. Licences

may be revoked after notice and hearing by the Board as may be prescribed on willful breach of or failure to comply with such rules and regulations;` and

- (d) may entrust, transfer, lease or assign works referred to in section 29 to any other person, agency, department, company, or contractor on such terms and conditions as the Board may prescribe or on partnership, joint venture or sharing basis as may be mutually agreed to between the Board and the person, contractor or agency with prior approval of the Federal Government:

Provided that such person, agency, department, company or contractor shall abide by all rules, regulations and instructions made or issued under this ACT:

Provided further that nothing in this section shall prevent the Board contracting out any or all of the services or works as provided in section 29.”.

4 **Insertion of new section 29B, Bombay Act VI of 1886.**—In the said Act, after section 29A, the following new section shall be inserted, namely:

“29B. Board may form independent subsidiary company.___ For carrying out the purposes of this Act, the Board may with the prior approval of the Federal Government, form an independent subsidiary or company to be incorporated under the Companies Ordinance, 1984 (XLVII of 1984), which may or may not involve outside participation.:-

5. **Amendment of section 32, Bombay Act VI of 1886,** -- In the said Act, in section 32, after sub-section (2) the following new sub-section shall be added, namely:-

“(3) The Board shall be competent to enter into lease concessions, management agreement or other arrangements with outside parties to provide for cargo handling, terminal operation and any other works or services in the port.”

6. **Amendment of section 34, Bombay Act VI of 1886,**-- In the said Act, in section 34, after the word “may” the commas and the words, “The previous sanction of the Federal Government by an order published in three consecutive numbers of the official Gazette, “shall be omitted.

7. **Substitution of section 43B, Bombay Act VI of 1886,**-- In the said Act, for section 43B, the following shall be substituted, namely:-

“43B. Scales framed under last two sections to have force of law on publication in the official Gazette. --- Every scale framed and every alteration of a scale made, by the Board under either of the last two sections preceding, shall, upon publication in the official Gazette, have the force of law.”

8. **Amendment of section 55, Bombay Act VI of 1886,--** In the said Act, in section 55, for the full stop, at the end, a colon shall be substituted and thereafter following new proviso shall be added, namely:-

“Provide further that the Board may allow or authorize any other person or body of persons to exercise the right and privilege of maintaining pilots on the terms and conditions laid down by the Board.”

9. **Insertion of section 69D, Bombay Act VI of 1886,---** In the said Act, after section 69C, the following new section shall be inserted, namely :-

“69D. Power of the Board to lend money from surplus funds,-- The Board may lend money only from surplus funds to any Government agency, corporation, authority, organization or its own subsidiary or to any consortium, provided that such lending is secured and is in the interest of the Trust.”.

GENERAL,
PERVEZ MUSHARRAF,
President.

MR. JUSTICE,
FAQIR MUHAMMAD KHOKHAR,
Secretary.

F. No. 2(1)/2001-Pub.--- The following Ordinance made by the President's is hereby published for general information :-

ORDINANCE NO. XXXI OF 2001

AN

ORDINANCE

to amend the National Highway Authority Act, 1991

WHEREAS it is expedient to amend the National Highway Authority Act, 1991 (XI of 1991), for the purposes hereinafter appearing;

AND WHEREAS the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the fourteenth day of October, 1999, and the Provisional Constitution Order No.1 of 1999, read with the Provisional Constitution (Amendment) Order No.9 of 1999, and in exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:-

1. **Short title and commencement, ---** (1) This Ordinance may be called the National Highway Authority (Amendment) Ordinance, 2001.

2. It shall come into force at once.

2. **Amendment of section 2, Act xi of 1991.---** In the National Highway Authority Act, 1991 (XI of 1991), hereinafter referred to as the said Act, in section 2,---

(a) after clause (c), the following new clause shall be inserted, namely:~-

“(ca) “CDWP” means the Central Development Working party;”;

(b) after clause (e), the following new clause shall be inserted, namely:-

(ea) “ECNEC” means the Executive Committee of the National Economic Council;”;

(c) in clause (1), after the semicolon at the end, the word “and” shall be added;

(d) in clause (m), for the semicolon at the end, a full stop shall be substituted; and

(d) clause (n), shall be omitted.

3. **Amendment of section 5, Act XI of 1991.**—In the said Act, in section 5,-

(a) for sub-section (1), the following shall be substituted, namely:-

“(1) There shall be established a National Highway Council consisting of—

(a) the Minister for Communications and Railways,
Government of PakistanPresident

(b) the Secretary, Finance Division,
Government of PakistanMember

(c) the Secretary, Communications Division,
Government of PakistanMember

(d) a professional in the field of Highway

Construction and Management (nominated ‘
by the President).....Member

(e) a professional in the field of Finance and
Accounts (nominated by the President).....Member

(f) the Chairman, NHA, who shall also act as
Secretary of the Council.....Member.” And

(b) in sub-section (2), for the word “on” the words “or at any” shall be
substituted.

4. **Amendment of section 6, Act XI of 1991**,-- In the said Act, in section 6, in
sub-section (1), for clause (c), the following shall be substituted, namely:-

“(c) to review and reappraise projects;”.

5. **Amendment of section 7, Act Xi of 1991**.-- In the said Act, in section 7,--

(a) for sub-section (2), the following shall be substituted, namely:-

“(2) The Board shall consist of---

(1) The Chairman, NHA.....Chairman

(2) Inspector General National Highway & Pakistan
Motorway Police or his nominee.....Member

(3) Additional Secretary,
Finance DivisionMember

(4) Member or Additional Secretary,
Planning and Development Division.....Member

(5) Joint Secretary (II),
Communications Division.....Member

(6) Senior Chief, NTRC.....Member

(7) Vice-President, NESPAK.....Member

(8) Member (Finance), NHA.....Member

(9) Member (Planning), NHA.....Member,”;` and

(b) for sub-section (3), the following shall be substituted, namely:-

“(3) The meeting of the Board shall be held at least once in three months’.

6. **Amendment of section 8, Act XI of 1991.**-- In the said Act, in section 8--

(a) for clause (a), the following shall be substituted, namely:-

“(a) to consider and approve proposals, schemes and projects exceeding fifty million rupees but not exceeding one hundred million rupees and to consider and recommend, through the Ministry, to CDWP or ECNEC proposals, schemes and projects exceeding one hundred million rupees;”;

(b) in clause (b), after the semicolon, the word “and” shall be omitted;`

(c) in clause (c), for the full stop, at the end, a semicolon shall be substituted` ; and

(d) after clause (c), amended as aforesaid, the following new clauses shall be added, namely:-

“(d) to recommend for approval the annual budget of the Authority;` and

(e) to approve projects to be funded through toll and other receipts from operation of highway.”.

7. **Amendment of section 9, Act XI of 1991.**—In the said Act, in section 9, after sub-section (2), the following new sub-sections shall be added, namely:-

“(3) The Chairman shall have the power to approve projects of emergent nature, maintenance, rehabilitation and construction affecting traffic movement and safety of structures up to fifty million rupees and to recommend for approval proposals, schemes and projects exceeding fifty million rupees to the Executive Board.

(4) The Chairman, on the recommendations of the Executive Board, shall have the power to divert funds from one approved project to another only within a financial year’s allocation.”.

8. **Amendment of section 10, Act XI of 1991,**-- In the said Act, in section 10, in sub-section (2),--

(a) in clause (xiv), for the full stop, at the end, the semicolon and word “;` and “ shall be substituted ;` and

(b) after clause (xiv), amended as aforesaid, the following new clause shall be added, namely:-

“(xv) takeover ROW of the roads declared as National Highway with the consent of provinces and approval of the Federal Cabinet and Provinces shall simultaneously effect the mutation free of cost and without any liability or condition.”.

9. **Amendment of section 21, Act XI of 1991, ---** In the said Act, in section 21, in sub-section (3), for the words “To the credit of the National Highway Authority Fund shall be placed” the words “The National Highway Authority Fund shall have to is credit” shall be substituted.

10. **Amendment of section 29, Act XI of 1991.**—In the said Act, in section 29, in clause (vi), for the word ”occupier”, occurring twice, the word “occupant” shall be substituted.

11. **Amendment of section 33, Act, XI of 1991,--** In the said act, in section 33 for the colon a full stop shall be substituted and the proviso shall be omitted.

12. **Amendment of Schedule, Act XI of 1991,--** In the said Act,. In the Schedule,--

(a) in Part 1, for the existing entries in the first second and third columns the following shall be substituted, namely:-

“N-5	Karachi-Thatta-Hydereabad-Moro-Multan-Sahiwal-Lahore-Jhelum-Rawalpindi-Pewhavar-Torkham (formerly known as G.T. Road)	1819
N-10	Liari-Gwadar-Gabd	653
N-15	Mansehra-Naran-Jalkhad	175
N-25	Karachi-Bela-Khuzdar-Kalat-Quetta-Chaman	813
N-35	Hassanabadal-Abbottabad-Thakot-Gilgit-Khunjrab	806
N-40	Lakpass-Naukundi-Taftan	610
N-45	Nowshera-Dir-Chitral	309
N-50	Khuchlak-Zhob-D.I.Khan	531
N-55	Kotri-Shikarpur-D.G. Khan-D.I. Khan-Kohat	1247

N-65	Sukkur-Sibbi-Saryab	385
N-70	Qilla Saifullah-Loralai-D.G.Khan-Multan	447
N-1	Islamabad-Peshawar Motorway	154
N-2	Lahore-Islamabad Motorway Including 32 Km links and Lahore Bypass	367
M-3	Pindi Bhattian-Faisalabad Motorway	52
M-9	Karachi-Hyderabad Motorway:-	136”;and

(b) in PART-II, the following shall be added, namely:-

<u>“Designation of Highway</u>	<u>Route</u>	<u>Approved Length Km.</u>
<u>(1)</u>	<u>(2)</u>	<u>(3)</u>
S-1	KKH (Gilgit)-Skardu	167.”.

GENERAL,
PERVEZ MUSHARRAF,
President,

MR. JUSTICE,
FAQIR MUHAMMAD KHOKHAR,
Secretary,

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