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## The Inland Waterways Authority of India Act, 1985

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# SECTION - I

## THE INLAND WATERWAYS AUTHORITY OF INDIA ACT, 1985

**No. 82 OF 1985**  
**(30TH December, 1985)**

An Act to provide for the constitution of an Authority for the regulation and development of inland waterways for purposes of shipping and navigation and for matters connected therewith or incidental thereto.

Be it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:-

### **Chapter – I** **PRELIMINARY**

- |    |   |   |                               |
|----|---|---|-------------------------------|
| 1. | (1)   | This Act may be called the Inland Waterways Authority of India Act, 1985.   | Short title and commencement. |
|    | (2)   | It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.  |                               |
| 2. | In this Act, unless the context otherwise requires- |   | Definitions                   |
|    | (a)   | "appurtenant land" means all lands appurtenant to national waterway, whether demarcated or not;   |                               |
|    | (b)   | "Authority" means the Inland Waterways Authority of India constituted under section 3;  |                               |
|    | (c)   | "Channel" means any waterway, whether natural or artificial;  |                               |
|    | (d)   | "conservancy" includes dredging training, closure, diversion or abandoning channels;  |                               |
|    | (e)   | "conservancy measures" means measures for purposes of conservancy, but does not include measures for protection of banks against floods or for restricting banks which have become eroded mainly on account of reasons not connected with shipping and navigation;        |                               |
|    | (f)   | "infrastructure" includes structures such as docks, wharves, jetties, landing stages, locks, buoys, inland ports, cargo handling equipment, road and rail access and cargo storage spaces, and the expression "infrastructure facilities" shall be construed accordingly; |                               |
|    | (g)   | "member" means a member of the Authority appointed under sub-section (3) of section 3;  |                               |
|    | (h)   | "national waterway" means the inland waterway declared by section 2 of the National Waterway  |                               |

(Allahabad-Haldia Stretch of the Ganga-Bhagirathi-Hooghly River) Act, 1982, to be a national waterway.

Explanation-If Parliament declares by law any other waterway to be a national waterway, then from the date on which such declaration takes effect, such other waterway-

- (i) Shall be deemed also to be a national waterway within the meaning of this clause; and
- (ii) the provisions of this Act shall, with necessary modifications (including modifications for construing any reference to the commencement of this Act as a reference to the date aforesaid), apply to such national waterway;
- (i) "navigable channel" means a channel navigable during the whole or a part of the year;
- (j) "prescribed" means prescribed by rules made under this Act;
- (k) "regulations" means regulations made by the Authority under this Act; and
- (l) "rules" means rules made by the Central Government under this Act.

## **Chapter – II**

### **INLAND WATERWAYS AUTHORITY OF INDIA**

Constitution and incorporation of the Inland Waterways Authority of India

- 3. (1) With effect from such date as the Central Government may, by notification in the official Gazette, appoint in this behalf, there shall be constituted for the purposes of this Act an Authority, to be called the Inland Waterways Authority of India.
- (2) The Authority shall be a body corporate by the name aforesaid, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property, both movable and immovable, and to contract and shall by the said name sued and be sued.
- (3) The Authority shall consist of the following members, namely:-
  - (a) a Chairman;
  - (b) a Vice-Chairman;
  - (c) not more than three full-time members; and
  - (d) not more than three part-time members to be appointed by the Central Government by notification in the official Gazette.

- (4) The Authority may associate with itself, in such manner and for such purposes as may be determined by regulations, any person whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Authority relevant to the purpose for which he has been associated, but shall not be entitled to vote.
4. The term of office and other conditions of service of the members shall be such as may be prescribed.
4. (A) A person shall be disqualified for being appointed as a member, if he-
- (a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the Central Government, involves moral turpitude; or
  - (b) is an undischarged insolvent; or
  - (c) is of unsound mind and stands so declared by a competent court; or
  - (d) has been removed or dismissed from the service of the Government or a company owned or controlled by the Government; or
  - (e) has, in the opinion of the Central Government such financial or other interest in the Authority as is likely to affect prejudicially the discharge by him of his functions as a member.
5. (1) The Chairman of the Authority shall, in addition to presiding over the meeting of the authority, exercise and discharge such powers and duties of the Authority as may be delegated to him by the Authority and such other powers and duties as may be prescribed.
- (2) The Vice-Chairman of the authority shall exercise and discharge such of the powers and duties of the Chairman as may be prescribed or as may be delegated to him by the Authority.
- 5 (A) (1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings, including the quorum thereat, as may be provided by regulations.
- (2) The Chairman or in his absence, the Vice-Chairman, or in the absence of both, such other member as is chosen by the members present at
- Conditions of service of members.
- Disqualifications for appointment as members
- Powers of Chairman and Vice Chairman
- Meetings

the meeting of the Authority shall preside at the meeting.

- (3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes of the members present and voting, and in the event of an equality of votes, the Chairman or in his absence, the Vice-Chairman, or in the absence of both, the person presiding, shall have and exercise a second or casting vote.

Removal etc.,  
of members

6. (1) The Central Government may remove from the Authority any member who, in its opinion.....
- (a) refuses to act,
  - (b) has become incapable to act,
  - (c) has so abused his office as to render his continuance in office detrimental to the public interest, or
  - (d) is otherwise unsuitable to continue as a member.
- (2) The Central Government may suspend any member pending an inquiry against him.
- (3) No order of removal under this section shall be made unless the member concerned has been given an opportunity to submit his explanation to the Central Government and when such order is passed, the seat of the member removed shall be declared vacant.
- (4) A member who has been removed under this section shall not be eligible for re-appointment as a member or in any capacity under the Authority.

Vacancy, etc.,  
not to invalidate  
proceedings of  
the Authority

7. No act or proceeding of the Authority shall be invalidated merely by reason of-
- (a) any vacancy in, or any defect in the constitution of the Authority; or
  - (b) any defect in the appointment of a person acting as a member of the Authority; or
  - (c) any irregularity in the procedure of the Authority not affecting the merits of the case.

Secretary and  
other officers.

8. (1) The Authority may appoint the Secretary and such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.
- (2) The terms and conditions of service of the Secretary and other officers and employees of the

Authority shall be such as may be determined by regulations.

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| 9.  | (1) | Subject to any rules made in this behalf, the Authority may from time to time constitute such Advisory Committees as may be necessary for the efficient discharge of its functions. | Advisory Committees                      |
|     | (2) | Every Advisory Committee shall consist of such number of persons connected with shipping and navigations and allied aspects as the Authority may deem fit.                          |  |
| 10. |     | In the discharge of its functions under this Act, the Authority shall act, so far as may be, on business principles.  | Authority to act on business principles. |

### **Chapter – III**

#### **PROPERTY AND CONTRACTS**

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| 11. | (1) | As from such day as the Central Government may appoint by notification in the Official Gazette,-   | Transfer of assets and liabilities of the Central Government to the Authority |
|     | (a) | all properties and other assets vested in the Central Government for the purposes of Inland Water Transport Directorate, and administered by the Chief Engineer-cum-Administrator, Inland Water Transport Directorate, immediately before such day shall vest in the Authority;  |   |
|     | (b) | all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with, or for the Central Government immediately before such day for or in connection with purposes of Inland Water Transport Directorate shall be deemed to have been incurred; entered into and engaged to be done by, with, or for the Authority;                |   |
|     | (c) | all non-recurring expenditure incurred by the Central Government for or in connection with purposes of Inland Water Transport Directorate up to such day and declared to be capital expenditure by the central Government shall subject to such terms and conditions as may be .determined by the Central Government, be treated as capital provided by the Central Government to the Authority; |   |
|     | (d) | all sums of money due to the Central Government in relation to Inland Water Transport Directorate immediately before such day shall be deemed to be due to the Authority;  |   |
|     | (e) | all suits and other legal proceedings with respect to any matter in relation to Inland Water Transport   |   |

Directorate which having been instituted by or against the Central Government are pending, or which could have been so instituted, immediately before such date shall on and after such date be continued or instituted by or against the Authority; and

- (f) every employee holding any office under the Central Government immediately before such day solely or mainly for or in connection with such affairs of the Inland Water Transport Directorate as are relevant to the functions of the Authority under this Act shall be treated as on deputation with the Authority but shall hold his office in the Authority by the same tenure and upon the same terms and conditions of service as respects remuneration, leave, provident fund retirement or other terminal benefits as he would have held such office, if the Authority had not been constituted and shall continue to do so until the Central Government either on its own motion or at the request of the Authority recalls such employee to its service or until the Authority, with the concurrence of the Central Government, duly absorbs such employee in its regular service, whichever is earlier:

Provided that during the period of deputation of any such employee with the Authority, the Authority shall pay to the Central Government in respect of every such employee, such contribution towards his leave salary, pension and gratuity as the Central Government may, by order, determine:

Provided further that any such employee, who has, in respect of the proposal of the Authority to absorb him in its regular service intimated within such time as may be specified in this behalf by the Authority his intention of not becoming a regular employee of the Authority, shall not be absorbed by the Authority in its regular service.

- (2) If any dispute or doubt arises as to which of the properties, rights or liabilities of the Central Government have been transferred to the Authority or as to which of the employees serving under the Central Government are to be treated as on deputation with the Authority, under this section, such dispute or doubt shall be decided by the Central Government in consultation with the Authority and the decision of the Central Government thereon shall be final.



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|--|---|
| <p>(3) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the absorption of any employee by the Authority in its regular service under this section shall not entitle such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.</p>  | <p>14 of 1947</p>   |
| <p>12. Subject to the provisions of section 13, the Authority shall be competent to enter into and perform any contract necessary for the discharge of its functions under this Act.</p>   | <p>Contracts by the Authority</p>                             |
| <p>13.(1) Every contract shall, on behalf the Authority, be made by the Chairman or such other member or such officer of the Authority, as may be generally or specially empowered in this behalf by the Authority and such contracts or class of contracts as may be specified in the regulations shall be sealed with the common seal of the Authority:</p> <p>Provided that no contract exceeding such value or amount as the Central Government may, from time to time, by order, fix in this behalf shall be made unless it has been previously approved by the Authority,</p> <p>Provided further that no contract for the acquisition or sale of immovable property or for the lease of any such property for a term exceeding thirty years and no other contract exceeding such value or amount as the Central Government may, from time to time, by order, fix in this behalf shall be made unless it has been previously approved by the Central Government.</p> | <p>Mode of executing contracts on behalf of the Authority</p> |
| <p>(2) Subject to the provisions of sub-sections(1), the form and manner in which any contract shall be made under this Act shall be such as may be prescribed by regulations.</p>   |   |
| <p>(3) No contract which is not in accordance with the provisions of this Act and the regulations shall be binding on the Authority.</p>   |   |

## Chapter – IV

### FUNCTIONS AND POWERS OF THE AUTHORITY

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|-----|-----|--|--|
| 14. | (1) | <p>The Authority may-</p> <p>(a) carry out surveys and investigations for the development, maintenance and better utilization of the national waterways and the appurtenant land for shipping and navigation and prepare schemes in this behalf;</p> <p>(b) provide or permit setting up of infrastructural facilities for national waterways;</p> | <p>Functions of<br/>the Authority.</p> |
|-----|-----|--|--|



- (c) carry out conservancy measures and training works and do all other acts necessary for the safety and convenience of shipping and navigation and improvement of the national waterways;
  - (d) control activities such as throwing rubbish, dumping or removal of material, in or from the bed of the national waterways and appurtenant land, in so far as they may affect safe and efficient, shipping and navigation, maintenance of navigable channels, river training and conservancy measures;
  - (e) remove or alter any obstruction or impediment in the national waterways and the appurtenant land which may impede the safe navigation or endanger safety of infrastructural facilities or conservancy measures where such obstruction or impediment has been lawfully made or has become lawful by reason of long continuance of such obstruction or impediment or otherwise, after making compensation to person suffering damage by such removal or alteration;
  - (f) provide for the regulation of navigation and traffic (including the rule of the road) on national waterways;
  - (g) regulate the construction or alteration of structures on across or under the national waterways;
  - (h) disseminate navigational meteorological information about national waterways;
  - (i) ensure co-ordination of inland water transport on national waterways with other modes of transport; and
  - (j)) establish and maintain pilotage on national waterways.
  - (k) enter into joint ventures concerning inland shipping by way of equity participation.
- (2) The Authority may also-
- (a) advise the Central Government on matters relating to inland water transport;
  - (b) study the transport requirement with a view to co-ordinating inland water transport with other modes of transport;

- (c) carry out hydrographic surveys and publish river charts;
  - (d) assist, on such terms and conditions as may be mutually agreed upon, any State Government in formulation and implementation of scheme for inland water transport development;
  - (e) develop consultancy services and provide such services, on such terms and conditions as may be mutually agreed upon, in India and abroad in relation to planning and development of waterways for shipping and navigation or any facility thereat;
  - (f) conduct research in matters relating to inland water transport including development of craft design mechanization of country crafts, technique of towage, landing and terminal facilities, port installations and survey techniques;
  - (g) lay down standards for classification of inland waterways;
  - (h) arrange programme of technical training for inland water transport personnel within and outside the country; and
  - (i) perform such other functions as may be necessary to carry out the provisions of this Act.
- (3) Any dispute arising out of or concerning the compensation referred to in clause(e) of sub-section(1) shall be determined according to the law relating to like disputes in the case of land required for public purposes.
- (4) Every scheme, prepared by the Authority to carry out functions under sub-sections(1) and (2), involving capital expenditure exceeding the amount as may be prescribed, shall be submitted to the Central Government for approval.
- (5) The Central Government may either approve the scheme submitted to it under sub-section(4) without modification or with such modifications as it may consider necessary or reject the scheme with directions to the Authority to prepare a fresh scheme according to such directions.
15. The Authority shall not make any material change in the scheme approved under sub-section(5) of section 14 without the prior approval of the Central Government.

Amendment of schemes.	Explanation:- For the purpose of this section, "material change" means an increase in the cost of the scheme by more than twenty per cent, of its cost or a change in the benefit and cost ratio which either makes the cost component in the ratio exceeds the benefit or reduces the benefit component by more than twenty per cent.
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Power to fix maximum and minimum rates for passenger fares and freight for goods.	16. Omitted vide Bill No 100 of 1992 introduced in L.S. on 14-7-92. The Gazette of India Extraordinary Part-2 Section-2 No-39.
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**Chapter – V**  
**FINANCE, ACCOUNTS AND AUDIT**

Levy and Collection of fees and charges.	17. (1) The Authority may, with the previous approval of the Central Government, levy fees and charges at such rates as may be laid down by regulations made in this behalf for services or benefits rendered in relation to the use of the national waterways for the purposes of shipping, navigation, infrastructural facilities including facilities for passengers and facilities relating to the berthing of vessels handling of cargoes and storage of cargoes.
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(2) The fees and charges levied under sub-section-(1) shall be collected in such manner as may be determined by regulations.

Grants and loans by the Central Government.	18. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants and loans of such sums of money as that Government may consider necessary.
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Borrowing powers of the Authority	18. A. The Authority may, in such manner and subject to such terms and conditions as may be determined by regulations, borrow money from any source by the issue of bonds, debentures or other instruments as it may think fit for discharge of all or any of its functions under the Act.
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Constitution of Fund	19. (1) There shall be constituted a Fund to be called the Inland Waterways Authority of India Fund and there shall be credited thereto- <div style="margin-left: 40px;">           (a) any grants and loans made to the Authority by the Central government under section 18;            (b) all fees and charges received by the Authority under this Act and            (c) all sums received by the Authority from such other sources as may be decided upon by the Central Government.         </div>
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<p>(2) The Fund shall be applied for meeting-</p> <p>(a) salary, allowances and other remuneration of the members, officers and other employees of the Authority;</p> <p>(b) expenses of the Authority in the discharge of its functions under section 14; and</p> <p>(c) expenses on objects and for purposes authorised by this Act.</p>	
<p>20. The Authority shall prepare, in such form and at such time each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Authority and forward the same to the Central Government.</p>	<p>Budget</p>
<p>21. The Authority may invest its funds (including any reserve fund) in the securities of the Central Government or in such other manner as may be prescribed.</p>	<p>Investments of funds</p>
<p>22. The Authority shall prepare, in such form and at such time each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.</p>	<p>Annual Report</p>
<p>23. The accounts of the Authority shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed and the Authority shall furnish, to the Central Government, before such date as may be prescribed, its audited copy of accounts together with the auditors' report thereon.</p>	<p>Accounts and audit</p>
<p>24. The Central Government shall cause the annul report and auditors' report to be laid, as soon as may be after they are received, before each House of Parliament.</p>	<p>Annual report and auditors' report to be laid before Parliament</p>
<p style="text-align: center;"><b>Chapter – VI</b> <b>MISCELLANEOUS</b></p>	
<p>25. (1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in the discharge of its functions and duties under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time.</p> <p>Provided that the Authority shall, as far as practicable, be given opportunity to express its views before any direction is given under this sub-section.</p>	<p>Power of Central Government to issue directions</p>
<p>(2) The decision of the Central Government whether a question is one of policy or not shall be final.</p>	
<p>26. Any land required by the Authority for discharging its functions under this Act shall be deemed to be needed for a public purpose and such land may be acquired for the Authority under the provisions of the Land Acquisition Act,</p>	<p>Compulsory acquisition of land for the Authority</p>

1894 or of any other corresponding law for the time being in force.

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|------------------------------------|-----|-----|--|
| 1 of 1894                          | 27. | (1) | The provisions of this Act shall be in addition to the provisions of the Indian Ports Act, 1908 and the Major Port Trusts Act, 1963 and in particular nothing in this Act shall affect any jurisdiction, functions, powers or duties required to be exercised, performed or discharged by-   |
| Application, etc., of certain laws |     |     |  |
| 15 of 1908                         |     | (a) | the conservator of any port or by any officer or authority under the Indian Ports Act, 1908, or  |
| 38 of 1963                         |     | (b) | the Board of Trustees for any major port or by any officer or authority under the Major port Trusts Act, 1963, in or in relation to any portion of an inland waterway (including the national waterway) falling within the limits of such port or major port.  |
| 15 of 1908                         |     |     |  |
| 38 of 1963                         |     | (2) | Nothing in this Act shall affect the operation of the Inland Vessels Act, 1917 or any other Central Act (other than the Indian Ports Act, 1908 and the Major Port Trusts Act, 1963) or any State or Provincial Act in force immediately before the commencement of this Act with respect to shipping and navigation on any national waterway. Remaining portion of Section 27(2) omitted vide Bill No. 100 of 1992 introduced in L.S. on 14-7-92. The Gazette of Indian Extraordinary Part-2 Section-2 No. 39. |
| 1 of 1917                          |     |     |  |
| 15 of 1908                         |     |     |  |
| 38 of 1963                         |     |     |  |
|                                    | 28. |     | Subject to any rules made in this behalf, any person, generally specially authorised by the Authority in this behalf, may, whenever it is necessary so to do for any of the purposes of this Act, at all reasonable times, enter upon any land or premises and-  |
| Power to enter                     |     |     |  |
|                                    |     | (a) | make any inspection, survey, measurement, valuation or inquiry;  |
|                                    |     | (b) | take levels;   |
|                                    |     | (c) | dig or bore into sub-soil;   |
|                                    |     | (d) | set out boundaries and intended lines of work;   |
|                                    |     | (e) | mark such level boundaries and lines by placing marks and cutting trenches; or   |
|                                    |     | (f) | do such other acts or things as may be prescribed;   |
|                                    |     |     | Provided that no such person shall enter any building or any enclosed court or garden attached to a dwelling house (unless with the consent of the occupier thereof) without previously giving such occupier at least twenty-four hours' notice in writing of his intention to do so,  |

29.	The Authority may by general or special order in writing, delegate to the Chairman or any other member or to any officer of the Authority, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section-35) as it may deem necessary,	Delegation
30.	All orders and decisions of the Authority shall be authenticated by the signature of the Chairman or any other member authorised by the Authority in this behalf and all other instruments executed by the Authority shall be authenticated by the signature of an officer of the Authority authorized by the Authority in this behalf.	Authentication of orders and other instruments of the Authority
31.	All members, officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.	Members, officers and employees of the Authority to be public servants.
32.	<p>(1) No suit prosecution or other legal proceedings shall lie against the Government or any officer of the Government or any member, officer or employee of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.</p> <p>(2) No suit or other legal proceedings shall lie against the Authority for any damage caused or likely or be caused by anything in good faith done or purported to be done under this Act or the rules or regulations, and in particular, it shall not be the responsibility of the Authority to provide for relief measures necessitated by floods or by breaches and failures of works.</p>	45 of 1860 Protection of action taken in good faith
33.	<p>(1) If, at any time, the Central Government is of opinion-</p> <p>(a) that on account of a grave emergency, the Authority is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or</p> <p>(b) that the Authority has persistently made default in complying with any direction issued by the Central Government under this Act or in the discharge of the functions and duties imposed on it by or under the provisions of this Act and as a result of which default the financial position of the Authority or the administration of any national waterway has deteriorated; or</p>	Power of Central Government to supersede the Authority



- (c) that circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification in the Official Gazette, supersede the Authority for such period, not exceeding six months, as may be specified in the notification;

Provided that before issuing a notification under this subsection for the reasons mentioned in clause (b), the Central Government shall give a reasonable opportunity to the Authority to show cause why it should not be superseded and shall consider the explanations and objection, if any, of the Authority .

- (2) Upon the publication of a notification under sub-section(1) superseding the Authority,-

- (a) all the members shall, as from the date of supersession, vacate their offices as such;
- (b) all the powers, functions and duties which may, by or under the provisions of this Act, be exercised or discharged by or on behalf of the Authority, shall, until the Authority is reconstituted under sub-section(3), be exercised and discharged by such person or persons as the Central Government may direct;
- (c) all property owned or controlled by the Authority shall, until the Authority is reconstituted under sub-section(3), vest in the Central Government.

- (3) On the expiration of the period of supersession specified in the notification issued under sub-section(1), the Central Government may-

- (a) extend the period of supersession for such further term, not exceeding six months, as it may consider necessary; or
- (b) reconstitute the Authority by fresh appointment and in such case any persons who vacated their offices under clause (a) of sub-section(2) shall not be deemed disqualified for appointment;

Provided that the Central Government may, at any time before the expiration of the period of supersession, whether as originally specified under sub-section(1) or as extended under



this sub-section, take action under clause(b) of this sub-section.

- (4) The Central Government shall cause a notification issued under sub-section (1) and a full report of any action taken under this section and the circumstances leading to such action to be laid before such House of Parliament at the earliest opportunity.

34. (1) The Central Government may, by notification in the Official Gazette make rules to carry out the purposes of this Act. Power to make rules.

- (2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters namely:-

- (a) the terms of office and other conditions of service of the members of the Authority under section 4;
- (b) the powers and duties of the Chairman and Vice-Chairman under section 5;
- (c) the matters with respect to the Advisory committee referred to in sub-section (1) of section 9;
- (d) the amount required to be prescribed under subsection (4) of section 14;
- (e) the form in which, and the time at which, the Authority shall prepare its budget under section 20 and its annual report under section 22;
- (f) the manner in which the Authority may invest its funds under section 21;
- (g) the manner in which the accounts of the Authority shall be maintained and audited under section 23;
- h) the conditions and restrictions with respect to exercise of the power to enter under section 28 and the matters referred to in clause (f) of that section; and
- (i) any other matter which is to be or may be, prescribed or in respect of which provision is to be, or maybe made by rules.

35. (1) The Authority may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the rules generally to carry out the purposes of this Act. Power to make regulations.

- (2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:-
- (a) the manner in which and the purposes for which, the Authority may associate with itself any person under sub-section (4) of section 3;
  - (b) the terms and conditions of service of the Secretary and other officers and employees of the Authority under sub-section (2) of section 8;
  - (c) the contracts or class of contracts which are to be sealed with the common seal of the Authority and the form and manner in which a contract may be made by the Authority;
  - (d) the manner in which, and the conditions subject to which any functions in relation to the matters referred to in sub-sections (1) and (2) of section 14 may be performed;
  - (e) the rule of the road on a national waterway;
  - (f) the safe, efficient and convenient use, management and control of the infrastructurals and infrastructural facilities;
  - (g) the reception, portorage, storage and removal of goods brought on a national waterway, and the procedure to be followed for taking charge of goods which may have been damaged before landing, or may be alleged to have been so damaged;
  - (h) regulating, declaring and defining the docks, wharfs, jetties, landing stages on which goods shall be landed from vessels and shipped on board vessels;
  - (i) regulating the manner in which and the conditions under which the loading and unloading of vessels on a national waterway shall be carried out; and
  - (j) the exclusion from a national waterway of disorderly or other undesirable persons and of trespassers.
  - (k) the terms and conditions for issue of bonds, debentures or other instruments;
  - (l) the time, place and the rules of procedure with regard to the transaction of business at its meetings including the quorum under sub-section(1) of section 5A.

- (3) Any regulation made under any of the clauses (c) to (j) of sub-section (2) may provide that a contravention thereof shall be punishable with fine which may extend to five hundred rupees and in the case of a continuing contravention with an additional fine which may extend to twenty rupees for every day during which such contravention continues after conviction for the first such contravention.
36. Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately, following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulations or both Houses agree that the rule or regulation should not be made, the rule or regulation shall there-after have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.
37. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with provisions of this Act as may appear to be necessary for removing the difficulty;
- Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.
- (2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.
38. In the National Waterway (Allahabad-Haldia Stretch of the Ganga-Bhagirathi-Hooghly River) Act 1982,-
- (a) In section 3, for the words "Central Government", the word "Union" shall be substituted and for the words to "the extent hereinafter provided" the words and figures" to the extent provided in the Inland Waterways Authority of India Act, 1985" shall be substituted;
- (b) Sections 4 to 15 shall be omitted.
- Rules and regulations to be laid before Parliament
- Power to remove difficulties.
- Amendment of Act 49 of 1982

**R.V.S. PERI SASTRI**  
*Secretary to the Govt. of India*

**THE INLAND WATERWAYS AUTHORITY OF INDIA  
(AMENDMENT) ACT, 2001**

No. 40 of 2001

[11th September, 2001.]

**An Act further to amend the Inland Waterways Authority of India Act, 1985.**

**BE it enacted by Parliament in the Fifty-second Year of the Republic of India as follows:—**

Short title and  
commence-  
ment.

**1. (1) This Act may be called the Inland Waterways Authority of India (Amendment) Act, 2001.**

**(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.**

Amendment  
of section 3:

**2. In the Inland Waterways Authority of India Act, 1985 (hereinafter referred to as the principal Act), in section 3, for sub-section (3), the following sub-section shall be substituted, namely:—**

**“(3) The Authority shall consist of the following members, namely:—**

- (a) a Chairman;**
- (b) a Vice-Chairman;**
- (c) not more than three full-time members; and**
- (d) not more than three part-time members,**

**to be appointed by the Central Government by notification in the Official Gazette.”.**

3. After section 4 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 4A.

**"4A. A person shall be disqualified for being appointed as a member, if he—**

Disqualifications for appointment as member.

**(a) has been convicted and sentenced to imprisonment for an offence which, in the opinion of the Central Government, involves moral turpitude; or**

**(b) is an undischarged insolvent; or**

**(c) is of unsound mind and stands so declared by a competent court; or**

**(d) has been removed or dismissed from the service of the Government or a company owned or controlled by the Government; or**

**(e) has, in the opinion of the Central Government, such financial or other interest in the Authority as is likely to affect prejudicially the discharge by him of his functions as a member."**

4. After section 5 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 5A.

**"5A. (1) The Authority shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings, including the quorum thereat, as may be provided by regulations.**

Meetings.

**(2) The Chairman or in his absence, the Vice-Chairman, or in the absence of both, such other member as is chosen by the members present at the meeting of the Authority shall preside at the meeting.**

**(3) All questions which come up before any meeting of the Authority shall be decided by a majority of votes of the members present and voting, and in the event of an equality of votes, the Chairman or in his absence, the Vice-Chairman, or in the absence of both, the person presiding, shall have and exercise a second or casting vote."**

5. In section 14 of the principal Act, in sub-section (1), after clause (j), the following clause shall be inserted, namely:—

Amendment of section 14.

**"(k) enter into joint ventures concerning inland shipping by way of equity participation."**

6. After section 18 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 18A.

**"18A. The Authority may, in such manner and subject to such terms and conditions as may be determined by regulations, borrow money from any source by the issue of bonds, debentures or other instruments as it may think fit for discharge of all or any of its functions under the Act."**

Borrowing powers of the Authority.

7. In section 35 of the principal Act, in sub-section (2), after clause (j), the following clauses shall be inserted, namely:—

Amendment of section 35.

**"(k) the terms and conditions for issue of bonds, debentures or other instruments;**

**(l) the time, place and the rules of procedure with regard to the transaction of business at its meetings including the quorum under sub-section (1) of section 5A."**

Provided further that whether an appeal is rejected or accepted, reasons for such rejection or acceptance shall be given in the order.

(4) The Authority shall make an endeavour to pronounce its order in writing within six months of the receipt of the appeal.

(5) A copy of every order made under sub-section (3) shall be sent to the appellant and to the assessing authority.

Powers of  
the Authority.

22. (1) The Authority shall have the same powers as are vested in a court under the Code of Civil Procedure, 1908, while trying a suit in respect of the following matters, namely:— 5 of 1908.

(a) enforcing the attendance of any person, examining him on oath or affirmation;

(b) compelling the production of accounts and documents;

(c) issuing commission for the examination of witnesses;

(d) the reception of evidence on affidavits;

(e) any other matter which may be prescribed.

(2) Every proceeding before the Authority shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code and the Authority shall be deemed to be a civil court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973. 45 of 1860.

2 of 1974.

Procedure  
of Authority.

23. The Authority shall, subject to the provisions of this Chapter, have power to regulate its own procedure in all matters arising out of the exercise of powers under this Act.

Authority  
for Advance  
Rulings to  
function as  
Authority  
under this  
Act.

24. (1) Notwithstanding anything contained in any other law for the time being in force and in section 19 of this Act, the Authority for Advance Rulings constituted under section 245-O of the Income-tax Act, 1961 shall be notified by the Central Government in the Official Gazette, with such modifications as may be necessary, to make its composition in conformity with section 19 of this Act, as the Authority under this Act till such time an Authority is constituted under that section. 43 of 1961.

(2) On and from the date of the constitution of the Authority in accordance with the provisions of section 19 of this Act, the proceedings pending with the Authority for Advance Rulings shall stand transferred to the Authority constituted under that section from the stage at which such proceedings stood before the date of constitution of the said Authority.

Transfer of  
pending  
proceed-  
ings.

25. On and from the date when the Authority is constituted under section 19, every appeal arising out of the provisions contained in this Chapter—

(i) which is pending immediately before the constitution of such Authority before the appellate authority constituted under the general sales tax law of a State or of the Union territory, as the case may be; or

(ii) which would have been required to be taken before such appellate Authority,

shall stand transferred to such Authority on the date on which it is established.

Applicability  
of order  
passed.

26. An order passed by the Authority under this Chapter shall be binding on the assessing authorities and other authorities created by or under any law relating to general sales tax, in force for the time being in any State or Union territory.