The Andhra Pradesh Inland Waterways Authority Act, 2023

Act No. 18 of 2023

Keywords:
Conservancy, Infrastructure, Waterways, Cruise Services, Navigable Channel
The Andhra Pradesh Acts, Ordinances and Regulations Etc.,

The following Act of the Andhra Pradesh Legislature received the assent of the Governor on the 25th April, 2023 and the said assent is hereby first published on the 1st May, 2023 in the Andhra Pradesh Gazette for general information:

**ACT No. 18 of 2023**

An Act to provide for the constitution of an authority for the regulation and development of inland waterways and its integration with coastal waterways for the purposes of water transport/shipping, navigation and water tourism and for matters connected therewith or incidental thereto.

Be it enacted by Legislature of the Andhra Pradesh in the Seventy fourth year of Republic of India as follows,

**CHAPTER I**

**PRELIMINARY**

1. Short title, extent and commencement: (1) This Act may be called the Andhra Pradesh Inland Waterways Authority Act, 2023.

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

(3) This Act upon commencement, will supersede the provisions of Andhra Pradesh Maritime Board Act, 2018 to the extent it is
applicable for Inland Waterways, Water Transport, Water Tourism related provisions and activities.

(4) It extends to the whole of the State of Andhra Pradesh.

2. **Definitions**: In this Act, unless the context otherwise requires-

(a) "appurtenant land" means all lands appurtenant to a waterway, coastal area of Andhra Pradesh whether demarcated or not;

(b) "authority" means the Andhra Pradesh Inland Waterways Authority constituted under Section 3;

(c) "channel" means any waterway, whether natural or artificial;

(d) "conservancy" include straining, closure, diversion or abandoning channels;

(e) "conservancy measures" means measures for purposes of conservancy including dredging, river/ canal training measures, navigational aids 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, marinas, 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) "waterway" means the inland waterway(s) other than national waterways including ponds, lakes, canals, streams, rivers and other water bodies;

(h) "inland waterways" or "coastal waterways" means the waterways within the territorial jurisdiction of the Government of Andhra Pradesh;

(i) "water tourism" means water related tourism activities;

(j) "cruise services" cruise services within the State of Andhra Pradesh;

(k) "navigable channel" means a channel navigable during the whole or a part of the year;
(l) "prescribed" means prescribed by rules made under this Act shall be published in the official Gazette;

(m) "regulations" means regulations made by the Authority under this Act; and

(n) "rules" means rules made by the Government of Andhra Pradesh under this Act.

CHAPTER - II
Andhra Pradesh Inland Waterways Authority

3. Constitution and incorporation of the Andhra Pradesh Inland Waterways Authority: (1) With effect from such date as the Andhra Pradesh 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 Andhra Pradesh Inland Waterways Authority.

(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 Board of the Authority shall consist of the following:
   (a) Chairman;
   (b) Vice Chairman;
   (c) Chief Executive Officer (CEO);
   (d) not more than five members to be nominated by the Andhra Pradesh Government.

(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.

All the policy decisions shall be taken by the Board presided by Chairman of the Authority who shall also be the Chairman of the Board.
4. **Conditions of service of members.** The term of office and other conditions of service of the Board members shall be such as may be prescribed.

5. **Disqualifications for appointment as a member:**

(a) A person shall be disqualified for being appointed as a member, if he has been convicted and sentenced to imprisonment for an offence which, in the opinion of the AP 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 AP 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.

6. **Powers of Chairman:** The Chairman of the Board of the Authority shall preside over the meeting of the authority, exercise and discharge such powers and duties of the Authority as may be delegated to him by the Board and such other powers and duties as may be prescribed.

7. **Meetings:**

(1) The Board of the Authority shall meet at such times and such places including in physical or virtual or both i.e. in video conferencing modes and shall observe such rules of procedure in regard to the transaction of business at its meetings with majority of the members in the Board which includes the Chairman and CEO of the Authority.

(2) The Chairman or in his absence 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 Board 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 the absence of both, the person presiding, shall have and exercise a second or casting vote.

(4) CEO shall act as a Member Convenor of the Board of the Authority.
8. Removal of members: (1) The Andhra Pradesh 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 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 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.

9. Vacancy not to invalidate proceedings of the Authority: 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.

10. Chairman, Vice-Chairman, CEO and other officers: (1) The Government of Andhra Pradesh shall appoint the Chairman, Vice-Chairman and CEO of the Authority. All other officers and employees shall be appointed by the Authority as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of the service of Chairman, Vice-Chairman and CEO shall be as may be prescribed by the Government of Andhra Pradesh. The terms and conditions of the
service of all other officers and employees of the Authority shall be
determined by the Authority.

11. Advisory Committees: (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.

(2) Every Advisory Committee shall consist of such number of persons
connected with shipping and navigations, water tourism and allied
aspects as the Authority may deem fit.

12. Authority to act on business principles: In the discharge of its
functions under this Act, the Authority shall act, so far as may be, on
business principles.

CHAPTER - III
PROPERTY AND CONTRACTS

13. Transfer of assets and liabilities to the Authority - (1) As from
such day as the Andhra Pradesh Government may appoint by
notification in the Official Gazette,-

(a) all properties and other assets related or connected to Shipping,
Inland Waterways &water Transport and Water Tourism vested in
various departments of the Andhra Pradesh Government,
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 AP Government immediately before such day for or in
connection with Inland Waterways & Transport and Water Tourism
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 Andhra Pradesh
Government for or in connection with purposes of Inland Water
Transport and Water Tourism up to such day and declared to be
capital expenditure by the State Government shall subject to such
terms and conditions as may be prescribed by the AP
Government, be treated as capital provided by the AP
Government to the Authority;
(d) all sums of money due to the AP Government in relation to Shipping, Inland Waterways & Transport and Water Tourism purposes by any other department of AP Govt, 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, Water Tourism by any department of AP Govt, which having been instituted by or against the AP 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) The Authority can take employees from other departments of Govt, of AP, Central / State PSU/Autonomous Bodies on deputation basis or appoint regular employee or contract employees on its own as per procedure followed by the Government.

Provided that during the period of deputation of any such employee with the Authority, the Authority shall pay to the AP Government or concerned department in respect of every such employee, such contribution towards his leave salary, pension and gratuity as may be prescribed by the Government of Andhra Pradesh.

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 becoming a regular employee of the Authority, shall 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 AP Government have been transferred to the Authority or as to which of the employees serving under the AP Government are to be treated as on deputation with the Authority, under this section, such dispute or doubt shall be decided by the AP Government in consultation with the Authority and the decision of the AP Government thereon shall be final.

(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.

14. **Contracts by the Authority:** Subject to the provisions of section 15, the Authority shall be competent to enter into and perform any contract necessary for the discharge of its functions under this Act.

15. **Mode of executing contracts on behalf of the Authority:**

(1) Every contract up to Rs. 100 crores on behalf the Authority shall 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:

Provided that no contract exceeding such value or amount as the Government of Andhra Pradesh may, from time to time, by order, fix in this behalf shall be made unless it has been previously approved by the Authority:

Provided further that no contract for the acquisition or sale of immovable property or for the leasing out or taking on lease of any property for a term exceeding sixty years and no other contract exceeding such value or amount as the Government of Andhra Pradesh may, from time to time, by order, fix in this behalf shall be made unless it has been previously approved by the AP Government:

Provided after that, the manner in which the Lease sale / acquisition of the immovable properties shall be prescribed by the Board of the Authority.

(2) Every Contract shall be entered into and executed after obtaining approval of the Board of Authority.

(3) No contract shall be executed without the approval of Board of the Authority.

(4) In case the seat of Chairman is vacant, the CEO of the authority is empowered to enter into contracts in the normal course of the activities of the authority and if required, with Banks after obtaining approval of the board at their meeting.
CHAPTER - IV
FUNCTIONS AND POWERS OF THE AUTHORITY

16. Functions of the Authority: - (1) The Authority may-

(a) carry out surveys and investigations for the development, maintenance and better utilization of the inland waterways including ponds, lakes, canals, streams, rivers and other water bodies, water tourism including cruise services and the appurtenant land for shipping and navigation and prepare schemes in this behalf.

(b) provide or permit any activity having relevance to the shipping and navigation in the rivers (State sponsored works in National Waterways in the AP State), streams canals, ponds, lakes and other water bodies including setting up of infrastructural facilities, water tourism, dredging etc on inland waterways / coastal waterways;

(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 inland waterways including ponds, lakes, canals, streams, rivers and other water bodies;

(d) control activities such as throwing rubbish, dumping or removal of material, in or from the bed of the waterways and appurtenant land, in so far as they may affect safe and efficient, shipping and navigation, water tourism, maintenance of navigable channels, river training and conservancy measures;

(e) remove or alter any obstruction or impediment in the waters, rivers, 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 water tourism, navigation and traffic (including the rule of the road) on inland waters including ponds, lakes, canals, streams, rivers and other water bodies.
(g) regulate the construction or alteration of structures on across or under the inland waterways including ponds, lakes, canals, streams, rivers and other water bodies.

(h) disseminate navigational meteorological information about coastal & inland waterways including ponds, lakes, canals, streams, rivers and other water bodies;

(i) ensure co-ordination of inland water transport on coastal & inland waterways with other modes of transport; and establish and maintain pilot age on coastal & inland waterways including ponds, lakes, canals, streams, rivers and other water bodies.

(j) enter into joint ventures including Public and Private Agencies concerning inland navigation, coastal shipping and water tourism by way of equity participation.

(k) Propose; make application(s), accept and/or execute Navigation related works on National Waterways in the State of Andhra Pradesh on behalf of Central Government.

(l) Regulate movement, construct inland waterway terminals, loading and unloading to/from terminals on coastal waters, inland waterways and vessel to vessel transhipment on the coastal cum Inland waterway routes on all coastal waterways and administer necessary functions for Coastal Zone Managements admissible under the extent of rules prescribed by the appropriate government.

(m) Establish educational, professional development and training institutes to provide develop knowledge, skill sets, organize safety camps, give requisite training for manning, operating inland vessels and for development of waterways and for repair and maintenance of vessels or the other as the Authority may decide.

(n) Establish a Company or any other entity in relation to the activities of Shipping and Inland Waterways including infrastructure, development, navigation, water transport, water tourism etc or any additional or incidental activities connected thereto, after obtaining Board’s approval.

(o) Form JV / Consortium with private, Govt / Semi Govt/ including Corporations of Central Govt& State Govt agencies and Execute
Projects related to Shipping and Inland waterways implemented through Public Private Partnership (PPP) mode,

(p) Construction, Maintenance and Management of Fishing Harbours.

(q) To act as nodal authority for the purpose of implementation of the provisions related to state government in Inland Vessels Act, 1917 or any other Central Act as amended from time to time.

(r) To act as nodal authority for the purpose of execution of any project(s) on national waterways on behalf of Central Government,

(s) Registrations & annual survey of inland vessels including cargo vessels/SPVs & Ro–Ro & Ro Pax Vessels, Tugs, Dumb barges, dredgers of all types of all mechanised vessels and non-mechanised vessels, fluting in rivers.

(t) Attend various activities connected with disaster management in Inland waters.

(2) The Authority may also-

(a) advise the AP Government on matters relating to inland waterways & water transport, water tourism;

(b) study the transport requirement with a view to co-ordinating coastal/inland water transport with other modes of transport;

(c) carry out hydro graphic surveys and publish river charts;

(d) develop consultancy services and provide such services, on such terms and conditions as may be mutually agreed upon, in the State of Andhra Pradesh in relation to planning and development of waterways for shipping and navigation or any facility thereat;

(e) conduct research in matters relating to inland water transport and water tourism including development of craft design mechanization of country crafts, technique of towage, landing and terminal facilities, port installations and survey techniques;

(f) lay down standards for classification of inland waterways(other than national waterways);

(g) arrange programme of technical training for inland water transport and water tourism personnel within the country; and

(h) perform such other functions as may be necessary to carry out the provisions of this Act.
(i) The Authority shall also be nodal authority in the state for all activities and matters related to Inland Waterways, Water Tourism in the State of Andhra Pradesh.

(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 of Rs 100 Crores shall be submitted to the AP Government for approval.

(5) The AP 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.

17. **Amendment of schemes:** The Authority shall not make any increase in the expenditure beyond the sanctioned costs in the scheme approved without prior approval of the Government of Andhra Pradesh. However, the Authority may re-appropriate the cost components.

Explanation: For the purpose of this section, “increase in expenditure” means an increase in the cost of the scheme by more than twenty percent; of its sanctioned cost.

**CHAPTER - V**

**FINANCE, ACCOUNTS AND AUDIT**

18. **Levy and Collection of fees and charges:** (1) The Authority may levy fees and charges at such rates for the services or benefits rendered in relation to the use of the inland waterways for the purposes of shipping, navigation, water tourism, infrastructural facilities including facilities for passengers and facilities relating to the berthing of vessels handling of cargo, storage of cargo and Wharfage.

(2) The fees and charges levied under sub-section-(1) shall be collected in such manner as may be determined by the Authority.
19. Grants and loans by the Government of Andhra Pradesh:

The Andhra Pradesh Government may, after due appropriation made by Andhra Pradesh Legislature by law in this behalf, make to the Authority grants and loans of such sums of money as that Government may consider necessary.

20. Borrowing powers of the Authority: (1) The Authority may, in such manner and subject to such terms and conditions as may be determined by it, obtain loans from any Nationalised Bank(s) or Consortium of Banks, 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.

(2) The Authority may stand as guarantor to any organisation established by Andhra Pradesh Government or the authority itself, subject to the approval of AP Government.

21. Constitution of Fund: (1) There shall be constituted a Fund to be called the Andhra Pradesh Inland Waterways Authority Fund (APIWA Fund) by the Government by way of initial grant. Any subsequent amounts shall be credited to the Fund by way of-

(a) any grants made to the Authority by the government of Andhra Pradesh under section 19;

(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 Government of Andhra Pradesh.

(d) Any other interim/ ad-hoc amounts

(2) The Fund shall be applied for meeting-

(a) salary, allowances and other remuneration of the members, officers and other employees of the Authority;

(b) expenses of the Authority in the discharge of its functions under section 16; and

(c) expenses on objects and for purposes authorised by this Act.
22. **Budget:** 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 Government of Andhra Pradesh.

23. **Investments of funds:** The Authority may invest its funds (including any reserve fund) in the securities of the State/Central Government or in such other manner as may be prescribed or as fixed deposits with any nationalised bank(s) regulated by Reserve Bank of India.

24. **Annual Report:** 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 Government of Andhra Pradesh.

25. **Accounts and audit:** The accounts of the Authority shall be maintained and audited in such manner as may, in consultation with the Principal Accountant General (Audit), Andhra Pradesh, be prescribed and the Authority shall furnish, to the Government, before such date as may be prescribed, its audited copy of accounts together with the auditors' report thereon.

26. **Annual report and auditors' report to be laid before the Andhra Pradesh Legislature:** - The Government of Andhra Pradesh shall cause the annual report and auditors' report to be laid, as soon as may be after they are received, before each House of Andhra Pradesh Legislature.

**CHAPTER - VI**

**MISCELLANEOUS**

27. **Power of AP Government to issue directions:** (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 State Government may give in writing to it from time to time.

   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.

(2) The decision of the Government of the Andhra Pradesh whether a question is one of policy or not shall be final.
28. **Compulsory acquisition of land for the Authority**: 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, 1894 or Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 including amendments made from time to time or of any other corresponding law for the time being in force or as per the prevailing procedures in Andhra Pradesh State or by way of negotiations by a committee constituted for the purpose by the Board of the Authority. The authority shall have full right to have access from water body to the land so acquired an banks of inland waters for discouraging its duties and obligations under the Act.

29. **Limitation of Jurisdiction**: (1) The provisions of this Act shall not affect any jurisdiction, functions, powers or duties required to be exercised, performed or discharged by-

(a) the conservator of any port or by any officer or authority under the Indian Ports Act, 1908, or Andhra Pradesh Port Policy or.

(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 waterways) falling within the limits of such port or major port.

(2) Nothing in this Act shall affect the operation of the Inland Vessels Act, 1917 as amended or any other Central Act or any State or Provincial Act(s) in force immediately before the commencement of this Act. However, enforcement of the provisions, if any prescribed for the state under above or any Act(s) shall be done by the Authority to the extent applicable to it.

(3) The Authority can exercise the power or delegate its powers to any other department on any matter pertaining to its functions and duties in relation to inland waterways, water transport and water tourism prescribed under the provisions of this Act supersedes all or any provisions in any other Act on the corresponding components or as per the Directives of the AP State Government which may prescribe to other departments for better administration.

30. **Power to enter**: 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-

(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,

31. Delegation:

The Authority may by general or special order in writing, delegate to the CEO, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act as it may deem necessary. The CEO shall be responsible for the day-to-day operations of the Authority.

32. Authentication of orders and other instruments of the Authority:

All orders and decisions of the Authority shall be authenticated by the signature of the CEO or any officer authorized by CEO.

33. Members, officers and employees of the Authority to be public servants: 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.

34. Protection of action taken in good faith: (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.
(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.

35. **Power of the Andhra Pradesh Government to supersede the Authority:**

(1) If, at any time, the Andhra Pradesh Government is of opinion,—

(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

(b) that the Authority has persistently made default in complying with any direction issued by the Government of Andhra Pradesh 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 inland waterway has deteriorated; or

(c) that circumstances exist which render it necessary in the public interest so to do, the Government of Andhra Pradesh 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 sub-section for the reasons mentioned in clause (b), the AP 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 except Chief Executive Officer 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 AP 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 Government of the Andhra Pradesh.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the AP 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 Government of the Andhra Pradesh 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.

(4) The Government of the Andhra Pradesh 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 Andhra Pradesh Legislature at the earliest opportunity.

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

(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 under section 6;

(c) the matters with respect to the Advisory committee referred to in sub-section (1) of section 11;

(d) the amount required to be prescribed under subsection (4) of section 16;
(e) the form in which, and the time at which, the Authority shall prepare its budget under section 22 and its annual report under section 24;

(f) the manner in which the Authority may invest its funds under section 23;

(g) the manner in which the accounts of the Authority shall be maintained and audited under section 25;

(h) the conditions and restrictions with respect to exercise of the power to enter under section 30 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.

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

(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 CEO and other officers and employees of the Authority under section 10;

(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 16 may be performed;

(e) the rule of the road on a coastal & inland waterway and other water bodies;

(f) the safe, efficient and convenient use, management and control of the infrastructural and infrastructural facilities;
(g) the reception, portage, storage and removal of goods brought through coastal & inland waterway, other water bodies 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 inland waterway terminals, inland waterway/lake terminals and vessel to vessel transhipment on the coastal cum inland waterway routes and lakes, Coastal Zone Management as admissible under the extent rules shall be carried out; and

(j) the exclusion from a coastal & inland waterway and other water bodies 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.

(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 thousand rupees and in the case of a continuing contravention with an additional fine which may extend to thousand rupees for every day during which such contravention continues after conviction for the first such contravention.

38. Rules and regulations to be laid before Andhra Pradesh Legislature:

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 Andhra Pradesh Legislature, while it is in session, 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 thereafter 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.

Provided that till such time provisions under various sections of the Act are effected, the Act provisions shall be implemented through a usual by Govt of AP specific GO for an initial period of 6 months or extended period as per the requirement as the recommendations of Authority.

39. Power to remove difficulties: (1) If any difficulty arises in giving effect to the provisions of this Act, the State 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 two 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 Andhra Pradesh Legislature.

G. SATYA PRABHAKARA RAO,
Secretary to Government,
Legal and Legislative Affairs & Justice,
Law Department.