

**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.