THE ANDHRA PRADESH MARITIME BOARD ACT, 2019

ACT No.16 OF 2019

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THE ANDHRA PRADESH MARITIME BOARD ACT, 2019

ACT No. 16 OF 2019

[13thMay, 2019]

AN ACT TO PROVIDE FOR RAPID DEVELOPMENT OF PORT SECTOR AND FOR THE OVERALL DEVELOPMENT OF HINTER LAND AND OFFSHORE AREAS CONNECTED TO THE PORT-USE AND INDUSTRIALISATION IN PORT AREAS IN ANDRA PRADESH, THROUGH ESTABLISHMENT OF THE ANDHRA PRADESH MARITIME BOARD AND TRANSFER TO THE BOARD OF POWERS VESTED IN THE DIRECTOR OF PORTS AND FOR THE EXERCISE AND PERFORMANCE BY OR ON BEHALF OF SUCH BOARD, OF FUNCTIONS RELATING TO PORTS IN ANDHRA PRADESH; TO PROVIDE FOR THE TRANSFER OF CERTAIN ASSETS TO THE BOARD AND TO MAKE PROIVISION IN RESPECT OF MATTERS ANCILLARY AND INCIDENTAL THERETO OR CONNECTED THEREWITH.

Be it enacted by the Legislature of the State of Andhra Pradesh in the Seventieth Year of the Republic of India, as follows:-

CHAPTER – I
PRELIMINARY

1. Short title, extent, commencement and application -(1) This Act may be called the Andhra Pradesh Maritime Board Act, 2018.

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

(3) It shall come into force on such date as the Government may, by notification, appoint.

(4) It applies to all non-major Ports in the State to which the Indian Ports Act, 1908 (Act No 15 of 1908) and the amended Acts, if any, by the Government of India, applies on the date of the commencement of this Act, and all other non-major Ports in the State with effect from such date, as may be declared by the State Government by notification in the Andhra

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

(a) "appointed day", in relation to any non-major Port, means the day on which this Act is made applicable to that Port;

(b) "board" means the Andhra Pradesh Maritime Board established under section 3;

(c) "board security" means debentures, bonds or dock certificates issued by the Board in respect of any loan contracted by it under the provisions of this Act;

(d) "chairman" means the Chairman of the Board appointed under section 3 and includes the person appointed under section 9 to act as the Chairman;

(e) “commissioner of customs” means the Commissioner of Customs as specified in the Customs Act, 1962 (Act No.52 of 1962);

(f) "dock" includes all basins, locks, cuts, entrances, graving docks, graving blocks, inclined planes, shipways, gridirons, moorings, transit sheds, warehouses, godowns, open plots and other works and things appertaining to any dock and also the portion of the sea enclosed or protected by the arms or groines of a harbour;

(g) “developer” means any person or entity (owned by either Private or State/Central Government Undertakings), other than State Government or the Board who has entered into a contract with the Board for development and / or, construction and / or operation and/or maintenance of a port or port terminal and/or related infrastructure or is approved by the Board to develop an Economic Zone within the port areas;

(h) “economic zone” means a zone within or geo-physically connected to the port area declared as such by the Board;

(i) "foreshore" in relation to a port, means the area between the high water mark and the low water mark relating to that port;

(j) "goods" includes livestock and every kind of movable property;

(k) “government” means the Government of Andhra Pradesh;

(l) "high water mark", in relation to a port, means a line drawn through the highest point reached by ordinary spring tides during any season of the year at that port; or as delineated by the Competent Authority from time to time;

(m) “immovable property” includes wharfage-rights and all other rights exercisable on, over or in respect of any land, wharf, dock or pier.

(n) "indian ports Act" means the Indian Ports Act, 1908 (Act No.15 of 1908) and all the amendments thereto from time to time by the Government of India;

(o) “inland water transport (IWT)” means inland water transport system including ferry services in the State.

(p) “land” includes the bed of sea or river below high water mark and also things attached to the earth or permanently fastened to anything attached to the earth;

(q) “low water mark”, in relation to a port, means a line drawn through the lowest point reached by ordinary spring tides at any season of the year at that port; or as delineated by the competent authority;

(r) “major ports”, shall have the same meaning assigned to it in the Indian Ports Act, 1908;

(s) "master", in relation to any vessel or craft making use of any non-major Port means any person having, for the time being, charge or control of such vessel or craft, as the case may be, except a pilot, harbour master, dock master, or berthing master of the port;

(t) "member" means a member of the Board or its committee, as the case may be, including those duly elected and serving in an advisory capacity to the Board;

(u) "non-major Port" means a port other than a major port declared as such by the State Government by notification in the Andhra Pradesh Gazette as per the Indian Ports Act, 1908 or under any other law for the time being in force;

(v) “notification”, means a notification published in the Andhra Pradesh Gazette and the word ‘notified’ shall be construed accordingly;

(w) "owner"-

(i) in relation to goods, means and includes any consignor, consignee, shipper or agent for the sale, custody, loading or unloading of such goods, and

(ii) in relation to any vessel or craft making use of any port, means and includes any port owner, chatterer, consignee or mortgagee in possession thereof;

(x) "pier" includes any stage, stairs, landing place, hard jetty, floating barge transhipper or pontoon and any bridges or other works connected therewith;

Explanation: For the purpose of this clause transhipper means a floating craft or vessel whether dumb or self-propelled, which is provided for discharging cargo from a barge or wharf and loading it on to a ship.

(y) "port", means any non-major Port to which this Act applies within such limits as may, from time to time, be defined by the Government in consultation with the Ministry of Shipping, Government of India, so as to ensure coordinated and sustainable development of Port facilities with waterways and user facilities under the Indian Ports Act, 1908 (Act No.15 of 1908);

(z) "port approaches", in relation to a Port, means those parts of the navigable rivers and channels leading to the Port in which the Indian Ports Act, 1908 applies;

(za) 'port area' means such area as may be notified within the vicinity of the port;

(zb) 'port facility security officer' means the Port Facility Security Officer appointed under section 125;

(zc) "port security advisory committee" means the Port Security Advisory Committee constituted under section 126;

(zd) "prescribed" means prescribed by rules made by the Government under this Act;

(ze) "public securities" means,-

(i) promissory notes, debentures, stock or other securities of the Central Government or of any State Government:

Provided that, securities both the principal and the interest whereof have been fully and unconditionally guaranteed by any such Government shall be deemed, for the purposes of this clause, to be the securities of that Government; and

(ii) debentures or other securities for money issued by or on behalf of any Municipal body, Improvement Trust or Port Trust under the authority of any law for the time being in force in the State and includes the Board Securities;

(zf) "rate" means and includes any toll, dues, rent, fee or charge leviable under this Act;

(zg) "regulations" means regulations made under this Act;

(zh) "rules" means rules made under this Act;

(zi) "state" means the State of Andhra Pradesh;

(zj) "unit" means a unit set up by an entrepreneur in the Economic Zone;

(zk) "vessel" includes anything made for the conveyance, mainly by water, of human being or of goods;

(zl) "wharf" includes any wall or stage and any part of the Land or Fore-shore that may be used for loading or unloading goods or for the' embarkation or disembarkation of passengers and any wall enclosing or adjoining the same;

(zm) All other words and expressions used and not defined in this Act but defined in the relevant Acts in force in the State, shall have the same meaning respectively assigned to them thereunder.

CHAPTER –II
ESTABLISHMENT OF ANDHRA PRADESH MARITIME BOARD

3. Establishment of Andhra Pradesh Maritime Board -(1) As soon as may be after the commencement of this Act, the Government may, by notification establish a Board to be called "the Andhra Pradesh Maritime Board."

(2) The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and may by the said name sue and be sued.

(3) The head-office of the Board shall be at such place as the State Government may, by notification direct.

(4) The Board shall consist of such number of members, not being less than five and not more than 15 (Fifteen) who shall be appointed by the State Government as follows, namely:

Ex Officio Members,-

(a)A person nominated by the Government – *Chairman*
(b) Secretary to Government, Energy, Infrastructure & Investment Department– *Vice Chairman*
(c)Secretary to Government, Fisheries Department –*Member*
(d) Secretary to Government, Finance Department -*Member*
(e)Secretary to Government, Industries Department – *Member*
(f)One representative from all the privatised ports in the State - Member (g)One representative from the Ministry of Shipping - Member
(h) A representative nominated by the Central Board of Excise and Customs - Member
(i)Any other Secretary to Government as nominated by the Government – Member
(j)Chief Executive Officer of the Board -*Member-Secretary*

Special Invitees:

(k) One representative of the Indian Navy to be nominated by the Government of India.
(l) One representative of the Coast guard to be nominated by the Government of India.
(m) Representative from the Industry Associations.
(n) Incharge of Coastal Police in Government – Member (Security).

Selected Members,-

In addition to the above, the Board shall call for nominations and elect two independent experts, with the following qualifications who shall serve as Advisors to the Board for a tenure not exceeding three (3) years:

(i) One independent expert with global experience in maritime trade, global shipping and supply chain of key cargo commodities.
(ii)One independent expert with vast experience in port policy, regulations and Public Private Partnership (PPP) contracts, in major and non-major ports in India and in similar regional and global geographies.

4. Disqualification of members -A person may be disqualified from being appointed, or for continuing as a member of the Board, if he,

(a) has been removed or dismissed from the service of Central or State Government or of local authority or of a corporation owned or controlled by that Government; or
(b) has been convicted for an offence involving moral turpitude; or (c) is an un discharged insolvent; or
(d) has directly or indirectly any share or interest in any work done by order of the Board or in any contract or employment with, by or on behalf of the Board:

Provided that no person shall be deemed to have share or interest in such work, contract or employment by reason only of his, -

(i) having a share in any company or firm which may contract with or be employed by or on behalf of the Board; or
(ii) having a share or interest in any newspaper in which any advertisement relating to the affairs of the Board may be inserted; or
(iii) being interested in any loan of money to the Board; or
(iv) having a share or interest in any lease, sale, exchange or purchase of immovable property or any agreement for the same; or
(v) having a share or interest in any license by the Board or right by agreement or otherwise with the Board, to the sole or preferential use of any premises or property belonging to the Board; or
(vi) having a share or interest in the occasional sale by the Board of a value not exceeding ten thousand rupees in anyone financial year of any article in which he trades.

5.Term of office of Members -Subject to the provisions of this Act, the non-official members of the Board shall hold office for a period not exceeding three years and their appointment may be terminated at any time without giving any notice.

6.Termination of services of member of Board - (1) The Government shall remove a non-official member of the Board, if he,--

(a)is or has become subject to any disqualification mentioned in section 4; or

(b)refuses to act or becomes incapable of acting; or

(c)has, in the opinion of the Government, become incapable of representing the interests by virtue of which he was appointed; or

(d)is, without the permission of the Board previously obtained, absent from six consecutive meetings of the Board; or

(e)is absent from the meetings of the Board for a period exceeding six consecutive months;

(f) acts in contravention of the provisions of section 13.

(2) A member of the Board, other than the*ex-officio* member may resign from his office by tendering his resignation in writing to the Chairman who shall forward the same to the Government, but the resignation shall not take effect until it is accepted by the Government.

7.Eligibility of re-appointment - Any person ceasing to be a member may, unless disqualified under section 4, be eligible for re-appointment;

8. Filling of vacancies -(1) Any vacancy in the office of the non-official members of the Board shall be filled as early as possible in the like manner as if the appointment being made for the first time under the relevant clause:

Provided that where any vacancy occurs in the office of any such non-official member within three months preceding the date on which the term of the office of such member expires under section 5, it shall not be filled.

(2) A member appointed under sub-section (1) shall hold office so long only as the member in whose place he has been appointed, would have held office, if the vacancy had not occurred.

9.Absence of Chairman -If the Chairman is absent on leave or otherwise, the Vice-Chairman and in the absence of both the Chairman as well as the Vice-Chairman, such person as the State Government may appoint, shall act as the Chairman.

10.Meeting of Board -(1) The Board shall hold meetings at such times and places and shall subject to the provisions of sub-sections (2), (3) and (4) follow such procedure in regard to the transaction of business at its meetings as provided by the regulations:

Provided that the Board shall meet atleast once in every month.

(2) The Chairman, and in his absence the Vice-Chairman, and in the absence of both the Chairman as well as the Vice-Chairman, any person chosen by the members present from amongst themselves, shall preside at meetings of the Board.

(3) All questions at a meeting of the Board shall be decided by a majority of the votes of the ex-officio members present and voting and, in the case of equality of votes, the person presiding shall have a second or casting vote.

(4) The number of members necessary to constitute a quorum at a meeting shall be such as may be provided in the regulations.

11.Committees of Board -(1) The Board may, from time to time constitute such committee or committees consisting of one or more of the Board's members and such other members as may be nominated by the Government from time to time for providing advice to the Board in carrying out its functions under the Act, on such terms and conditions as may be prescribed.

(2) In addition to the committees under sub-section (1), the Board may, from time to time, constitute from amongst its members one or more Committees, consisting of such number as the Board may consider necessary, for the purpose of discharging such of its duties and functions as may be delegated to such Committee or Committees by the Board.

(3) A committee constituted under sub-sections (1) and (2) shall meet at such time and at such place and shall follow such procedure in regard to the transaction of business at its meetings including the quorum as may be provided by regulations.

12. Fees and allowances payable to members - The non-official

members shall be paid by the Board such fees and allowances for attending meetings of the Board or of any of its Committees and for attending to any work of the Board, as may be prescribed:

Provided that,--

(a) no fees shall be payable to a member who is a Member of Parliament or State Legislature;

(b) any allowances payable to a member who is a Member of Parliament or State Legislature shall not exceed the compensatory allowance as defined in clause (a) of section 2 of the Parliament (Prevention of Disqualification) Act, 1959 (Act No.10 of 1959) or as the case may be, in the Andhra Pradesh (Payment of Salaries and Pension and Removal of Disqualifications) Act, 1953 (Act No.2 of 1954).

13.Members of Boards or Committee not to vote in certain cases -

A member of the Board or of a Committee thereof, who, -

(i) has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Board or a Committee thereof, or

(ii) is interested professionally on behalf of a client or as agent for any person other than the Government or an undertaking owned or controlled by the Government or a local authority or a trade
union registered under the Trade Unions Act, 1926 (Act 16 of 1926) or member of an association formed for the purpose of promoting the interest or welfare of any class of employees of the Board, shall as soon as possible after relevant circumstances have come to his knowledge disclose the nature of his interest at such meeting and the disclosure shall be recorded in the minutes of the meeting of the Board or, as the case may be, the Committee, and the member shall not take part in any deliberation or decision of the Board or the Committee with respect to that matter.

14. Defects in appointments not to invalidate acts etc -No act or proceeding of the Board or of any of its Committees shall be invalid merely by reason of,-

(a) any vacancy therein or any defect in the constitution thereof;

(b) any disqualification of or any defect in the appointment of, a person acting as a member thereof; or

(c) any member having acted or taken part in any proceedings in contravention of section 13;

(d) any irregularity in its procedure not affecting merits of the case.

15.Functions of the Board -(1) The Board shall, subject to the provisions of this Act, have administrative control over the port areas in the State, and exercise the following functions namely,-

(a)to initiate and develop plans and frame guidelines for the port sector in the State;

(b)to be the State Government's agency in protection of its sovereign rights in governing waterfront land on the state coastline;

(c)to promote the use, development and improvement of non-major Ports in the State;

(d)to facilitate the development of port connectivity projects, and other inland infrastructure needed for the effective development of non-major Ports in the state;

(e)to provide, maintain and operate ports in the State;

(f)to be designated as the State's agency in all contracts and agreements entered with private port developers, including but not limited to concession, state support and land lease agreements for the purpose of enabling port infrastructure development, and be assigned all associated duties and obligations;

(g)to actively monitor the performance of private port developers and conduct independent performance audits on operations, capacity development, safety and security;

(h)to provide and maintain adequate and efficient lighthouses, beacons and other lights, buoys and other navigational aids and services at such places as the Board may deem appropriate;

(i)to regulate and control navigation within the limits of the port and the approaches to the ports of the State;

(j)to exercise licensing and regulatory functions in respect of port infrastructure and services;

(k)to exercise supervision and control over all port works in the state including those works contracted out to third parties;

(l)to frame, make modifications and approve as required, the scale of rates for services provided by the Board which shall be collected from users of the State's ports through the port operators and developers;

(m) to plan or provide or secure the provision of, a safe, economical and efficient sea transport system for movement of goods and persons in the State;

(n)to provide or ensure the provision of such other services and facilities as are in the opinion of the Board necessary for the operations of the ports in the State;

(o)to furnish to the Government all information in respect to its property and activities in such manner and at such times as the Government may require;

(p)to enable development of existing and new non-major ports in the State as per Indian Ports Act, 1908, and other State Acts;

(q)to encourage port based industries and economic activity within port areas and in areas physically connected thereto;

(r)to promote environmental enhancement of the onshore and offshore areas within its jurisdiction in addition to meeting statutory environmental standards and conditions set by International, National and State authorities from time to time;

(s)to have the right to acquire and sell shares in Special Purpose Vehicles, executing Ports and related infrastructure facilities, for the purpose of effective discharge of its functions, and to secure the rights of the state government;

(t)to be empowered to receive grants and loans from the state government for the purpose of investment in maritime and its related infrastructure and services;

(u)to undertake technical economic and comparative studies from time to time, in order to maintain a rolling maritime Master Plan, that shall form the basis of port capacity development;

(v) to promote development of shipbuilding, ship-breaking, ship repair, Inland water navigation and infrastructure creation and coastal shipping, along the coastline of the state;

(w)to acquire land and sell, lease or allot them towards creation of port and port-linked infrastructure facilities;

(x)to promote the development of allied Maritime and Logistic activities like tourism, education and skill building etc. Or any other activity as may be specified by Government from time to time;

(y)to implement the policy of the Government, the orders of the Government and directions of the Government that may be issued from time to time in respect of all non-major ports in the State.

(z) To develop new non-major ports in the State as per Indian Ports Act, 1908 with the approval of the Government subject to obtaining security clearance for new projects from Ministry of Home Affairs, Government of India.

(za) To maintain and regulate ferry services and inland water transport system:

Provided that the Board shall ensure that all security clearance pertaining to projects/developments/operation of non-major/private ports are processed in consultation with concerned Central Security Agencies and in accordance with the Standard Operating Procedure recommended by the task force on national security committee on strengthening maritime and coastal security (NCSMCS) against threats from the sea.

(zb) To recommend to the State Government new and innovative policies conducive to enhance trade volumes and private investment in the maritime sector and its allied areas

(zc) To provide or ensure the providing of such other services and other facilities as are in the opinion of the Board necessary for the efficient operation of ports systems in the State.

(zd) To take up Public Private Partnership (PPP) Projects as per the guidelines of erstwhile Planning Commission as subsequently amended, by Government of India.

(2) Notwithstanding anything contained in any other State Act, the State Government shall constitute a Port Proximal Area Development Authority (PPADA) for each Port, under the chairmanship of the Board, and with ex-officio representation from Department of Industries, Department of Infrastructure and local authorities governing the area upto and within a distance of 10 km measured outward towards the land side from the port's limits, but not exceeding beyond its exclusivity limits along the shore which are defined under the concession agreement. The Authority shall prepare a master plan for the said area. Such plans shall be submitted to the State Government for notification. The local authorities providing sanctions for development/buildings shall seek prior approval of the Authority before sanctioning such developments/ buildings if it is not in accordance with such notified master plan as may be notified by the Government from time to time.

(3) Nothing in this section shall be construed as imposing on the Board, directly or indirectly, any form of duty or liability enforceable by proceedings before any court.

(4) Board can also take up development of Port outside the State.

(5) In addition to the functions under sub-section (1), the Board shall undertake such other functions as the Government may assign to the Board from time to time, and the provisions of this Act shall apply to the Board in respect of such functions.

16. Delegation of powers -The Board may, with the previous approval of the State Government, direct that such of the powers and duties conferred or imposed upon the Board by or under this Act as may be specified in such direction, may also be exercised or performed by the Chief Executive Officer subject to such conditions and restrictions as may be specified in such direction:

Provided that the Chief Executive Officer shall exercise the powers and perform the duties specified in the direction, subject to the overall supervision and the control of the Board:

Provided further that all actions taken in pursuance of the powers delegated by the Board must be ratified by the Board in its next meeting with or without modifications.

17. Duties of Chairman, and the Chief Executive Officer -(1) The Chairman may, and the Chief Executive Officer shall attend all meetings of the Board unless prevented by sickness or other reasonable cause.

(2) The Chief Executive Officer shall, as soon as possible, transmit to the Government a copy of the minutes of every meeting of the Board and shall furnish to the Government such reports, returns, documents or other information as it may, from time to time, call for.

(3) The Chief Executive Officer shall exercise supervision and control over the acts of all employees of the Board in the matters of executive administration and in matters concerning the accounts and records of the Board.

CHAPTER – III
STAFF OF THE BOARD

18. Chief Executive Officer of the Board -(1) The State Government shall appoint a suitably qualified and experienced individual as the Chief Executive Officer of the Board.

(2) The qualifications, salary, allowances and other conditions of service of the Chief Executive Officer and other officers of the Board shall be such as may be prescribed.

19. Financial Controller-cum-Chief Accounts Officer, Officers and employees of the Board - (1) The Board shall appoint a person possessing the qualification as may be prescribed to be the Financial Controller-Cum-Chief Accounts Officer on such terms and conditions as may be prescribed.

(2) The Board may create such other posts and appoint such other officers and employees including contract employees/workers as it considers necessary for the efficient performance of the functions of the Board and determine by regulations, their conditions of appointment and service and remuneration payable to them:

Provided that no person shall be appointed as a Pilot at any Port who is not for the time being authorised by the Board under the Indian Ports Act, 1908 to pilot vessels at that Port:

Provided further that no permanent employee is appointed without prior sanction of the Government.

(3) The Board shall, from time to time, prepare and sanction a Schedule of the employees of the Board considered necessary, adequate and proper to maintain for the purposes of this Act and such Schedule shall indicate therein the designations, grades of employees and the salaries, fees and allowances which are proposed to be paid to them in the form of Service Rules for the employees of the Board distinct from the

conditions of employment applicable to Government deputationists in the Board.

20.Power to grant leave etc. to employees of Board - (1) All employees serving under the Government either regular, work-charged or contingent employee immediately before such day solely or mainly for or in connection with the affairs of non-major Ports shall become employees of the Board, and each shall hold his office or service therein for the same tenure and upon the same terms and conditions of service as he would have held the same if the Board had not been established and shall continue to do so until his retirement either on superannuation, medical invalidation, voluntary retirement or removal from service in accordance with the terms and conditions of his employment.

(2) The Board shall have the power of granting leave and extension of service to the employees of the Board. The Board shall also have the power to suspend, remove, dismiss employees, and to otherwise dispose of any other question relating to the services of the employees of the Board:

Provided that no punishment of dismissal, removal or reduction in rank of regular employees transferred from State Government to the Board shall be imposed without following required procedure under Andhra Pradesh Civil Services (Classification, Control and Appeal) Rules, 1991 and the prior sanction of the Government.

CHAPTER – IV
PROPERTY AND CONTRACTS

21.Transfer of assets and liabilities of State Government to Board -On and from the appointed day in relation to any Port,-

(a) all property, assets and funds and all rights to levy rates vested in the State Government for the purposes of the Port, immediately before such day, shall vest in the Board;

(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 State Government immediately before such day, for or in connection with the purposes of the Port shall be deemed to have been incurred, entered into and engaged to be done by, with, or for, the Board and it is hereby clarified that such contracts shall include those entered in relation with development of the Port, including State Support and Land Lease Agreements, provided for the Port and Port-linked industrial development;

(c) all non-recurring expenditure incurred by the State Government for or in connection with the purposes of the Port upto such day and declared to be capital expenditure by the State Government shall be treated as the capital provided by the Government to the Board;

(d) all rates, fees, rents and other sums of money due to the Government in relation to the Port, immediately before such day, shall be deemed to be due to the Board;

(e) all suits and other legal proceedings instituted by or against the Government immediately before such day for any matter in relation to Port, may be continued by or against the Board;

(f) all employees serving under the Government either regular, work-charged or contingent employee immediately before such day shall be transferred to the Board in accordance with under sub-section (1) of section 20;

(g) all existing service rules applicable to employees serving under the State Government shall be applicable to the employees transferred from State Government to the Board under sub-section (1) of section 20 including:-

(i) the existing pay scales of Andhra Pradesh Government;

(ii)all other allowances such as dearness allowance, house rent allowance etc, applicable to Government employees;

(iii) all revisions in pay scales by the State Government, as may be provided for from time to time, for Government employees;

(iv)Any other benefits like compassionate appointment, medical reimbursements, leave travel concession, surrender leave etc. extended by the State Government to its employees from time to time.

(h) (i) all pensionery benefits in respect of employees appointed before 01.09.2004 and covered under Andhra Pradesh Revised Pension Rules, 1980 and transferred from the Government to the Board in accordance with sub-section (1) of section 20, shall be finalised by the Accountant-General, and paid accordingly, as in the case of other State Government employees as per the Andhra Pradesh Revised Pension Rules, 1980 and as amended from time to time.

(ii) All pensionery benefits of such employees whose services were rendered earlier in the Government as well as in the Board shall be settled by the Accountant General and paid accordingly through the Andhra Pradesh State Treasury.

(iii) In respect of employees appointed on or after 01.09.2004 and uncovered under Andhra Pradesh Revised Pension Rules, 1980, the Board shall pay applicable pension contribution under New Pension Scheme from its funds for the service rendered by the employee along with employee share/contribution by way of challan to the Treasury to upload the data to Center for Record Agency (CRA) for crediting into the individual account and the procedure for uploading the data of Contribution Pensions (C.Ps) as may be specified by Government by way executive orders from time to time.

(i) Not withstanding anything contained in rule 35 and rule 36 or any other rule of the Andhra Pradesh Revised Pension Rules, 1980, the employees absorbed in the Andhra Pradesh Maritime Board from the Andhra Pradesh Port Department will get all pensionery benefits including family pension. The interest of the employees absorbed in the Board shall not detrimentally be affected by such absorption in any manner.

22. Existing rates etc to continue until altered by Board -On and from the appointed day, all rates, fees and other charges in relation to any Port shall unless and until varied continue to be levied and collected, at the same rate at which they were being levied and collected by the State Government before such day.

23.Repayment of capital with interest -(1) The Board shall repay, at such intervals and on such terms and conditions as the Government may determine, the amount which is treated under clause (c) of section 21 as capital provided by the Government, with interest at such rate as may be fixed by the Government and such repayment of capital or payment of interest shall be deemed to be a part of the expenditure of the Board.

(2) The State Government may collect waterfront royalty from the Board for cargo handled at the Non-Major Ports of the State and such royalty may be paid by the Board to the State Government for use of the waterfront and such payment would be considered a part of the expenses of the Board.

24. Procedure when land cannot be acquired by agreement - Government may, at the request of the Board, procure the acquisition of land under the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013), and on payment by the Board of the compensation awarded under that Act and of the charges

incurred by the Government in connection with the proceedings, the land shall vest in the Board.

25.Contracts by Board -With respect to the making of contracts by the Board for the purposes of this Act, the following provisions shall have effect, namely:-

(a) Every contract shall be made on behalf of the Board by the Chief Executive Officer or an Officer authorised by the Board;

(b) No contract for leasing waterfront, waterway and jetty and corresponding infrastructural facilities thereof for a term exceeding five years shall be made without prior approval of the Government on such terms and conditions as it may think fit;

(c) No contract for the acquisition or sale of immovable property or for the lease of any such property for a term exceeding thirty years, shall be made unless it is previously approved by the State Government, on such terms and conditions as it any thinks fit;

(d) Every concession or lease or licence agreement or such other commercial arrangement with any developers and/or operators

for development, construction, finance, operation and maintenance of port and/or port terminals and /or related infrastructure and / or industrial infrastructure in port areas shall be in accordance with the provisions contained in the Andhra Pradesh Infrastructure Development Enabling Act, 2001 wherein the Board shall be the deemed Infrastructure Authority under section 3 of the said Act:

Provided that a developer or as the case may be a bidding consortium so selected shall have proportionate net worth of not less than equity component of the estimated cost of the project as certified by a reputed financial institution as may be prescribed;

(e) The form and manner of executing contracts on behalf of the Board shall be such as may be prescribed by rules;

(f) Any contract made in contravention of the provisions of this Act and the rules made hereunder shall not be binding on the Government.

CHAPTER – V
WORKS AND SERVICES TO BE PROVIDED AT NON-MAJOR PORTS BY THE BOARD

26.Power of Board to execute works and provide appliances -(1) The Board may, subject to any other law for the time being in force, execute such works, within or beyond the limits of a port and provide such appliances as it may deem necessary or expedient.

(2) Such works and appliances may include,-

(a) wharves, quays, docks, stages, jetties, piers, place of anchorage and other works within the Port or Port approaches or on the foreshore of the Port or Port approaches in the State, with all such convenient arches, drains, landing places, stairs, fences, roads, bridges, tunnels and approaches, and buildings required for the residence of the employees of the Board as it may considered necessary;

(b) buses, locomotives, rolling stock, sheds, hotels, warehouses and other accommodation for passengers and goods and other appliances for carrying passengers and for conveying, receiving and storing goods landed, or to be shipped or otherwise;

(c) moorings and cranes, scales and all other necessary means and appliances for loading and unloading of vessels;

(d) reclaiming, excavating, enclosing and raising any part of the foreshore of the port or port approaches which may be necessary for the execution of the works authorised by this Act or otherwise for the purposes of this Act;

(e) such breakwaters and other works as may be expedient for protection of the port;

(f) dredgers and other machines for cleaning, widening, deepening and improving any portion of the port or port approaches or of the foreshore of the port or port approaches;

(g) light-houses, light-ships, beacons, buoys, pilot boats and other appliances necessary for the safe navigation of the port and the port approaches in so far as it relates to State functions;

(h) vessels, tugs, boats, barges and launches and lighters for the use within the limits of the port or beyond those limits, whether in territorial waters or otherwise, for the purpose of towing or rendering assistance to any vessel whether entering or leaving the port or bound elsewhere and for the purpose of saving or protecting life or property and for the purposes of landing, shipping or transhipping passengers or goods under section 32;

(i) sinking of tube wells and equipment, maintenance and use of boats, barges and other appliances for the purpose of the supply of water at the port;

(j) engines and other appliances necessary for extinguishing of fires;

(k) lands abutting the sea coast including creeks;

(l) ferry boats and other works and equipment appertaining to the running ferry service at or between the ports;

(m) construction of models and plans for carrying out hydraulic studies;

(n) dry docks, slipways, boat basins and workshop to carry out repairs or overhauling of vessels, tugs, boats, machinery or other appliances;

(o) all other works and appliances as may be necessary for achieving the objectives set out for the Board under this Act.

(3) The Board shall comply with the relevant environmental regulations and applicable laws while undertaking works and services at ports in the State;

(4) The Board shall ensure that all the non-major ports as well as upcoming private ports have security infrastructure in place before commencing operations and security clearance pertaining to Projects/developments operation of non-major ports are processed in consultation with concerned Central Security agencies;

(5) The Board shall ensure the port managements are accountable for security infrastructure including, deployment of Police personnel/armed security guards in keeping with the security environment, threat inputs and security advisories from Central and State security agencies. The board will have powers to take action against the port (Management) including suspension of operations, for failing to ensure required security arrangement.

27. Powers of Board to undertake certain works -(1) The Board may undertake to carry out on behalf of any person any works or services or any class of works or services, on such terms and conditions as may be agreed upon between the Board and the person concerned.

(2) The Board may, if it considers necessary or expedient in the public interest so to do, lend any of its vessels or appliances or the services of any of its employees to any person for such period not exceeding three months and on such terms and conditions as may be agreed upon between the Board and the person concerned.

(3) The Board may, if it considers necessary or expedient in the public interest so to do invest in sea-side, land-side and connectivity infrastructure for enabling port development, and other special infrastructure facilities for promotion of maritime trade and maritime-related industries, like ship-building and inland waterways, where found necessary and at its discretion.

28.Powers of Board to order sea-going vessels to use docks wharves etc –

(1) When any dock, berth, wharf, quay, stage, jetty or pier erected at any port or port approaches under the provisions of this Act has been completed with sufficient warehouses, sheds and appliances for receiving, landing or shipping goods or passengers from and upon sea-going vessels, the Board after the Custom Cargo Service Provider obtains the approval of the Commissioner of Customs and by notification published in three consecutive issues of the Official Gazette, declare that such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage is ready for receiving, landing and shipping or for landing or for shipping goods or passengers from and upon sea-going vessels:

Provided that the Board shall ensure that prior to such notifications, the provisions of sections 29 and 33 of the Customs Act, 1962 shall be complied with which provides that the person-in-charge of a vessel shall not cause or permit the vessel to call at any place other than a Customs Port and that unloading of imported goods and loading of export goods shall not take place in any place other than a place approved under clause (a) of section 8 of the said Act for the unloading or loading of such goods, except with the permission of the proper officer.

(2) As from the date of the publication of such notification for the third time, it shall be lawful for the Board, from time to time, when there is room at such dock, berth, wharf, quay, stage, jetty or pier, to order to come alongside of such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage for the purpose of landing and shipping goods or passengers or for landing or for shipping the same any seagoing vessel within the port or port approaches which has not commenced to discharge goods or passengers or which being about to take in goods or passengers has not commenced to do so:

Provided that before making such order the Board shall have regard, as far as possible, to the convenience of such vessel and of the shippers in respect of the use of any particular dock, berth, wharf, quay, stage, jetty, pier or place of anchorage including mid operation:

Provided further that if the Board is not the Conservator of the port, the Board shall not itself make the order as aforesaid but shall require the Conservator of the Port or other person exercising the rights, powers and authorities of the Conservator of the Port to make such order.

29. If accommodation sufficient, all sea-going vessels compelled to use docks, Wharves etc., -When sufficient number of docks, berths, wharves, quays, stages, jetties or piers have been provided at any port or port approaches as aforesaid, the Board after the Customs Cargo Service provider obtains the approval of the Commissioner of Customs and by notification published in three consecutive issues of the Official Gazette, direct that no goods or passengers shall be landed or shipped from or upon any sea-going vessel within the Non-Major port or port approaches otherwise than at such docks, berths, wharves, quays, stages, jetties or piers, except with the sanction of the Board and in accordance with such conditions as the Board may specify:

Provided that the Board shall ensure that prior to such notifications, the provisions of sections 29 and 33 of the Customs Act,

1962 shall be complied with which provides that the person-in-charge of a vessel shall not cause or permit the vessel to call at any place other than a Customs Port and that unloading of imported goods and loading of export goods shall not take place in any place other than a place approved under clause (a) of section 8 of the said Act for the unloading of loading of such goods, except with the permission of the proper officer.

30. Power to order vessels not to come alongside of, or to be removed from docks, wharves etc., - Any Officer appointed by the Board in this behalf, may, in cases of emergency or for any reason which appears to him sufficient, by notice in writing, order the master or owner or agent of any sea-going vessel not to bring such vessel alongside of, or to remove such vessel from any dock, berth, wharf, quay, stage, jetty, pier or place of anchorage belonging to or under the control of the Board and if, such notice is not complied with, the Board may charge in respect of such vessel such sum as may be notified during which such vessel remains at such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage:

Provided that in the case of vessel ordered to be removed, such charges shall not commence to be made till after the expiry of twelve hours from the service of such notice as aforesaid on the master or owner or agent of the vessel.

31.Power of Government to exempt vessels from obligation to use wharves etc., - Notwithstanding anything contained in section 28 or 29 but subject to the provision of the Customs Act, 1962 the Government may, if in its opinion it is necessary in the public interest so

to do, by general or special order, from time to time, permit certain specified vessels or classes of vessels to discharge or ship goods or certain specified goods or classes of goods at such place in a port or within the port approaches, in such manner, during such period and subject to such payments to the Board and on such conditions as the Government may think fit.

32.Board to declare when vessels, other than seagoing vessels compelled to use dock, wharves etc., -(1) When any dock, berth, wharf, quay, stage, jetty, pier or place of anchorage for receiving, landing or shipment of goods or passengers from or upon vessels, not being seagoing vessels, has been made and completed with all proper appliances in that behalf, the Board may, after obtaining the approval of the Commissioner of Customs, by order published in the Andhra Pradesh Gazette,-

(i) declare that such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage is ready for receiving, landing or shipment of goods or passengers from or on vessels not being sea-going vessels; and

(ii) direct that within certain limits to be specified therein it shall not be lawful without the express sanction of the Board, to land or ship any goods or passengers, out of, or into, any vessel not being sea-going vessel of any class, specified in such order, except at such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage.

(2) As from the date of the publication of the order mentioned in sub-section (1), it shall not be lawful, without the consent of the Board, for any vessel of such class,-

(i) to land or ship any goods or passengers at any place within the limits so specified except at such dock, berth, wharf, quay, stage, jetty, pier or place of anchorage;

(ii) while within such limits, to anchor, fasten or lie within fifty yards of the ordinary low-water mark.

(3) If after the publication of such order, any such vessel, while within the limits so specified, so anchor, fasten or lie, it shall be lawful for the Board to cause the same to be removed out of the said limits at the expense of the master or owner or agent of the vessel.

33. Performance services by Board or other person -(1) The Board shall have the power to undertake the following services in all ports other than those developed and operated or operated by a Developer :-

(a) stevedoring, landing, shipping or transhipping passengers and goods between vessels in Port and the wharves, piers, quays or docks belonging to or in the possession of the Board;

(b) receiving, removing, shifting, transporting, storing or delivering goods brought within the Board's premises;

(c) carrying passengers within the limits of the port or port approaches, by such means and subject to such restrictions and conditions as the State Government may think fit to impose; and

(d) piloting, hauling, mooring, re-mooring, hooking or measuring of vessels or any other service in respect of vessels.

(2) The Board may, if so requested by the owner, take charge of the domestic goods for the purpose of performing the service or services and shall give a receipt in such form as the Board may specify and in case of export and import goods, the Board, if so requested by the owner, may take over such goods if the Board takes over as Customs Cargo Service Provider as specified under Handling of Customs Area Regulations, issued from time to time under section 141 (2) of the Customs Act, 1962.

(3) Notwithstanding anything contained in this section, the Board may authorise any person to perform any of the services mentioned in sub-section (1) on such terms and conditions as may be agreed upon in case of domestic goods and for import and export goods if the Board is the appointed Customs Cargo Service Provider as notified by Commissioner Customs as specified under Handling of Customs Area Regulations, issued from time to time under section 141 (2) of the Customs Act, 1962.

(4) No person authorised under sub-section (3) who has been appointed to perform any of the services mentioned in sub-section (1) for ports developed and operated or operated by the Board, shall charge or recover for such service any sum in excess of the amount leviable according to the scale framed under section 38, 39 or 41.

(5) Any such person shall, if so required by the owner, perform in respect of the goods any of the services and for that purpose take charge of the goods and give a receipt in such form as the Board may specify:

Provided that handling of exported/imported goods shall be done in accordance with the provisions of the Handling of Customs Area Regulations, issued from time to time under section 141 (2) of the Customs Act, 1962.

(6) The responsibility of any such person for the loss, destruction or deterioration of goods of which he has taken charge shall, subject to the other provisions of this Act, be that of a bailee under sections 151, 152 and 161 of the Indian Contract Act, 1872 (Act No 9 of 1872):

Provided that handling of exported/imported goods shall be done in accordance with the provisions of the "Handling of Customs Area Regulations, issued from time to time under section 141 (2) of the Customs Act, 1962.

(7) After any goods have been taken charge of and a receipt given for them under this section, no liability for any loss or damage which may occur to them shall attach to any person to whom a receipt has been given or to the master or owner of the vessel from which the goods have been landed or transshipped:

Provided that handling of exported/imported goods shall be done in accordance with the provisions of the "Handling of Customs Area Regulations, issued from time to time under section 141 (2) of the Customs Act, 1962.

34.Responsibility of Board for loss of goods etc., -(1) Subject to the provisions of this Act, the responsibility of the Board for the loss, destruction or deterioration of goods of which it has taken charge shall,-

(i) in the case of goods received for carriage by railway, be governed by the provisions of the Railways Act, 1989 (Act No.24 of 1989) and

(ii) in other cases, be that of a bailee under sections 151, 152 and 161 of the Indian Contract Act, 1872, omitting the words "in the absence of any special contract" in section 152 of that Act:

Provided that, no responsibility under this section shall attach to the Board,-

(a) until a receipt mentioned in sub-section (2) of section 33 is given by the Board; and

(b) after the expiry of such period as may be prescribed by regulations from the date of taking charge of such goods by the Board.

(2) The Board's responsibility for the loss, destruction or deterioration of, or damage to, goods of which it has taken charge, unless notice of such loss or damage has been given within such period as may be prescribed by regulations made in this behalf from the date of taking charge of such goods by the Board under sub-section (2) of section 33 shall be limited to as provided in section 45 of the Customs Act, 1962 for imported and exported goods:

Provided that the Board shall have to execute all the responsibilities as provided in section 45 of the Customs Act, 1962 in case of import and export goods for which the Board is Customs Cargo Service Provider under Handling of Cargo in Customs Areas Regulations, issued from time to time.

35. Accommodation to be provided for officers of Customs in wharves etc., appointed under Customs Act, 1962 -(1) Where the Commissioner of Customs has, under the provisions of any Act for the levy of duties of customs, appointed any dock, berth, wharf, quay, stage, jetty, pier, place of anchorage, warehouse or shed or a portion of any warehouse or shed provided at any port under the provisions of this Act for the use of sea-going vessels to be an approved place for the landing or shipping of goods or a warehouse for the storing of dutiable goods on the first imports thereof without payment of duty, within the meaning of the first-mentioned Act, the

Board in all ports other than those developed and operated or operated by a Developer and for which the Board itself is the Customs Cargo Service Provider as specified under Handling of Cargo and Customs Area Regulations, 2009 shall set apart and maintain such place on or adjoining such dock, wharf, quay, stage, jetty, pier or a place of anchorage or in such warehouse or shed or portion thereof, for the use of Officers of Customs as may be necessary and operated or operated by a Developer:

Provided that the office space and accommodation to Customs officers shall be as prescribed by Handling of Cargo in Customs Area Regulation issued from time to time.

(2) Notwithstanding that any dock, berth, wharf, quay, stage, jetty, pier, place of anchorage, warehouse or shed or portion thereof at any port has, under the provisions of sub-section (1), been set apart for the use of the Officers of Customs at the port, all rates and other charges payable under this Act in respect thereof or for the storage of goods therein, shall be payable to the Board, or to such person or persons as may be appointed by the Board to receive the same. However, the customs will not be required to pay anything for the above mentioned facilities or any other facility provided as per Handling of Cargo and Customs Area Regulations, issued from time to time.

36.Power to permit erection of private wharves etc., within limits of a port subject to conditions -(1) No person shall make, erect or fix within the limits of a port or port approaches any wharf, dock, quay, stage, jetty, pier, erection or mooring within the said limits except with the previous permission in writing of the Board and subject to such terms and conditions, if any, as the Board may specify

(2) If any person makes, erects or fixes any wharf, dock, quay, stage, jetty, pier, erection or mooring in contravention of sub-section (1), the Board may, by notice, require such person to remove it within such time as may be specified in the notice and if the person fails so to remove it, the Board may cause it to be removed at the expense of that person.

37.Compensation payable in certain cases where use of any private wharf, etc., rendered unlawful - (1) Where as a result of an order under section 28, or section 31, the use of any wharf, dock, berth, quay, stage, jetty, pier, or place of anchorage, made fixed or erected by any person is rendered unlawful, the Board may, after hearing the person concerned by order, close, remove, fill up or destroy such wharf, dock, berth, quay, stage, jetty, pier, erection or mooring wharf, dock, quay, stage, jetty, pier of anchorage, or permit the use thereof to such person on payment of such rates and charges as the Board may determine.

(2) Save as otherwise provided under sub-section (3), no person shall be entitled to claim compensation for any injury, damage or loss, caused or alleged to have been caused by an order made under sub-section (1).

(3) If it is proved to the satisfaction of the Board that any such wharf, dock, berth, quay, stage, jetty, pier or place of anchorage, was made, fixed or erected by any person with the previous permission of the authority competent to grant such permission, and that the erection/construction had been made in full compliance of the terms of such permission,, he shall be paid by the Board compensation, the amount of which shall be determined in the manner and in accordance with the principles hereinafter set out, that is to say;-

(a) in computing the compensation, there shall not be taken into account any rates or other charges which such person shall be liable to pay for using any wharf, dock, berth, quay, stage, jetty, pier, or place of anchorage, provided by the Board.

(b) the amount of compensation shall be calculated with reference to the cost of construction of such wharf, dock, berth, quay, stage, jetty, pier or place of anchorage;

(c) where the amount of compensation can be fixed by agreement, it shall be paid in accordance with such agreement;

(d) where no such agreement can be reached, the State Government shall appoint an arbitrator, a person who is, or has been, or is qualified for appointment as a Judge of a High Court;

(e) at the commencement of the proceeding before the arbitrator, the Board and the person to be compensated shall state what in their respective opinion is a fair amount of compensation;

(f) the provisions under the Arbitration and Conciliation Act, 1996 (Act No.26 of 1996) shall apply to arbitrations under this Act.

CHAPTER – VI
IMPOSITION AND RECOVERY OF RATES AT PORTS

38.Scale of rates for services performed by Board or other person -

(1) The Board shall, from time to time, for ports developed and operated or operated by it, frame by regulations a scale of rates at which and a statement of the conditions under which, any of the services specified hereunder shall be performed by itself or any person authorised under section 33 at or in relation to port or port approaches,-

(a) transhipping of passengers or goods between vessels in the port or port approaches;

(b) stevedoring, landing and shipping of passengers or goods from or to such vessels, to or from any wharf, quay, jetty, pier, dock, berth, mooring, stage, or erection, land or building in the possession or occupation of the Board or at any place within the limits of the port or port approaches;

(c) **cranage** or porterage of goods on any such place;

(d) wharfage, storage or demurrage of goods on any such place; and

(e) Waterfront royalty; and

(f) any other service in respect of vessels, passengers or goods excepting the services in respect of vessels for which fees are chargeable under the Indian Port Act, 1908.

(2) In addition to the above, the Board shall also be empowered by regulations, to levy an additional "Cargo Cess" to be levied on users procuring any or all of the services provided by any of the Ports in the state. Such cess shall be notified by the Board for the first year and shall be suitably escalated every year. Such cess shall be collected through the agency of the Ports, and shall be utilised for investment in enabling infrastructure for ports, port connectivity projects, enabling infrastructure for shipbuilding, shipbreaking and ship-repair, port proximal area development, enabling infrastructure for inland waterways and terminals, coastal shipping and inland shipping.

(3) Different scales of rates and conditions may be framed for different classes of goods and vessels and for different ports, in respect of the above charges and cess.

39.Scale of rates and statement of conditions for use of property belonging to Board -(1) The Board shall, from time to time, for ports developed and operated or operated by it, also frame a scale of rates on payment of which and a statement of conditions under which any property belonging to, or in the possession or occupation of the Board or any place within the limits of the port or port approaches may be used for the purposes specified hereunder:

(a) approaching or lying at or alongside any buoy, mooring, wharf, quay, pier, dock, land, building or place as aforesaid by vessels;

(b) entering upon or plying for hire at or on any wharf, quay, pier, dock, land, building, road bridge, approach or place as aforesaid by animals or vehicles carrying passengers or goods;

(c) leasing of land or sheds by owners of goods imported or intended for export or by steamer agents;

(d) any other use of any land, building, works, vessels or appliances belonging to or provided by the Board.

(e) provide free of cost or rent fully furnished office accommodation and residential accommodation for Customs as per Handling of Cargo in Customs Areas Regulations, issued from time to time.

(2) Different scales of rates and conditions may be framed for different classes of goods and vessels and for different ports.

40. Consolidated rates of combination of services -The Board may, from time to time, for ports developed and operated or operated by it, frame a consolidated scale of rates for any combination of the services specified in section 38 or for any combination of such service or

services with any use or permission to use any property belonging to, or in the possession or occupation of the Board, as specified in section 39.

41. Power to levy concessional rates in certain cases - In framing scales of rates under any of the foregoing provisions of this Chapter, the Board may prescribe a lower rate in respect of, -

(a) coastal goods, that is to say, goods other than imported goods as defined in the Customs Act, 1962 (Act No.52 of 1962), carried in a

vessel from one Indian port to another Indian Port:

Provided that, the Board shall not make any discrimination between one Indian port and another such port in prescribing a lower rate under this section;

(b) other goods in special cases.

42. Scale of rates and conditions -Every scale of rates and every statement of conditions framed by the Board, with the permission of the State Government, for ports developed and operated or operated by it, under the foregoing provisions of this Chapter shall be published by the Board in the Andhra Pradesh Gazette and shall there upon take effect.

43. Power of State Government to require modification or cancellation of rates - (1) Whenever the Government considers it necessary in the public interest so to do, it may, by order in writing, direct the Board to cancel any of the scales in force or modify the same within such period as it may specify;

(2) If the Board fails or neglects to comply with such direction within the specified period, the Government may cancel any of such scales or make such modifications therein as it may think fit:

Provided that, before so cancelling or modifying any scale, the Government shall consider any objection or suggestion which may be made by the Board during the specified period.

(3) When in pursuance of this section any of the scales has been cancelled or modified, such cancellation or modification shall be published by the Government in the Andhra Pradesh Gazette and shall thereupon have effect, accordingly.

44.Remission of rates of charges -The Board may, in special cases, and for reasons to be recorded in writing, exempt either wholly or partly any goods, vehicles, or vessels or class of goods, vehicles or vessels from the payment of any rate or of any charge leviable in respect thereof according to any scale of rates in force under this Act or remit the whole or any portion of such rate or charge so levied.

45. Refund of excess charges -No person shall be entitled to refund of an excess charge made by the Board unless his claim to the refund has been preferred in writing by him or on his behalf to the Board within six months from the date of payment duly supported by all original relevant documents:

Provided that the Board may, of its own motion, remit excess charges made in its bills at any time.

46. Notice of payment of charges short levied or erroneously refunded -(1) When the Board is satisfied that any charge leviable under this Chapter has been short levied or erroneously refunded, it may issue a notice to the person who is liable to pay such charge or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice:

(a)when the charge is short levied, from the date of the payment of the charge,

(b)where a charge has been erroneously refunded, from the date of the refund.

(2) The Board may, after considering the representation, if any, made by the person to whom notice has been issued under sub-section (1), determine the amount due from such person and thereupon such person shall pay the amount so determined.

47.Time for payment of rates on goods -The rates in respect of goods to be landed shall be payable immediately on the landing of the goods and rates in respect of goods to be removed from the premises of the Board or to be shipped for export or to be transhipped shall be payable before the goods are removed, shipped or transhipped.

48.Board's lien for rates -(1) For the amount of all rates leviable by the Board under this Act, in respect of any goods and for the rent due to the Board for any building, plinths, stacking areas or other premises on or in which any goods may have been placed, the Board shall have a lien on such goods and may seize and detain the same until such rates and rent are fully paid.

(2) Such lien shall have priority over all other liens and claims, except for general average and for the ship-owner's lien upon the said goods for freight and other charges where such lien exists and has been preserved in the manner provided in sub-section (1) of section 49 and for money payable to the Central Government under any law for the time being in force, relating to customs other than by way of penalty or fine and to the Government under any law for the time being in force.

49.Ship-owner's lien for freight and other charges - (1) If the master or owner of any vessel or his agent at or before the time of landing from such vessels any goods at any dock, wharf, quay, stage, jetty, berth, mooring or pier belonging to, or in occupation of the Board, gives to the Board a notice in writing that such goods are to remain subject to a lien for freight or other charges payable to the ship-owner, to an amount to be mentioned in such notice, such goods shall continue to be liable to such lien to such amount.

(2) The goods shall be retained in the custody of the Board at the risk and expense of the owners of the goods until such lien is discharged as hereinafter mentioned and godown and storage rent shall be payable by the party entitled to such goods for the time during which they may be so retained.

(3) Upon the production before any officer appointed by the Board in that behalf of a document purporting to be a receipt for, or release from the amount of such lien, executed by the person by whom or on whose behalf such notice has been given, the Board may permit such goods to be removed after taking reasonable care with respect to the authenticity of such document.

50. Sale of goods after two months, if rates or rent are not paid for freight is not discharged - (1) The Board may, after the expiry of two months from the time when any goods have passed into its custody, or in the case of animals and perishable or hazardous goods after the expiry of such shorter period not being less than twenty four hours after the landing of the animals or goods as the Board may think fit, sell by public auction or in such cases as the Board considers it necessary so to do, for reasons to be recorded in writing, sell by tender, private agreement or in any other manner such goods or so much thereof as in the opinion of the Board may be necessary,--

(a) if any rates payable to the Board in respect of such goods have not been paid, or

(b) if any rent payable to the Board in respect of any place on or in which such goods have been stored has not been paid, or

(c) if any lien of any ship-owner for freight or other charges of which notice has been given has not been discharged and if the person claiming such lien for freight or other charges has made to the Board an application for such sale.

(2) Before making such sale, the Board shall give ten days notice of the same by publication thereof in the Andhra Pradesh Gazette, and also in atleast one of the principal local daily newspapers:

Provided that, in the case of animals and perishable or hazardous goods the Board may give such shorter notice and in such manner as, in the opinion of the Board, the urgency of the case admits of.

(3) If the address of the owner of the goods has been stated in the manifest of the goods or in any of the documents which have come into the possession of the Board or is otherwise known, notice shall also be given to him by letter delivered at such address or sent by post, but the title of a bonafide purchaser of such goods shall neither be invalidated by reason of the omission to send such notice nor shall any such purchaser be bound to inquire whether notice has been sent.

(4) Notwithstanding anything contained in this section, controlled goods may be sold at such time and in such manner as the Government may direct.

Explanation:- In this section and section 51 "controlled goods" means goods, the price or disposal of which is regulated under any law for the time being in force.

51.Disposal of goods not removed from the premises of Board within limit - (1) Notwithstanding anything contained in this Act, where any goods placed in the custody of the Board/Customs Cargo Service Provider upon the landing thereof are not removed by the owner or other person entitled thereto from the premises of the Board/Customs Station within thirty days from the date on which such goods were placed in their custody or within such further time as the proper officer may allow the Customs may, if the address of such owner or person is known, cause a notice to be served upon him by letter delivered at such address or sent by post, or if the notice cannot be so served upon him or his address is not known, cause a notice to be published in the Andhra Pradesh Gazette, and also in atleast one of the principal local daily newspapers requiring him to remove the goods forth with and stating that in default of compliance therewith the goods are liable to be sold by public auction or by tender, agreement or in any other manner:

Provided that, where all the rates and charges payable under this Act in respect of any such goods have been paid, no notice of removal shall be so served or published under this sub-section unless two months

have expired from the date on which the goods were placed in the custody of the Board.

(2) The notice referred to in sub-section (1) may also be served on the agents of the vessel by which such goods were landed.

(3) If such owner or person does not comply with the requisition in the notice served upon him or published under sub-section (1), the Board may, at any time after the expiration of thirty dates from the date on which such goods were placed in its custody, sell the goods by public auction or, in such cases as the Board considers it necessary so to do, for reasons to be recorded in writing, sell by tender, agreement or in any other manner such goods or so much thereof in the opinion of the Board may be necessary after giving notice of the sale in the manner specified in sub-sections (2) and (3) of section 50.

(4) Notwithstanding anything contained in sub-section (1) or sub-section (3),-

(a) the Board may in the case of animals and perishable or hazardous goods give notice of removal of such goods although, the period of thirty days has not been expired or give such shorter notice of sale in such manner as in the opinion of the Board urgency of the case requires;

(b) controlled goods may be sold in accordance with the provisions of sub-section (4) of section 50.

(5) The Government may, if it deems necessary so to do in the public interest, by notification in the Andhra Pradesh Gazette exempt any goods or classes of goods from the operation of this section:

Provided that in custom area the Board shall ensure that the manner of disposal of unclaimed/unclear cargo shall be in accordance with rules prescribed under section 48 of the Customs Act, 1962 read with Handling of Cargo in Customs Areas Regulations, issued from time to time.

52. Application of sale proceeds -The proceeds of every sale under section 50 or section 51 shall be applied in the following order,-

(a) firstly to the payment of the expenses of the sale;

(b) next to the payment, of the freight and other charges, if any, payable in respect of the goods sold, to the carrier, if notice of such charges has been given to the Board having custody of the goods,

(c) next to the payment of the duty, if any, on the goods sold,

(d) next to the payment of the charges in respect of the goods sold due to the Board having the custody of the goods,

(e) next to the payment of any amount due from the owner of the goods to the Central Government under the provisions of the Customs Act, 1962 or any other law relating to customs, and the balance, if any, shall be paid to the owner of the goods.

53. Recovery of rates and charges by distraint of vessel -(1) If the master of any vessel in respect of which any rates or penalties are payable under this Act, or under any regulations or

orders made in pursuance thereof, refuses or neglects to pay the same or any part thereof on demand, the Board may distrain or arrest such vessel and tackle, apparel and furniture belonging thereto or any part thereof and detain the same until the amount so due to the Board, together with such further amount as may accrue for any period during which the vessel is under distraint or arrest, is paid.

(2) In case any part of the said rates or penalties or of the cost of the distress or arrest or the keeping of the same, remains unpaid for the period of five days next after any such distress or arrest has been so made, the Board may cause the vessel or other thing so distrained or arrested to be sold and with the proceeds of such sale, shall satisfy such rates or penalties and cost, including the cost of sale remaining unpaid, rendering the surplus (if any), to the master of such vessel on demand.

54. Grant of port clearances after payment of rates, reliasation of damages etc., - If the Board gives to the Officer of the Central Government whose duty is to grant the port clearance to any vessel at the port, a notice stating--

(i) that an amount specified therein is due in respect of rates, fines, penalties or expenses chargeable under this Act or under any regulations or orders made in pursuance thereof, against such vessel, or by the owner or master of such vessel in respect thereof, or against or in respect of any goods on board such vessel; or

(ii) that an amount specified therein is due in respect of any damage referred to in section 103 and such amount together with the cost of the proceedings for the recovery thereof before a Magistrate under that section has not been realised, such officer shall not grant such port clearance until the amount so chargeable or due has been paid or, as the case may be, the damage and cost have been realised.

55.Recovery of dues -Any dues payable to the Board, not withstanding anything contained in this Act, also be recovered by the Board or its authorised representative by invoking the provisions of Act No.2 of 1864. The Andhra Pradesh Revenue Recovery Act, 1864 and shall be recovered as that of land Revenue.

CHAPTER – VII
BORROWING POWERS OF BOARD

56. Power to raise loans -(1) The Board may raise loans of duration greater than one year, with the previous sanction of the Government on such terms and conditions as may be prescribed by Government for the purposes of this Act.

(2) Loans may be raised by the Board in the open market on the Board Securities issued by it or may be obtained from the Government or a Bank approved by the Government.

57.Board securities -(1) The Board may, with the sanction of the

Government, prescribed by regulations the form in which the Securities of the Board shall be issued by the Board and the mode in which, and the conditions subject to which, they may be transferred.

form may obtain in exchange therefor, upon such terms as the Board may, from time to time, determine, a Board Security in other form prescribed by regulations.

(3) The right to sue in respect of money secured by the Board Securities shall be exercisable by the holders thereof for the time being without preference in respect of priority of date.

58.Right of joint or several payees of securities -(1) Notwithstanding anything contained in section 45 of the Indian Contract Act, 1872 (Act No 9 of 1872),-

(a)when any Board Security is payable to two or more persons jointly and either or any of them dies, such security shall be payable to the survivor or survivors of those persons, and

(b) when any such security is payable to two or more persons severally and either or any of them dies, the security shall be payable to the survivor or survivors of those persons or to the representatives of the deceased or to any of them.

(2) Nothing herein contained shall affect any claim which any representative of a deceased person may have against the survivor or survivors under or in respect of any security to which sub-section (1) applies.

(3) for the purposes of this Act, a body incorporated or deemed to be incorporated under the Companies Act, 2013 (Act 18 of 2013), or any other enactment for the time being in force, whether within or outside India shall be deemed to die when it is dissolved.

59.Power of two or more joint holders to give receipts -Where two or more persons are joint holders of any Board Security, anyone of those persons may give an effectual receipt for any interest payable in respect of such security unless notice to the contrary has been given to the Board by any other holders.

60. Endorsement of the Board security -Endorsement of a Board Security which is transferable by endorsement shall be valid when the maker or holder of the Board security signs the same in accordance with the provisions of Section 15 of the Negotiable Instruments Act, 1881 (Act No.26 of 1881).

61. Liability of endorser of the Board security -A person shall, by reason of his having endorsed any Board Security, be liable to pay any money due whether as principal or as interest thereunder, unless his liability is excluded or made conditional in accordance with the provisions of Section 35 of the Negotiable Instruments Act, 1881.

62.Impression of signature on securities -(1) The signature of the person authorised to sign the Board Securities on behalf of the Board, may be printed, engraved or lithographed or impressed by such mechanical process as the Board may direct.

(2) A signature so printed, engraved, lithographed, impressed or otherwise shall be valid as if it had been inscribed in the proper handwriting of the person so authorised.

63. Issue of duplicate security - (1) When any Board Security is alleged to have been lost, stolen or destroyed either wholly or in part and a person claims to be the person to whom but for the loss, theft or destruction it would be payable, he may, on application to the Board and on producing proof to its satisfaction of the loss, theft or destruction and of the justice of the claim, and on payment of such fee, if any, as may be prescribed by regulations, obtain from the Board an order for,-

(a)the issue of a duplicate security payable to the applicant; and

(b) the payment of interest in respect of the security said to be lost, stolen or destroyed pending the issue of a duplicate security.

(2) An order shall not be passed under sub-section (1) until after the issue by the Board of the notification of the loss, theft or destruction in the manner prescribed by regulations.

(3) A list of securities in respect of which an order is passed under sub-section (1) shall be published in such manner as the Board may prescribe by regulations.

(4) If at any time before the Board becomes discharged under the provisions of this Act from liability in respect of any security the whole of which is alleged to have been lost, stolen or destroyed, such security is found, any order passed in respect thereof under this section shall be cancelled.

64. Conversion of securities -(1) The Board may, subject to such conditions as it may prescribe by regulation on the application of a person claiming to be entitled to Board Security or securities issued by it, on being satisfied of the justice of the claim and on delivery of the security or securities received in such manner and on payment of such fee, if any, as it may prescribe by regulation, convert, consolidate or sub-divide the security or securities, and issue to the applicant a new security or securities, accordingly.

(2) The conversion, consolidation or sub-division referred to in sub-section (1) may be into a security or securities of the same or different classes or of the same or different loans.

65.Discharge in certain cases -Notwithstanding anything contained in the Limitation Act, 1963 (Act No.36 of 1963), the Board shall be discharged from all liabilities in respect of the security or securities so paid or in place of which a duplicate or new security or securities has or have been used:-

(a)on payment of the amount due on a Board Security on or after the date on which payment becomes due, or

(b) when a duplicate security has been issued under section 63, or

(c)When a new security or securities has or have been issued upon conversion, consolidation or sub-division under section 64,

(i) in the case of payment, after the lapse of six years from the date on which payment was due;

(ii) in the case of a duplicate security after the lapse of six years from the date of the publication under sub-section (3) of section 63 of the list in which the security is first mentioned or from the date of the last payment of interest on the original security, whichever is later;

(iii) in the case of a new security issued upon conversion, consolidation or sub-division after the lapse of six years from the date of the issue thereof.

66. Security for loans taken by Board -All loans raised by the Board under this Act shall be a first charge on,-

(a) the property vested or which may hereafter during the currency of the loans become vested in the Board other than,--

(i) any sum set apart by the Board,-

(1) as sinking fund for the purpose of paying off any loan; or

(2) for the payment of pension to its employees;

(ii) the provident or pension fund established by the Board; and

(b) the rates leviable by the Board under this Act.

67.Remedies of Government in respect of loans made to Board -The Government shall have in respect of loans made by it to the Board the same remedies as holders of Board Securities issued by the Board; and Government shall not be deemed to possess any prior or greater rights in respect of such loans than holders of such Board Securities:

Provided that when the terms of any such loan made before the appointed day contain express provision that the loan shall have priority over all other loans in the matter of repayment by the Board, such loan shall have priority.

68. Power of Board to repay loans before due date -The Board may, with the previous sanction of Government, apply any sums out of moneys which may come into its hands under the provisions of this Act and which can be so applied without prejudicing the security of the other holders of the Board Securities, in repaying to Government any sum which may remain due to it in respect of the principal of any loan although the time fixed for the repayment of the same may not have arrived:

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

69.Establishment of sinking fund -(1) If in respect of a loan raised by the Board under this Act, which is not repayable before the expiration of one year from date of the loan, the Government by an order in writing so
directs, the Board shall set apart half yearly, out of its income, as a sinking fund, a sum sufficient to liquidate the loan within a period which shall not in any case, unless the previous consent of the Government has been obtained, exceed twenty five years; but the maximum period shall not in any case exceed forty years:

Provided that a sinking fund need not in the absence of any stipulation to that effect be established in the case of loan taken by the Board from the Central Government or any State Government.

(2) Where any sinking fund has, before the appointed day, been established by any authority in respect of a loan raised by it, for which the Board is liable under this Act, the sinking fund so established by that authority shall be deemed to have been established by the Board under this section.

70.Investment and application of sinking fund -(1) The sums so set apart by the Board under sub-section (1) of section 69 shall be invested in Public Securities or in such other securities as the Board may approve in this behalf and shall be held by the Board in trust for the purposes of this Act.

(2) The Board may apply the whole or any part of the sums accumulated in any sinking fund in or towards the discharge of the moneys for the repayment of which the fund has been established:

Provided that it pays into the fund in each year and accumulates, until the whole of the moneys borrowed are discharged, a sum equivalent to the interest which would have been produced by the sinking fund or the part of the sinking fund so applied.

71.Annual examination of sinking fund -(1) A sinking fund established for the liquidation of any loan shall be subject to annual examination by such person as may be appointed by the Government in this behalf and the person so appointed shall ascertain whether the cash and the current market value of the securities at the credit of the fund are actually equal to the amount which would have been accumulated if, investment had been regularly made and the rate of interest as originally estimated had been obtained thereon.

(2) The Board shall pay forthwith into the sinking fund any amount which the person appointed under sub-section (1) to conduct the annual examination of the fund may certify to be deficient unless the Government specifically sanctions a gradual readjustment.

(3) If the cash and current market value of the securities at the credit of a sinking fund are in excess of the amount which should be at its credit, the person appointed under sub-section (1) shall certify the amount of the excess and the Board may, reduce or discontinue the half yearly contributions to the sinking fund required under section 69.

72.Power of Board raise loans on short term bills -Nothing contained in this Act shall be deemed to affect the power of the Board to raise loans under the Local Authorities Loans Act, 1914 (Act No.9 of 1914).

73. Power of Board to take temporary loans or overdrafts -Notwithstanding anything contained in this Act, the Board may,-

(1) borrow moneys by means of temporary overdraft or otherwise by placing the securities held by the Board in its reserve funds or on security of the fixed deposits of the Board in its banks;

(2) obtain advances from such banks on pledge or by hypothecation of its current assets and mortgage of its fixed assets without the previous sanction of the Government:

Provided that such temporary overdraft or other loans,-

(a) shall not at any time have a longer currency than one year; and

(b) all moneys so borrowed by overdrafts or otherwise shall be expended for the purpose of this Act.

74. Power of Board to borrow money from World Bank or other foreign institutions -
Notwithstanding anything contained in this Act but subject to any other law for the time being in

force, the Board may, with the previous sanction of the Government and on such terms and conditions as may be approved by the Government, raise for the purposes of this Act loans in any currency or currencies from the World Bank or from any other Bank or Institution in any country outside India, and no other provision of this Chapter shall apply to or in relation to any such loan unless the terms and conditions of the loan or the approval thereof by the Government otherwise provide.

75.Power of Board to acquire and sell equity stakes in Ports and Port-related infrastructure projects -(1) Notwithstanding anything contained in this Act but subject to any other law for the time being in force, the Board may, with the previous sanction of the Government and on such terms and conditions as may be approved by the Government, become an equity stakeholder in projects related to infrastructure development for ports and port-linked services, against consideration of cash or in kind (including land and other fiscal and non-fiscal support provided).

(2) The Board shall, by regulations, frame operating procedures for sale of such shares in a manner that secures the financial and economic interests of the State Government in such projects, including measures to gain from windfall gains.

(3) The Board shall reserve the right to retain the surplus from such transactions, for its future investment in enabling infrastructure for ports, port connectivity projects, enabling infrastructure for shipbuilding, ship breaking and ship-repair, port proximal area development, enabling infrastructure for inland waterways and terminals, coastal shipping and inland shipping.

CHAPTER – VIII
REVENUE AND EXPENDITURE

76.General fund of Board -The Board shall have and maintain its own fund called the General Fund of the Board to which shall be credited all moneys received by or on behalf of the Board under the provisions of this Act and all moneys received by it from the Government by way of grants, subventions, loans and advances, and as the Conservator of the Ports and of their approaches or as the body appointed under section 36 of the

Indian Ports Act. 1908 (Act No. 15 of 1908).

77.Application of money in General Fund - (1) The moneys credited to

the General Fund under section 76 shall be applied by the Board in

payment of the following charges, namely,-

(a) the interest and installments of principal due in respect of any loan that may have been raised or obtained by the Board or for the repayment of which the Board may be liable and payments to the sinking fund established for such loan;

(b) the salaries, fees, remunerations, allowances, pensions, gratuities, compassionate allowances or other moneys due to,-

(i) the Chairman, and other members of the Board;

(ii) the employees of the Board; and

(iii) the surviving relatives, if any, of such employees;

(c) the contributions, if any, payable to the Central or State Government on account of pension and leave allowance of any Officer lent to the Board by such Government;

(d) the cost and expenses, if any, incurred by the Board in the conduct and administration of any provident fund, welfare fund, loan or special fund established by the Board;

(e) the contributions, if any, duly authorised to be made, by regulations made under this Act, to any such fund referred to in clause (d);

(f) such sums as may, from time to time, be agreed upon by the Board and the Government or the Central Government or any other authority, as a reasonable contribution payable by the Board towards the expenses in connection with the watch and ward functions of the Police Force or the Central Industrial Security Force or any other Force which the Government or the Central Government or any other authority, as the case may be, may establish and maintain for the protection of the port and docks, warehouses and other property of the Board;

(g) the cost of repairs and maintenance of the property belonging to, or vested in, the Board and all charges upon the same and all working expenses;

(h) the waterfront royalty that may be payable to the Government under sub-section (2) of section 23;

(i) the cost of the execution and provision of any new work or appliance specified in section 26 which the Board may determine to charge to revenue;

(j) any expenditure incurred under section 27;

(k) any other expenditure which may be incurred by the Board generally for the purposes of this Act;

(l) any other charge which may on the application of the Board or otherwise be specially sanctioned by the Government or for which the Board may be legally liable.

(2) All moneys standing at the credit of the Board which cannot immediately be applied in the manner or for the purposes specified in sub-section (1) shall,-

(a) be deposited in the State Bank of India or any other nationalized bank, or in any corporation or financial institution controlled and managed by the State Government as the Board may decide; (b) be invested in such public securities as may be determined by the Board and the said securities shall be held in trust by the Board for the purposes of this Act.

78.Power of transfer moneys from general fund to specified account and vice-versa -The Board may apply any sum out of the moneys credited to the General Fund of the Board towards meeting deficits, if any, in the particular or specified accounts such as pilotage account, if so maintained or transfer the whole or part of any surplus funds in such particular accounts to the General Fund of the Board.

79. Establishment of Reserve Funds -The Board may, from time to time, set apart such sums out of its surplus income as it thinks fit as a reserve fund or funds for the purpose of expanding existing facilities or creating new facilities at the ports or for the purpose of providing against any temporary decrease of revenue or increase of expenditure arising from transient causes or for purposes of replacement or for meeting expenditure arising from loss of damage from fire, cyclones, shipwrecks or other accident or for any other emergency arising in the ordinary conduct of its works under this Act:

Provided that the sums set apart annually in respect of and the aggregate at any time of, any such reserve fund or funds shall not exceed such amount as may, from time to time, be fixed in that behalf by the Board, subject to notifications issued by the Government in this behalf.

80.Power to reserve Maritime board Securities for Board's own investment -(1) For the purposes of any investment which the Board is authorised to make under this Act, it shall be lawful for the Board to reserve and set apart any securities to be issued by it on account of any loan to which the consent of the Government has been given, provided that the intention to so reserve and set apart such securities has been notified as a condition to the issue of the loan.

(2) The issue of such securities by the Board direct to and in the name of the Board shall not operate to extinguish or cancel such securities, but every security so issued shall be valid in all respects as if issued to, and in the name of, any other person.

(3) The purchase by the Board or the transfer, assignment or endorsement to the Board of any security issued by the Board, shall not operate to extinguish or cancel any such security but the same shall be valid and negotiable in the same manner and to the same extent as if held by or transferred or assigned or endorsed to any other person.

81.Prior sanction of Board to charge expenditure to capital -(1) No expenditure shall be charged by the Board to capital without the previous sanction of the Government, through Budget approval:

Provided that the Board may without such sanction charge to capital expenditure not exceeding such limits as may be specified and subject to such conditions as may be imposed by the Government.

(2) Nothing in sub-section (1) shall be deemed to require the further

sanction of the State Government in any case where the actual expenditure incurred does not exceed by more than ten percent of the estimated cost so sanctioned.

82. Works requiring sanction of Board or Government -(1) No new work or appliance, the estimated cost of which exceeds such amount as may be fixed by the Government in this behalf, shall be commenced or provided by the Board nor shall any contract be entered into by the Board in respect of any such new work or appliance until a plan of an estimate for such work or appliance has been submitted to, and approved by the Board; and in case the estimated cost of any such new work or appliance exceeds such amount, as may, from time to time, be fixed by the Government. In this behalf, sanction of the Government to the plan and estimate shall be obtained before such work is commenced or appliance provided.

(2) Nothing in sub-section (1) shall be deemed to require further sanction of the Government in any case where the actual expenditure incurred does not exceed by more than ten percent of the estimated cost so sanctioned.

83.Power of Chief Executive Officer as to execution of work -

Notwithstanding anything contained in section 82, the Chief Executive Officer may direct the execution of any work the cost of which does not exceed such maximum limit as may be fixed by the Board in that behalf and may enter into contracts for the execution of such works but in every such case the Chief Executive Officer shall, as soon as possible, make a report to the Board of any such direction given or contract entered into by him.

84. Power of Board to compound or compromise claims -The Board may compound or compromise any claim or demand or any action or suit instituted by or against it for such sum of money or other compensation as it deems sufficient.

85. Write off losses -(1) Subject to such conditions as may be specified by the Government, where the Board is of opinion that any amount due to or any loss, whether of money or of property incurred by the Board irrecoverable, the Board may, write off the said amount or loss;

(2) Not withstanding anything contained in sub-section (1), where the Chief Executive Officer is of opinion that any amount due to or any loss, whether of money or of property, incurred by the Board is irrecoverable, the Chief Executive Officer may sanction the written-off finally of such amount or loss provided that such amount or loss does not exceed, in an individual case, five thousand rupees or in the aggregate in any one year, one lakh of rupees and in every such case, the Chief Executive Officer shall make a report to the Board giving reasons for such sanction.

86. Power etc., of Board as Conservator -All the powers, authorities and restrictions in respect of the work authorized under this Act, shall apply to the works which may be executed by the Board as the Conservator of the Port or as the body appointed under sub-section (1) of section 36 of the Indian Ports Act, 1908 and also to the sanction of such works, the estimate thereof and the expenditure thereunder.

87.Budget estimates -(1) The Board shall on or before the thirty- first day of January in each year, hold a special meeting at which the Chief Executive Officer of the Board shall submit an estimate of the income and expenditure of the Board for the next financial year, in such form as the Government may specify.

(2) A copy of such estimate shall be sent by post or otherwise to each member of the Board so as to reach him not less than ten clear days prior to the date appointed for the special meeting referred to in sub-section (1).

(3) The Board shall consider the estimate at such meeting and may provisionally approve it with or without modification.

(4) The Board shall, on or before the tenth day of February, cause a copy of such estimate as provisionally approved by it, to be sent to the Government.

(5) The Government may sanction the estimate or may return it with remarks and may call for such additional information as it may deem necessary.

(6) When an estimate is returned under sub-section (5), the Board shall proceed to reconsider the estimate with reference to such remarks and shall furnish such additional

information as the Government may call for and shall, if necessary, modify or alter the estimate and resubmit it to the Government.

(7) The Government shall sanction the estimate with or without modification.

(8) Where such estimate is not sanctioned by the Government before the commencement of the financial year to which it relates, the Government may authorise the Board to incur such expenditure as may be necessary in the opinion of the Government until such time as the approval of the estimate by the Government is communicated to the Board.

88. Preparation of supplementary estimates -The Board may in the course of any year for which an estimate has been sanctioned by the State Government cause one or more supplementary estimates for the residue of such year to be prepared and the provisions of section 87 shall, so far as may be, apply to such estimate as if it were an original annual estimate.

89. Re-appropriation of amount in estimates and adherence to estimates except in emergency -(1) Subject to any directions which the Government may give in this behalf, any sum of money or part thereof, of which the expenditure has been authorised in an estimate for the time being in force sanctioned, by the Board and which has not been so spent, may at any time be re-appropriated to meet any excess in any other expenditure authorised in the said estimate.

(2) Subject to the provision under sub-section (1), no sum exceeding such amount as the Government may fix in this behalf shall, save in cases of emergency, be expended by, or on behalf of, the Board unless such sum is included in some estimate of the Board at the time in force which has been finally sanctioned by the Government.

(3) If any sum exceeding such limit as may have been fixed in this behalf under sub-section (2) is so expended by the Board on a pressing emergency, the circumstances shall be forthwith reported by the Chief Executive Officer to the Government together with an explanation of the way in which it is proposed by the Board to cover such extra expenditure.

90.Duty of Board to meet liability towards salaries, allowances, pension etc., - It shall be the duty of the Board to meet its liability towards the following during preparation of annual budget estimates and incurring expenditure for the year,-

(a)the salaries, fees, remunerations, allowances, pensions, gratuities, compassionate allowances or other moneys due to,-

(i) members of the Board;
(ii) the employees of the Board; and
(iii) the surviving relatives, if any, of such employees;

(b)the contributions, if any, payable to the Central or State Government on account of pension and leave allowance of any Officer lent to the Board by such Government;

(c)The cost and expenses, if any, incurred by the Board in the conduct and administration of any provident fund, welfare fund, loan or special fund established by the Board;

91.Accounts and audit -(1) The Board shall maintain proper accounts and other relevant records and prepare the annual statement of account including the balance-sheet in such form as may be approved by the Government.

(2) The accounts of the Board shall be audited once in every year and if so required by the Government concurrently with the compilation of such accounts by an auditor appointed by the Government in consultation with the Comptroller and Auditor General of India (hereinafter referred to as "the Auditor") and any amount payable to such Auditor by the Board in respect of such audit shall be debitable to the General Fund of the Board.

(3) The Auditor shall have the same rights, privileges and authority in connection with the audit of the accounts of the Board as the Comptroller and Auditor General of India has in connection with the audit of the Government accounts and in particular, shall have the right to demand production of books of accounts, connected vouchers and other documents of the Board.

92.Publication of audit report -(1) Within fourteen days after the audit and examination of the accounts of the Board have been completed, the Auditor shall forward copies of the audit report to the Government and to the Board.

(2) The Government shall cause every audit report to be laid for not less than thirty days before the State Legislature as soon as may be after such report is received by the Government.

93. Board to remedy defects and irregularities pointed out in audit report –

The Board shall forthwith take into consideration any defects or irregularities that may be pointed out by the Auditor, in the audit report on the income and expenditure of the Board and shall take such action thereon as the Board may think fit and shall also send a report of the action so taken to the Government.

94.Government to decide difference between Board and Auditors –

If there is a difference ofopinion between the Board and the Auditor on any point included in the audit report, and the Board is unable to accept and implement the recommendations, if any, made by him on such point, the matter shall forthwith be referred to the Government which shall pass final orders thereon and the Board shall be bound to give effect to such orders.

CHAPTER – IX
SUPERVISION AND CONTROL OF STATE GOVERNMENT

95.Administration report -(1) As soon as may be after the first day of April in every year and not later than such date as may be fixed in this behalf by the Government, the Board shall submit to the Government a detailed report of the administration of the Ports during the preceding year ending on the thirty first day of March, in such form as the State Government may direct.

(2) The Government shall cause every annual administration report to be laid for not less than thirty days before the State Legislature as soon as may be, after such report is received by the Government.

96.Submission of statement of income and expenditure to State Government -(1) The Board shall annually, or often, or if directed by the Government so to do, submit statement of its income and expenditure in such form and at such time as the Government may direct.

(2) A copy of all such statements shall be open to inspection of the public at the office of the Board during office hours on payment of such fee for each inspection as may, from time to time, be fixed by the Board.

97.Power of Government to supersede Board -(1) If, at any time, the Government is of opinion,-

(a) that an account of a grave emergency, the Board is unable to perform the duties imposed on it by or under the provisions of this Act or of any other law; or

(b) that the Board has persistently made default in the performance of duties imposed upon it by or under the provisions of this Act or of any other law and as a result of such default, the financial position of the Board or the administration of the ports has greatly deteriorated, the Government may, by notification supersede the Board for such period, not exceeding six months at a time, 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 Government shall give a reasonable opportunity to the Board to show cause why it should not be superseded and shall consider the explanations and objections, if any, of the Board.

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

(a)all the members of the Board shall, as from the date of supersession, vacate their Offices as such members of the Board.

(b)all the powers and duties which may, by or under the provisions of this Act, or of any other law, be exercised or performed by or on behalf of the Board shall, until the Board is reconstituted under clause (b) or clause (c) of sub-section (3), be exercised and performed by such person or persons as the Government may direct;

(c)all assets and liabilities vested in the Board shall, until the Board is reconstituted under clause (b) or (c) of sub-section (3), vest in the Government.

(3) On the expiration of the period of supersession specified in the notification issued under sub-section (1), the State 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 Board by fresh appointment and in such case, any person who has vacated his office under clause (a) of sub-section (2) shall not be deemed disqualified for appointment; or

(c)reconstitute the Board by appointment only for such period as it may consider necessary and in such a case the persons who vacated their offices under clause (a) of sub-section (2) shall not be deemed disqualified for such appointment merely because they were members of the Board when the Board was superseded:

Provided that, the 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) or (c) of this sub-section.

(4) The 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 the State Legislature at the earliest possible opportunity.

98. Power of Government to give directions to Board -(1) Without prejudice to the foregoing provisions of this Chapter, the Board shall, in the discharge of its functions under this Act, be bound by such directions on question of policy, as the Government may give in writing to it from time to time:

Provided that the Board shall be given opportunity to express its views before any direction is given under this sub-section.

(2) The decision of the Government whether a question is one of policy or not shall be final.

CHAPTER – X
PENALTIES

99.Persons employed under this Act to be Public servants for certain purposes -Every person employed by the Board under this Act shall, for the purposes of the Prevention of Corruption Act, 1988, be deemed to be a public servant within the meaning of Section 21 of the Indian Penal Code, 1860 (Act No XLV of 1860) as well as under section 2 of the Prevention of Corruption Act, 1988 (Act No 49 of 1988).

100.Penalty for contravention of sections 28, 29, 30 and 31 –

Whoever contravenes the provisions of any order issued under sections 28, 29 or 30 or fails to comply with any condition imposed under section 31 shall, on conviction, be punishable with fine which shall not be less than ten thousand rupees but which may extend to five lakh rupees and where the contravention or failure is a continuing one with further fine which may extend to five lakh rupees for each day after the first, during which such contravention or failure continues.

101.Penalty for setting up wharves, quays, etc., without permission –

Any person who contravenes the provision of section 36 shall, on conviction, be punishable with fine which shall not be less than ten thousand rupees but which may extend to five lakh rupees for the first contravention and with a further fine which may extend to five lakh rupees for each day after the first during which the contravention continues.

102. Penalty for evading rates, etc., -Any person who with the intention of evading payment of the rates lawfully due in respect of any goods or vessels carrying any goods, to the Board,--

(a) understates or incorrectly gives the weight, quantity, value or description of such goods, or the tonnage of such vessel in any document presented to any employee of the Board for the purpose of enabling him to determine such rates: or

(b) removes or attempts to remove or abets the removal of such goods or such vessel, shall, on conviction, be punishable with fine which may extend to twice the amount of rates so due subject to a minimum of five thousand rupees.

103. Recovery of value of damage to property of Board - If, through negligence of any person having the guidance or command of any vessel, or of any of mariner or persons employed on such vessel, any damage is caused to any dock, wharf, quay, mooring, stage, jetty, pier or other work in the possession of the Board or any movable property belonging to the Board, the amount of such damage shall, on the application of the Board, be recoverable together with the cost of such recovery by distress and sale under a Magistrate's warrant, of a sufficient portion of the boats, masts, spares, ropes, cables, anchors or stores belonging to such vessel:

Provided that no Magistrate shall issue such a warrant until the master of the vessel has been duly summoned to appear before him and, if he appears, until he has been heard; and provided also that no such warrant shall issue if the vessel was at the time under the orders of a duly authorised employee of the Board and the damage caused was attributable to the order, act or improper omission of such employee.

104. Other offences -Any person who contravenes any of the provision of this Act, or of any rule, regulation or order made thereunder for the contravention of which no penalty is expressly provided thereunder, shall, on conviction, be punishable with fine which may extend to one lakh rupees.

105.Cognizance of Offence -No court inferior to that of a Metropolitan Magistrate or Judicial Magistrate of the First Class shall try any offence punishable under this Act or any rule or regulation made thereunder.

106. Offences by Companies -(1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to such punishment provided in this Act if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Not withstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of or that the commission of the offence is attributable to any negligence on the part of any director, manager, secretary or other officer of the company such director, manager, secretary or other officer of the company shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished, accordingly.

Explanation:- for the purposes of this section,-

(a)"company" means a body corporate and includes a firm or other association of individual; and

(b) "director" in relation to a firm, means a partner in the firm.

CHAPTER –XI
MISCELLANEOUS

107.Constitution State Ports Consultative Committee -(1) The State Government may, by notification, in the Andhra Pradesh Gazette, constitute a State Ports Consultative committee consisting of members of the Board and such other persons, consisting of such number of

persons as it may think fit in each case who are, in the opinion of the State Government capable of representing the interest of the Chamber of

Commerce, Shipping, Sailing, Vessels, Customs, Railways, Road transport, Labour, Communications, Fisheries and Industries, expertise in Harbor Engineering, Port User Association, however that, there shall be at least one member from each of the aforesaid interests.

(2) The Chairman of the Board shall also be the Chairman of the committee.

(3) The Chief Executive Officer of the Board as the State Government may appoint in this behalf shall act as Secretary to the Committee.

(4) The functions of the committee as so constituted shall be as under:-

(a) to advise the Board on all general questions and schemes pertaining to the ports; Inland Water Transport and Ferries and Coastal Protection;

(b) to review the administration of ports Inland Water Transport and Ferries and coastal protection and to suggest ways and means of improving their work;

(c) to suggest ways and means to remove any difficulty experienced by the Board in its administration of ports; Inland Water Transport and Ferries and Coastal protection;

(d) to make suo-moto recommendations to the Board in regard to any matter relating to administration of the ports; Inland Water Transport and Ferries and Coastal protection;

(e) to report to the State Government or as the case may be, the Board on such matters as may be referred to it either by the State Government or the Board for its opinion.

(5) The State Government may by general or special order provide for:-

(a) the calling of the meetings of the Committee and procedure of meetings;

(b) duties of the Secretary of the Committee;

(c) the term of the office of persons appointed to be the members of the committee to represent any of the aforesaid interests, travelling allowance and daily allowance to the members of the committee and rate thereof.

(6) Any person appointed to the Committee to represent any of the aforesaid interests may resign from the membership by tendering his resignation in writing to the Chairman and the resignation shall take effect from the date on which it is received by the chairman who shall give intimation of the vacancy to the State Government.

108. Local Advisory Committee -(1) The Government may, from time to time, constitute for such ports as it may determine Local Advisory Committees, consisting of such number of persons as it may think fit in each case and on such terms and conditions as may be prescribed.

(2) The Board may, if it thinks fit, consult the Local Advisory Committee concerned on any business coming before it and shall do so in respect of such business as the Government may, by general or special order in this behalf, specify or when required by the regulations so to do.

(3) The Port Officer, appointed under the Indian Ports Act, 1908 shall be the ex-officio chairman of a Local Advisory Committee.

(4) The Local Advisory Committee shall meet at such intervals as may be prescribed and for the transaction of urgent business on such other occasions as the Chairman of the Board may require.

(5) The number of members necessary to constitute a quorum at a meeting of a Local Advisory Committee shall be, as the Government when constituting the Committee may specify.

109. Limitation of proceedings in respect of things done under this Act -No suit or other proceeding shall be commenced against the Board or any member or employee thereof for anything done or purporting to have been done, in pursuance of this Act until the expiration of one month after notice in writing has been given to the Board or to such member or

employee stating the cause of action or after six months after the accrual of the cause of action

110. Protection of act done in good faith -No suit or other legal proceeding shall lie against the Board or any member or employee thereof in respect of anything which is in good faith done or intended to be done under this Act or any rule or regulation made thereunder, or for any damage sustained by any vessel in consequence of any defect in any of the mooring, hawsers or other things belonging to, or under the control of the Board.

111.Power of State Government to make rules -(1) The Government may, by notification published in the Andhra Pradesh Gazette, make rules for carrying out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rule may provide for all or any of the following matters, namely:

(a) fees and allowances payable to the members of the Board or any of its committees for attending meetings of the Board or its committee or for attending any work of the Board, under section 12:

(b) the terms and conditions of service of the Chief Executive Officer under sub-section (2) of section 18;

(c) the form and manner of executing contracts under section 25;

(d) the terms and conditions on which the Board with the previous sanction of the Government, may raise loans under sub-section (1) of section 56;

(e) the terms and conditions of appointment of persons as members of State Ports consultative Committee under sub-section (1) of section 107 and Local Advisory Committee under sub-section (1) of section 108; and

(f) any other matter which is to be or may be prescribed by rules.

(3) All rules made under this Act shall be subject to the condition of previous publication:

Provided that if the Government is satisfied that circumstances exist which render it necessary to take immediate action, it may dispense with previous publication of any rule to be made under this section.

(4) Every rule made under this Act shall be laid, as soon as may be, after it is made, before the Legislature of the State if it is in session, and if it is not in session, in the session immediately following for a total period of fourteen days which may be comprised in one session or in two successive sessions, and if, before the expiration of the session in which it is so laid or the session immediately following the Legislature agrees in making any modifications in the rule or in the annulment of the rule, the rule shall from the date on which the modification or the annulment is notified, have effect only in such modified form or shall stand annulled 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 the rule.

112.Power to make regulations - The Board may make regulations consistent with this Act and the rules made thereunder, to carry out the purposes of this Act and without prejudice to the generality of this power, such regulations may provide for all or any of the following matters, namely,-

(1) the time and place of the meetings of the Board or its committees, the procedure to be followed for the transaction of business at such meetings and the number of members necessary to constitute a quorum at such meetings;

(2) the appointment, promotion, suspension, removal and dismissal of its officers and employees;

(3) leave, leave allowances, compassionate allowances and traveling allowances of the officers and employees and the establishment and maintenance of a provident fund or any other fund for their welfare;

(4) the terms and conditions of temporary employees, contract employees under sub-section (2) of Section 19.

(5) the terms and conditions of service of persons who become employees of the Board under clause (f) of section 21;

(6) any other matter which is incidental to, or necessary for, the purpose of regulating the appointment and conditions of service of its employees.

(7) the form of receipt to be given under sub-section (2) of section 33.

(8) the period within which notice may be given under sub-section (2) of section 34;

(9) the guidance of persons employed by the Board under this Act;

(10) the safe, efficient and convenient use, management and control of the docks, wharves, quays, jetties, buildings and other works constructed or acquired by, or vested in, the Board under this Act;

(11) the reception, porterage, storage and removal of goods brought within the premises of the Board, for the exclusive conduct of these operations by the Board or persons employed by the Board, and for declaring 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;

(12) keeping clean the port, river or basins or the bank of the river and the works of the Board, and for preventing filth or rubbish being thrown therein or thereon;

(13) the mode of payment of rates leviable by the Board under this Act;

(14) regulating, declaring and defining the docks, wharves, quays, jetties, stages and piers vested in the Board on which goods shall be landed from vessels and shipped on Board vessels;

(15) regulating the manner in which and the conditions under which the loading and unloading of all vessels within the port or port approaches shall be carried out;

(16) regulating the lighterage of cargo between ships or between ships and shore or between shore and ships;

(17) the exclusion from the premises of the Board of disorderly or other undesirable persons and of trespassers;

(18) ensuring the safety of ports and economic zones;

(19) generally for the efficient and proper administration of ports and economic zones;

(20) the person, if any, authorised to sign and the mode of affixing the corporate seal and of attestation of documents relating to Board'
Securities issued or to be issued by the Board;

(21) the manner in which payment of interest in respect of such Board Securities to be made, recorded and acknowledged;

(22) the circumstances and the manner in which Board Securities may be renewed;

(23) the circumstances in which such securities must be renewed before further payment of interest thereon can be claimed;

(24) the form in which such securities delivered for renewal, conversion, consolidation or sub-division are to be receipted;

(25) the proof which is to be produced by a person applying for duplicate securities;

(26) the form and manner of publication of the notification mentioned in sub-section (2) of section 63 and the manner of publication of the list mentioned in sub-section (3) of that section;

(27) the nature and amount of indemnity to be given by a person applying for the payment of interest on the Board Securities alleged to have been wholly or partly lost, stolen or destroyed, or for the issue of duplicate Board Securities;

(28) the conditions subject to which Board Securities may be converted, consolidated or sub-divided;

(29) the amounts for which stock certificate may be issued;

(30) generally all matters connected with grant of duplicate, renewal, conversion, consolidation and sub-division of securities;

(31) the fees to be paid in respect of the issue of duplicate securities and of the renewal, conversion, consolidation and sub-division of Board Securities;

(32) the fees to be levied in respect of the issue of stock certificate;

(33) Customer Services;

(34) any other matter, which is to be, or may be, prescribed by regulations.

113.Provisions with respect to regulations -(1) No regulation made by the Board under this Act shall have effect until the same has been published by the Board in the Andhra Pradesh Gazette.

(2) Any regulation made under this Act may provide that a breach thereof shall, on conviction, be punishable with fine which shall not be less than five thousand rupees but which may extend to two Lakh rupees and where the breach is a continuing one, with further fine which may extend to fifty thousand for every day during which such breach continues.

114.Power of Government to direct regulations to be made or to make regulations -(1) Whenever the Government considers necessary in the public interest so to do, it may, by order in writing thereof, direct the Board to make any regulations for all or any of the matters specified in section 112 or to amend any regulations, within such period as the State Government may specify in this behalf:

Provided that the Government may extend the period specified by it by such further period or periods as it may consider necessary.

(2) If the Board, fails or neglects to comply with such directions within the period allowed under sub-section (1), the Government may make the regulations or amend the regulations, as the case may be, either in the form specified in the direction or with such modification thereof as the Government may think fit:

Provided that before so making or amending the regulations the Government shall consider any objection or suggestion made by the Board within the said period.

(3) Where in pursuance of sub-section (2) any regulations have been made or amended, the regulations so made or amended shall be published by the Government in the Andhra Pradesh Gazette and shall thereupon have effect accordingly.

115.Power of Government to make first regulations -Notwithstanding anything contained in this Act, the first regulations under this Act shall be made by the Government and shall have effect on being notified.

116.Power of Government to limit regulatory functions of Board –

Notwithstanding anything contained in this Act, the regulatory functions and powers of the Board may be curtailed or ceded to a regulatory authority, through an amendment to this Act and/or through an enactment of law.

117. Posting of certain regulations -The text of the regulations made under clauses (10) to (19) of section 112 and the scale of rates framed together with a statement of conditions framed by the Board under chapter VI shall be prominently posted by the Board in Telugu and English on special Boards to be maintained for the purpose at the wharves, docks, piers and other convenient places on the premises of the Board.

118.Saving of right Government and Municipalities to use Wharves etc., for collection of duties and power of customs officers -Nothing in this Act shall affect,-

(i) the right of the Central Government to collect customs duties or of any municipality to collect town duties at any dock, berth, wharf, quay, stage, jetty or pier in the possession of the Board, or

(ii) any power or authority vested in the customs authorities under any law for the time being in force.

119.Application of provisions of this Act to aircraft -The provisions of this Act shall also apply to all aircrafts making use of any port while on water in the same manner as they apply in relation to vessels.

120.Power to remove difficulties - (1) If any difficulty arises in giving effect to the provisions of this Act, the State Government may, by general or special order do anything not inconsistent with such provisions which appears to it to be necessary or expedient for the purpose of removing the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

(2) All orders made under sub-section (1) shall, as soon as may be after they are made, be placed on the Table of the Legislature of the State and shall be subject to such modification by way of amendments or repeal as the Legislature of the State may make either in the same session or in the next session.

121. Certain provisions not to apply to Developers -Notwithstanding anything contained in this Act, a Developer shall have the right to fix rates, tariffs, charges, imposts and fee for services provided by him. Further the Developer shall have the right to determine the currency in which such rates, tariffs, charges, imposts and fee would be denominated.

122.Repeal savings -(1) The Andhra Pradesh Minor Ports Landing and Shipping Fees Act, 1885 is hereby repealed.

(2) On such repeal,-

(a)the previous operation of the Act so repealed, or anything duly done or suffered thereunder;

(b) any right, privilege, obligation or liability acquired, accrued and incurred under the Act, so repealed;

(c) any penalty, forfeiture, or punishment incurred in respect of any offence committed under the Act, so repealed; or

(d) any investigation, legal proceedings, or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid; and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture and punishment may be imposed, as if this Act had not been enacted:

Provided that, anything done or any action taken under the repealed Act, shall in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under this Act.

123.Resolution in case of conflict between Customs Act, 1962 and Andhra Pradesh Maritime Board Act, 2018 -In case of conflict between the provisions of the Customs Act, 1962 and rules/regulations made thereunder, and this Act, the former shall prevail.

CHAPTER – XII
SECURITY OF THE PORTS

124. Security of Ports - Every Port to which the Act applies shall have the International Ship and Port Facility Security (ISPS) Code compliance.

125.Ports Facility Security Officer and his functions -(1) There shall be an officer appointed as the Port Facility Security Officer (PFSO) to each operating Port in the manner prescribed.

(2) The Port Facility Security Officer shall be responsible for overall security of the Port and interact for the purpose with all security organisations such as Coast Guard, Indian Navy, State Marine Police and other organisations and ensure the enforcement and regulation of various aspects of the Port Security.

(3) The Port Facility Security Officer shall get the port security audited by the Indian Registrar of Shipping duly involving the Naval authorities of the local areas.

126. Ports Security Advisory Committee -Every operating Port shall have a Port Security Advisory Committee constituted as per the ISPS (International Ship and Port Facility Security) Code:

Provided that there shall be a member from the Port Department in a Port Security Advisory Committee of the Private Ports.