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**CHAPTER V**

**THE NATIONAL AIRPORTS AUTHORITY ACT, 1985**

(64 OF 1985)

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## CHAPTER V

# THE NATIONAL AIRPORTS AUTHORITY ACT, 1985

(64 OF 1985)

(December 7, 1985)

A bill to provide for the establishment of an Authority for the management of aerodromes and civil enclaves whereat domestic air transport services are operated or are intended to be operated and of all communication stations and for matters connected therewith:

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

### CHAPTER I

#### PRELIMINARY

**1. Short title, commencement and application**— (1) This Act may be called the National Airports Authority Act, 1985.

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

(3) it applies to -

(a) all aerodromes whereat domestic air transport services are operated or are intended to be operated, other than -

(i) aerodromes to which the International Airports Authority Act, 1971 applies; and

(ii) aerodromes and airfields belonging to, or subject to the control of, any armed force of the Union;

(b) all civil enclaves; and

(c) all aeronautical communication stations.

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

(a) “air traffic service” includes flight information service, alerting service, air traffic advisory service, air traffic control service, area control service, approach control service and aerodrome control service;

(b) “air transport service” means any service, for any kind of remuneration, whatsoever, for the transport by air of persons, mail or any other thing, animate or inanimate, whether such service relates to a single flight or series of flights;

(c) “Authority” means the National Airports Authority constituted under section 3;

(d) “civil enclave” means the area, if any, allotted at an aerodrome belonging to any armed force of the Union, for use by persons availing of any air transport services from such aerodrome or for the handling of baggage or cargo by such service, and includes land comprising of any building and structure on such area;

(e) “heliport” means an area, either at ground level or elevated on a structure, used or intended to be used for the landing and take off of helicopters and includes any

area for parking helicopters and all buildings and structures thereon or appertaining thereto;

- (f) “member” means a member of the Authority and includes the Chairman, but does not include, for the purposes of sections 4, 5, 6 and 7, an *ex-officio* member referred to in clause (b) of sub-section (3) of section 3;
- (g) “prescribed” means prescribed by rules made under this Act;
- (h) “regulations” means regulations made under this Act; and
- (i) words and expressions used herein and not defined but defined in the Aircraft Act, 1934, shall have the meanings, respectively, assigned to them in that Act.

## CHAPTER II

### THE NATIONAL AIRPORTS AUTHORITY

**3. Constitution and incorporation of the Authority** — (1) With effect from the commencement of this Act, the Central Government shall constitute an authority to be called the National Airports Authority.

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

- (3) The Authority shall consist of -
  - (a) a Chairman to be appointed by the Central Government;
  - (b) the Director-General of Civil Aviation, *ex-officio*; and

(c) not less than eight and not more than fourteen members to be appointed by the Central Government.

(4) The Chairman shall be a whole-time member and other members referred to in clause (c) of sub-section (3) may be appointed as whole time or part-time members as the Central Government may think fit.

(5) The Chairman and the members referred to in clause (c) of sub-section (3) shall be chosen from among persons who have special knowledge and experience in air transport or other transport services, industry commercial or financial matters or administration and from among persons who are capable or representing organizations of workers and consumers.

#### **4. Disqualification for office of member—**

A person shall be disqualified for being appointed as a member if he—

- (a) has been convicted and sentenced to imprisonment for an offence, which, in the opinion of the Central Government, involves moral turpitude; or
- (b) is an undischarged insolvent; or
- (c) is of unsound mind and stands so declared by a competent court; or
- (d) has been removed or dismissed from the service of the Government or a body corporate owned or controlled by the Government; or
- (e) has in the opinion of the Central Government such financial or other interest in the Authority as is likely to affect prejudicially the discharge by him of his functions as a member.

**5. Term of office and conditions of service of members** — (1) Subject to the provisions of section 6, every member (other than the *ex*

*officio* member) shall hold office for a period of three years from the date on which he assumes office:

Provided that the Central Government may-

- (a) terminate the appointment of any whole-time member, who is not a servant of the Government, after giving him notice for a period of not less than three months or in lieu thereof, on payment of an amount equal to his salary and allowances, if any, for a period of three months;
- (b) terminate the appointment of any part-time member who is not a servant of the Government after giving him notice for such period as may be prescribed; and
- (c) terminate at any time the appointment of any member who is a servant of the Government.

(2) The other conditions of service of the members shall be such as may be prescribed.

(3) Any member may resign his office by giving notice in writing for such period as may be prescribed, to the Central Government and, on such resignation being notified in the Official Gazette by that Government, such member shall be deemed to have vacated his office.

(4) A casual vacancy caused by the resignation of a member under sub-section (3) or otherwise may be filled by fresh appointment and the person so appointed shall hold office for the remaining period for which the member in whose place he is appointed would have held office.

**6. Vacation of office of member**—The Central Government shall remove a member if he -

- (a) becomes subject to any of the disqualifications mentioned in section 4:

Provided that no member shall be removed on the ground that he has

become subject to the disqualification mentioned in clause (e) of that section, unless he has been given a reasonable opportunity of being heard in the matter ; or

- (b) refuses to act or becomes incapable of acting; or
- (c) is, without obtaining leave of absence from the Authority, absent from three consecutive meetings of the Authority ; or
- (d) in the opinion of the Central Government, has so abused his position as to render his continuance in office detrimental to the public interest:

Provided that no member shall be removed under this clause unless he has been given a reasonable opportunity of being heard in the matter.

**7. Eligibility of member for reappointment**— Any person ceasing to be a member shall, unless disqualified under section 4, be eligible for reappointment as such.

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

(2) The Chairman, or, if for any reason he is unable to attend any meeting of the authority any other member chosen by the members present at the meeting shall preside at the meeting.

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

**9. Vacancies, etc., not to invalidate proceedings of the Authority** — No act or proceeding of the Authority shall be invalid merely by reason of -

- (a) any vacancy in, or any defect in the constitution of, the Authority; or
- (b) any defect in the appointment of a person acting as a member of the Authority; or
- (c) any irregularity in the procedure of the Authority not affecting the merits of the case.

**10. Appointment of officers and other employees of the Authority** — For the purpose of enabling it efficiently to discharge its functions under this Act, the Authority shall, subject to the provisions of section 13 and to such rules as may be made in this behalf, appoint (whether on deputation or otherwise) such number of officers and other employees as its may consider necessary:

Provided that the appointment of such category of officers, as may be specified after consultation with the Chairman in such rules, shall be subject to the approval of the Central Government.

(2) Subject to the provisions of section 13, every officer or other employee appointed by the Authority shall be subject to such conditions of service and shall be entitled to such remuneration as may be determined by regulations.

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

### CHAPTER III

## FUNCTIONS OF THE AUTHORITY

**12. Functions of the Authority** — (1) Subject to the rules, if any, made by the Central

Government in this behalf, it shall be the function of the Authority to manage the aerodromes, the civil enclaves and the aeronautical communication stations efficiently.

(2) It shall be the duty of the Authority to provide air traffic service and air transport service at any aerodrome and civil enclaves.

(3) Without prejudice to the generality of the provisions contained in sub-sections (1) and (2), the Authority may —

- (a) plan, develop, construct and maintain runways, taxiways, aprons and terminals and ancillary buildings at the aerodromes and civil enclaves;
- (b) plant, procure, install and maintain navigational aids, communication equipment, beacons and ground aids at the aerodromes and at such locations as may be considered necessary for safe navigation and operation of aircraft;
- (c) provide air safety services and search and rescue facilities in co-ordination with other agencies;
- (d) establish schools or institutions or centres for the training of its officers and employees in regard to any matter connected with the purposes of this Act;
- (e) construct residential buildings for its employees;
- (f) establish and maintain hotels, restaurants and restrooms at or near the aerodromes;
- (g) establish warehouses and cargo complexes at the aerodromes for the storage or processing of goods;
- (h) arrange for postal, money exchange, insurance and telephone facilities for the use of passengers and other persons at the aerodromes and civil enclaves;

- (i) make appropriate arrangements of watch and ward at the aerodromes and civil enclaves;
- (j) regulate and control the plying of vehicles, and the entry and exit of passengers and visitors, in the aerodromes and civil enclaves with due regard to the security and protocol functions of the Government of India;
- (k) develop and provide consultancy services in India and abroad in relation to planning and development of airports, air navigation services, ground aids and safety services or any facilities thereat;
- (l) establish and manage heliports;
- (m) provide such transport facility as are, in the opinion of the Authority, necessary to the passengers travelling by air;
- (n) for an one or more companies under the Companies Act, 1956 or under any other law relating to companies to further the efficient discharge of the functions imposed on it by this Act;
- (o) take all such steps as may be necessary or convenient for, or may be incidental to, the exercise of any power or the discharge of any function conferred or imposed on it by this Act; and
- (p) perform any other function considered necessary or desirable by the Central Government for ensuring the safe and efficient operation of aircraft to, from and across the air space of India.

(4) Notwithstanding anything contained in the International Airports Authority Act, 1971 or sub-section (3) of section 1 or any other provision of this Act, the Authority shall, if the

Central Government so directs by notification in the Official Gazette, discharge the function of providing air navigation services referred to in the proviso to sub-section (2) of section 16 of the International Airports Authority Act, 1971 at the airports to which that Act applies.

(5) In the discharge of its functions under this section, the Authority shall have due regard to the development of air transport service and to the efficiency, economy and safety of such service.

(6) Nothing contained in this section shall be construed as —

- (a) imposing an obligation on the Authority to discharge any function or duty [other than the function mentioned in sub-section (4) and the duties arising therefrom] with respect to any aerodrome to which this Act does not apply;
- (b) authorising the disregard by the Authority of any law for the time being in force; or
- (c) authorising any person to institute any proceeding in respect of duty or liability to which the Authority or its officers or other employees would not otherwise be subject.

## CHAPTER IV

### PROPERTY AND CONTRACT

#### **13. Transfer of assets and liabilities of the Central Government to the Authority—**

(1) As from such date as the Central Government may appoint by notification in the Official Gazette -

- (a) all properties and other assets including the equipment and navigational and ground aids relating to air traffic services and vested in the Central Government



for the purposes of any aerodrome, civil enclave and aero-nautical communication station and administered by the Director-General of Civil Aviation immediately before such date shall vest in the Authority;

- (b) all properties and other assets vested in the Central Government for the purposes of Civil Aviation Training Centre, Allahabad and the Fire Service Training School, Calcutta and administered by the Director-General of Civil Aviation immediately before such date shall vest in the Authority;
- (c) all residential buildings owned by the Director-General of Civil Aviation immediately before such date shall vest in the Authority;
- (d) all debts, obligations and liabilities incurred, all contracts entered into, and all matters and things engaged to be done by, with, or for the Central government immediately before such date for or in connection with the purposes of any aerodrome, civil enclave, aeronautical communication station, the Civil Aviation Training Centre and the Fire Services Training School shall be deemed to have been incurred, entered into and engaged to be done by, with or for the Authority;
- (e) all non-recurring expenditure incurred by the Central Government for or in connection with the purposes of any aerodrome, civil enclave, aeronautical communication station, Civil Aviation Training Centre, Fire Services Training School up to such date and declared to be capital expenditure by the Central Government shall subject to such terms and conditions as may be prescribed by the Central Government, be treated as capital provided by the Central Government to the Authority.

(f) all sums of money due to the Central Government in relation to any aerodrome, civil enclave, aeronautical communication station, Civil Aviation Training Centre and Fire Service Training School immediately before such date shall be deemed to be due to the Authority;

- (g) all suits and other legal proceedings instituted or which could have been instituted by or against the Central Government immediately before such date for any matter in relation to any aerodrome, civil enclave, aeronautical communication station, Civil Aviation Training Centre and Fire Services Training School may be continued or instituted by or against the Authority.

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

(3) Every employee holding any office under the Director-General of Civil Aviation immediately before the commencement of this Act solely or mainly for or in connection with such affairs of the directorate-General of Civil Aviation as are relevant to the functions of the Authority under this Act as may be determined by the Central Government shall be treated as on deputation with the Authority but shall hold his office in the Authority by the same tenure and upon the same terms and conditions of service as respects remuneration, leave, provident fund, retirement or other terminal benefits as he would have held such office if the Authority had not been constituted and shall continue to do so until the Authority duly absorbs such employee in its regulate service:

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

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

(4) Notwithstanding anything contained in the Industrial Disputes Act, 1947 or in any other law for the time being in force, the absorption of any employee by the Authority in its regular service under this section shall not entitle such employee to any compensation under that Act or other law and no such claim shall be entertained by any court, tribunal or other authority.

**14. Compulsory acquisition of land for the Authority** — Any land required by the Authority for discharging its functions under this Act shall be deemed to be needed for a public purpose and such land may be acquired for the Authority under the provisions of the Land Acquisition Act, 1894 or of any other corresponding law for the time being in force.

**15. Contracts by the Authority** — Subject to the provisions of section 16, the Authority shall be competent to enter into and perform any contract necessary for the discharge of its functions under this Act.

**16. Mode of executing contracts on behalf of the Authority** — (1) Every contract shall, on behalf of the Authority, be made by the Chairman or such other member or such officer of the Authority as may be generally or specially empowered in this behalf by the Authority and such contracts or class of contracts as may be specified in the regulations shall be sealed with the common seal of the Authority :

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

Provided further that no contract for the acquisition or sale of immovable property or for the lease of any such property for a term exceeding thirty years and no other contract exceeding such value or amount as the Central Government may, from time to time, by order, fix in this behalf shall be made unless it has been previously approved by the Central Government.

(2) Subject to the provisions of sub-section (1), the form and manner in which any contract shall be made under this Act shall be such as may be specified by regulations.

(3) No contract which is not in accordance with the provisions of this Act and the regulations shall be binding on the Authority.

## CHAPTER V

### FINANCE, ACCOUNTS AND AUDIT

**17. Power of the Authority to charge fees, rent, etc.**— (1) The Authority may, -

- (i) with the previous approval of the Central Government, charge fees or rent, -

- (a) for the landing, housing or parking of aircraft or for any other service or facility offered in connection with aircraft operations at any aerodrome or heliport.

*Explanation.* - In this sub-clause “aircraft” does not include an aircraft belonging to any armed force of the Union and “aircraft operations” do not include operations of any aircraft belonging to the said force;

- (b) for providing air traffic services, ground safety services, aeronautical communications and navigational aids and meteorological services at any aerodrome and at any aeronautical communication stations;
- (c) for the amenities given to the passengers and visitors at any aerodrome, civil enclave or heliport;
- (d) for the use and enjoyment by persons of facilities and other services provided by the Authority at any aerodrome, civil enclave or heliport;
- (ii) with due regard to the instructions that the Central Government may give to the Authority, from time to time, charge fees or rent from persons who are given by the Authority any facility for carrying on any trade or business at any aerodrome or heliport.

(2) The Authority may also charge, with the previous approval of the Central Government, fees for providing air navigation services referred to in sub-section (4) of section 12 at the airports to which the International Airports Authority Act, 1971 applies.

**18. Additional capital and grant to the Authority by the Central Government —**

The Central Government may, after due appropriation made by Parliament by law in this behalf, -

- (a) provide any capital, over and above the capital provided under clause (e) of sub-section (1) of section 13 that may be required by the Authority for the discharge of its functions under this Act or for any purpose connected therewith on such terms and conditions as that Government may determine;
- (b) pay to the Authority, on such terms and conditions as the Central Government may determine, by way of loans or grants such sums of money as that Government may consider necessary for the efficient discharge by the Authority of its functions under this Act.

**19. Fund of the Authority —** (1) The Authority shall have its own fund and all receipts of the Authority shall be credited thereto and all payments of the Authority shall be made therefrom.

(2) The Authority shall have power, subject to the provisions of this Act, to spend such sums as it thinks fit to cover all administrative expenses of the Authority and on objects or for purposes authorised by this Act and such sums shall be treated as expenditure out of the fund of the Authority.

(3) All moneys standing at the credit of the Authority which cannot immediately be applied as provided in sub-section (2), shall be deposited in the State Bank of India or in such scheduled bank or banks and subject to such conditions as may, from time to time, be specified by the Central Government.

*Explanation.* - In this sub-section, “scheduled bank” has the same meaning as in clause (e) of section 2 of the Reserve Bank of India Act, 1934. (2 of 1934)

**20. Allocation of surplus funds** — (1) The Authority may, from time to time, set apart such amounts as it thinks fit as a reserve fund or funds for the purpose of expanding existing facilities or services or creating new facilities or services at any aerodrome or for the purpose of providing against any temporary decrease of revenue or increase of expenditure from transient causes or for purposes of replacement or for meeting expenditure arising from loss or damage from fire, cyclone, air-crash or other accident or for meeting any liability arising out of any act or omission in the discharge of its functions under this Act :

Provided that without prejudice to the right of the Authority to establish specific reserves for one or more specific purposes, the Authority shall also have the power to establish a general reserve :

Provided further that the sums set apart annually in respect of each or any of the specific and general reserves and the aggregate at any time of such sums shall not exceed such limits as may, from time to time be fixed in that behalf by the Central Government.

(2) After making provision for such reserve fund or funds and for bad and doubtful debts, depreciation in assets and all other matters which are usually provided for by companies registered and incorporated under the Companies Act, 1956, the Authority shall pay the balance of its annual net profits to the Central Government. (1 of 1956)

**21. Submission of programme of activities and financial estimates** — (1) The Authority shall, before the commencement of each financial year, prepare a statement of the programme of its activities during the forthcoming financial year as well as a financial estimate in respect thereof.

(2) The statement prepared under sub-section (1) shall, not less than three months before the commencement of each financial year, be submitted for approval to the Central Government.

(3) The statement and the financial estimates of the Authority may with the approval of the Central Government, be revised by the Authority.

**22. Investment of funds** — The Authority may invest its funds (including any reserve fund) in the securities of the Central Government or in such other manner as may be prescribed.

**23. Borrowing powers of the Authority**— (1) The Authority may, with the consent of the Central Government or in accordance with the terms of any general or special authority given to it by the Central Government, borrow money from any source by the issue of bonds, debentures or such other instruments as it may deem fit for discharging all or any of its functions under this Act.

(2) The Central Government may guarantee in such manner as it thinks fit, the repayment of the principal and the payment of interest thereon with respect to the loans borrowed by the Authority under sub-section (1).

(3) Subject to such limits as the Central Government may, from time to time, lay down, the Authority may borrow temporarily by way of overdraft or otherwise such amount as it may require for discharging its functions under this Act.

**24. Accounts and audit** — (1) The Authority shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance-sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(3) The Comptroller and Auditor- General of India and any person appointed by him in connection with the audit of the accounts of the Authority shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General has in connection with the audit of Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers, documents and papers and inspect any of the offices of the Authority.

(4) The accounts of the Authority as certified by the Comptroller and Auditor- General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before both Houses of Parliament.

## CHAPTER VI MISCELLANEOUS

**25. Submission of annual report** — (1) The Authority shall, as soon as may be after the end of each financial year, prepare and submit to the Central Government in such form as may be prescribed a report giving an account of its activities during that financial year and the report shall also give an account of the activities which are likely to be undertaken by the Auditing the next financial year.

(2) The Central Government shall cause such report to be laid before both Houses of Parliament as soon as may be after it is submitted.

**26. Delegation** — The authority may, by general or special order in writing, delegate to

the Chairman or any other member or to any officer of the Authority, subject to such conditions and limitations, if any, as may be specified in the order, such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act (except the powers under section 38) as it may deem necessary.

**27. Authentication of orders and other instruments of the Authority** — All orders and decisions of the Authority shall be authenticated by the signature of the Chairman or any other member authorised by the Authority in this behalf and all other instruments executed by the Authority shall be authenticated by the signature of an officer of the Authority authorised by it in this behalf.

**28. Officers and employees of the Authority to be public servants** — All officers and employees of the Authority shall, when acting or purporting to act in pursuance of the provisions of this Act or of any rule or regulation made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal code.

**29. Protection of action taken in good faith** — No suit, prosecution or other legal proceeding shall lie against the Authority or any member or any officer or other employee of the Authority for anything which is in good faith done or intended to be done in pursuance of this Act or of any rule or regulation made thereunder or for any damage sustained by any aircraft or vehicle in consequence of any defect in any of the aerodromes, civil enclaves, aeronautical communication stations or other things belonging to or under the control of the Authority.

**30. Custody and disposal of lost property**— Subject to such regulations as the Authority may make in this behalf, the Authority shall provide for securing the safe custody and restoration of any property which, while not in proper custody, is found on any premises belonging to the Authority or under its overall control or in any aircraft on any such premises.

**31. Provisions relating to income-tax** — For the purpose of the Income-tax Act, 1961 or any other enactment for the time being in force relating to income-tax or any other tax on income, profits or gains, the Authority shall be deemed to be a company within the meaning of the Income-tax, 1961 and shall be liable to tax accordingly on its income, profits and gains.

**32. Power of the Authority to undertake certain works** — The Authority 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 Authority and the person concerned.

**33. Power to issue directions** — (1) The Authority or any officer specially authorised by it in this behalf may, from time to time, by order, issue directions, consistent with provisions of the Aircraft Act, 1934, and the rules made thereunder, with respect to any of the matters specified in clauses (f), (h), (i), (j), (k), (m), (p), (q), and (r) of sub-section (2) of section 5 of that Act, to any person or persons engaged in aircraft operations or using any aerodrome or civil enclave, in any case where the Authority or the officer is satisfied that in the interests of the security of India or for securing the security of the aircraft it is necessary to do so.

(2) Every direction issued under sub-section

(1) shall be complied with by the person or persons to whom such direction is issued.

(3) If any person wilfully fails to comply with any direction issued under this section, he shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to five thousand rupees, or with both.

**34. Power of the Central Government to temporarily divest the Authority of the management of any aerodrome** — (1) If at any time the Central Government is of opinion that in the public interest it is necessary or expedient so to do, it may, by order, direct the Authority to entrust the management of any aerodrome, civil enclave or aeronautical communication station with effect from such date and to such person as may be specified in the order and the Authority shall be bound to comply with such direction :

Provided that before an order is made under this sub-section the Authority shall be given a reasonable opportunity of being heard in the matter.

(2) Where the management of any aerodrome, civil enclave or aeronautical communication station is entrusted to any person specified under sub-section (1) (hereafter in this section referred to as the authorised person), the Authority shall cease to exercise and discharge all its powers and functions under this Act in relation to such aerodrome, civil enclave or aeronautical communication station and such powers and functions shall be exercised and discharged by the authorised person in accordance with the instructions, if any, which the Central Government may give to the authorised person from time to time.

Provided that no such power or function as may be specified by the Central Government by a general or special order shall be exercised or discharged by the authorised person except with the previous sanction of the Central Government.

(3) An order made under sub-section (1) shall unless rescinded, be in operation for a period of six months from the date on which the management of the aerodrome, civil enclave or aeronautical communication station is entrusted to the authorised person :

Provided that the Central Government may extend such period for a further period or period not exceeding eighteen months.

(4) During the operation of an order made under sub-section (1), it shall be competent for the Central Government to issue, from time to time, such directions to the Authority as are necessary to enable the authorised person to exercise the powers and discharge the functions of the Authority under this Act in relation to the aerodrome civil enclave or aeronautical communication station, the management of which has been entrusted to him and in particular to transfer any sum of money from the fund of the Authority to the authorised person for the management of the aerodrome, civil enclave or aeronautical communication station and every such direction shall be complied with by the Authority.

(5) On the cesser of operation of any order made under sub-section (1) in relation to any aerodrome, civil enclave or aeronautical communication station, the authorised person shall cease to exercise and perform the powers and functions of the Authorised under this Act in relation to such aerodrome, civil enclave or aeronautical communication station and the Authority shall continue to exercise and perform such powers and functions in accordance with the provisions of this Act.

(6) On the cesser of operation of any order made under sub-section (1) in relation to any aerodrome, civil enclave, aeronautical communication station, the authorised person shall hand over to the Authority any property (including any sum of money or other asset) remaining with him in connection with the management of such aerodrome, civil enclave, aeronautical communication station.

(7) Anything done or any action taken lawfully by the authorised person in relation to any aerodrome, civil enclave, aeronautical communication station during the period of operation of an order made under sub-section (1) shall be deemed to have been done or taken by the Authority and shall be binding on the Authority.

**35. Power of the Central Government to supersede the Authority** — (1) If, at any time, the Central Government is of opinion—

- (a) that on account of a grave emergency, the Authority is unable to discharge the functions and duties imposed on it by or under the provisions of this act ; or
- (b) that the Authority has persistently made default in complying with any direction issued by the Central Government under this Act or in the discharge of the functions and duties imposed on it by or under the provisions of this Act and as a result of which default the financial position of the Authority or the administration of any aerodrome, civil enclave, aeronautical communication station has deteriorated; or
- (c) that circumstances exist which render it necessary in the public interest so to do, the Central Government may, by notification in the Official Gazette, supersede the Authority for such period, not exceeding six months, as may be specified in the notification :

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

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

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

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

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

Provided that the Central Government may, at any time before the expiration of the period of supersession, whether as originally specified

under sub-section (1) or as extended under this sub-section, take action under clause (b) of this sub-section.

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

**36. Power of the Central Government to issue directions** — (1) Without prejudice to the foregoing provisions of this Act, the Authority shall, in the discharge of its functions and duties under this Act, be bound by such directions on questions of policy as the Central Government may give in writing to it from time to time :

Provided that the Authority shall, as far as practicable, be given opportunity to express its views before any direction is given under this sub-section.

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

(3) The Central Government may, from time to time, issue directions to the Authority regarding the discharge of any functions to it under clause (e) of sub-section (3) of section 12 and the Authority shall be bound to comply with such directions.

**37. Power to make rules** — (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for—

- (a) the conditions of service of the Chairman and other members under section 5 including the salaries payable to the



Chairman and to the members who are required to render whole-time service and the fees and allowances payable to the members who are required to render part-time service;

- (b) the period of notice required to terminate the appointment of any member, who is required to render part-time service and who is not a servant of the Government, under section 5 and the period of notice that may be given to the Central Government by a member before he resigns his office, under that section;
- (c) the conditions and limitations subject to which the Authority may appoint officers and other employees under sub-section (1) of section 10;
- (d) the terms and conditions subject to which the non-recurring expenditure incurred by the Central Government for or in connection with the purposes of any aerodrome, civil enclave, aeronautical communication station, the Civil Aviation Training Centre and the Fire service Training School shall be treated as the capital provided by the Central Government to the Authority under clause (e) of sub-section (1) of section 13;
- (e) the manner in which the Authority may invest its funds under section 22;
- (f) the form in which the Authority shall prepare the annual statement of accounts including the profit and loss account and the balance-sheet under section 24; and
- (g) any other matter which is to be or may be prescribed.

**38. Power to make regulations** — (1) The Authority may make regulations not inconsistent with this Act and the rules made thereunder to

provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

(2) Without prejudice to the generality of the foregoing power, such regulations may provide for -

- (a) the time and places of the meetings of the Authority and the procedure to be followed for the transaction of business at such meetings under sub-section (1) of section 8;
- (b) the conditions of service and the remuneration of officers and other employees appointed by the Authority;
- (c) the allotment of residential accommodation to the officers and other employees appointed by the Authority;
- (d) the contracts or class of contracts which are to be sealed with the common seal of the Authority and the form and manner in which a contract may be made by the Authority;
- (e) the storage or processing of goods in any warehouse established by the Authority under clause (g) of sub-section (3) of section 12 and the charging of fees for such storage or processing;
- (f) the custody and restoration of lost property and the terms and conditions under which lost property may be restored to the persons entitled thereto;
- (g) the disposal of any lost property in cases where such property is not restored;
- (h) securing the safety of aircraft, vehicles and persons using the aerodrome or civil enclave and preventing danger to the public arising from the use and operation of aircraft in the aerodrome or civil enclave;

- (i) preventing obstruction within the aerodrome or civil enclave for its normal functioning;
- (j) prohibiting the parking or waiting of any vehicle of carriage within the aerodrome or civil enclave except at places specified by the Authority;
- (k) prohibiting or restricting access to any part of the aerodrome or civil enclave;
- (l) preserving order within the aerodrome or civil enclave and preventing damage to property therein;
- (m) regulating or restricting advertising within the aerodrome or civil enclave;
- (n) requiring any person, if so directed by an officer appointed by the Authority in this behalf, to leave the aerodrome or civil enclave or any particular part of the aerodrome or civil enclave; and
- (o) generally for the efficient and proper management of the aerodrome or civil enclave.

(3) Any regulation made under any of the clauses (h) to (o) (inclusive) of sub-section (2) may provide that a contravention thereof shall be punishable with fine which may extend to five hundred rupees and in the case of a continuing contravention with an additional fine which may extend to twenty rupees for every day during which such contravention continues after conviction for the first such contravention.

(4) No regulation made by the Authority under this section shall have effect until it has been approved by the Central Government and published in the Official Gazette.

**39. Supplementary provisions respecting regulations**— Any regulation which may be

made by the Authority under this Act may be made by the Central Government by notification in the Official Gazette within one year of the constitution of the Authority and any regulation so made may be altered or rescinded by the Authority by means of a regulation made by it under this Act.

**40. Rules and regulations to be laid before Parliament**— Every rule and every regulation made under this shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation, as the case may be, should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

**41. Power to remove difficulties**— If any difficulty arises in giving effect to the provisions of this Act, The Central Government may, by general or special order published in the Official Gazette make such provisions not inconsistent with the provisions of this Act as appear to it to be necessary or expedient for the removal of the difficulty:

Provided that no such order shall be made after the expiration of one year from the commencement of this Act.

(2) Every order made under sub-section (1) shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which

may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the order or both Houses agree that the order should not be made, the order shall thereafter have effect only in such modified form or be of no effect, as the case be; so, however, that any

such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

**42. Amendment of Act 22 of 1934** — In sub-section (2) of section 5 of the Aircraft Act, 1934, in clause (b), after the words and figures "the International Airports Authority Act, 1971", the words and figures "or the National Airports Authority Act, 1985" shall be inserted. 43 of 1971