

The Inland Waterways Authority of India (Issue of Debt Securities) Regulations, 2016

UNION OF INDIA

India

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Rule

THE-INLAND-WATERWAYS-AUTHORITY-OF-INDIA-ISSUE-OF-DEBT-S of 2016

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The Inland Waterways Authority of India (Issue of Debt Securities) Regulations, 2016 Published vide Notification No. F. No. IWT-11011/45/2016-IWT, dated 2.11.2016 Inland Waterways Authority of India F. No. IWT-11011/45/2016-IWT. - In exercise of the powers conferred by clause (k) sub-section (2) section 35 of the Inland Waterways Authority of India Act, 1985 (82 of 1985), the Inland Waterways Authority of India, with the previous approval of the Central Government, hereby makes the following regulations for the issue of bonds and other debt securities, as under, namely:-

1. Short title, Commencement and application.

(1) These regulations may be called the Inland Waterways Authority of India (Issue of Debt Securities) Regulations, 2016. (2) They shall come into force on the date of their publication in the official Gazette.

2. Definitions.

(1) In these regulations, unless the context requires otherwise,-(a) "Act" means the Inland Waterways Authority of India Act, 1985 (82 of 1985) (b) "Authority" means the Inland Waterways Authority of India constituted under sub-section (1) of section 3 of the Act; (c) "Committee" means Investment Committee set up under regulation 5; (d) "Debt Securities" means a non-convertible debt securities which create or acknowledge indebtedness, and include debenture, bonds and such other securities of a body corporate or any statutory body constituted by or under any law for the time being in force whether constituting a charge on the assets of such body or not; (e) "funds" mean monies collected

through the issue of bonds and other debt securities by the Authority;(f)"prospectus" means prospectus as defined in clause (70) of section 2 of the Companies Act, 2013 (18 of 2013);(g)"report" means the report made by the Investment Committee on the economic viability and impact of any proposed issue of debt securities by the Authority.(2)All other words and expressions used but not defined in these regulations shall have the same meanings respectively assigned to them in the Act or the Companies Act, 2013 (18 of 2013) or the Securities Contracts (Regulation) Act, 1956 (42 of 1956) or the Depositories Act, 1996 (22 of 1996) or the rules and the regulations made thereunder.

3. Terms for issue of bonds.

- The Authority shall -(a)borrow monies by means of issue of debt securities subject to such ceilings as may be deemed proper by the Central Government;(b)apply the whole or any part of the monies so raised, or the fund or accumulations thereto, to any one or more of the functions under the Act, as the Authority may, in its discretion, deem fit from time to time;(c)open an account in the name of the Authority or institutions run or conducted by the Authority with a bank or banks, operate such an account and give instructions to the bank and provide for opening and operation of such account by one or more of the officers of the Authority or by an agent appointed by the Authority;(d)appoint attorneys or agents for the purposes of issuing debt securities and authorise and enter into agreements with such attorneys or agents to operate and manage the debt securities;(e)do any other act or thing and exercise any other function or power which is incidental to the aforesaid functions; and(f)subject to the operation and management of the debt securities by the officers of the Authority and the agents and attorneys, inspected and audited at periodical intervals.

4. General Purpose of the Funds.

- The Authority shall issue debt securities for the purposes listed under the Act and shall not be limited to the following, namely:-(a)development of fairway;(b)manufacturing of barges;(c)terminal construction and development;(d)waterway transportation;(e)infrastructural facilities for waterways; and(f)consultancy and research services.

5. Investment Committee.

(1)The Authority shall set up an Investment Committee to ensure that the debt securities issued by the Authority are prudent and legally compliant.(2)The purpose of the Committee shall be to formulate and oversee the investment policies and management of the funds collected through the securities.(3)The composition of the Committee shall be as follows:-(a)the Vice-Chairman of the Authority, shall be the Chairperson of the Committee;(b)one member of the Authority, to be nominated by the Chairman of the Authority;(c)one Company Secretary and two advisers (external) to be nominated by the Chairperson from amongst the persons of ability, integrity, and who have knowledge of, and adequate experience and capacity in dealing with problems relating to financial matters, commerce, financial regulation, law, economics and public administration, and also at least one adviser shall be a person having fifteen years of general banking experience in a nationalised bank.

6.

The Committee shall submit its report to all the members of the Authority within thirty days from the date of request by the Chairman of the Authority.

7. Meetings.

- The meetings shall be held in conjunction with regularly scheduled meetings of the Authority, or as may be deemed necessary by the Chairperson of the Committee.

8.

The Chairperson of the Committee shall be responsible for approving the agenda items for the meetings of the Committee.

9.

An agenda, together with relevant materials, shall be sent to the members of the Committee in advance before each meeting.

10.

Minutes for all meetings shall be prepared in draft form and reviewed by the Chairperson, and shall be concurred by the members of the Committee.

11.

The Committee shall make regular reports of its activities to the Authority.

12. Functions of the Committee.

- The Committee shall -(a)ensure the compliance of the issue of the debt securities with all relevant and applicable Acts, rules and regulations;(b)evaluate the economic viability of the proposed issue of bonds and other debt securities;(c)prepare and submit a report that shall be circulated to the members of the Authority, regarding the economic feasibility of proposed issue or reissue;(d)make recommendations as to the course of action to be taken by the Authority with regard to issue of debt securities; and(e)regulate the funds collected through such issue, ensure that they are used for the stated purpose for which they were collected, and make recommendations as to the proper use thereof.

13. Procedure for issue of bonds, and other debt securities.

- The Authority shall pass a resolution to give its approval for issue of debt securities by a simple majority.

14.

(1) While passing a resolution for issue of debt securities, the Authority shall, - (i) take into account the report submitted by the Committee regarding the issue of such debt securities and other proposed ventures before passing a resolution; (ii) where the Authority decides to go against the recommendations of the Committee, then it must provide the reasons for the same, in writing and such cases shall be reported to the Central Government at the end of each financial year.

15. Re-issue of bonds and emergency powers of issue.

- The Authority shall have the power to re-issue and consolidate its debt securities, if it deems fit to do so.

16. Proper use of funds.

- The funds collected by the Authority shall be debited to the Inland Waterways Authority of India Fund which has been set up under the provisions of the Act.

17.

The funds collected by the Authority shall be used exclusively for the purpose stated in the prospectus of the issue and for no other purpose, except with the express permission of the Central Government.

18.

After the purpose of the issue has been achieved, the surplus funds, if any, shall be used as per the recommendations of the Committee and for any of the purposes of the Authority as provided in the Act.

19. Liability of the members.

- The Committee and every member shall be accountable for such monies and funds actually been invested after the same has been accounted in the Authority and a member shall not be responsible or accountable for any neglect, default, acts or omissions or commissions of any banker or attorney or other person with whom any securities have been deposited or kept.

20. Public issue.

- Public issue of all the debt securities shall be in accordance with the relevant provisions of the regulations made by the Securities and Exchange Board of India or any other law for the time being in force.