

**THE TELANGANA ROAD DEVELOPMENT CORPORATION  
ACT, 1998.**

**(ACT NO. 1 OF 1998.)**

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**THE TELANGANA ROAD DEVELOPMENT CORPORATION  
ACT, 1998.<sup>1</sup>**

**ACT NO. 1 OF 1998.**

**CHAPTER - I.**

1. (1) This Act may be called the <sup>2</sup>Telangana Road Development Corporation Act, 1998. **Short title, extent and commencement.**

(2) It extends to the whole of the State of <sup>2</sup>Telangana.

(3) It shall be deemed to have come into force on the 27th September, 1997.

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

(a) **"Corporation"** means the <sup>2</sup>Telangana Road Development Corporation established under section 3;

(b) **"Government"** means the State Government of <sup>2</sup>Telangana.

(c) **"Local Authority"** means,-

(i) A Gram Panchayat, a <sup>3</sup>[Mandal Praja Parishad] or a <sup>3</sup>[Zilla Praja Parishad] constituted under the Telangana Panchayat Raj Act, 1994; **Act 13 of 1994.**

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1. The Andhra Pradesh Road Development Corporation Act, 1998 received the assent of the Governor on the 31<sup>st</sup> December, 1997. The said Act in force in the combined State, as on 02.06.2014, has been adapted to the State of Telangana, under section 101 of the Andhra Pradesh Reorganisation Act, 2014 (Central Act 6 of 2014) vide. the Telangana Adaptation of Laws Order, 2016, issued in G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

2. Substituted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

3. Substituted by Act No.41 of 2006 and now see the Telangana Panchayat Raj Act, 2018 (Act No.5 of 2018).

Act VI of 1965.

(ii) a Municipality or a Notified Area Committee constituted under the <sup>4</sup>Telangana Municipalities Act, 1965;

(iii) A Municipal Corporation constituted under any law for the time being in force relating to Municipal Corporations;

Central Act 48 of 1956.

(d) "**National Highway**" means any highway for the time being declared as a National Highway under section 2 of the National Highways Act, 1956;

(e) "**Notification**" means a notification published in the <sup>5</sup>Telangana Gazette and the word 'notified' shall be construed accordingly;

(f) "**Prescribed**" means prescribed by rules made under this Act;

(g) "**Road**" means the ground appropriated for public travel or forming a communication between one place and another and includes a highway, openway, passage street, square, court alley, bridge, foot track, path, sidewalk or lane, whether surfaced or unsurfaced and whether a thoroughfare or not, over which the public have a right of way and also includes;

(i) any land acquired or demarcated with a view to construct a road along it;

(ii) any slope, berm, borrowpits, foot paths, pavements and side catch and boundary drains attached to such road;

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4. Adapted by G.O.Ms.No.142, Municipal Administration & Urban Development (A2) Department, dated 29.10.2015.

5. Substituted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

(iii) all bridges, culverts, tunnels, causeways, carriage ways and other structures constructed on or across such road; and

(iv) all trees, fences, posts, boundary and land marks and other road accessories and materials and material stocks on the road;

(h) "Regulation" means regulations made under this Act.

**CHAPTER - II.  
ESTABLISHMENT, CONDUCT OF BUSINESS AND  
EMPLOYEES OF THE CORPORATION.**

3. (1) The State Government shall, by notification, establish for the purposes of this Act, a Corporation to be called 'Telangana Road Development Corporation,

Establishment of  
'Telangana Road  
Development  
Corporation.

(2) The Corporation established under sub-section (1) shall be a body corporate having perpetual succession and a common seal, with power to contract, acquire, hold and dispose of property, both movable and immovable and to do all things necessary for the purposes of this Act and may sue and be sued by its corporate name.

(3) The Head Office of the Corporation shall, be at Hyderabad.

4. (1) The Corporation shall consist of the following members, namely:-

Constitution of  
Corporation.

<sup>7</sup>[(a) Person to be appointed .. Chairperson;]  
by the Government.

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6. Substituted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

7. Substituted by Act No.27 of 2017.

- (b) Chief Secretary to Government. .. Ex-Officio Vice-Chairman;
- (c) Principal Secretary to Government Transport, Roads & Buildings Department or Secretary to Government, Transport, Roads & Buildings Department. .. Ex-Officio Member;
- (d) Principal Secretary to Government Finance & Planning Department or Secretary to Government, Finance and Planning Department. .. Ex-Officio Member;
- (e) Engineer-in-Chief, Roads and Buildings or Chief Engineer, Roads & Buildings (Roads). .. Ex-Officio Member;

(f) One non-official member representing reputed and recognised financial institutions, to be nominated by the Government;

(g) An Officer of the Indian Administrative Service not below the rank of a Deputy Secretary to Government or Engineer-in-Chief, Roads and Buildings or Chief Engineer (Roads and Buildings) may be appointed by the Government as the Member-Secretary of the Corporation, and he shall be designated as the Managing Director of the Corporation; and



(h) Two other members to be nominated by the Government from officials or non-officials.

<sup>8</sup>[(2) The term of office of nominated Chairperson and nominated members shall be for a period as notified by the Government unless terminated earlier by the Government.]

(3) The non-official members of the Corporation nominated under clauses (f) and (h) of sub-section (1) shall receive such remuneration and allowances as may be laid down by regulations.

(4) The official members of the corporation shall receive such compensatory allowances, for the purposes of meeting the personal expenditure in attending the meetings of the Corporation, as may be laid down by regulations.

5. (1) A person shall be disqualified for being nominated as a non-official member or continue to be such member if he,-

**Disqualifications for membership and removal of members.**

(a) is an employee of the Corporation, except the Managing Director;

(b) is of unsound mind, and stands so declared by a competent court;

(c) is an undischarged insolvent;

(d) is convicted for an offence involving moral turpitude;

(e) has, directly or indirectly by himself or by any partner, employer or employee, any share or interest,

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8. Substituted by Act No.27 of 2017.

whether pecuniary or of any other nature, in any contract or employment with, by or on behalf of the Corporation; or

(f) is a Director, Secretary, Manager or other Officer of any company, which has any share or interest in any contract or employment with, by or on behalf of, the Corporation:

Provided that a person shall not be disqualified under clause (e) or clause (f) by reason only of his or the Company of which he is a Director, Secretary, Manager or other Officer, having a share or interest in,-

(i) any sale, purchase, lease or exchange of immovable property or any agreement for the same;

(ii) any agreement for loan of money or any security for payment of money only;

(iii) any news paper in which any advertisement relating to the affairs of the Corporation, is published.

(2) The Government may remove from the Corporation any non-official member nominated by the Government, who in its opinion,-

(a) has been disqualified under sub-section (1);

(b) refuses to act;

(c) has so abused his position as a member as to render his continuance on the Corporation detrimental to the interest of the public; or

(d) is otherwise unsuitable to continue as member.

(3) No order of removal under sub-section (2) shall be made unless the non-official member has been given an opportunity to submit his explanation to the Government and when such order is passed, the office of the member so removed shall be deemed to be vacant.

(4) A member who has been so removed under sub-section (3) shall not be eligible for re-appointment as member or in any other capacity in the Corporation.

6. (1) The Corporation shall meet at such times and places as the Chairman may decide and shall, subject to the provisions of sub-section (3), observe such rules of procedure in regard to the transaction of business at its meetings including the quorum thereof as may be laid down by regulations:

Meetings of Corporation.

Provided that atleast one meeting shall be held in every four months period.

(2) The Chairman, or in his absence the Vice-Chairman, shall preside at every meeting of the Corporation. If for any reason the Chairman and Vice-Chairman are unable to attend any meeting, the meeting shall stand adjourned.

(3) A member, who is directly or indirectly concerned or interested in any contract, loan, arrangement or proposal entered, into or proposed to be entered into, by or on behalf of the Corporation, shall, at the earliest possible opportunity, disclose the nature of his interest to the Corporation, and shall not be present at any meeting of the Corporation when any such contract, loan, arrangement or proposal is discussed unless his presence is required by the other members for the purpose of eliciting information, but no member so required to be present shall vote on any such contract, loan agreement or proposal:

Provided that a member shall not be deemed to be concerned or interested as aforesaid by reason only of his being a share holder of a Company concerned in any such contract, lean, arrangement or proposal.

**Constitution of Committees.**

7. The Corporation may, from time to time, constitute a Committee, or Committees out of its members specified in sub-section (1) of section 4 consisting of such number of them as it may think proper and may delegate to such Committee or Committees such powers of the Corporation as it may deem fit for carrying out the purposes of this Act.

**Provision for inviting officers of Government etc.**

8. (1) The Corporation or any of its Committees may invite any officer of the Central Government, State Government, a local authority or any organisation or any other person to attend its meeting or meetings as a special invitee for the purpose of assisting or advising on any matter or matters. The person so invited may take part in the proceedings, but shall have no right to vote.

(2) The person so invited shall be entitled to draw such honorarium or compensatory allowance for the purpose of meeting the personal expenditure in attending the meetings of the Corporation or any of its Committees as the Corporation may determine, from time to time.

**Filling up of casual vacancies of members.**

9. Any vacancy of a member of the Corporation shall be filled as early as practicable, in like manner as if the appointment were being made for the first time.

**Acts or proceedings not to be invalidated by vacancy or informality etc.**

10. No act done or proceedings taken under this Act by the Corporation or a Committee appointed by the Corporation shall be invalidated merely on the ground of,-

(a) any vacancy of a member or any defect in the constitution or reconstitution of the Corporation or a Committee thereof; or

(b) any defect or irregularity in the appointment of a person as a member of the Corporation or of a Committee thereof; or

(c) any defect or irregularity in such act or proceedings, not affecting the substance.

11. (1) The State Government shall appoint on deputation a Managing Director as provided in clause (g) of sub-section (1) of section 4, an Accounts and Finance Officer of the rank of a Company Secretary and such other officers on deputation from the Roads and Buildings Department of the Government as may be required.

**Officers and Servants of the Corporation.**

(2) The Corporation may, with the prior approval of the Government, appoint on deputation from the Roads and Buildings Department of the Government such other officers and servants subordinate to the officers mentioned in sub-section (1) as it considers necessary for the efficient performance of its duties and functions.

(3) The conditions of appointment and service of the officers and servants and their scales of pay shall,-

(a) as regards the officers mentioned in sub-section (1) be such as may be prescribed; and

(b) as regards the officers and servants mentioned in sub-section (2) be such as may be laid down from time to time by regulations.

(4) Where any officers and employees belonging to any category in the Roads and Buildings Department of the Government are likely to be rendered surplus wholly or partially to the requirements of the Government due to the functioning of the Corporation by or under this Act or where the services of such officers and employees are required by

the Corporation for efficient exercise of its powers, performance of its duties or discharge of its functions, the Government or any officer duly authorised by the Government in this behalf may, by order, depute such officers and employees to the Corporation as may be found necessary from time to time, who shall be accordingly employed by the Corporation on deputation and their salaries and allowances shall be paid from the Corporation Fund.

(5) The period of deputation of any such officer or employee to the Corporation shall ordinarily be five years, on expiry of which, such officer or employee shall stand repatriated to his parent service except when any such person is required by the Government to be repatriated earlier on such grounds as promotion, reversion, termination or superannuation or any other reason:

Provided that during the period of such deputation all matters relating to the pay, leave, allowances, retirement, pension, provident fund and other conditions of service of such person on deputation shall be regulated by such rules governing such matters at the time of the deputation or such other rules as may, from time to time, be made by the State Government, but they shall not be entitled to any deputation allowance.

(6) All such persons on deputation to the Corporation shall continue to have a lien on their posts in their parent service and the period of their service on deputation under the Corporation shall, on their repatriation to their parent service, be counted for increments, pension and other matters relating to their service.

(7) The Corporation shall have the authority to transfer the officers, employees and servants to any area of its operation.

(8) Save as otherwise provided in this section, the terms and conditions of service of the officers and employees on deputation to the Corporation shall not be less advantageous than those applicable to them immediately before such deputation and shall not be varied to their disadvantage except with the previous sanction of the State Government.

(9) Subject to the superintendence of the Corporation, the Managing Director shall supervise and control all its officers and employees including any officers and employees of the Government appointed on deputation to the Corporation.

12. No person who has, directly or indirectly, by himself or by his partner or agent, any share or interest in any contract, by or on behalf of the Corporation, or in any employment under, by or on behalf of the Corporation otherwise than as an officer or servant thereof, shall be qualified to be an officer or servant of the Corporation.

**Disqualification of all officers and servants.**

13. All proceedings of the Corporation shall be authenticated by the Chairman or Vice-Chairman and all orders and instruments of the Corporation shall be authenticated by the Managing Director or any other officer of the Corporation as may be authorised in this behalf by regulations.

**Authentication of Orders etc. of the Corporation.**

### **CHAPTER - III.**

#### **PROPERTY, ASSETS, LIABILITIES AND OBLIGATIONS.**

14. The Government may from time to time, by notification vest in or as the case may be entrust to the Corporation any of the following roads or any stretches thereof namely, -

**Power of the Government to vest or entrust roads to the Corporation.**

(a) roads vested in the Government and under the control of the Roads and Buildings Department of the Government;

(b) roads vested in and belonging to a Cantonment Board constituted under the Cantonment Act, 1924 to the extent of any agreement with such Cantonment Board.

Central Act II of 1924.

Transfer of assets and liabilities of the Government to the Corporation.

15. (1) Subject to the provisions of any law for the time being in force, on and from the date of a notification under section 14,-

(a) all properties and assets comprising of movables and immovables of such roads vested in the Government and under the control of the Roads and Buildings Department of the Government, shall vest in and stand transferred to the Corporation;

(b) all rights, obligations and liabilities, acquired or incurred, all contracts entered into and all matters and things engaged to be done by, with, or for the Government, immediately before such date for or in connection with the purposes of any road or any stretch thereof vested in, or entrusted to, the Corporation under section 14, shall be deemed to have been acquired, incurred, entered into and engaged to be done by, with or for, the Corporation;

(c) all non-recurring expenditure incurred by or for the Government, for or in connection with the purposes of any road or any stretch thereof so vested in or entrusted to, the Corporation, upto such date and declared to be capital expenditure by the Government shall, subject to such terms and conditions as may be prescribed, be treated as capital provided by the Government to the Corporation;

(d) all sums of money due to the Government in relation to any road or any stretch thereof so vested in or



entrusted to, the Corporation immediately before such date shall be deemed to be due to the Corporation;

(e) all suits and other legal proceedings instituted or which could have been instituted by or against the Government immediately before such date for any matter in relation to such road or any stretch thereof may be continued or instituted by or against the Corporation.

(2) Such properties assets, rights, obligations and liabilities shall be valued in such manner as the Government may determine.

(3) If any doubt or disputes arises as to which of the properties or assets or rights or liabilities of the Government have been transferred to the Corporation such doubt or dispute shall be referred to and decided by the Government, whose decision shall be final.

**CHAPTER - IV.  
FUNCTIONS AND POWERS OF CORPORATION.**

16. (1) It shall be the function of the Corporation to develop, maintain and manage the roads or any stretches thereof vested in, or entrusted to, it by the Government.

**Functions of the Corporation.**

(2) Without prejudice to the generality of the provisions contained in sub-section (1), the Corporation may, for the discharge of its functions,-

(a) survey, develop, maintain and manage the roads vested in, or entrusted to it;

(b) raise resources for such development, maintenance and management of such roads;

(c) construct offices and workshops and establish and maintain hotels, motels, restaurants and rest-rooms at or near the roads vested in, or entrusted to it;

(d) regulate and control the use of the roads vested in, or entrusted to it for the proper management thereof;

(e) develop and provide consultancy and construction services and carry on research activities in relation to the development, maintenance and management of roads or any facilities there at;

(f) provide such facilities and amenities for the users of the roads vested in, or entrusted to it as are in the opinion of the Corporation necessary for the smooth flow of traffic on such roads;

(g) advise the Government on all matters relating to roads and assist the Government in formulation and implementation of schemes for road development;

(h) collect such fees and charges including toll fee for services and benefits rendered in relation to the use of the roads vested in, or entrusted to it at such rates and in such manner, as may be prescribed;

(i) invite tenders, bids or offers and enter into contracts in respect of the roads vested in, or entrusted to it, for the purposes of the activities of the Corporation;

(j) to undertake schemes or works, either jointly with other corporate bodies, or institutions, or local authorities or Government, or on agency basis in furtherance of the purposes for which, the Corporation is established and all matters connected therewith;

(k) to develop the lands adjacent to or nearby the roads vested in, or entrusted to it with greenery and other infrastructural facilities;

(l) prepare annual plans and five year working development plans;

(m) prepare annual budget;

(n) 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

(o) undertake any other activities entrusted by the Government in furtherance of the objectives for which the Corporation is established.

17. (1) The Corporation shall have the power to accord administrative approval, revised administrative approval, technical sanction, accept all tenders, sanction budget and make financial provisions, settle disputes arising out of contracts and do any other things which may be necessary or expedient for the purpose of carrying out its functions under this Act.

General powers of the Corporation.

(2) without prejudice to the generality of the foregoing provisions such power shall include the power,-

(a) to acquire and hold property, both movable and immovable as the Corporation may deem necessary for the performance of any of its functions, duties and activities and to lease, sell, exchange or otherwise transfer any property held by it on such conditions as may be deemed proper by the Corporation;

(b) to take measures for protection of environment, maintenance of ecological balance and prevention of pollution in carrying on its activities;

(c) to engage suitable consultants or persons having special knowledge or skill to assist the Corporation in the performance of its functions; and

(d) to do all such other things and perform such acts as may be necessary for or incidental or conducive to any matters which are necessary for furtherance of the objectives for which the Corporation is established.

Responsibility of the Corporation for payment of interest on borrowed money.

18. The Corporation shall pay any interest due on the borrowed money from the Corporation Fund.

Powers of Government to issue directions.

19. The Government may issue to the Corporation such general or special directions as to policy or exercise of the powers or performance of the functions by the corporation as it may think necessary or expedient for carrying out the purposes of this Act and the Corporation shall be bound to follow and act upon such directions.

#### CHAPTER - V. ACQUISITION OF LAND.

Power to acquire land for purposes of this Act.  
Central Act 1 of 1894.

20. The Government may for carrying out the purposes of this Act, compulsorily acquire land under the <sup>9</sup>Land Acquisition Act, 1894 and the acquisition of any land for any of the said purposes shall be deemed to be a public purpose within the meaning of that Act.

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9. Please see now the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (Central Act 30 of 2013).

21. (1) For the furtherance of the objects of this Act, the Government may, by notification, upon such conditions as may be agreed upon between the Government and the Corporation, place at the disposal of the Corporation any lands vested in the Government:

Transfer of Government lands to Corporation.

Provided that the Government shall not place at the disposal of the Corporation any lands which are notified and included in a reserved forest.

(2) After any such land has been so placed at the disposal of the Corporation it shall be dealt with by the Corporation in accordance with the provisions of this Act or the rules or regulations made thereunder and the directions, if any, given by the Government in this behalf.

(3) If any land placed at the disposal of the Corporation under sub-section (1) is not required by the Corporation, the Government may ask the Corporation to surrender it to the Government upon such terms and conditions as may be mutually agreed upon.

22. Subject to any rules made by the Government under this Act in this behalf, the Corporation may retain, lease, sell, exchange or otherwise dispose of any land, any building or other property vested in it, in such manner as it thinks fit for carrying out the purposes of this Act.

Power of Corporation to dispose of lands etc.

## CHAPTER - VI. FINANCE, ACCOUNTS AND AUDIT.

23. All property, fund and other assets vesting in the Corporation shall be held and applied by it, for the purposes of this Act.

Application of Corporation assets etc.

24. (1) The Corporation shall have and maintain its own fund, to which shall be credited,-

Corporation Fund.

(a) all moneys received by the Corporation from the Government by way of grants, subventions, loans, advances the loans raised under this Act;

(b) all fees, charges and costs received by the Corporation under this Act;

(c) all moneys received by the Corporation from the disposal of lands, buildings and other properties, movable and immovable and other transactions;

(d) all moneys received by the Corporation by way of rents and profits or from any other source.

(2) The Corporation may keep current and deposit account with such bank or banks as may be specified by the Government in this behalf.

(3) Such accounts shall be operated by such officer of the Corporation as may be authorised by it in this behalf;

(4) Notwithstanding anything contained in sub-section (2) and (3), the Corporation may keep on hand such sum as it thinks fit for its day to day transactions, subject to such limits and conditions as may be prescribed.

**Contribution of  
Government to  
Corporation Fund.**

25. (1) The Government shall, by appropriation duly made in this behalf, from time to time, provide funds to the extent considered necessary, to the Corporation for the performance of the functions of the Corporation under this Act.

(2) The Capital provided by the Government shall not carry any interest.

26. The Government may after due appropriation made by the State Legislature by the Law in this behalf, make such grants, subventions, loans and advances to the Corporation as it may deem necessary for the performance of the functions of the Corporation under this Act and all grants, subventions, loans and advances made shall be on such terms and conditions as the Government may determine. **Grants, subventions, loans and advances to Corporation.**
27. (1) The Corporation, may subject to such conditions as may be prescribed in this behalf, borrow money from the financial institutions or Non-resident Indians or from the open market by issue of guaranteed or unguaranteed bonds, debentures, stocks and otherwise, for the purpose of providing itself with adequate resources. **Power of Corporation to borrow.**
- (2) The maximum amount which the Corporation may at any time have on loan under sub-section (1) shall not exceed rupees one thousand crores unless the Government fixes a higher maximum limit for this purpose.
28. The Corporation may accept deposits on such conditions as it deems fit from persons, authorities or institutions, to whom allotment or lease or sale of land or buildings or other properties or rights is made or is likely to be made in furtherance of the objects of this Act. **Acceptance of deposits by Corporation.**
29. The Corporation shall have the authority to spend such sums as it thinks fit for the purposes authorised under this Act from and out of the fund of Corporation referred to in section 24 or from the reserve and other funds referred to in section 31, as the case may be. **Power to spend.**
30. It shall be competent for the Corporation to spend such sums, as it thinks fit also on objects authorized under this Act other than roads and such sums shall be treated as common expenditure payable out of the fund of the Corporation. **Expenditure on objects other than roads.**

Reserve and other funds.

31. (1) The Corporation shall make provisions for such reserve and other specially denominated funds as the Government may, from time to time, direct.

(2) The management of the funds referred to in sub-section (1), the sums to be transferred, from time to time, to the credit thereof and the application of money comprised therein, shall, subject to the directions, if any, issued by the Government in this behalf, be determined by the Corporation.

(3) None of the funds referred to in sub-section (1) shall, except with the previous approval of the Government, be utilised for any purposes other than that for which it is constituted.

Submission of budget to Corporation.

32. (1) The Managing Director of the Corporation shall, at a special meeting to be held in the month of October in each year lay before the Corporation, the budget estimates of the Corporation for the next year.

(2) Every such budget estimates shall be prepared in such form as the Government may, from time to time, by order, determine and shall, provide for,-

(i) the proposals, plans and projects which the Corporation proposes to execute either in part or in whole during the next year;

(ii) the due fulfilment of all the liabilities of the Corporation; and

(iii) the implementation of the provisions of this Act.

(3) Such estimates shall contain a Statement showing the estimated income and expenditure on capital and revenue accounts for the next year and such other



particulars indicating the financial performance of the Corporation as the Government may direct. The budget shall clearly reveal the financial outlay and performance.

33. The Corporation shall consider the budget estimates submitted to it under section 32 and approve the same with or without modifications on or before such date as the Government may, from time to time, determine. **Sanction of the budget estimates.**

34. The Government may guarantee the repayment of any loans and payment of interest on all or any of the loans given or transferred to the Corporation. **Government as guarantee.**

35. (1) Subject to the provisions of sub-section (2) of section 37 of this Act, the net profit, if any, attributable to each of the main objects, namely road development, maintenance and management shall be fully credited to the Corporation. **Disposal of profits and deficits.**

(2) the net-deficit, if any in respect of any of the objects shall be solely borne by the Government.

36. The interest, charges and all other expenditure shall be added to the capital cost and all receipts shall be taken in reduction of such cost if the Corporation is in deficit. **Interest, charges and other expenses to be added to and receipts taken for reduction of capital costs.**

37. (1) The Corporation may make provision for depreciation fund at such rates and on such terms as may be specified by the Comptroller and Auditor General of India and in consultation with the Government. **Depreciation Fund.**

(2) The net profit for the purpose of section 35 shall be determined after such provision has been made.

**Financial Statement and programme of work.**

38. (1) The Corporation shall by such date in each financial year as may be prescribed, prepare and submit to the Government for approval an annual financial statement and the programme of work for the succeeding financial year and the Government may, approve such financial statement and the programme of work of the Corporation as submitted by the Corporation or with such variations as the Government thinks fit.

(2) The annual financial statement shall show the estimated receipts and expenditure during the succeeding financial year in such form and details as may be prescribed.

(3) The Corporation shall be competent to make variations in the approved programme of work in the course of the financial year provided that all such variations and reappropriations out of the sanctioned budget are brought to the notice of the Government by a supplementary financial statement.

(4) A copy of the annual financial statement and the supplementary financial statement, if any, shall be placed before the State Legislature as soon as may be after their receipt by the Government.

**Accounts and Audit.**

39. (1) The Corporation shall maintain books of account and other books in relation to the business and transactions in such form, and in such manner, as may be prescribed.

(2) The accounts of the Corporation shall be audited by an auditor appointed by the Government, in consultation with the Comptroller and Auditor General of India.

(3) Within nine months from the end of the financial year, the Corporation shall send a copy of the accounts

audited together with a copy of the report of the Auditor thereon to the Government;

(4) The Government shall cause the accounts of the Corporation together with the audit report thereon forwarded to it under sub-section (3) to be laid before the State Legislature, as far as possible before the expiry of the year next succeeding the year to which the accounts and the report relate.

40. (1) Notwithstanding anything contained in the last preceding section, the Government may order that there shall be concurrent audit of the accounts of the Corporation by such person as it thinks fit. The Government may also direct a special audit to be made by such person as it thinks fit of the accounts of the Corporation relating to any particular transaction or class or series of transactions of a particular period.

Concurrent and special audit of accounts.

(2) When an order is made under sub-section (1), the Corporation shall present or cause to be presented for audit all such accounts and shall furnish to the person, appointed under sub-section (1) such information as the said person may require for the purpose of audit.

#### CHAPTER - VII.

#### MISCELLANEOUS AND SUPPLEMENTARY PROVISIONS.

41. (1) The Corporation shall prepare and submit to the Government, in such form as may be prescribed, an annual report within six months after the end of every financial year of its activities during the previous financial year, with particular reference to,-

Furnishing of annual reports and returns etc.

(a) development, maintenance and management of roads vested in, or entrusted to it; and

(b) other activities of the Corporation.

(2) The Corporation shall also furnish to the Government such returns, statistics reports, accounts and other information with respect to its conduct of affairs properties or activities or in regarding any proposed work or scheme as the Government may, from time to time, require.

**Execution of contracts etc.**

42. Every contract or assurance of property on behalf of the Corporation shall be in writing and executed by such authority or officer in such manner as may be provided by regulations.

**General Penalty.**

43. Whoever contravenes the provisions of this Act or any rule or regulation made thereunder or fails to comply with any notice, order or requisition issued under this Act shall on conviction, be punished with imprisonment which may extend to six months or with fine which may extend to one thousand rupees or with both.

**Power of entry.**

44. Any officer or servant of the Corporation generally or specially authorised by the Corporation may at all reasonable times enter upon any land or premises and do such things as may be necessary for the purpose of lawfully carrying out any of its works or of making any survey, examination or investigation preliminary or incidental to the exercise of powers or the performance of functions by the Corporation under this Act.

**Dues to be recovered as arrears of land revenue.**

45. All sums due or payable by any person to the Corporation or recoverable by it on account of any charge, costs, expense, fees, rent, compensation or any other account under this Act or any rule or regulation made thereunder or any agreement made with the Corporation and all charges or expenses incurred in connection therewith shall, without prejudice to any other mode of recovery, be recoverable as an arrear of land revenue.

46. (1) All notices, orders and other documents required by the Act or any rule or regulations made thereunder to be served upon any person shall, save as otherwise provided in this Act or such rule or regulation, be deemed to be duly served,- Service of notice etc.

(a) where a person to be served is a Company, the service is effected in accordance with the provisions of section 51 of the <sup>10</sup>Companies Act, 1956; Central Act I of 1956.

(b) where the person to be served is a firm, if the document is addressed to the firm at its principal place of business identifying it by the name and style under which its business is carried on and is either,-

(i) sent under a certificate of posting or by registered post; or

(ii) left at the said place of business;

(c) where the person to be served is a statutory public body or a corporation or a society or other body, if the document is addressed to the Secretary, treasurer or other principal officer of that body, corporation or society at its principal office, and is either,-

(i) sent under a certificate of posting or by registered post; or

(ii) left at that office;

(d) in any other case, if the document is addressed to the person to be served; and

(i) is given or tendered to him; or

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10. See now the Companies Act 2013 (Central Act 18 of 2013).

(ii) if such person cannot be found, is affixed on some conspicuous part of his last known place of residence or business or is given or tendered to some adult member of his family or is affixed on some conspicuous part of the land or building to which it relates; or

(iii) is sent under a certificate of posting or by registered post to that person.

(2) Any document which is required or authorised to be served on the owner or occupier of any land or building may be addressed 'the owner' or 'the occupier' as the case may be of that land or building (naming that land or building) name or description, and shall be deemed to be duly served,-

(a) if the document so addressed is sent or delivered in accordance with clause (d) of sub-section (1); or

(b) if the document so addressed or a copy thereof so addressed is given or tendered to some person on the land or building or, where there is no person on the land or building to whom it can be delivered, is affixed on some conspicuous part of the land or building.

(3) Where a document is served on the firm in accordance with this section, the document shall be deemed to be served on each partner.

(4) For the purpose of enabling any document to be served on the owner of any property, the occupier, if any of the property may be required by notice in writing by the Government or the Corporation, as the case may be to state the name and address of the owner thereof.

47. Every public notice given under this Act or any rule or regulation made there under shall be in writing and under the signature of the officer concerned and shall be widely made known in the locality or in the properties or areas to be affected thereby affixing copies thereof in conspicuous public places within the said locality or the said properties or areas or by publishing the same by beat of drum or by any other means that the officer may think fit.

**Public Notice how to be made known.**

48. Where any notice, order or other document issued or made under this Act or any rule or regulation made thereunder requires anything to be done for the doing of which no time is fixed in this Act or the rule or regulations, the notice, order or other document shall specify a reasonable period of time for doing the same or complying therewith.

**Notice period for performance.**

49. (1) If the Government is of the opinion that the Corporation has made a default in the performance of any duty or obligation imposed or cast on it by or under this Act, the Government may fix a period for the performance of that duty or obligation and give notice to the Corporation accordingly.

**Default in performance of duty.**

(2) If, the Corporation fails or neglects to perform such duty or obligation within the period so fixed for its performance, it shall be lawful for the Government to supersede and reconstitute the Corporation as it deems fit.

(3) After the supersession of the Corporation and until it is reconstituted in the manner laid down in Chapter-II, the powers, duties and functions of the Corporation under this Act shall be carried on by the Government or by such officer or officers or body of officers as the Government may appoint for this purpose, from time to time.

(4) All property vested in the Corporation shall, during the period of such supersession, vest in the Government.

**Offences by Companies.**

50. (1) Where an offence under this Act has been committed by 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 the 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 any punishment if he proves that the offence was committed without his knowledge or that he had exercised all due diligence to prevent the commission of such offense.

(2) Notwithstanding 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 is attributable to any neglect on the part of, any director, manager, secretary or other officer of the Company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**Explanation:** For the purpose of this section,-

(a) "Company" means a body corporate and includes a firm, association or persons or body of individuals whether incorporated or not; and

(b) "Director" in relation to a firm means a partner in the firm and in relation to any association of persons or body of individuals means any member controlling the affairs thereof.



51. Unless otherwise expressly provided no court shall take cognizance of any offence relating to property belonging to, or vested by or under this Act in the Corporation, punishable under this Act except on the complaint of, or upon information received from the Corporation or any person authorised by the Corporation by general or special order in this behalf.

**Authority for prosecution.**

52. (1) The Corporation or any person authorized by the Corporation by general or special order in this behalf may, either before or after the institution of the proceedings, compound any offence made punishable by or under this Act.

**Compounding of offences by Corporation.**

(2) Where an offence has been compounded, the offender, if in custody, shall be discharged and no further proceedings shall be taken against him in respect of the offence compounded.

53. Any person who obstructs the entry of a person authorised under section 44 to enter into or upon any land or building or molests such person after such entry or who obstructs the lawful exercise by him of any power conferred by or under this Act shall, on conviction be punished with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

**Penalty for obstruction.**

54. The Corporation may, with the previous approval of the Government, delegate any of its powers under this Act to any officer of the Government or any of its officers and permit them to re-delegate specific powers to their subordinates by general or specific order in this behalf.

**Delegation of powers of Corporation.**

Protection of action taken in good faith.

55. No suit, prosecution or other legal proceedings shall lie against any person or anything which is in good faith done or intended to be done under this Act or rules or regulation made thereunder.

Chairman, Vice-Chairman, Managing Director, Members and Officers etc. to be public servants.  
Central Act 45 of 1860.

56. The Chairman, Vice-Chairman, Managing Director, Members, officers, employees and servants on deputation to or of the Corporation as the case may be, shall while acting or purporting to act in pursuance of any of the provisions of this Act or rules or regulations made thereunder, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860.

Power to make rules.

57. (1) The State Government may, by notification in the <sup>11</sup>Telangana Gazette, make rules to carryout the purposes of this Act.

(2) Every rule made under this Act shall immediately after it is made, be laid 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 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 that rule.

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11. Substituted by G.O.Ms.No.45, Law (F) Department, dated 01.06.2016.

58. The Corporation may, with the previous approval of the Government make regulations consistent with this Act and the rules made thereunder for all or any of the matters to be provided under this Act by regulations and generally for all other matters for which provision is, in the opinion of the Corporation necessary for the exercise of its powers and the discharge of its functions under this Act.

**Power to make regulations.**

59. If any doubt or difficulty arises in giving effect to the provisions of this Act, the Government may, by order make provisions or give such directions, not inconsistent with the provisions of this Act, as may appear to it to be necessary or expedient for the removal of the doubt or difficulty.

**Power to remove doubts and difficulties.**

60. (1) Where the Government is satisfied that the purposes for which the Corporation was established under this Act have been substantially achieved so as to make the continued existence of the Corporation in the opinion of the Government unnecessary, the Government may by notification declare that the Corporation shall be dissolved with effect from such date as may be specified in the notification, and the Corporation shall be deemed to be dissolved accordingly and upon such dissolution, the members including the Chairman and the Vice Chairman, if any, shall vacate their respective offices.

**Dissolution of the Corporation.**

(2) From the said date,-

(a) all properties funds, and dues which are vested in, or realisable by, the Corporation shall vest in, or be realisable by the Government;

(b) all liabilities which are enforceable against the Corporation shall be enforceable against the Government.

61. The Andhra Pradesh Road Development Corporation Ordinance, 1997 is hereby repealed.

**Repeal of Ordinance 14 of 1997.**