#### The Khadi And Village Industries Commission Rules, 1957

UNION OF INDIA India

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#### Rule

## THE-KHADI-AND-VILLAGE-INDUSTRIES-COMMISSION-RULES-1957 of 1957

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The Khadi And Village Industries Commission Rules, 1957

#### 1975.

S.R.O. 1006-date 30th March, 1957. - In exercise of the powers conferred by sub-section (1) and (2) of Section 26 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956), the Central Government hereby makes the following rules, namely:-

## Chapter I Preliminary

#### 1. Short title.

- These rules may be called the Khadi and Village Industries Commission Rules, 1957.

#### 2. Definition.

- In these rules, unless the context otherwise requires:(a)"Act" means the Khadi and Village Industries Commission Act, 1956 (61 of 1956);(b)"the Board" means the Board constituted under Section 10 of the Act;(c)"Chairman" means the Chairman of the Commission;(d)"Financial Adviser" means the Financial Adviser appointed under Clause (c) of sub-section 3 of Section 41(e)"Government" means the Central Government.

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#### **Chapter II**

#### 3. Geographical Zones.

- The six geographical zones of the country mentioned in clause (a) of sub-section (2) of Section 4 of the Act Shall be as follows:

Statesof Haryana, Himachal Pradesh, Rajashan Jammu and Kashmir, (i)North zone Punjab, Rajasthan and Union Territories of Chandigarh and Delhi; (ii)North-Eastern Statesof Assam, Manipur, Meghaiaya, Nagaland, Tripura, Arunachal Pradesh zone and Mizoram: (iii)Central zone States of Madhya Pradesh and Utter Pradesh; (iv)Eastern zone Statesof Bihar, Orissa, West Bengal and Sikkim; States of Gujarat, Maharashtra, and Goa and (the Union Territories of Daman (v)Western zone and Diu and Dadra and Nagar Haveli; Statesof Andhra Pradesh, Karnataka, Kerala and Tamil Nadu and (vi)South zone UnionTerritory of Pondicherry.

#### 4. Members Whether to be Full Time or Part-Time.

- Members representing geographical zones, appointed under clause (a) of sub section (2) of Sec.4 of the Act, excepting the Chairman, shall be part-time members. Any member appointed under clause (6) thereof may be appointed by the Government either as part-time of full time member.

#### 5.

[\*\*\*] [Substitued by G.S.R. 675 (E), dated 27th July, 1987]

#### 6. Casual Vacancies.

(1)When a member dies or resigns or is removed from office, the Government may, by notification in the Official Gazette, appoint a person to fill the vacancy.(2)A member appointed to fill a casual vacancy shall hold office so long as the member whose place her fills would have been entitled to hold office if the vacancy had not occurred.

### 7. [ Salary or honoraium and allowance payable to the members. [Substitued By G.S.R. 675(E), dated 27th July, 1987]

(1) The Chairman and other members (full-time and part-time) excluding the Financial Adviser and the Chief Executive Officer shall be paid such salary or honorarium and allowances from the funds of the Commission as the Government may from time to time fix.](2) The Chairman and other members of the Commission (excluding the Financial Adviser and the Chief Executive Officer) shall

also be entitled to draw travelling and daily allowance for journeys performed for attending the meeting of the Commission or for the purpose of discharging such duties as may be assigned to them by the Commission, in accordance with the rules and orders issued by the Government from time to time at the highest rate admissible to Grade I Government employees.(3)The Chairman shall be entitled without payment of rent to the use of a furnished residence. (4) Notwithstanding anything contained in sub-rules (1), (2) and (3) above, the Chairman or any other member of the Commission (excluding the Financial Adviser and the Chief Executive Officer), who is a member of Parliament or of the State Legislature, shall not be entitled to any remuneration other than the allowance as defined in clause (a) of Section 2 of the Parliament (Prevention of Disqualification) Act, 1959, or as the case may be, other than the allowances, if any, which a member of the Legislature of the State may, under any law for the time being in force in the State relating to the prevention of disqualification for membership of the State Legislature, receive without incurring such disqualification. [7-A. Power to Appoint. [Substitued By G.S.R. 675(E), dated 27th July, 1987]- The Commission may appoint officers and other employees as it considers necessary for the efficient performance of its functions:Provided that no officer and other employee whose basic pay exceeds five thousands rupees per month shall be appointed by the Commission except with the prior approval of the Central Government.]

#### 8.

[\*\*\*] [Omitted by G.S.R. 675(E), dated 27th July, 1987]

#### 9. Office of the Commission.

- The office of the Commission shall be located at Bombay or such other place as the Government may from time to time direct.

#### Chapter III

## [Powers Of The Chairman And The Chief Executive Officer] [Substitued by G.S.R. 675(E), dated 27th July, 1987]

### 10. [ Powers of the Chairman. [Substitued by G.S.R. 675 (E), dated 27th July, 1987]

(1)The Chairman shall be responsible for the proper functioning of the Commission and the implementation of its decisions and discharge of its duties under the Act.](2)Subject to such delegation as may by made under the Act or rules made thereunder, the Chairman shall.(a)cause the important papers and matters to be presented to the Commission as early as practicable;(b)issue directions as to the method of carrying out the decisions of the Commission; and(c)maintain or cause to the maintained an account of the receipt and expenditure of the Commission.(3)The Chairman shall exercise administrative control over all departments and officers of the Commission.(4)The Chairman may sanction expenditure on contingencies, supplies and services

and purchase of articles required for the working of the office of the Commission and for the execution of measures in furtherance of the objects of the Act, subject to necessary provisions in the budget.[10-A. Powers and duties of the Chief Executive Officer in regard to meetings of the Commission. [Inserted by G.S.R. 675(E), dated 27th July, 1987](1)The Chief Executive Officer shall work under the general control of the Chairman who may delegate to him such powers and duties as the Chairman may consider necessary including the following powers and duties:(i)convening of meetings of the Commission under the direction of the Chairman;(ii)drawing up agenda for each meeting under the Chairman's directions and supplying the same to each member of the Commission alongwith the notice of the meeting; and(iii)maintenance of the minutes of the meeting of the Commission.(2)The Chief Executive Officer shall keep a record of the members of the Commission and their addresses. If a member changes his address, he shall communicate his new address to the Chief Executive Officer who shall thereupon enter his new address in the record, If the member fails to communicate his new address, the address on the official record shall for all purpose be deemed to be the member's address]

# 11. [ Powers and Duties of the Chief Executive Officer in regard to Administration of the Commission. [Substitued by G.S.R. 675(E), dated 27th July, 1987]

- Subject to the provisions of Section 5 of the Act the Chief Executive Officer shall exercise and perform the following powers and duties:(a)to co-ordinate, supervise and control the work of officers and establishments of the Commission;(b)to implement the decisions taken by the Commission;](c)to administer the Contributory Provident Fund and/or General Provident Fund of the Commission;(d)to sanction contingent expenditure to the extent of powers delegated to him by the Commission from time to time;(e)to examine applications for assistance (both grants and loans) and place them before the Commission for sanction; and(f)to undertake such other duties and exercises such other powers as may be assigned to him by the Commission or the Chairman from time to time.

### 12. [ Powers and Duties of the Financial Adviser. [Substitued by G.S.R. 820(E), dated 7th September, 1989]

- Subject to the provision of Section 5A of the Act, the Financial Adviser shall exercise and perform the following powers and duties:](a)The Financial Adviser shall advise the Commission on all matters relating to receipts and expenditure;(b)The Financial Adviser shall frame or cause to be framed the annual budget and the supplementary budget estimates of the Commission, maintain or cause to be maintained an account of receipts and expenditure of the Commission, prepare or cause to be prepared statements of accounts and conduct or cause to be conducted necessary internal audit of the expenditure made out of the funds of the Commission;(c)The Financial Adviser shall have the right to record his views on every proposal involving expenditure from the funds of the Commission prior to the consideration and approval of such proposal by the standing Finance Committee or by the Commission; and(d)The Financial Adviser shall have authority to advise the Commission and Standing Finance Committee that a particular decision affecting the general

financial policy of the Government should be referred to the Government for consideration.

## **Chapter IV The Board And Its Constitution**

### 13. [Constitution of the Board: [Substitued by G.S.R. 820(E), dated 7th September, 1989]

- The Board shall consist of]

[1 [Substituted by Notification No. G.S.R. 486(E), dated 7.8.1998]	Ministerincharge for Ministry of Industry. [Substituted by Notification No. G.S.R. 486(E), dated 7.8.1998]	Chairman] [Substituted by Notification No. G.S.R. 486(E), dated 7.8.1998]
2	ARepresentative of Ministry of Industry[*] [Not less than the rank of Joint Secretary to Government of India]	Member
3	ARepresentative of Ministry of Rural Development.[*] [Not less than the rank of Joint Secretary to Government of India]	Member
4	ARepresentative of Ministry of Human Resources Development(Technical Education)[*] [Not less than the rank of Joint Secretary to Government of India]	Member.
5	ARepresentative of Planning Commission.[*] [Not less than the rank of Joint Secretary to Government of India]	Member
6	DevelopmentCommissioner for Small Scale Industries.	Member
7	DevelopmentCommissioner for Handloom	Member
8	DevelopmentCommissioner for Handicrafts.	Member
9	Chairman, Central Silk Board.	Member
10	TextileCommissioner.	Member
11	ExecutiveDirector, Industrial Development Bank of India.	Member
12	ManagingDirector, National Bank for Agriculture and Rural Development.	Member.
13	Chairmanof a Nationalised Bank.	Member
14	DirectorGeneral, Council for Advancement of Peoples Action and RuralTechnology.	Member

15.to 26.	Twelve, Chairman of Estate Khadi and Village Industries Boards byrotation.	Member
27.to 29.	ThreeMembers of Parliament-two from Lok Sabha and one from RajyaSabha	Member
30.& 31.	Tworepresentatives of the institutions operating in the field of Rural Technology.	Member
32	Anexpert in Management/Marketing.	Member
33.to 37.	Fiveeminent social workers.	Member
38.to 41.	Suchother persons, not exceeding four, to be nominated by theGovernment from among persons having Knowledge and experience inmatters relating to the development of Khadi and VillageIndustries.	Member
42	ChiefExecutive Officer, Khadi and Village Industries Commission	Secretary

### 13A. [ Meetings of the Board. [Inserted by G.S.R. 445(E), dated 2nd April, 1962]

(1)Twelve members of the Board shall form a quorum for a meeting of the Board.(2)If at any meeting of the Board there is no quorum, the Chairman of any other person presiding at such meeting shall adjourn the meeting to another date, and the business at such an adjourned meeting maybe disposed of irrespective of the number of members attending at the adjourned meeting :Provided that the adjourned meeting is fixed for a date not less than 7 days later and that all the members are informed of the date, time and place of such adjourned meeting.](3)[ The Board shall meet atleast twice in a year] [Inserted by G.S.R. 820(E), dated 7th September, 1989]

#### 14. Term of Office.

(1)Save as hereinafter provided, a member of the Board other than a member of the Commission shall hold office for [such period not exceeding three years as may be prescribed in the notification of his appointment which shall be notified in the official Gazette] [Substitued by G.S.R. 330, dated 11th March, 1960 and G.S.R. 741, dated 25th June, 1960] and shall be eligible for re-appointment.(2)The Government may remove from office any such member of the Board-(a)if he is found to be a lunatic or a person of unsound mind; or(b)if he has been adjudged insolvent; or(c)if he has been convicted of an offence involving moral turpitude; or(d)if, in the opinion of the Central Government, he has failed or is unable to carry out his duties, so as to render his removal necessary; or(e)if he absents himself from three consecutive meetings of the Board [without leave of the Board; or] [Substitued by G.S.R. 1270, dated 20th September, 1962](f)[ if he has any financial interest in any subsisting contract made with or in any work being done for the Commission except as shareholder (other than a Director or Managing Agent) in a company as defined in Section 3 of the Companies Act, 1956, Provided that where he is a shareholder, he will disclose to the Government the nature and extent of shares held by him in such a company.] [Inserted by G.S.R. 1270, dated 20th September, 1962]

#### 15. Casual Vacancies.

(1)When any such member of the Board dies or resigns or is removed from office, the Government may, by notification in the Official Gazette, appoint a person to fill the vacancy.(2)A member appointed under sub-rule (1) to fill a casual vacancy shall hold office so long as the member whose place he fills would have been entitled to hold office if the vacancy had not occurred.

#### 16. Membership roll.

(1)The Secretary of the Board shall keep a record of the names of the members of the Board and their addresses.(2)If a member of the Board changes his address, he shall notify his new address to the Secretary of the Board who shall thereupon enter his new address, but if he fails to notify his new address, the address in the official record shall for all purposes be deemed to be the member's address.

#### 17. [Resignation. [Substitued by S.R.O. 2034, dated 14th June, 1957]

- A member of the Board other than a member of the Commission may resign his office by a letter addressed to the Government through the Chairman of the Commission who shall forward it to the Government within ten days of its receipt. The office of such member shall fall vacant from the date on which his resignation is notified in the Official Gazette or on the date of expire of twenty days from the date of receipt by the Government of the letter of resignation whichever is earlier.]

#### 18. Salary or honorarium and allowances.

(1)The members of the Board other than members of the Commission shall not draw any salary but shall be paid such honoraria or allowances from the funds of the Commission as the Government may from time to time fix.(2)Such members of the Board shall be entitled to draw from the funds of the Commission, travelling and daily allowances for journeys performed by them for the purpose of attending the meetings of the Board or for the purpose of discharging any functions of the Board assigned to them by the Board or Commission from time to time, at the highest rate admissible to Government servants of Grade I.(3)[ Notwithstanding anything contained in sub-rules (1) and (2), a member of the Board who is also a member of Parliament or of the Legislature of a State shall not be entitled to any remuneration other than compensatory allowance as defined in clause (a) of Section 2 of the Parliament (Prevention of Disqualification) Act, 1959 or, as the case may be, other than the allowances, if may, which a member of the Legislature of the State may, under any law for the time being in force in the State relating to the prevention of disqualification for membership of the State Legislature, receive without incurring such disqualification.] [Inserted by G.S.R. 1053, dated 19th August, 1961]

## **Chapter V Budget, Accounts And Audit**

#### 19. Preparation and submission of annual budget estimates.

(1) The budget estimates of the Commission for every financial year beginning on the 1st day of April and ending on the 31st day of March following shall be Prepared [or caused to be prepared by the Financial Adviser] [Substitued by G.S.R. 675(E), dated 27th July, 1987] sufficiently in advance of the date fixed in sub-rule (4) and in accordance with sub-rule (6).(2)A copy of the budget estimates so prepared shall be sent to each member of the Commission at least fourteen days before the meeting of the Commission at which such estimates are to be considered.(3)The Commission shall consider and approve, in consultation with the Financial Adviser, the budget estimates with such changes as it thinks fit at the meeting to which the consideration of the budget estimates is fixed by a resolution of the Commission.(4)The budget estimates as approved by the Commission shall be submitted to the Government normally by the 15th of October, but in no case later than the end of October of each year: Provided that the Government may, on the request of the Commission, extend the date of submission of the budget estimates by such period not exceeding fifteen days as the Government may think fit.(5)Subject to such orders as may be issued by the Government from time to time, no expenditure shall be incurred until the budget is sanctioned by the Government and expenditure authorised by a competent authority in the Commission.(6)The budget shall, among others matters, include-(i)the estimated opening balance; (ii)the estimated receipts by way of funds to be released by the Government, recovery of interest, refund of loans and other miscellaneous receipts;(iii)[ the proposed expenditure separately under "Khadi 'Village Industries" and "General and Miscellaneous" Classified under such heads or sub-heads as the Government may direct] [Substitued by G.S.R. 675(E), dated 27th July, 1987](7)[\*\*\*] [Sub-rule (7) omitted by G.S.R. 675(E), dated 27th July, 1987](8)[\*\*\*] [Sub-rule(8) omitted by G.S.R. 975(E), dated 27th July, 1987]

#### 20. Supplementary Estimates.

- If during any financial year, for any reason, substantial modification of the budget estimates as finally approved by Government is likely to be involved, the Commission shall submit for approval to the Government supplementary estimates in such form and on such dates as the Government by order from time to time direct.

#### 21. Accounts of the Commission.

- The accounts of the Commission shall be maintained in the forms in use by the All India Khadi and village Industries Board immediately before the date of establishment of the Commission, subject to such additions and alterations in those forms as the Government may from time to time direct in consultation with the Comptroller and Auditor-General of India.

### 22. [ Preparation and submission of accounts with audit report to the Central Government. [Sub-rule(7) omitted by G.S.R. 975(E), dated 27th July, 1987]

(1)The Commission shall, within three months from the close of the financial year, submit to the Central Government, the accounts of the Commissions 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.](2)The Central Government may, on the request of the Commission, and in consultation with the Comptroller and Auditor General, extend the date of submission of the accounts by such period as the Government may think fit.(3)Where the Central Government has under sub-rule (2), extended the period of submission, the accounts of the Commission together with the audit reports thereon shall be submitted to the Central Government within the extended period. The Central Government shall cause the accounts of the Commission, together with the audit report thereon, to be laid before each House of Parliament by 31st December.(4)If for any reason the annual accounts and audit report cannot get laid before 31st December as provided in sub-rule (3), the Central Government shall lay within thirty days from the date or as soon as either House of Parliament meets, whichever is later, a statement explaining the reasons why the accounts and audit report could not be laid on the Table of the House, before the 31st December.

#### 23. Impropriety and Irregularity in Accounts.

(1)The Audit Officer shall furnish the Commission and the Government with a statement each where necessary, in regard to any material impropriety or irregularity which the Audit Officer may observe in the expenditure or in the recovery of moneys due to, or in the accounts of the Commission.(2)The Commission shall forthwith remedy any defect or irregularity that may be pointed out by the Audit Officer and shall report to the Government the action taken by it thereon within ninety days of the receipt of the report of the Audit Officer provided that if there is any difference of opinion between the Commission and the Audit Officer or if the Commission does not remedy any defect or irregularity within a reasonable period or render a satisfactory explanation in regard to the defect or irregularity, the Government may and on reference specifically made therefor by the Audit Officer shall, in consultation with the Comptroller and Auditor-General pass such orders thereon as it thinks fit and the Commission shall there after take action in accordance therewith such time as may be specified by the Government.

#### 24. Publication of Annual Accounts.

- An abstract statement of annual receipt and expenditure shall be published in the Gazette of India.

### 25. [ Placing the funds at the disposal of the Commission. [Substitued by G.S.R. 675(E), dated 27th July, 1987]

- After the budget relating to the Commission has been approved by the Government and after due appropriation has been made by Parliament in this behalf, the Government will place the funds at the disposal of the Commission for "Khadi", "Village Industry and "General Miscellaneous"

separately."][Chapter VA] [Substitued by G.S.R. 675(E), dated 27th July, 1987] Recovery Of Monies Due To The Commission.

#### 25.

-A. Notice of Proposal for recovery of monies due as arrears of land revenue.(1)Where any sum is payable to the Commission under any agreement, express or implied, or otherwise however, the Commission may cause a notice to be served on the person liable to pay the sum directing him to pay the sum stated therein.(2)Where the person on whom a notice is served under sub-rule (1) disputes his liability to pay the sum stated in the notice, he may, within thirty days of the receipt of the notice, make a representation to that effect to the Commission.(3)If, within the period referred to in sub-rule (2) the person on whom a notice is served under sub-rule (1) neither pays the sum stated in the notice nor make a representation to the Commissioner under sub-rule (2), the Commission may request the Collector within whose jurisdiction its office is situated to take such action as may be necessary for recovering the sum as arrears of land revenue.(4)If in the course of proceedings taken against a person for recovery of any sum requested to be recovered under sub-rule (3), such person denies his liability to pay the sum or any part thereof, the authority before whom such proceedings are pending shall forthwith send a notice of such denial to the Commission.

#### 25.

-B. Request for constitution of a Tribunal under Section 19B and for reference of question as to denial of liability to such Tribunal.(1)On receipt of a representation under sub-rule (2), or a notice under sub-rule (4), of rule 25A, the Commission shall forward a copy of such representation or, as the case may be of the notice to the Central Government with a request that a Tribunal may be constituted for determining the question as to denial of liability to pay to the Commission made in such representation or referred to in such notice.(2)On receipt of a request under sub-rule (1), the Central Government may constitute a Tribunal in accordance with the provisions of Section 19B of the Act and refer the question mentioned in such request to the Tribunal for decision.(3)The Tribunal so constituted shall, after making such inquiry as it may deem fit and after giving to the person denying liability and the Commission a reasonable opportunity of being heard and after considering such evidence as may be produced by such person and the Commission, decide the question whether, and if so, what sum is payable by such person to the Commission. (4) A copy of the decision of the Tribunal shall.(a) Where it is in respect of a representation made under sub-rule (2) of rule 25A, be forwarded to the Commission and if the decision declares any sum as payable to the Commission, the Commission may take action for having the sum recovered as an arrear of land revenue; (b) Where it is in respect of denial of liability referred to in a notice under sub-rule (4) of rule 25A be forwarded to the authority by whom such notice was issued, for disposal of the proceedings concerned in accordance with such decision.

### Chapter VI Miscellaneous

#### 26. [Contracts. [Substitued by G.S.R. 387(E), dated 9th May, 1958]

(1)The Commission may, in connection with its trading and other activities, enter into contracts provided provision therefor exists in the sanctioned budget.(2)The Commission may delegate to the Chairman, the Secretary. any member of the Commission or any officer of the Commission such powers of entering into contracts on its behalf as it may think fit.(3)Contracts made on behalf of the Commission shall not be binding on the Commission unless they are executed by a person authorised under sub-rule (2) to enter into them and the seal of the Commission is affixed thereto.(4)Any person authorised under sub-rule (2) to enter into contracts on behalf of the Commission shall not be liable for any assurance or contract made on its behalf; and any liabilities arising out of such assurance or contract shall be discharged from the monies at the disposal of the Commission.]

#### 27. Power to sanction grants and subsidies.

(1) The Commission shall disburse grants and subsidies in accordance with and at rates and on terms sanctioned by the Government in respect of each industry from time to time. The Government may, on its own motion or on the recommendation of the Commission, modify or supersede the financial rates and terms previously sanctioned.(2)The Commission may reduce the rates at which grants and subsidies are payable in individual cases to such extent, as it thinks necessary, but shall not enhance such rates except with the prior approval of the Government.(3)[ Grants and subsidies shall be paid only to:-] [Substitued by S.O. 1032, dated 7th June, 1958](a)a State Government;(b)a board established under any law for the time being in force for the development of Khadi and Village Industries; (c) a society registered under the Societies Registration Act, 1860 (21 of 1860), or under any other law for the time being in force in any State; (d) a co-operative society registered under the Co-operative Societies Act. 1912 (2 of 1912) or under any other law for the time being in force in any State;(e)[A Gram or Village Panchayat, a Panchayat Samiti, a Municipality, a Zilla Parished or any Similar body established under any state law for the time being in force] [Substitued by S.O. 80, dated 18th November, 1967](f)an authority set up under any law for the time being in force relating to bhoodan or gramdan; (g) a trust created for public purposes of a charitable or religious nature;(h)an individual or institution engaged in research in Khadi and Village Industries, subject to the condition that a grant or subsidy to an individual should not exceed Rs. 5,000 in any one case and to an institution, it should not exceed Rs. 50,000 in any one case. The ceiling of Rs. 5,000 for an individual and of Rs. 50,000 for an institution may, however be exceeded with the prior approval of Government.(i)[ any other individual, authority, or body in accordance with the approved pattern and within the Ceilings communicated by the Commission to the Government. [Substitued by S.O. 255, dated 22nd February, 1961]Note. - 'Individual' means an artisan or any other worker undertaking activities falling under the purview of the Commission and for which grants and subsidies are given.]

#### 28. Power to grant loans.

(1)The Commission shall grant loans in accordance with the provisions of the Loan Rules for Khadi and Village Industries made by the Government from time to time, and in accordance with and at

rates and on terms sanctioned by the Government in respect of each industry from time to time.(2)The Commission shall not be competent to modify, amend or otherwise vary the Provisions of the loan rules.(3)The Government may, on its own initiative or on the recommendation of the Commission, modify or amend the loan rules. The modification or amendment will have effect from the date it is made by the Government.

#### 29. Power to borrow.

- The Commission may, with the previous sanction of the Government, borrow on the security of its funds or assets for the purpose specified in Section 21 of the Act.

#### 30. Power to write off losses.

(1)The Commission may, after prior consultation with the Financial Adviser, write off losses up to Rs. 10,000 falling under any or all of the following categories:(a)loss of irrecoverable value of stores or of public money due to theft, fraud etc;(b)loss of revenue or of irrecoverable advance other than loans; and(c)deficiency and depreciation in the value of stores;(2)The Commission shall take suitable action against the persons responsible for the loss and [shall also send to the Government a detailed report together with the action taken against the person(s), if any, responsible for the lose. The cases involving losses not exceeding Rs. 1,000 shall not be reported to the Government unless there are in any case important features which merit detailed investigation and consideration] [Substitued by G.S.R. 1165, dated 14th October, 1959](3)[The Chairman, the Chief Executive Officer and any other officer duly authorised by the Commission may, after prior consultation with the Financial Adviser, write off losses up to an amount indicated below against each falling under any or all of the Categories mentioned under sub-rule (1) above:(a)Chairman - Up to Rs. 4,000(b)Chief Executive Officer-Up to Rs. 2,000(c)Any other officer authorised by the Commission-Up to Rs. 1,000.]Exception. - Nothing contained in this rule shall apply to losses occasioned by irrecoverable loans. Sanction of the Government shall be obtained before such losses are written off.

#### 31. Custody of Common seal.

- The common seal of the Commission shall remain in the custody of the Chief Executive Officer of the Commission.

## **Chapter VII Statistics, Reports And Returns**

#### 32. Reports.

- The annual report to be submitted by the Commission to the Government under Section 24(2) of the Act regarding its activities during the previous financial year. [shall be submitted before the 31st December every year, and it] [Inserted by G.S.R. 125, dated 17th January, 1964] shall contain

particulars amongst others, in respect of the following items and shall be in such form as the Government may from time to time direct, namely:(i)budget provision and expenditure;(ii)production and sale of Khadi both traditional and Ambar;(iii)production and sale of products of the village industries;(iv)production of chark has and other implements;(v)employment statistics for each industry;(vi)training of personnel.

#### 33. Monthly Returns.

- The Commission shall submit to the Government and to such authority as it may specify:(a)monthly progress reports in respect of the Ambar Charkha Programme;(b)monthly statements of accounts showing the details of disbursement made by the Commission;(c)quarterly progress reports on traditional khadi and other village industries specified or deemed to be specified in the Schedule to the Act;(d)monthly statements of accounts showing the drawings from the [Khadi fund, village Industries fund and General and Miscellaneous fund] [Substitued by G.S.R. 675(E), dated 27th July, 1987]

#### 34. Power to obtain supplementary report or information.

- Notwithstanding anything contained in rules 32 and 33, the Government may require special reports from the Commission and lay down the manner and the form in which such reports shall be made or may require from the Commission answer to questions upon which the Government may need information. The Government may also require the Commission to furnish a true copy of each or any contract, agreement, understanding or arrangement between the Commission and any other party.[Inserted by G.S.R. 1007, dated 31st August, 1959]