

1985
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1985**

**PART I-CENTRAL ACTS AMENDED REPEALED OR OTHERWISE
AFFECTED**

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1985 Act by which affected
1	2	3	4	5
1857	13	Opium Act, 1857	Repealed (w.e.f. 14-11-1985)	61, s. 82.
1873	5	Government Savings Banks Act, 1973	Ss. 4A and 15 amended	56, s. 2.
1878	1	Opium Act, 1878	Repealed (w.e.f. 14-11-1985)	61, s. 82.
1890	9	Indian Railways Act, 1890	S. 100B amended	47, s. 2
1899	2	Indian Stamp Act, 1899	Schedule I amended (w.e.f. 1-7-1985)	32, s. 50
1906	3	Coinage Act, 1906	S. 6 amended	33, s. 2.
1927	17	Lighthouse Act, 1927	Ss. 2, 3, 4, 6, 10, 12, and 21 amended (w.e.f. 1-2-1986)	66,ss. 2, 3, 4, 5, 7, 8 and 9.
			S. 8A inserted (w.e.f. 1-2-1986)	<i>Ibid.</i> s. 6.
1930	2	Dangerous Drugs Act, 1930	Repealed (w.e.f. 14-11-1985)	61, s. 82.
1934	2	Reserve Bank of India Act, 1934	S. 17 amended (w.e.f. 1-5-1986)	81, s. 2.
1934	22	Aircraft Act, 1934	S. 5 amended (w.e.f. 21-5-1986)	64, s. 42.
			S. 14 substituted (w.e.f. 16-10-1985)	69, s. 2.
1938	26	Employment of Children Act, 1938	S. 4 amended (w.e.f. 28-8-1986)	62, s. 2.
1942	7	Coffee Act, 1942	Ss. 11, 12, 13 and 48 amended (w.e.f. 28-8-86)	48,ss. 2, 3, 4, and 5.
1944	1	Central Excises and Salt Act, 1944	S. 2 and First Schedule amended	32, ss. 45, 46 and Third Schedule.
			Ss. 11A, 35D and 37 amended	79,ss.3, 5 and 6.
			Ss. 9AA, 12A, 37B and 37C inserted.	<i>Ibid.</i> ss. 2, 4 and 7.
1950	43	Representation of the People Act, 1950.	Third Schedule and Fourth Schedule amended (w.e.f. 1-6-1985)	34, s. 5.

1	2	3	4	5
1951	30	President's Pension Act, 1951	Long titles, ss. 1 and 2 amended (w.e.f. 26-12-1985) S. 1A inserted (w.e.f. 26-12-1985)	77, ss. 2, 3, and 5. <i>Ibid.</i> , s. 4.
1951	43	Representation the People Act, 1951	S. 73A inserted (w.e.f. 20-11-1984)	9, s. 2.
1951	63	State Financial Corporations Act, 1951.	Ss. 2, 3A, 4, 5, 6, 7, 8, 10, 15, 19, 20, 21, 25, 26, 28, 31, 32, 33, 35A, 36, 38, 43, 43A, 46 and 48 amended	43, ss. 2, 3, 4, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 17, 18, 19, 20, 22, 23, 24, 25, 26, 27, 29, and 30.
1952	30	Requisitioning and Acquisition of Immovable Property Act, 1952.	Ss. 10A, 25A, 32G and 43B inserted	<i>Ibid.</i> , ss. 10, 16, 21, and 28.
1952	46	Criminal Law Amendment Act, 1952.	Ss. 6 and 8 amended (w.e.f. 8-3-1985)	20, ss. 2 and 3.
1952	58	Salaries and Allowances of Ministers Act, 1952.	S. 11 amended	44, s. 2.
1953	20	Salaries and Allowances of Officers of Parliament Act, 1953.	S. 6 amended (w.e.f. 26-12-1985) S. 10A inserted (w.e.f. 26-12-1985)	76, s. 4. <i>Ibid.</i> , s. 5.
1953	34	Estate Duty Act, 1953.	Ss. 3 and 5 substituted (w.e.f. 26-12-1985)	<i>Ibid.</i> , ss. 2 and 3.
1954	28	High Court Judges (Conditions of Service) Act, 1954.	S. 6 amended (w.e.f. 26-12-1985)	75, s. 4.
1954	30	Salary, Allowances and Pension of Members of Parliament Act, 1954.	S. 10A inserted (w.e.f. 26-12-1985)	<i>Ibid.</i> , s. 5.
1955	23	State Bank of India Act, 1955	Ss. 3 and 5 substituted (w.e.f. 26-12-1985)	<i>Ibid.</i> , ss. 2 and 3.
1955	57	Citizenship Act, 1955.	S. 5C inserted (w.e.f. 16-3-1985)	52, s. 2.
1956	1	Companies Act, 1956.	S. 22B amended	36, s. 2.
1956	3	University Grants Commission Act, 1956.	Ss. 3, 5, 6D, 8A and 9 amended	74, ss. 2, 3, 4, 6, and 8.
			S. 8B inserted	<i>Ibid.</i> , s. 7.
			S. 8 substituted	<i>Ibid.</i> , s. 5.
			S. 40 amended (w.e.f. 1-5-1986)	81, s. 3.
			S. 18 amended (w.e.f. 7-12-1985)	65, s. 3.
			S. 6A inserted (w.e.f. 7-12-1985)	<i>Ibid.</i> , s. 2.
			Ss. 396, 529 and 530 amended	35, ss. 3, 4, and 6.
			S. 529A inserted	<i>Ibid.</i> , s. 5.
			S. 293A substituted.	<i>Ibid.</i> , s. 2.
				70, s. 2.

1	2	3	4	5
1956	42	Securities Contracts (Regulation) Act, 1956.	Ss. 24 and 30 amended (w.e.f. 17-1-1986) S. 22A inserted (w.e.f. 17-1-1986)	40, ss. 3 and 4; <i>Ibid.</i> , s.2.
1957	23	Railway Protection Force Act, 1957.	Long title, ss. 2,3,4, 7,9, 15 and 21 amended (w.e.f. 20-9-1985) 10, 13, 14 and 20 amended (w.e.f. 20-9-1985). Ss. 15A and 16A in- serted (w.e.f. 20-9-1985) S. 5 Omitted (w.e.f. 20-9-1985)	60, ss. 2 3, 4, 5, 8, 10, 12 and 17. <i>Ibid.</i> , s. 18 and Schedule. <i>Ibid.</i> , ss. 13 and 14. <i>Ibid.</i> , s.6.
1957	27	Wealth-tax Act, 1957.	Ss. 6, 8; 12, 17 and 19 substituted (w.e.f. 20-9-1985) S. 5 (partly) amended (w. e. f. 1-4-1986) and partly (w. e. f. 1-4-1985) S. 18B amended (w. e. f. 24-5-1985) S. 22D amended (w.e.f. 1-10-1984) Schedule I, amended (w.e.f. 1-4-1986)	<i>Ibid.</i> , ss. 7, 9, 11, 15 and 16. 32, s.37. <i>Ibid.</i> , s.38. <i>Ibid.</i> , s.39. <i>Ibid.</i> , s.40.
1957	37	Legislative Councils Act, 1957.	S. 3 omitted (w.e.f. 1-6-1985)	34, s.6.
1957	58	Additional Duties of Excise (Goods of Special Importance) Act, 1957	Long title and Second Schedule amended (w.e.f. 1-4-1985) First Schedule amended	27, ss.2 and 3; 32, s. 48 and Fourth Schedule
1958	41	Supreme Court Judges (Conditions of Service) Act, 1958.	S. 23A amended	36, s.3.
1959	38	State Bank of India (Subsidiary Banks) Act, 1959.	S. 43 amended (w.e.f. 1-5-1986)	81, s.4.
1959	46	Government Savings Certificates Act, 1959.	Ss. 7 and 12 amended	56, s.3.
1959	54	Arms Act, 1959.	S. 25 amended	39, s.2.
1961	43	Income-tax Act, 1961.	S. 2 amended (w.e.f. 1-4-1984) Ss. 10, 17 and 80G amended partly (w.e.f. 1-4-1986) and partly (w.e.f. 1-4-1985) Ss. 36, 40A, 44AB, 54, 80CC, 80I and 80 QQA amended (w.e.f. 1-4-1985)	32, s.3. <i>Ibid.</i> , ss. 4, 6, and 18. <i>Ibid.</i> , ss.10,12, 13, 14, 16, 20, and 23.

1	2	3	4	5
1961	43	Income-tax Act, 1961— <i>Contd.</i>		
		Ss. 16, 37, 58, 115, 115E, 139 (Partly) and 80A, 80-O, 80P, and 80VVA amended (w.e.f. 1-4-1986)	32, ss. 5, 11, 15, 26, 27, 29 and 36.	
		S. 139 partly amended (w.e.f. 1-4-1985)	<i>Ibid.</i> , s. 29.	
		S. 35CC amended (w.e.f. 17-3-1985)	<i>Ibid.</i> , s. 9.	
		S. 136 amended (w.e.f. 1-4-1974)	<i>Ibid.</i> , s. 28.	
		S. 245D amended (w.e.f. 1-10-1984)	<i>Ibid.</i> , s. 33.	
		Ss. 208, 273A and 278A amended (w.e.f. 24-5-1985)	<i>Ibid.</i> , ss. 32, 34 and 35.	
		Ss. 33AB, 35AB, 180A inserted (w.e.f. 1-4-1986)	<i>Ibid.</i> , ss. 7, 8, and 31.	
		Ss. 80F, 80JJ, 80N, 80V and 80VV omitted (w.e.f. 1-4-1986)	<i>Ibid.</i> , ss. 17, 21, 22, 24 and 25.	
		Ss. 80HHC and 167A substituted (w.e.f. 1-4-1985)	<i>Ibid.</i> , ss. 19 and 30.	
1961	47	Deposit Insurance and Credit Guarantee Corporation Act, 1961	Ss. 2 and 32 amended (w.e.f. 1-5-1986)	81, ss. 5 and 6.
1962	9	Estate Duty (Distribution) Act, 1962	Long title and s.3 amended (w.e.f. 1-4-1985)	28, ss. 2 and 3.
1962	52	Customs Act, 1962	Ss. 20, 28, 48, 61, 74, 110, 125, 129C and 139 amended	80, ss. 2, 3, 4, 5, 6, 8, 9, 10 and 11.
		S. 75 amended (w.e.f. 13-5-1983)	<i>Ibid.</i> , s. 7.	
		S. 151A inserted	<i>Ibid.</i> , s. 12.	
1963	20	Government of Union Territories Act, 1963	S. 13 amended	24, s. 2.
		S. 14A inserted	<i>Ibid.</i> , s. 3.	
1963	52	Unit Trust of India Act, 1963	Ss. 2, 4, 20, 21, 25A and 43 amended (w.e.f. 23-4-1986)	63, ss. 2, 3, 7, 9, 10 and 11.
		Ss. 14A, 19A and 20C inserted (w.e.f. 23-4-1986)	<i>Ibid.</i> , ss. 4, 6 and 8.	
		S. 19 substituted (w.e.f. 23-4-1986)	<i>Ibid.</i> , s. 5.	
1965	21	Payment of Bonus Act, 1965	S. 12 omitted	30, s. 2.
		S. 2 amended (w.e.f. 7-11-1985)	67, s. 2.	
		S. 12 inserted (w.e.f. 7-11-1985)	<i>Ibid.</i> , s. 3.	

1	2	3	4	5
1969	54	Monopolies and Restrictive Trade Practices Act, 1969	S. 20 amended	38, s. 2.
1970	5	Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970	Ss. 3, 9 and First Schedule amended (w.e.f. 30-12-1985) S. 10 amended (w.e.f. 1-5-1986)	81, ss. 7, 8 and 10. <i>Ibid.</i> , s. 9.
1971	43	International Airports Authority Act, 1971	Ss. 36 and 37 amended	72, ss. 2 and 3.
1972	57	General Insurance Business (Nationalisation) Act, 1972	Ss. 3 and 16 amended (w.e.f. 17-9-1984) Chapter VA containing section 17A inserted (w.e.f. 17-9-1984)	3, ss. 2 and 3. <i>Ibid.</i> , s. 4.
1974	28	Coal Mines (Conservation and Development) Act, 1974	Ss. 4 and 8 amended (w.e.f. 1-1-1986)	55, ss. 2 and 3.
1974	38	Compulsory Deposit Scheme (Income-tax Payers) Act, 1974	S. 8 amended	25, s. 2.
1974	45	Interest-tax Act, 1974	S. 6 amended (w.e.f. 1-4-1985)	32, s. 4J.
1975	4	Tobacco Board Act, 1975	Ss. 4, 8, 14, 19, 25, 32 and 33 amended (w.e.f. 1-12-1985) Ss. 10A, 11A, and 11B, 13A and 13B, 18A and 20A inserted (w.e.f. 1-12-1985)	57, ss. 2, 3, 7, 9, 11, 12 and 13. <i>Ibid.</i> , ss. 4, 5, 6, 8 and 10.
1975	51	Customs Tariff Act, 1975	First Schedule amended	32, s. 42 and Second Schedule.
1976	19	Bonded Labour System (Abolition) Act, 1976	S. 2 amended	73, s. 2.
1976	21	Regional Rural Banks Act, 1976	S. 20 amended (w.e.f. 1-5-1986)	81, s. 11.
1976	49	Foreign Contribution (Regulation) Act, 1976	Ss. 2, 4, 9 and 14 amended (w.e.f. 20-10-1984) Ss. 6 and 10 amended (w.e.f. 1-1-1985)	1, ss. 2, 3, 5 and 7. <i>Ibid.</i> , ss. 4 and 6.
			Ss. 15A and 25A inserted (w.e.f. 20-10-1984)	<i>Ibid.</i> , ss. 8 and 6.
1977	32	Salary and Allowances of Leaders of Opposition in Parliament Act, 1977	S. 5 amended (w.e.f. 26-12-1985) S. 9A inserted (w.e.f. 26-12-1985) S. 3 substituted (w.e.f. 26-12-1985)	78, s. 3. <i>Ibid.</i> , s. 4. <i>Ibid.</i> , s. 2.

1	2	3	4	5
1978	21	Deposit Insurance Corporation (Amendment and Miscellaneous Provisions) Act, 1978	Chapter IV omitted (w.e.f. 1-5-1986)	81, s. 12.
1978	49	Sugar Undertakings (Taking Over of Management) Act, 1978	S. 3 amended (w.e.f. 20-11-1984)	11, s. 2.
1979	24	Union Duties of Excise (Distribution) Act, 1979	Long title and s. 3 amended (w.e.f. 1-4-1985)	26, ss. 2 and 4. S. 2 substituted (w.e.f. 1-4-1985) <i>Ibid.</i> , s. 3.
1980	40	Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980	Ss. 3 and 9 amended (w.e.f. 30-12-1985)	81, ss. 13 and 14.
			S. 10 amended (w.e.f. 1-5-1986)	<i>Ibid.</i> , s. 15.
1980	59	Auroville (Emergency Provisions) Act, 1980	S. 3 amended	51, s. 2.
1980	65	National Security Act, 1980	S. 14A amended as applicable to the State of Punjab and Union territory of Chandigarh	23, s. 2.
1981	28	Export-Import Bank of India Act, 1981	S. 6 amended (w.e.f. 1-5-1986)	81, s. 16.
1981	40	Essential Services Maintenance Act, 1981	S. 1 amended	49, s. 2.
1981	61	National Bank for Agriculture and Rural Development Act, 1981	Ss. 6 and 7 amended (w.e.f. 1-5-1986)	81, ss. 17 and 18.
1982	49	National Waterway (Allahabad-Haldia Stretch of the Ganga-Bhagirathi-Hooghly River) Act, 1982	S. 3 amended (w.e.f. 30-12-1985) Ss. 4 to 15 omitted (w.e.f. 30-12-1985)	82, s. 38. <i>Ibid.</i> , s. 38.
1984	61	Terrorist Affected Areas (Special Courts) Act, 1984.	S. 15A inserted	45, s. 2.
			The Schedule substituted	<i>Ibid.</i> , s. 3.
1985	31	Terrorist and Disruptive Activities (Prevention) Act, 1985	S. 1 amended	46, s. 2.

PART II—CENTRAL ORDINANCES REPEATED

Year	No.	Short title of Ordinance	No. and section of 1985 Act by which repealed
1984	12	Foreign Contribution (Regulation) Amendment Ordinance, 1984	1, s. 10.
1984	11	National Capital Region Planning Board Ordinance, 1984	2, s. 41.
1984	10	General Insurance Business (Nationalisation) Ordinance, 1984	3, s. 6.
1984	15	Representation of the People (Amendment) Ordinance, 1984	9, s. 3.
1984	13	Calcutta Metro Railway (Operation and Maintenance) Temporary Provisions Ordinance, 1984	10, s. 23.
1984	14	Sugar Undertakings (Taking Over of Management) Amendment Ordinance, 1984	11, s. 3.
1985	2	Requisitioning and Acquisition of Immovable Property (Amendment) Ordinance, 1985	20, s. 4.
1985	1	Bhopal Gas Leak Disaster (Processing of Claims) Ordinance, 1985	21, s. 12.
1985	3	Tea Companies (Acquisition and Transfer of Sick Tea Units) Ordinance, 1985	37, s. 34.
1985	4	Terrorist and Disruptive Activities (Prevention) Amendment Ordinance, 1985	46, s. 3.
1985	6	Payment of Bonus (Amendment) Ordinance, 1985	67, s. 4.
1985	8	Payment of Bonus (Second Amendment) Ordinance, 1985	<i>Ibid.</i> , s. 4.
1985	7	Aircraft (Amendment) Ordinance, 1985	69, s. 3.

PART III—STATE ACT AND ORDINANCE AMENDED, REPEALED OR OTHERWISE AFFECTED

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1985 Act by which affected
1975	IV	Gangtok Municipal Corporation Act, 1975	S. 3 amended (w.e.f. 17-12-1984)	12, s. 2.
1984	1	Gangtok Municipal Corporation (Amendment) Ordinance, 1984	Repealed (w.e.f. 17-12-1984)	<i>Ibid.</i> , s. 3.

PART IV—CONSTITUTION OF INDIA AMENDED

How affected	No. and section of 1985 Act by which affected
Article 168 amended) (w.e.f. 1-6-1985)]	34, s. 4.
Articles 330 and 332 amended (w.e.f. 16-6-1986)	Constitution (Fifty-first Amendment) Act, 1984, Ss. 2 and 3
Articles 101, 102, 190 and 191 amended) (w.e.f. 1-3-1985)	Constitution (Fifty-second Amendment) Act, 1985, Ss. 2, 3, 4 and 5.
Tenth Schedule added (w.e.f. 1-3- 1985)	<i>Ibid.</i> , s. 6.

THE FOREIGN CONTRIBUTION (REGULATION) AMENDMENT ACT, 1985

(a) whereof, in the English language, is set forth below:

In exercise of the powers conferred by section 12 of the
Foreign Contribution (Regulation) Act, 1976, the President of India, by
order in writing in the name of the Central Government, makes the following
Amendment to the said Act.

NG. I OF 1985

and further, after the said Act, add another section 1A, to be inserted at the end thereof, namely:

[31st January, 1985.]

An Act to amend the Foreign Contribution (Regulation) Act, 1976.

Whereas it is enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:

Short title and Commencement

1. (1) This Act may be called the Foreign Contribution (Regulation) Amendment Act, 1985.

(2) The provisions of this Act, other than sections 4 and 6, shall be deemed to have come into force on the 20th day of October, 1984, and sections 4 and 6 shall be deemed to have come into force on the 1st day of January, 1985.

Amendment of section 2

2. In section 2 of the Foreign Contribution (Regulation) Act, 1976 (hereinafter referred to as the principal Act), in sub-section (1),—

(a) in clause (c), the following Explanation shall be inserted at the end, namely:

Explanation.—A donation, delivery or transfer of any article, currency or foreign security referred to in this clause by any person who has received it from any foreign source, either directly or through one or more persons, shall also be deemed to be foreign contribution within the meaning of this clause;

(b) for clause (g), the following clause shall be substituted, namely:—

(g) "political party" means—
(i) an association or body of individual citizens of India—
(I) which is, or is deemed to be, registered with the Election Commission of India as a political party under the Election Symbols (Reservation and Allotment) Order, 1968, as in force for the time being; or

(2) which has set up candidates for election to any Legislature, but is not so registered or deemed to be registered under the Election Symbols (Reservation and Allotment) Order, 1968;

(ii) a political party mentioned in column 1 of Table I to the notification of the Election Commission of India No. 56/J&K/84, dated the 27th September, 1984, as in force for the time being;

Amendment of section 4.

3. In section 4 of the principal Act, in sub-section (1), in clause (c), for the words "Government servant", the words "Judge, Government servant" shall be substituted.

Amendment of section 6.

4. In section 6 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

[REPLACES] "(1) No association [other than an organisation referred to in sub-section (1) of section 5] having a definite cultural, economic, educational, religious or social programme shall accept foreign contribution unless such association,—

(a) registers itself with the Central Government in accordance with the rules made under this Act; and

(b) agrees to receive such foreign contributions only through such one of the branches of a bank as it may specify in its application for such registration,

and every association so registered shall give, within such time and in such manner as may be prescribed, an intimation to the Central Government as to the amount of each foreign contribution received by it, the source from which and the manner in which such foreign contribution was received, and the purposes for which and the manner in which such foreign contribution was utilised by it;

Provided that where such association obtains any foreign contribution through any branch other than the branch of the bank through which it has agreed to receive foreign contribution or fails to give such intimation within the prescribed time, or in the prescribed manner, or gives any intimation which is false, the Central Government may, by notification in the Official Gazette, direct that such association shall not, after the date of issue of such notification, accept any foreign contribution without the prior permission of the Central Government.

(1A) Every association referred to in sub-section (1) may, if it is not registered with the Central Government under that sub-section, accept any foreign contribution only after obtaining the prior permission of the Central Government and shall also give, within such time and in such manner as may be prescribed, an intimation to the Central Government as to the amount of foreign contribution received by it, the source from which and the manner in which such foreign contribution was received and the purposes for which and the manner in which such foreign contribution was utilised by it."

Amendment of section 9.

5. In section 9 of the principal Act, in the opening portion, for the words "Government servant", the words "Judge, Government servant" shall be substituted.

6. In section 10 of the principal Act, in clause (b), for the words and figure "require any association, specified in section 6", the words, brackets and figures "without prejudice to the provisions of sub-section (1) of section 6, require any association specified in that sub-section" shall be substituted.

Amend-
ment of
section 14.

7. In section 14 of the principal Act, for the words and figure "class I post", at both the places where they occur, the words and letter "Group A post" shall be substituted.

Amend-
ment of
section 14.

8. After section 15 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
15A.

"15A. Where any organisation or association fails to furnish any returns under this Act within the time specified therefor or the returns so furnished are not in accordance with law or if, after inspection of such returns, the Central Government has any reasonable cause to believe that any provision of this Act has been, or is being, contravened, that Government may, by general or special order, authorise such gazetted officer, holding a Group A post, as it may think fit, to audit any books of account kept or maintained by such organisation or association, as the case may be, and thereupon every such officer shall have the right to enter in or upon any premises at any reasonable hour, before sunset and after sunrise, for the purpose of auditing the said books of account."

Audit of
accounts.

Provided that any information obtained from such audit shall be kept confidential and shall not be disclosed except for the purposes of this Act."

9. After section 25 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
25A.

"25A. Notwithstanding anything contained in this Act, whoever, having been convicted of any offence under sub-section (1) of section 23 or section 25, in so far as such offence relates to the acceptance or utilisation of foreign contribution, is again convicted of such offence shall not accept any foreign contribution for a period of three years from the date of the subsequent conviction."

Prohibi-
tion of
accept-
ance of
foreign
contribu-
tion.

10. (1) The Foreign Contribution (Regulation) Amendment Ordinance 1984, is hereby repealed.

Repeal
and sav-
ing.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

THE NATIONAL CAPITAL REGION PLANNING BOARD

ACT, 1985

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THE SCHEDULE.

THE NATIONAL CAPITAL REGION PLANNING BOARD
ACT, 1985

No. 2 OF 1985

[9th February, 1985.]

An Act to provide for the constitution of a Planning Board for the preparation of a plan for the development of the National Capital Region and for co-ordinating and monitoring the implementation of such plan and for evolving harmonized policies for the control of land-uses and development of infrastructure in the National Capital Region so as to avoid any haphazard development of that region and for matters connected therewith or incidental thereto.

WHEREAS it is expedient in the public interest to provide for the constitution of a Planning Board for the preparation of a plan for the development of the National Capital Region and for co-ordinating and monitoring the implementation of such plan and for evolving harmonized policies for the control of land-uses and development of infrastructure in the National Capital Region so as to avoid any haphazard development thereof;

AND WHEREAS Parliament has no power to make laws for the States with respect to any of the matters aforesaid, except as provided in articles 249 and 250 of the Constitution;

AND WHEREAS in pursuance of the provisions of clause (1) of article 252 of the Constitution, resolutions have been passed by all the Houses of the Legislatures of the States of Haryana, Rajasthan and Uttar Pradesh to the effect that the matters aforesaid should be regulated in those States by Parliament by law;

Be it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

Short title
and com-
mence-
ment.

1. (1) This Act may be called the National Capital Region Planning Board Act, 1985.

(2) It shall be deemed to have come into force on the 19th day of October, 1984.

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

(a) "Board" means the National Capital Region Planning Board constituted under sub-section (1) of section 3;

(b) "Committee" means the Planning Committee constituted under sub-section (1) of section 4;

(c) "counter-magnet area" means an urban area selected by the Board under clause (f) of section 8;

(d) "Functional Plan" means a plan prepared to elaborate one or more elements of the Regional Plan;

(e) "land" includes benefits to arise out of land, and things attached to the earth or permanently fastened to anything attached to the earth;

(f) "National Capital Region" means the areas specified in the Schedule;

Provided that the Central Government with the consent of the Government of the concerned participating State and in consultation with the Board, may, by notification in the Official Gazette, add any area to the Schedule or exclude any area therefrom;

(g) "participating States" means the States of Haryana, Rajasthan and Uttar Pradesh;

(h) "prescribed" means prescribed by rules made under this Act;

(i) "Project Plan" means a detailed plan prepared to implement one or more elements of the Regional Plan, Sub-Regional Plan or Functional Plan;

(j) "Regional Plan" means the plan prepared under this Act for the development of the National Capital Region and for the control of land-uses and the development of infrastructure in the National Capital Region;

(k) "regulations" means regulations made by the Board under this Act;

(l) "sub-region" means such part of the National Capital Region as falls entirely within the limits of a participating State or the Union territory;

(m) "Sub-Regional Plan" means a plan prepared for a sub-region; and

(n) "Union territory" means the Union territory of Delhi.

CHAPTER II

THE NATIONAL CAPITAL REGION PLANNING BOARD

3. (1) The Central Government shall, by notification in the Official Gazette, constitute for the purposes of this Act, a Board, to be called the National Capital Region Planning Board.

(2) The Board shall be a body corporate by the name aforesaid, having perpetual succession and a common seal with power, subject to

Definitions.

Constitution and incorporation of the Board.

the provisions of this Act, to contract and shall, by the said name, sue and be sued.

(3) The Board shall consist of such number of members, not exceeding twenty-one, as may be prescribed, and unless the rules made in this behalf otherwise provide, the Board shall consist of the following members, namely:—

(a) the Union Minister for Works and Housing, who shall be the Chairman of the Board;

(b) the Chief Minister of the State of Haryana;

(c) the Chief Minister of the State of Rajasthan;

(d) the Chief Minister of the State of Uttar Pradesh;

(e) the Administrator of the Union territory;

(f) eight members, to be nominated by the Central Government, on the recommendation of the participating States and the Administrator of the Union territory:

Provided that not more than two members shall be nominated on the recommendation of a participating State, or, as the case may be, the Administrator of the Union territory;

(g) three other members, of whom one shall be a person having knowledge and experience in town planning, to be nominated by the Central Government;

(h) a full-time Member-Secretary of the Board, to be nominated by the Central Government from amongst officers of, or above, the rank of a Joint Secretary to, the Government of India:

Provided that no change shall be made in the composition of the Board by rules except with the consent of the Government of each of the participating States and of the Administrator of the Union territory.

(4) The terms and conditions of office of the members nominated under clause (f), clause (g) or clause (h) of sub-section (3) shall be such as may be prescribed.

Com-
position
of the
Planning
Committee.

4. (1) The Board shall, as soon as may be, after the commencement of this Act, constitute a Committee, to be called the Planning Committee, for assisting the Board in the discharge of its functions.

(2) The Committee shall consist of such members as may be prescribed and unless the rules made in this behalf otherwise provide, the Committee shall consist of the following members, namely:—

(a) the Member-Secretary to the Board, who shall be the ex officio Chairman of the Committee;

(b) the Joint Secretary to the Government of India in the Ministry of Works and Housing, in-charge of Housing and Urban Development, ex officio;

(c) Secretary-in-charge of Urban Development in each participating State and the Union territory, ex officio;

(d) the Vice-Chairman, Delhi Development Authority, ex officio;

(e) the Chief Planner, Town and Country Planning Organisation, New Delhi, *ex officio*; and

(f) the Chief Town Planner of each participating State, *ex officio*.

5. (1) The Board or the Committee may, at any time and for such period as it thinks fit, co-opt any person or persons as a member or members of the Board or of the Committee.

Power to co-opt, etc.

(2) A person co-opted under sub-section (1) shall exercise and discharge all the powers and functions of a member of the Board or of the Committee, as the case may be, but shall not be entitled to vote.

6. No act or proceeding of the Board or of the Committee shall be invalid merely by reason of—

(a) the existence of any vacancy in, or any defect in the constitution of, the Board or the Committee; or

(b) any irregularity in the procedure of the Board or of the Committee not affecting the merits of the case.

Vacancies, etc., not to invalidate proceedings of the Board or the Committee.

CHAPTER III

FUNCTIONS AND POWERS OF THE BOARD AND OF THE COMMITTEE

7. The functions of the Board shall be—

Functions of the Board.

(a) to prepare the Regional Plan and the Functional Plans;

(b) to arrange for the preparation of Sub-Regional Plans and Project Plans by each of the participating States and the Union territory;

(c) to co-ordinate the enforcement and implementation of the Regional Plan, Functional Plans, Sub-Regional Plans and Project Plans through the participating States and the Union territory;

(d) to ensure proper and systematic programming by the participating States and the Union territory in regard to project formulation, determination of priorities in the National Capital Region or sub-regions and phasing of development of the National Capital Region in accordance with stages indicated in the Regional Plan;

(e) to arrange for, and oversee, the financing of selected development projects in the National Capital Region through Central and State plan funds and other sources of revenue.

8. The powers of the Board shall include the powers to—

Powers of the Board.

(a) call for reports and information from the participating States and the Union territory with regard to preparation, enforcement and implementation of Functional Plans and Sub-Regional Plans;

(b) ensure that the preparation, enforcement and implementation of Functional Plan or Sub-Regional Plan, as the case may be, is in conformity with the Regional Plan;

- (c) indicate the stages for the implementation of the Regional Plan;
- (d) review the implementation of the Regional Plan, Functional Plan, Sub-Regional Plan and Project Plan;
- (e) select and approve comprehensive projects, call for priority development and provide such assistance for the implementation of those projects as the Board may deem fit;
- (f) select, in consultation with the State Government concerned, any urban area, outside the National Capital Region having regard to its location, population and potential for growth, which may be developed in order to achieve the objectives of the Regional Plan; and
- (g) entrust to the Committee such other functions as it may consider necessary to carry out the provisions of this Act.

**Functions
of the
Committee.**

9. (1) The functions of the Committee shall be to assist the Board in—
 - (a) the preparation and co-ordinated implementation of the Regional Plan and the Functional Plans; and
 - (b) scrutinising the Sub-Regional Plans and all Project Plans to ensure that the same are in conformity with the Regional Plan.
- (2) The Committee may also make such recommendation to the Board as it may think necessary to amend or modify any Sub-Regional Plan or any Project Plan.
- (3) The Committee shall perform such other functions as may be entrusted to it by the Board.

CHAPTER IV

THE REGIONAL PLAN

**Contents
of the
Regional
Plan.**

10. (1) The Regional Plan shall be a written statement and shall be accompanied by such maps, diagrams, illustrations and descriptive matters, as the Board may deem appropriate for the purpose of explaining or illustrating the proposals contained in the Regional Plan and every such map, diagram, illustration and descriptive matter shall be deemed to be a part of the Regional Plan.
- (2) The Regional Plan shall indicate the manner in which the land in the National Capital Region shall be used, whether by carrying out development thereon or by conservation or otherwise, and such other matters as are likely to have any important influence on the development of the National Capital Region and every such Plan shall include the following elements needed to promote growth and balanced development of the National Capital Region, namely:—

- (a) the policy in relation to land-use and the allocation of land for different uses;
- (b) the proposals for major urban settlement pattern;

- (c) the proposals for providing suitable economic base for future growth;
- (d) the proposals regarding transport and communications including railways and arterial roads serving the National Capital Region;
- (e) the proposals for the supply of drinking water and for drainage;
- (f) indication of the areas which require immediate development as "priority areas"; and
- (g) such other matters as may be included by the Board with the concurrence of the participating States and the Union territory for the proper planning of the growth and balanced development of the National Capital Region.

11. For the preparation of the Regional Plan, the Board may cause such surveys and studies, as it may consider necessary, to be made by such person or group of persons as it may appoint in this behalf and may also associate such experts or consultants for carrying out studies in relation to such specified matters as may be determined by the Board.

**Surveys
and
studies.**

12. (1) Before preparing any Regional Plan finally, the Board shall prepare, with the assistance of the Committee, a Regional Plan in draft and publish it by making a copy thereof available for inspection and publishing a notice in such form and in such manner as may be prescribed, inviting objections and suggestions from any person with respect to the draft Regional Plan before such date as may be specified in the notice.

**Procedure
to be
followed
for the
preparation
of Regional
Plan.**

(2) The Board shall also give reasonable opportunities to every local authority, within whose local limits any land touched by the Regional Plan is situate, to make any representation with respect to the draft Regional Plan.

(3) After considering all objections, suggestions and representations that may have been received by the Board, the Board shall finally prepare the Regional Plan.

13. (1) Immediately after the Regional Plan has been finally prepared, the Board shall publish, in such manner as may be prescribed, a notice stating that the Regional Plan has been finally prepared by it and naming the places where a copy of the Regional Plan may be inspected at all reasonable hours and upon the date of first publication of the aforesaid notice, the Regional Plan shall come into operation.

**Date of
coming
into opera-
tion of
the Re-
gional
Plan.**

(2) The publication of the Regional Plan, after previous publication, as required by section 12, shall be conclusive proof that the Regional Plan has been duly prepared.

14. (1) The Board may, subject to the provisions of sub-section (2), make such modifications in the Regional Plan as finally prepared by it, as it may think fit, being modifications which, in its opinion, do not effect important alterations in the character of the Regional Plan and which do not relate to the extent of land-uses or the standards of population density.

**Modifica-
tions of
the
Regional
Plan,**

(2) Before making any modifications in the finally prepared Regional Plan, the Board shall publish a notice, in such form and in such manner as may be prescribed, indicating therein the modifications which are proposed to be made in the finally prepared Regional Plan, and inviting, objections and suggestions from any person with respect to the proposed modifications before such date as may be specified in the notice and shall consider all objections and suggestions that may be received by it on or before the date so specified.

(3) Every modification made under this section shall be published in such manner as the Board may specify and the modifications shall come into operation either on the date of such publication or on such later date as the Board may fix.

(4) If any question arises whether the modifications proposed to be made are modifications which effect important alterations in the character of the Regional Plan or whether they relate to the extent of land-uses or the standards of population density, it shall be decided by the Board whose decision thereon shall be final.

Review
and
revision
of the
Regional
Plan.

15. (1) After every five years from the date of coming into operation of the finally prepared Regional Plan, the Board shall review such Regional Plan in its entirety and may, after such review, substitute it by a fresh Regional Plan or may make such modifications or alterations therein as may be found by it to be necessary.

(2) Where it is proposed to substitute a fresh Regional Plan in place of the Regional Plan which was previously finally prepared or where it is proposed to make any modifications or alterations in the finally prepared Regional Plan, such fresh Plan or, as the case may be, modifications or alterations, shall be published and dealt with in the same manner as if it were the Regional Plan referred to in sections 12 and 13 or as if they were the modifications or alterations in the Regional Plan made under section 14.

CHAPTER V

FUNCTIONAL PLANS, SUB-REGIONAL PLANS AND PROJECT PLANS

Prepara-
tion of
Plans.

16. After the Regional Plan has come into operation, the Board may prepare, with the assistance of the Committee, as many Functional Plans as may be necessary for the proper guidance of the participating States and of the Union territory.

17. (1) Each participating State shall prepare a Sub-Regional Plan for the sub-region within that State and the Union territory shall prepare a Sub-Regional Plan for the sub-region within the Union territory.

(2) Each Sub-Regional Plan shall be a written statement and shall be accompanied by such maps, diagrams, illustrations and descriptive matters as the participating State or the Union territory may deem appropriate for the purpose of explaining or illustrating the proposals contained in such Sub-Regional Plan and every such map, document, illustration and descriptive matter shall be deemed to be a part of the Sub-Regional Plan.

(3) A Sub-Regional Plan may indicate the following elements to elaborate the Regional Plan at the sub-regional level, namely:—

- (a) reservation of areas for specific land-uses which are of the regional or sub-regional importance;
- (b) future urban and major rural settlements indicating their area, projected population, predominant economic functions, approximate site and location;
- (c) road net-work up to the district roads and roads connecting major rural settlements;
- (d) proposals for the co-ordination of traffic and transportation, including terminal facilities;
- (e) priority areas at sub-regional level for which immediate plans are necessary;
- (f) proposals for the supply of drinking water and for drainage; and
- (g) any other matter which is necessary for the proper development of the sub-region.

18. A participating State, or the Union territory, may, by itself or in collaboration with one or more of the participating States or the Union territory, as the case may be, prepare Project Plans for one or more elements of the Regional Plan, Functional Plan or Sub-Regional Plan.

Preparation
of
Project
Plans.

19. (1) Before publishing any Sub-Regional Plan, each participating State or, as the case may be, the Union territory, shall, refer such Plan to the Board to ensure that such Plan is in conformity with the Regional Plan.

Submission
of Sub-
Regional
Plans to
the Board.

(2) The Board shall, after examining a Sub-Regional Plan, communicate, within sixty days from the date of receipt of such Plan, its observations with regard to the Sub-Regional Plan to the participating State or the Union territory by which such Plan was referred to it.

(3) The participating State, or, as the case may be, the Union territory, shall, after due consideration of the observations made by the Board, finalise the Sub-Regional Plan after ensuring that it is in conformity with the Regional Plan.

20. Each participating State, or, as the case may be, the Union territory shall be responsible for the implementation of the Sub-Regional Plan, as finalised by it under sub-section (3) of section 19, and Project Plans prepared by it.

Implemen-
tation of
Sub-
Regional
Plans, etc.

CHAPTER VI

FINANCE, ACCOUNTS AND AUDIT

21. (1) The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Board grants and loans of such sums of money as that Government may consider necessary to enable the Board to carry out its functions under this Act.

Grants and
loans by
the Central
Govern-
ment,

(2) The Central Government shall also, after due appropriation made by Parliament by law in this behalf, pay to the Board such other sums as may be necessary for meeting the salaries, allowances and other remuneration of the Member-Secretary, officers and other employees of the Board and such amounts as may be necessary to meet the other administrative expenses of the Board.

**Constitution
of the Fund.**

22. (1) There shall be constituted a Fund to be called the National Capital Regional Planning Board Fund and there shall be credited thereto—

(a) any grants and loans made to the Board by the Central Government under section 21;

(b) all sums paid to the Board by the participating States and the Union territory; and

(c) all sums received by the Board from such other sources as may be decided upon by the Central Government in consultation with the participating States and the Union territory.

(2) The sums credited to the said Fund referred to in sub-section (1) shall be applied for—

(a) meeting the salaries, allowances and other remuneration of the Member-Secretary, officers and other employees of the Board and for meeting other administrative expenses of the Board, so, however, that the total expenses shall not exceed the amount appropriated for this purpose under sub-section (2) of section 21;

(b) conducting surveys, preliminary studies and drawing up of plans for the National Capital Region;

(c) providing financial assistance to the participating States and the Union territory for the implementation of Sub-Regional Plans and Project Plans; and

(d) providing financial assistance to the State concerned for the development of the counter-magnet area subject to such terms and conditions as may be agreed upon between such State and the Board.

Budget.

23. The Board shall, in each financial year, prepare in such form and at such time as may be prescribed its budget for the next financial year and forward the same to the Central Government at least three months prior to the commencement of the next financial year.

**Annual
report.**

24. The Board shall prepare in each financial year its annual report in such form and at such time as may be prescribed, giving a full account of its activities during the financial year immediately preceding the financial year in which such report is prepared and forward, before such date as may be prescribed, copies thereof to the Central Government, the participating States and the Union territory.

**Accounts
and audit.**

25. The accounts of the Board shall be maintained and audited in such manner as may be prescribed in consultation with the Comptroller and Auditor-General of India and the Board shall furnish, to the Central Government, before such date as may be prescribed, a copy of its audited accounts together with the auditors' report thereon.

26. The Central Government shall cause the annual report and the auditors' report to be laid as soon as may be after their receipt, on the Table of 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.

Annual report and auditors' report to be laid before Parliament.

CHAPTER VII

MISCELLANEOUS

27. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act; or in any decree or order of any court, tribunal or other authority.

Act to have overriding effect.

28. The Central Government may, from time to time, give such directions to the Board as it may think fit for the efficient administration of this Act and when any such direction is given, the Board shall carry out such directions.

Power of the Central Government to give directions.

29. (1) On and from the coming into operation of the finally published Regional Plan, no development shall be made in the region which is inconsistent with the Regional Plan as finally published.

Violation of Regional Plan.

(2) Where the Board is satisfied that any participating State or the Union territory has carried out, or is carrying out, any activity which amounts to a violation of the Regional Plan, it may, by a notice in writing, direct the concerned participating State or the Union territory, as the case may be, to stop such violation of the Regional Plan within such time as may be specified in the said notice and in case of any omission or refusal on the part of the concerned participating State or the Union territory to stop such activity, withhold such financial assistance to the concerned participating State or the Union territory, as the Board may consider necessary.

Technical assistance to the Board.

30. (1) The Central Government may direct its Town and Country Planning Organisation to provide, on such terms and conditions as may be mutually agreed upon, such technical assistance to the Board as that Government may consider necessary and the Government of a participating State may direct the Town Planning Department of that Government to make such technical assistance to the Board as that Government may consider necessary.

(2) With a view to enabling the Committee to discharge its functions, the Board shall, out of the technical assistance received by it under sub-section (1) make available to the Committee such technical assistance as the Committee may require.

31. (1) The Board may appoint such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

Officers and employees of the Board.

(2) The terms and conditions of the officers and employees of the Board shall be such as may be determined by regulations.

Power to
delegate.

32. The Board may, by notification in the Official Gazette, direct that any function or power (other than the power to approve the Regional Plan and to make regulations), or duty which the Board may perform, exercise or discharge under this Act shall subject to such conditions, if any, as may be specified in the notification, be performed, exercised or discharged also by such person or persons as may be specified in the notification and where any such delegation of power is made the person or persons to whom such power is delegated shall perform, exercise or discharge those powers in the same manner and to the same extent as if they were conferred on him or them directly by this Act and not by way of delegation.

Power of
entry.

33. Subject to any rules made in this behalf, any person generally or specially authorised by the Board in this behalf, may, at all reasonable times, enter upon any land or premises and do such things thereon as may be necessary for the purpose of lawfully carrying out any works or for making any survey, examination or investigation, preliminary or incidental to the exercise of any power or performance of any function by the Board under this Act:

Provided that no such person shall enter any building or any enclosed courtyard or garden attached to a dwelling-house without previously giving the occupier thereof at least three days' notice in writing of his intention to do so.

Member,
Secretary,
officers
and
other em-
ployees of
the Board
to be
public
servants.

34. The Member-Secretary, officers and other employees of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

Protection
of action
taken in
good
faith.

35. No suit, prosecution or other legal proceeding shall lie against the Board or any member or any officer or any other employee of the Board including any other person authorised by the Board to exercise any power or to discharge any function under this Act, or for anything which is in good faith done or intended to be done under this Act.

Power to
make rules.

36. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the composition and number of the members of the Board and of the Committee, as required by sub-section (3) of section 3 and sub-section (2) of section 4, respectively, to be prescribed;

(b) the terms and conditions of the office of the members as required by sub-section (4) of section 3, to be prescribed;

(c) the form and manner in which notice under sub-section (1) of section 12 and sub-section (2) of section 14 shall be published;

(d) the manner in which notice under sub-section (1) of section 13 shall be published;

(e) the form in which and the time at which the Board shall prepare its budget under section 23 and its annual report under section 24 and the manner in which the accounts of the Board shall be maintained and audited under section 25;

(f) the conditions and restrictions with respect to the exercise of the powers to enter under section 33 and other matters relating thereto; and

(g) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by rules.

37. (1) The Board may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations not inconsistent with this Act and the rules made thereunder to carry out the provisions of this Act.

Power to make regulations.

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

(a) the manner in which and the purposes for which the Board may associate with itself any person under section 11;

(b) the terms and conditions of service of the officers and employees of the Board under sub-section (2) of section 31; and

(c) any other matter in respect of which provision is to be, or may be, made by regulations.

38. Every rule and every regulation made under this Act 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, or both Houses agree that 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.

Rules and regulations to be laid before Parliament.

39. (1) Where the Central Government is satisfied that the purposes for which the Board was established under this Act have been substantially achieved or the Board has failed in its objectives, so as to render the continued existence of the Board in the opinion of the Central Government unnecessary, that Government may, by notification in the Official Gazette, declare that the Board shall be dissolved with effect from such date as may be specified in the notification; and the Board shall be deemed to be dissolved accordingly.

Dissolution of the Board

(2) From the said date—

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

(b) all liabilities which are enforceable against the Board shall be enforceable against the Central Government;

(c) for the purpose of carrying out any development which has not been fully carried out by the Board and for the purpose of realising properties, funds and dues referred to in clause (a) the functions of the Board shall be discharged by the Central Government.

(3) Nothing in this section shall be construed as preventing the Central Government from reconstituting the Board in accordance with the provisions of this Act.

Acquisition
of land
and de-
termina-
tion of
rights
in relation
to land
to be
made by
the
Govern-
ment of
the parti-
cipating
State
or Union
territory.

Repeal
and
saving.

40. For the removal of doubts, it is hereby declared that the acquisition of land or the determination of any right or interest in, or in relation to, any land or other property, where necessary to give effect to any Regional Plan, Functional Plan, Sub-Regional Plan or Project Plan, shall be made by the Government of the concerned participating State, or, as the case may be, the Union territory, in accordance with the law for the time being in force in that State or Union territory.

41. (1) The National Capital Region Planning Board Ordinance, 1984,
is hereby repealed. 11 of 1984.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE SCHEDULE

[See section 2(f)]

The National Capital Region shall comprise the following areas:—

1. *Delhi*

The whole of the Union territory of Delhi.

2. *Haryana*

(i) The whole of District of Gurgaon comprising the Tehsils of Gurgaon, Nuh and Ferozepur-Jhirka;

(ii) The whole of District of Faridabad comprising the Tehsils of Ballabgarh, Palwal and Hathin;

(iii) The whole of District of Rohtak comprising the Tehsils of Rohtak, Jhajjar, Bahadurgarh, Meham and Kosli;

(iv) The whole of District of Sonepat comprising the Tehsils of Sonepat and Gohana; and

(v) Panipat Tehsil of District of Karnal and Rewari Tehsil of District of Mohindergarh.

3. *Uttar Pradesh*

(i) The whole of District of Bulandshahr comprising the Tehsils of Anupshahr, Bulandshahr, Khurja and Sikanderabad;

(ii) The whole of District of Meerut comprising the Tehsils of Meerut, Bagpat, Mawana and Sardhana; and

(iii) The whole of District of Ghaziabad comprising the Tehsils of Ghaziabad and Hapur.

4. *Rajasthan*

(i) The whole of the following Tehsils of Alwar District, namely, Behroor, Mandawar, Kishangarh and Tijara; and

(ii) Part of Alwar Tehsil comprising the area bounded in the north by the Tehsil boundaries of Mandawar and Kishangarh, in the east of the boundaries of Tehsil Ferozepur-Jhirka of District Gurgaon, Haryana and Alwar Tehsil, in the south by the Barah river right up to Umran lake in the west, and then following the southern boundaries of Umran lake up to the junction of Umran lake and State Highway from Alwar to Bairat and from then on west by north-west across the ridge up to the junction of the Tehsil boundaries of Alwar and Bansur.

Explanation.—Save as otherwise provided, reference to any district or tehsil in this Schedule shall be construed as a reference to the areas comprised in that district or tehsil, as the case may be, on the 27th day of August, 1984, being the date on which the National Capital Region Planning Board Bill, 1984 was introduced in the House of the People.

THE GENERAL INSURANCE BUSINESS
(NATIONALISATION) AMENDMENT ACT, 1985

No. 3 OF 1985

[9th February, 1985.]

An Act further to amend the General Insurance Business (Nationalisation) Act, 1972.

Be it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the General Insurance Business (Nationalisation) Amendment Act, 1985.

(2) It shall be deemed to have come into force on the 17th day of September, 1984.

Amendment of clause (o) of section 3.

2. In section 3 of the General Insurance Business (Nationalisation) Act, 1972 (hereinafter referred to as the principal Act), in clause (o), after the words and figures "framed under section 16", the words, figures and letter "and also includes a scheme framed under section 17A" shall be inserted.

57 of 1972.

Amendment of section 16.

3. In section 16 of the principal Act, after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) The power to frame a scheme under sub-section (1), and the power conferred by sub-section (6) to add to, amend or vary any scheme framed under this section, shall include the power to frame such scheme with retrospective effect from a date not earlier than the appointed day".

Insertion of new Chapter VA.

4. In the principal Act, after Chapter V, the following Chapter shall be inserted, namely:—

"CHAPTER VA

TERMS AND CONDITIONS OF SERVICE OF OFFICERS AND OTHER EMPLOYEES

Power of Central Government to regulate

17A. (1) The Central Government may, by notification in the Official Gazette, frame one or more schemes for regulating the pay scales and other terms and conditions of service of officers and other employees of the Corporation or of any acquiring company.

(2) A scheme framed under sub-section (1) may add to, amend or vary any scheme framed under section 16 [including any addition, amendment or variation made therein by notification under sub-section (6) of section 16] with respect to rationalisation or revision of pay scales and other terms and conditions of service of officers and other employees of the Corporation or of any acquiring company, to provide for further rationalisation or revision of such pay scales and other terms and conditions of service notwithstanding that such further rationalisation or revision is unrelated to, or unconnected with, the amalgamation of insurance companies or merger consequent on nationalisation of general insurance business.

the
terms
and
condi-
tions of
service
of offi-
cers and
other
em-
ployees.

(3) The Central Government may, by notification, add to, amend or vary any scheme framed under this section.

(4) The power to frame a scheme under sub-section (1), and the power conferred by sub-section (3) to add to, amend or vary any scheme framed under this section, shall include the power to frame such scheme, or, as the case may be, to make such addition, amendment or variation in any scheme framed under this section, with retrospective effect from a date not earlier than the appointed day.

(5) A copy of every scheme, and every amendment thereto, framed under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

(6) The provisions of this section and of any scheme framed under it shall have effect notwithstanding anything to the contrary contained in any other law or any agreement, award or other instrument for the time being in force."

5. (1) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority or in any other law, agreement, award or other instrument for the time being in force, every scheme framed or purporting to have been framed with retrospective effect under sub-section (1) of section 16 of the principal Act and every notification made or purporting to have been made with retrospective effect under sub-section (6) of that section before the commencement of the General Insurance Business (Nationalisation) Amendment Act, 1985 shall be, and shall be deemed always to have been, for all purposes, as valid and effective as if the amendment made in the said section 16 by section 3 of this Act had been part of that section and had been in force at all material times.

Valida-
tion.

(2) Notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority or in any other law, agreement, award or other instrument for the time being in force,—

(a) every scheme framed, or purporting to have been framed, by the Central Government under sub-section (1) of section 16 of the principal Act; and

(b) every notification made, or purporting to have been made, by the Central Government under sub-section (6) of the said section 16,

22 General Insurance Business (Nationalisation)
Amendment

[ACT 3 OF 1985]

before the commencement of the General Insurance Business (Nationalisation) Amendment Act, 1985, in so far as such scheme or notification provides (whether with or without retrospective effect) for any rationalisation or revision of pay scales or other terms and conditions of service of officers and other employees of the Corporation or of any acquiring company, otherwise than in relation to, or in connection with, amalgamation of insurance companies or merger consequent on nationalisation of general insurance business shall be, and shall be deemed always to have been, for all purposes, as valid and effective as if section 17A, as inserted in the principal Act by section 4, of this Act had been part of the principal Act, and had been in force at all material times and such schemes or notification in so far as it provides as aforesaid had been framed or made, under the said section 17A:

Provided that nothing in this section shall apply to, or in relation to, the notification dated the 30th day of September, 1980, framing the General Insurance (Nationalisation and Revision of Pay Scales and Other Conditions of Service of Supervisory, Clerical and Subordinate Staff) Second Amendment Scheme, 1980.

Explanation.—In this section, the expressions "acquiring company" and "Corporation" shall have the meanings respectively assigned to them in the principal Act.

Repeal
and
saving.

6. (1) The General Insurance Business (Nationalisation) Amendment Ordinance, 1984, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

10 of 1984.

THE APPROPRIATION ACT, 1985

No. 4 OF 1985

[9th February, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1984-85.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Appropriation Act, 1985.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand two hundred and sixty-five crores, ninety-two lakhs and fifty-two thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85, in respect of the services specified in column 2 of the Schedule.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Short title.

Issue of
Rs. 1265,
92,52,000
out of the
Consoli-
dated
Fund of
India
for the
year
1984-85.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
2	Agriculture . . . Capital	699,63,00,000	..	699,63,00,000
3	Fisheries . . . Capital	36,00,000	..	36,00,000
9	Ministry of Chemicals and Fertilizers . . . Revenue	150,04,08,000	..	150,04,08,000
	Capital	7,66,90,000	..	7,66,90,000
11	Foreign Trade and Export Production . . . Revenue	1,000	..	1,000
25	Education . . . Revenue	17,15,20,000	..	17,15,20,000
32	Ministry of External Affairs . . . Revenue	..	50,000	50,000
39	Currency, Coinage and Mint . . . Revenue	..	70,000	70,000
42	Transfers to State Governments . . . Capital	..	150,00,00,000	150,00,00,000
43	Other Expenditure of the Ministry of Fin- ance . . . Revenue	6,01,000	..	6,01,000
46	Department of Civil Supplies . . . Revenue	..	12,000	12,000
	Capital	2,000	..	2,000
48	Medical and Public Health . . . Revenue	..	1,50,000	1,50,000
49	Family Welfare . . . Capital	2,25,00,000	..	2,25,00,000
54	Other Administrative and General Services . . . Revenue	9,00,000	..	9,00,000
56	Delhi . . . Capital	15,00,00,000	..	15,00,00,000
79	Ports, Lighthouses and Shipping . . . Capital	3,00,00,000	..	3,00,00,000
82	Department of Steel . . . Capital	160,00,00,000	..	160,00,00,000
89	Public Works . . . Capital	2,000	..	2,000
91	Housing and Urban Development . . . Revenue	1,000	..	1,000
	Capital	42,60,000	..	42,60,000

No. of Vote	Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
94	Atomic Energy Research, Development and In- dustrial Projects . Capital	43,34,00,000	..	43,34,00,000
95	Nuclear Power Schemes Capital	..	78,00,000	78,00,000
96	Department of Elec- tronics . Capital	16,00,00,000	..	16,00,00,000
99	Department of Science and Technology . Revenue	..	19,000	19,000
102	Department of Space Revenue	..	26,000	26,000
105	Supplies and Disposals Revenue	..	10,00,000	10,00,000
TOTAL .		1115,01,25,000	150,91,27,000	1265,92,52,000

THE APPROPRIATION (No. 2) ACT, 1985

NO. 5 OF 1985

[9th February, 1985.]

An Act to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1983, in excess of the amounts granted for those services and for that year.

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

Short title.

Issue
of Rs.
299,52,75,
824 out
of the
Consoli-
dated
Fund of
India
to meet
certain
excess
expendi-
ture for
the year
ended on
the 31st
March,
1983.

**Approp-
riation.**

1. This Act may be called the Appropriation (No. 2) Act, 1985.
2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule, amounting in the aggregate to the sum of two hundred and ninety-nine crores, fifty-two lakhs, seventy-five thousand, eight hundred and twenty-four rupees shall be deemed to have been authorised to be paid and applied to meet the amount spent for defraying the charges in respect of the services specified in column 2 of the Schedule during the financial year ended on the 31st day of March, 1983, in excess of the amounts granted for those services and for that year.
3. The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of India under this Act shall be deemed to have been appropriated for the services and purposes expressed in the Schedule in relation to the financial year ended on the 31st day of March, 1983.

THE SCHEDULE
(See sections 2 and 3)

No. of Vote	Services and purposes	Excess			Total	
		Voted portion	Charged portion	Rs.		
		Rs.	Rs.			
12	Foreign Trade and Export Production Capital	88,62,55,673	..	88,62,55,673		
18	Capital Outlay on Posts and Telegraphs Capital	91,30,48,798	..	91,30,48,798		
20	Defence Services—Army . . . Revenue	115,88,13,416	..	115,88,13,416		
22	Defence Services—Air Force . . . Revenue	1,48,28,226	..	1,48,28,226		
28	Archaeology . . . Revenue	13,97,476	..	13,97,476		
32	Ministry of Finance Revenue	65,78,429	..	65,78,429		
35	Taxes on Income, Estate Duty, Wealth Tax and Gift Tax Revenue	1,44,091	..	1,44,091		
42	Other Expenditure of the Ministry of Finance . . . Capital	..	29,626	29,626		
56	Dadra and Nagar Haveli . . . Revenue	1,68,214	..	1,68,214		
57	Lakshadweep . . . Capital	60,564	..	60,564		
64	Ministry of Irrigation . . . Revenue	52,97,716	..	52,97,716		
91	Public Works . . . Revenue	..	15,194	15,194		
94	Stationery and Printing . . . Revenue	55,99,399	..	55,99,399		
98	Department of Electronics . . . Capital	40,39,002	..	40,39,002		
TOTAL		299,52,31,004	44,820	299,52,75,824		

THE APPROPRIATION (RAILWAYS) ACT, 1985

No. 6 OF 1985

[9th February, 1985.]

An Act to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services for the purposes of railways during the financial year ended on the 31st day of March, 1983, in excess of the amounts granted for those services and for that year.

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

Short title.

1. This Act may be called the Appropriation (Railways) Act, 1985.

Issue of
403
Rs. 65,05,31,
out of the
Consolidated Fund
of India
to meet
certain ex-
penditure
for the
year ended
on the 31st
March,
1983.

Appro-
priation.

2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule amounting in the aggregate to the sum of sixty-five crores, five lakhs, thirty-one thousand and four hundred three rupees shall be deemed to have been authorised to be paid and applied to meet the amounts spent for defraying the charges in respect of the services relating to Railways specified in column 2 of the Schedule during the financial year ended on the 31st day of March, 1983, in excess of the amounts granted for those services and for that year.

3. The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of India under this Act shall be deemed to have been appropriated for the services and purposes expressed in the Schedule in relation to the financial year ended on the 31st day of March, 1983.

THE SCHEDULE
(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums aggregating to		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
4	Repairs and Maintenance of Permanent Way and Works	2,92,26,650	..	2,92,26,650
5	Repairs and Maintenance of Motive Power	5,21,94,902	..	5,21,94,902
6	Repairs and Maintenance of Carriages and Wagons	1,41,17,922	..	1,41,17,922
10	Operating Expenses—Fuel	12,02,72,800	..	12,02,72,800
13	Provident Fund, Pension and Other Retirement Benefits	22,56,85,397	..	22,56,85,397
15	Dividend to General Revenues, Repayment of loan taken from General Revenues and Amortisation of Over-capitalisation	20,90,33,732	..	20,90,33,732
TOTAL		65,05,31,403	..	65,05,31,403

THE APPROPRIATION (RAILWAYS) NO. 2 ACT, 1985

No. 7 OF 1985

[9th February, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1984-85 for the purposes of Railways.

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

1. This Act may be called the Appropriation (Railways) No. 2 Act, 1985.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of ninety-one lakhs rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85, in respect of the services relating to Railways specified in column 2 of the Schedule.

Short title.

Issue of
Rs.
91,00,000
out of the
Consolidated
Fund of
India for
the finan-
cial year
1984-85.

Appropria-
tion.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
16	Assets- Acquisition, Construction and Replacement— Other Expenditure	91,00,000	..	91,00,000
	TOTAL	91,00,000	..	91,00,000

THE PUNJAB APPROPRIATION ACT, 1985

No. 8 OF 1585

[9th February, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Punjab for the services of the financial year 1984-85.

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

Short title.

1. This Act may be called the Punjab Appropriation Act, 1985.

Issue
of Rs.
35,37,32,000
from and
out of the
Consoli-
dated
Fund of
the State
of Punjab
for the
financial
year
1984-85

2. From and out of the Consolidated Fund of the State of Punjab there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of thirty-five crores, thirty-seven lakhs and thirty-two thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85 in respect of the services specified in column 2 of the Schedule.

Appropria-
tion.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Punjab by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote/ Approp- riation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
10	District Administration . . Revenue	2,00,00,000	..	2,00,00,000
11	Police Revenue	2,80,21,000	..	2,80,21,000
12	Jails Revenue	1,18,25,000	..	1,18,25,000
14	Miscellaneous Services . . Revenue	2,55,12,000	..	2,55,12,000
16	Education Revenue	1,77,54,000	22,50,000	2,00,04,000
18	Medical and Public Health Revenue	50,00,000	..	50,00,000
19	Housing and Urban Development . Capital	4,44,45,000	4,39,000	4,48,84,000
20	Information and Publicity . Revenue	18,00,000	..	18,00,000
24	Planning and Statistics . Revenue	14,00,000	..	14,00,000
25	Co-operation . . . Revenue	1,72,81,000	..	1,72,81,000
	Capital	29,24,000	..	29,24,000
26	Agriculture . . . Revenue	3,38,60,000	43,000	3,39,03,000
	Capital	67,00,000	..	67,00,000
29	Animal Husbandry . . Capital	8,00,000	..	8,00,000
31	Fisheries . . . Revenue	2,00,000	49,000	2,49,000
33	Community Development . Revenue	18,02,000	..	18,02,000
34	Industries . . . Revenue	64,40,000	..	64,40,000
	Capital	1,70,00,000	..	1,70,00,000
36	Roads and Bridges . . Revenue	..	65,000	65,000
37	Road Transport . . Capital	3,00,00,000	..	3,00,00,000
38	Multipurpose River Projects Capital	..	1,67,000	1,67,000
39	Irrigation, Drainage and Flood Control . Capital	78,50,000	..	78,50,000
40	Buildings . . . Revenue	2,00,00,000	..	2,00,00,000
	Capital	5,01,05,000	..	5,01,05,000
TOTAL .		35,07,19,000	30,13,000	35,37,32,000

THE REPRESENTATION OF THE PEOPLE (AMENDMENT)
ACT, 1985

No. 9 OF 1985

[16th February, 1985.]

An Act further to amend the Representation of the People Act, 1951.

Be it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Representation of the People (Amendment) Act, 1985.

(2) It shall be deemed to have come into force on the 20th day of November, 1984.

2. In the Representation of the People Act, 1951 (hereinafter referred to as the principal Act), after section 73, the following section shall be inserted, namely:—

43 of 1951.

"73A. Notwithstanding anything contained in section 73 or in any other provision of this Act, with respect to the general election for the purpose of constituting a new House of the People upon the expiry of the term of the House of the People in existence on the commencement of the Representation of the People (Amendment) Act, 1985,—

(a) the notification under section 73 may be issued without taking into account the Parliamentary constituencies in the State of Assam and the Parliamentary constituencies in the State of Punjab; and

(b) the Election Commission may take the steps in relation to elections from the Parliamentary constituencies in the State of Assam and the Parliamentary constituencies in the State of Punjab separately and in such manner and on such dates as it may deem appropriate."

Repeal and saving.

3. (1) The Representation of the People (Amendment) Ordinance, 1984, is hereby repealed.

15 of 1984.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

THE CALCUTTA METRO RAILWAY (OPERATION AND MAINTENANCE) TEMPORARY PROVISIONS ACT, 1985

No. 10 OF 1985

[16th February, 1985.]

An Act to make temporary provisions for the operation and maintenance of the Calcutta metro railway and for matters connected therewith, pending the making of regular arrangements for such operation and maintenance.

Be it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Calcutta Metro Railway (Operation and Maintenance) Temporary Provisions Act, 1985.

Short title, commencement and application.

(2) It shall be deemed to have come into force on the 22nd day of October, 1984.

(3) It shall apply to the metropolitan city of Calcutta.

Definitions.

2. (1) In this Act, unless the context otherwise requires,—

(a) "Calcutta metro railway administration" or "metro railway administration" means the General Manager of the metro railway appointed under section 3 of the Construction Act;

(b) "commissioner" means a commissioner of the metro railway appointed under section 27 of the Construction Act;

(c) "Construction Act" means the Metro Railways (Construction of Works) Act, 1978;

(d) "metro railway" means such portion of the metro railway constructed in the metropolitan city of Calcutta under the provisions of the Construction Act as may, for the time being, be available for public carriage of passengers, and includes—

(i) all land within the boundary marks indicating the limits of the land appurtenant to the metro railway;

(ii) all lines of rails, sidings, yards or branches worked over for the purposes of, or in connection with, the metro railway;

(iii) all stations, offices, ventilation shafts and ducts, warehouses, workshops, manufactories, fixed plants and machineries, sheds, depots and other works constructed for the purpose of, or in connection with, the metro railway;

(e) "prescribed" means prescribed by rules made under this Act.

(2) All other words and expressions used herein and not defined but defined in the Indian Railways Act, 1890, or the Metro Railways (Construction of Works) Act, 1978, shall have the meanings, respectively, assigned to them in those Acts.

9 of 1890.
33 of 1978.

CHAPTER II

THE CALCUTTA METRO RAILWAY ADMINISTRATION

Calcutta metro railway administration to be responsible for the operation and maintenance of the metro railway.

Previous sanction of the Central Government required for the opening of metro railway.

3. (1) Subject to the other provisions of this Act, the Calcutta metro railway administration shall be responsible for the operation and maintenance of the metro railway.

(2) The Calcutta metro railway administration may, for the efficient performance of its functions under this Act, appoint such officers and other employees as it considers necessary on such terms and conditions of service as may be prescribed.

4. (1) No metro railway shall be opened for the public carriage of passengers except with the previous sanction of the Central Government.

(2) Before giving its sanction under sub-section (1), the Central Government shall, after considering the report given (whether before or after the commencement of this Act) by the commissioner under clause (a) of sub-section (2) of section 27 of the Construction Act and other relevant factors, satisfy itself that the metro railway can be opened without danger to the public using it.

(3) A section given under this section may be either absolute or subject to such conditions as the Central Government thinks necessary for the safety of the public.

(4) Where any sanction for the opening of the metro railway under this section is given subject to any conditions, such railway shall not be worked or used until such conditions are fulfilled to the satisfaction of the Central Government.

CHAPTER III

SPECIAL PROVISIONS FOR THE RUNNING OF THE METRO RAILWAY

5. (1) No person shall, while travelling in the metro railway, carry with him any goods other than a small baggage containing personal belongings not exceeding such volume and weight as may be prescribed.

Carriage
of goods.

(2) Where any person travels in the metro railway in contravention of the provisions of sub-section (1), he shall, notwithstanding that he holds a valid pass or ticket for any travel in such railway, be liable to be removed from the train by any metro railway official authorised by the metro railway administration in this behalf or by any other person whom such metro railway official may call to his aid.

6. It shall not be necessary for the metro railway administration to reserve any compartment in any train for the exclusive use of females.

Reserva-
tion of
compart-
ments for
females not
necessary.

7. (1) No person shall take or cause to be taken any dangerous or offensive goods upon the metro railway.

Dangerous
or offen-
sive
goods.

(2) If any metro railway official has reason to believe that any such goods are contained in a package in the custody of any passenger, he may cause the package to be opened for the purpose of ascertaining its contents.

8. (1) If, in contravention of sub-section (1) of section 7, a person takes or causes to be taken any offensive goods upon the metro railway, he shall be punishable with fine which may extend to five hundred rupees.

Penalty
for taking
or causing
to take
offensive
or dan-
gerous
goods
upon the
metro
railway.

(2) If, in contravention of sub-section (1) of section 7, a person takes or causes to be taken any dangerous goods upon the metro railway, he shall be punishable with imprisonment for a term which may extend to four years and with fine which may extend to five thousand rupees.

(3) In addition to the penalties specified in sub-section (1) or sub-section (2), a person taking or causing to be taken any offensive goods or dangerous goods upon the metro railway shall be responsible also for any loss, injury or damage which may be caused by reason of such goods having been so brought upon the metro railway.

9. (1) No person shall smoke in any compartment or carriage of the metro railway or in any underground metro railway station.

Smoking
in com-
part-
ments,
etc.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to two hundred and fifty rupees.

(3) If any person persists in so smoking after being warned by any metro railway official to desist, he may, in addition to incurring the liability mentioned in sub-section (2), be removed from the compartment

or carriage in which he is travelling or from the underground station at which he may be found smoking by any metro railway official authorised by the metro railway administration in this behalf.

Drunken-
ness or
nuisance
upon
the metro
railway.

10. (1) If any person,—

- (a) is in a state of intoxication; or
- (b) commits any nuisance or act of indecency, or uses obscene or abusive language; or
- (c) wilfully or without excuse interferes in any way with the comfort of any passenger,

in any carriage or upon any part of the metro railway, he shall be punishable with fine which may extend to two hundred and fifty rupees and shall also be liable to forfeiture of the fare which he may have paid or any pass or ticket which he may have obtained or purchased, or be removed from such carriage or part by any metro railway official authorised by the metro railway administration in this behalf.

(2) If any metro railway official is in a state of intoxication while on duty, he shall be punishable with fine which may extend to two hundred and fifty rupees, or, where the improper performance of the duty would be likely to endanger the safety of any passenger travelling or being upon the metro railway, with imprisonment for a term which may extend to two years, or with fine which may extend to five hundred rupees, or with both.

Prohibi-
tion of
demonstra-
tions
upon the
metro
railway.

11. (1) No demonstration of any kind whatsoever shall be held on any part of the metro railway or other premises thereof and it shall be open to the metro railway administration to exclude from such premises any person attending such demonstrations whether or not he is in possession of a pass or ticket entitling him to be in the said premises.

(2) No person shall paste or put up any poster or write or draw anything or matter in any compartment or carriage of the metro railway, or any premises thereof, without any lawful authority and any person found engaged in doing any such act may be removed from the compartment, carriage or premises by any metro railway official authorised by the metro railway administration in this behalf.

(3) Whoever contravenes any of the provisions of sub-section (1) or sub-section (2), or being asked by any metro railway official to leave any compartment, carriage or premises refuses to do so, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

Penalty
for travel-
ling on
roof, etc.,
of a
train.

12. If any passenger travels on the roof of a train or persists in travelling in any part of a train not intended for the use of passengers or projects any part of his body out of a train after being warned by any metro railway official to desist, he shall be punishable with imprisonment for a term which may extend to one month, or with fine which may extend to fifty rupees, or with both, and shall also be liable to be removed from the train by any metro railway official authorised by the metro railway administration in this behalf.

13. (1) If a person enters into or upon the metro railway without any lawful authority or having entered with lawful authority remains there unlawfully and refuses to leave on being requested to do so by any metro railway official, he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to two hundred and fifty rupees, or with both.

Penalty for unlawfully entering or remaining upon the metro railway or walking on the metro railway line.

(2) If any person walks on the metro railway line without any lawful authority, he shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to five hundred rupees, or with both.

14. If any metro railway official, when on duty, endangers the safety of any passenger,—

Endangering the safety of passengers.

(a) by any rash or negligent act or omission; or

(b) by disobeying any rule or order which such official was bound by the terms of his employment to obey, and of which he had notice,

he shall be punishable with imprisonment for a term which may extend to five years, or with fine which may extend to six thousand rupees, or with both.

Abandoning train, etc., without authority.

15. If any metro railway official, when on duty, is entrusted with any responsibility connected with the running of a train, or any other rolling stock from one station or place to another station or place, and he abandons his duty before reaching such station or place, without authority or without properly handing over such train or rolling stock to another authorised metro railway official, he shall be punishable with imprisonment for a term which may extend to four years, or with fine which may extend to five thousand rupees, or with both.

Obstructing running of trains, etc.

16. If any person obstructs or causes to be obstructed or attempts to obstruct any train or other rolling stock upon the metro railway by squatting, picketing, or keeping without authority any rolling stock on the metro railway or tampering with any signalling installations or by interfering with the working mechanism thereof, or otherwise, he shall be liable to be removed by any metro railway official authorised by the metro railway administration in this behalf and shall also be punishable with imprisonment for a term which may extend to four years, or with fine which may extend to five thousand rupees, or with both.

Offences by companies.

17. (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 offence.

(2) Notwithstanding anything contained in sub-section (1), where any 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 be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.—*For the purposes of this section,—

- (a) “company” means any body corporate and includes a firm or other association of individuals; and
- (b) “director”, in relation to a firm, means a partner in the firm.

CHAPTER IV

MISCELLANEOUS

Applica-
tion of Act
9 of 1890
and the
rules, etc.,
made there-
under to
the metro
railway.

Effect of
Act and
rules, etc.,
inconsis-
tent with
other en-
actments.

Protection
of action
taken in
good
faith.

Power to
remove
difficul-
ties.

Power to
make
rules.

18. Save as otherwise expressly provided in this Act, the provisions of the Indian Railways Act, 1890, and the rules, orders or notifications made or issued thereunder shall, so far as may be, and subject to such modifications as may be necessary, apply to the operation and maintenance of the metro railway, as if such metro railway were a railway as defined under that Act, and the references to “railway administration” and “inspector” in that Act shall be construed as references to the “metro railway administration” and “commissioner” respectively.

19. The provisions of this Act or any rule made or any notification issued thereunder shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act.

20. (1) No suit, prosecution or other legal proceeding shall lie against the Central Government, the metro railway administration or any officer or other employee of that Government or the metro railway administration for anything which is in good faith done or intended to be done under this Act.

(2) No suit, prosecution or other legal proceeding shall lie against the Central Government or the metro railway administration or any officer or other employee of that Government or the metro railway administration for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Act.

21. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, do anything not inconsistent with such provisions which appears to it to be necessary or expedient for the purpose of removing the difficulty:

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

22. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

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

- (a) the terms and conditions of service of the officers and other employees of the metro railway administration under sub-section (2) of section 3;
- (b) the cases in which and the extent to which the procedure specified in section 4 for the opening of the metro railway for public carriage of passengers may be dispensed with;
- (c) the volume and weight of the baggage containing personal belongings that may be carried by a person while travelling in the metro railway;
- (d) any other matter which is required to be, or may be, prescribed.

(3) Every rule made under this section 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 both Houses agree that the rule should not be made, the rule 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.

23. (1) The Calcutta Metro Railway (Operation and Maintenance) Temporary Provisions Ordinance, 1984, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of this Act.

Repeal
and
saving.

THE SUGAR UNDERTAKINGS (TAKING OVER OF
MANAGEMENT) AMENDMENT ACT, 1985

No. 11 OF 1985

[16th February, 1985.]

An Act further to amend the Sugar Undertakings (Taking Over of Management) Act, 1978.

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

Short title and commencement.

Amendment of section 3 of Act 49 of 1978.

Repeal and saving.

1. (1) This Act may be called the Sugar Undertakings (Taking Over of Management) Amendment Act, 1985.

(2) It shall be deemed to have come into force on the 20th day of November, 1984.

2. In section 3 of the Sugar Undertakings (Taking Over of Management) Act, 1978 (hereinafter referred to as the principal Act), in the proviso to sub-section (5), for the words "six years", the words "seven years" shall be substituted.

3. (1) The Sugar Undertakings (Taking Over of Management) Amendment Ordinance, 1984, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

14 of 1984.

THE GANGTOK MUNICIPAL CORPORATION
(AMENDMENT) ACT, 1985

No. 12 OF 1985

[16th February, 1985.]

An Act further to amend the Gangtok Municipal Corporation Act,
1975.

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

1. (1) This Act may be called the Gangtok Municipal Corporation
(Amendment) Act, 1985.

(2) It shall be deemed to have come into force on the 17th day of
December, 1984.

2. In the Gangtok Municipal Corporation Act, 1975 (hereinafter re-
ferred to as the principal Act), in section 3, in the proviso to sub-section
(5), for the words "one year", the words "one year at a time, but not
beyond a total period of two years" shall be substituted.

3. (1) The Gangtok Municipal Corporation (Amendment) Ordinance,
1984, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken
under the principal Act, as amended by the said Ordinance, shall be
deemed to have been done or taken under the principal Act, as amended
by this Act.

Short
title
and
com-
mence-
ment.

Amend-
ment of
section 3.

Repeal
and
saving.

Sikkim
Act No.
IV of
1975.

Sikkim
Ordi-
nance
No. 1 of
1984.

THE ADMINISTRATIVE TRIBUNALS ACT, 1985.

ARRANGEMENT OF SECTIONS

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5. Composition of Tribunals and Benches thereof.
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SECTIONS

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THE ADMINISTRATIVE TRIBUNALS ACT, 1985

No. 13 OF 1985

[27th February, 1985.]

An Act to provide for the adjudication or trial by Administrative Tribunals of disputes and complaints with respect to recruitment and conditions of service of persons appointed to public services and posts in connection with the affairs of the Union or of any State or of any local or other authority within the territory of India or under the control of the Government of India or of any corporation owned or controlled by the Government and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

Short title,
extent
and
commencement.

1. (1) This Act may be called the Administrative Tribunals Act, 1985.

(2) It extends,—

(a) in so far as it relates to the Central Administrative Tribunal, to the whole of India;

(b) in so far as it relates to Administrative Tribunals for States, to the whole of India, except the State of Jammu and Kashmir.

(3) The provisions of this Act, in so far as they relate to the Central Administrative Tribunal, shall come into force on such date¹ as the Central Government may, by notification, appoint.

(4) The provisions of this Act, in so far as they relate to an Administrative Tribunal for a State, shall come into force in a State on such date as the Central Government may, by notification, appoint.

Act not to apply to certain persons.

2. The provisions of this Act shall not apply to—

(a) any member of the naval, military or air forces or of any other armed forces of the Union;

~~(b) any person governed by the provisions of the Industrial Disputes Act, 1947, in regard to such matters in respect of which he is so governed;~~

14 of 1947.

¹1.7.1985: *Vide* Notification No. G.S.R. 527(E), dated 1.7.1985.

2. Subs. by Act 19 of 1986, S.¹62 (w.e.f. 22-1-1986).

3. Omitted by S.3, ibid. (w.e.f. 1-11-1985).

(c) any officer or servant of the Supreme Court or of any High Court [or courts subordinate thereto];¹

(d) any person appointed to the secretarial staff of either House of Parliament or to the secretarial staff of any State Legislature or a House thereof or, in the case of a Union territory having a Legislature, of that Legislature.

3. In this Act, unless the context otherwise requires,—

Definitions.

(a) "Administrative Tribunal", in relation to a State, means the Administrative Tribunal for the State or, as the case may be, the Joint Administrative Tribunal for that State and any other State or States;

(b) "application" means an application made under section 19;

(c) "appointed day", in relation to a Tribunal, means the date with effect from which it is established, by notification, under section 4;

(d) "appropriate Government" means,—

(i) in relation to the Central Administrative Tribunal or a Joint Administrative Tribunal, the Central Government;

(ii) in relation to a State Administrative Tribunal, the State Government;

(e) "Bench" means a Bench of a Tribunal;

(f) "Central Administrative Tribunal" means the Administrative Tribunal established under sub-section (1) of section 4;

(g) "Chairman" means the Chairman of a Tribunal;

(h) "Joint Administrative Tribunal" means an Administrative Tribunal for two or more States established under sub-section (3) of section 4;

(i) "Member" means a Member of a Tribunal;

(j) "notification" means a notification published in the Official Gazette;

(k) "post" means a post within or outside India;

(l) "prescribed" means prescribed by rules made under this Act;

(m) "President" means the President of India;

(n) "principal Bench" means the principal Bench of a Tribunal;²

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

(p) "service" means service within or outside India;

(q) "service matters", in relation to a person, means all matters relating to the conditions of his service in connection with the affairs of the Union or of any State or of any local or other authority within the territory of India or under the control of the Government

¹11.11.1985 : Vide Notification No. G.S.R. 764(E), dated 28.9.1985.

² Re-drafted, inserted and omitted by Art 19 of 1986, S.4(w.e.f. 22.1.1986).

² 2nd by Art 51 of 1987, S.2.

of India, or, as the case may be, of any corporation owned or controlled by the Government, as respects—
[or society]

(i) remuneration (including allowances), pension and other retirement benefits;

(ii) tenure including confirmation, seniority, promotion, reversion, premature retirement and superannuation;

(iii) leave of any kind;

(iv) disciplinary matters; or

(v) any other matter whatsoever;

(r) "service rules as to redressal of grievances", in relation to any matter, means the rules, regulations, orders or other instruments or arrangements as in force for the time being with respect to redressal, otherwise than under this Act, of any grievances in relation to such matters;

(s) "Supreme Court" means the Supreme Court of India;

(t) "Tribunal" means the Central Administrative Tribunal or a State Administrative Tribunal or a Joint Administrative Tribunal;

(u) "Vice-Chairman" means the Vice-Chairman of a Tribunal.

Explanation.—In the case of a Tribunal having two or more Vice-Chairmen, references to the Vice-Chairman in this Act shall be construed as a reference to each of those Vice-Chairmen.

CHAPTER II

ESTABLISHMENT OF TRIBUNALS AND BENCHES THEREOF

Establish-
ment of
Adminis-
trative
Tribunals.

4. (1) The Central Government shall, by notification, establish an Administrative Tribunal, to be known as the Central Administrative Tribunal, to exercise the jurisdiction, powers and authority conferred on the Central Administrative Tribunal by or under this Act.

(2) The Central Government may, on receipt of a request in this behalf from any State Government, establish, by notification, an Administrative Tribunal for the State to be known as the.....(name of the State) Administrative Tribunal to exercise the jurisdiction, powers and authority conferred on the Administrative Tribunal for the State by or under this Act.

(3) Two or more States may, notwithstanding anything contained in sub-section (2) and notwithstanding that any or all of those States has or have Tribunals established under that sub-section, enter into an agreement that the same Administrative Tribunal shall be the Administrative Tribunal for each of the States participating in the agreement, and if the agreement is approved by the Central Government and published in the Gazette of India and the Official Gazette of each of those States, the Central Government may, by notification, establish a Joint Administrative Tribunal to exercise the jurisdiction, powers and authority conferred on the Administrative Tribunals for those States by or under this Act.

4. Ins. by Act 19 of 1986, S.4 (w.e.f. 22.1.1986).

(4) An agreement under sub-section (3) shall contain provisions as to the name of the Joint Administrative Tribunal, the manner in which the participating States may be associated in the selection of the Chairman, Vice-Chairman and other Members of the Joint Administrative Tribunal, the places at which the Bench or Benches of the Tribunal shall sit, the apportionment among the participating States of the expenditure in connection with the Joint Administrative Tribunal and may also contain such other supplemental, incidental and consequential provisions not inconsistent with this Act as may be deemed necessary or expedient for giving effect to the agreement.

5. (1) Each Tribunal shall consist of a Chairman and such number of Vice-Chairmen and other Members as the appropriate Government may deem fit and, subject to the other provisions of this Act, the jurisdiction, powers and authority of the Tribunal may be exercised by Benches thereof.

(2) Subject to the other provisions of this Act, a Bench shall be presided over by the Chairman or a Vice-Chairman and shall consist of at least two other Members.

(3) The Bench for which the Chairman is appointed as the Presiding Officer shall be the principal Bench and the other Benches shall be known as the additional Benches.

(4) Notwithstanding anything contained in sub-section (1) or sub-section (3), the Chairman—
V.I.S.

(a) may also act as the Chairman of any additional Bench;

(b) may transfer the Vice-Chairman or other Member from one Bench to another Bench;

(c) may authorise the Vice-Chairman or other Member appointed to one Bench to discharge also the functions of the Vice-Chairman or, as the case may be, other Member of another Bench; and

(d) may, for the purpose of securing that any case or cases which, having regard to the nature of the questions involved, requires or require, in his opinion or under the rules made by the Central Government in this behalf, to be decided by a Bench composed of more than three Members, issue such general or special orders, as he may deem fit. [two Members] 3

(5) Notwithstanding anything contained in sub-section (4) or sub-section (3) and subject to any rules that may be made in this behalf when one of the persons constituting a Bench (whether such person be Presiding Officer or other Member of the Bench) is unable to discharge his functions owing to absence, illness or any other cause or in the event of the occurrence of any vacancy either in the office of the Presiding Officer or in the office of one or the other Members of the Bench, the remaining two persons may function as the Bench ad/jf the Presiding Officer of the Bench is not one of the remaining two persons, the senior among the remaining persons shall act as the Presiding Officer of the Bench.

1. ins. by Art 19 of 1986, s.5(w.e.f. 22.1.1986);
2. sub., omitted in ins. by S.6, ibid (w.e.f. 1.11.1985).

Composition
of
Tribunals
and
Benches
thereof.

(6) Notwithstanding anything contained in the foregoing provisions of this section, it shall be competent for the Chairman or any other Member authorised by the Chairman in this behalf to function as an additional Bench consisting of a single Member and exercise the jurisdiction, powers and authority of the Tribunal in respect of such classes of cases or such matters pertaining to such classes of cases as the Chairman may by general or special order specify:

~~[two Members]~~ Provided that if at any stage of the hearing of any such case, or matter it appears to the Chairman or such Member that the case or matter is of such a nature that it ought to be heard by a Bench consisting of three Members, the case or matter may be transferred by the Chairman or, as the case may be, referred to him for transfer to, such Bench as the Chairman may deem fit.

(7) Subject to the other provisions of this Act, the places at which the principal Bench and other Benches shall ordinarily sit shall be such as the appropriate Government may, by notification, specify.

Qualifications
for appointment as
Chairman,
Vice-Chairman or
other Member.

6. (1) A person shall not be qualified for appointment as the Chairman unless he—

- (a) is, or has been, a Judge of a High Court; or
- (b) has, for at least two years, held the office of Vice-Chairman,

~~or~~

~~(c) has, for at least two years, held the post of a Secretary to the Government of India or any other post under the Central or a State Government carrying a scale of pay which is not less than that of a Secretary to the Government of India.~~

(2) A person shall not be qualified for appointment as the Vice-Chairman unless he—

- (a) is, or has been, a Judge of a High Court, or

~~(b) has, for at least two years, held the post of a Secretary to the Government of India or any other post under the Central or State Government carrying a scale of pay which is not less than that of a Secretary to the Government of India; or~~

~~(c) has, for a period of not less than three years, held office as a Member. [a Judicial Member or an Administrative Member]~~

(3) A person shall not be qualified for appointment as a Member unless he—

~~(a) is, or has been, or is qualified to be, a Judge of a High Court; or~~

~~(b) has, for at least two years, held the post of an Additional Secretary to the Government of India or any other post under the Central or a State Government carrying a scale of pay which is not less than that of an Additional Secretary to the Government of India; or~~

~~(c) has, for at least three years, held the post of a Joint Secretary to the Government of India or any other post under the Central or a State Government carrying a scale of pay which is not less than that of a Joint Secretary to the Government of India.~~

(4) The Chairman, Vice-Chairman and every other Member of the Central Administrative Tribunal shall be appointed by the President.

1. Subs. by Act 19 of 1986, S.6 (w.e.f. 1.11.1986).

2. Ins. and Subs. by S.7, ibid (w.e.f. 2.2.1.1986).

3. Omitted and Subs. by Act 51 of 1987, S.3.

(5) The Chairman, Vice-Chairman and every other Member of an Administrative Tribunal for a State shall be appointed by the President after consultation with the Governor of the concerned State.

[and Subject
to the
provisions
of subsection
(7)]

(6) The Chairman, Vice-Chairman and every other Member of a Joint Administrative Tribunal shall, subject to the terms of the agreement between the participating State Governments published under sub-section (3) of section 4, be appointed by the President after consultation with the Governors of the concerned States.

Explanation.—In computing, for the purposes of this section, the period during which a person has held any post under the Central or a State Government, there shall be included the period during which he has held any other post under the Central or a State Government (including an office under this Act carrying the same scale of pay as that of the first mentioned post or a higher scale of pay).

7. (1) In the event of the occurrence of any vacancy in the office of the Chairman by reason of his death, resignation or otherwise, the Vice-Chairman or, as the case may be, such one of the Vice-Chairmen as the appropriate Government may, by notification, authorise in this behalf, shall act as the Chairman until the date on which a new Chairman, appointed in accordance with the provisions of this Act to fill such vacancy enters upon his office.

Vice-Chairman
to act as
Chairman
or to dis-
charge
his func-
tions in
certain
circum-
stances.

(2) When the Chairman is unable to discharge his functions owing to absence, illness or any other cause, the Vice-Chairman or, as the case may be, such one of the Vice-Chairmen as the appropriate Government may, by notification, authorise in this behalf, shall discharge the functions of the Chairman until the date on which the Chairman resumes his duties.

8. The Chairman, Vice-Chairman or other Member shall hold office [] for a term of five years from the date on which he enters upon [] office or until he attains, []

(a) in the case of the Chairman or Vice-Chairman, the age of sixty-five years, and

(b) in the case of any other Member, the age of sixty-two years, whichever is earlier.

Term of
office.

9. (1) The Chairman, Vice-Chairman or other Member may, by notice in writing under his hand addressed to the President, resign his office:

Resigna-
tion and
removal.

Provided that the Chairman, Vice-Chairman or other Member shall, unless he is permitted by the President to relinquish his office sooner, continue to hold office until the expiry of three months from the date of receipt of such notice or until a person duly appointed as his successor enters upon his office or until the expiry of his term of office, whichever is the earliest.

(2) The Chairman, Vice-Chairman or any other Member shall not be removed from his office except by an order made by the President on the ground of proved misbehaviour or incapacity after an inquiry made by a Judge of the Supreme Court in which such Chairman, Vice-Chairman or other Member had been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

1. Subs. and ins. by Art 19 of 1986, s. 7 (w.e.f. 22.1.1986).
2. Subs. by Art 51 of 1987, s. 3.
3. Subs. by S.4, ibid.

(3) The Central Government may, by rules, regulate the procedure for the investigation of misbehaviour or incapacity of the Chairman, Vice-Chairman or other Member referred to in sub-section (2).

Salaries
and al-
lowances
and other
terms
and
condi-
tions of
service of
Chairman,
Vice-
Chairman
and
other
Members.

Provision
as to the
holding
of offices
by Chair-
man, etc.,
on ceas-
ing to be
such
Chair-
man,
etc.

10. The salaries and allowances payable to, and the other terms and conditions of service (including pension, gratuity and other retirement benefits) of, the Chairman, Vice-Chairman and other Members shall be such as may be prescribed by the Central Government:

Provided that neither the salary and allowances nor the other terms and conditions of service of the Chairman, Vice-Chairman or other Member shall be varied to his disadvantage after his appointment.

11. On ceasing to hold office,—

(a) the Chairman of the Central Administrative Tribunal shall be ineligible for further employment either under the Government of India or under the Government of a State;

(b) the Chairman of a State Administrative Tribunal or a Joint Administrative Tribunal shall, subject to the other provisions of this Act, be eligible for appointment as the Chairman or Vice-Chairman or any other Member of the Central Administrative Tribunal or as the Chairman of any other State Administrative Tribunal or Joint Administrative Tribunal, but not for any other employment either under the Government of India or under the Government of a State;

(c) the Vice-Chairman of the Central Administrative Tribunal shall, subject to the other provisions of this Act, be eligible for appointment as the Chairman of that Tribunal or as the Chairman or Vice-Chairman of any State Administrative Tribunal or Joint Administrative Tribunal, but not for any other employment either under the Government of India or under the Government of a State;

(d) the Vice-Chairman of a State Administrative Tribunal or a Joint Administrative Tribunal shall, subject to the other provisions of this Act, be eligible for appointment as the Chairman of that Tribunal or as the Chairman or Vice-Chairman of the Central Administrative Tribunal or of any other State Administrative Tribunal or Joint Administrative Tribunal, but not for any other employment either under the Government of India or under the Government of a State;

(e) a Member (other than the Chairman or Vice-Chairman) of any Tribunal shall, subject to the other provisions of this Act, be eligible for appointment as the Chairman or Vice-Chairman of such Tribunal or as the Chairman, Vice-Chairman or other Member of any other Tribunal, but not for any other employment either under the Government of India or under the Government of a State;

(f) the Chairman, Vice-Chairman or other Member shall not appear, act or plead before any Tribunal of which he was the Chairman, Vice-Chairman or other Member.

Explanation.—For the purposes of this section, employment under the Government of India or under the Government of a State includes employment under any local or other authority within the territory of India or under the control of the Government of India or under any corporation owned or controlled by the Government.

(or society)

12. The Chairman shall exercise such financial and administrative powers over the principal Bench and each of the additional Benches as may be vested in him under the rules made by the appropriate Government:

Financial and administrative powers of the Chairman.

Provided that the Chairman shall have authority to delegate such of his financial and administrative powers as he may think fit to the Vice-Chairman, subject to the condition that the Vice-Chairman shall, while exercising such delegated powers, continue to act under the direction, control and supervision of the Chairman.

13. (1) The appropriate Government shall determine the nature and categories of the officers and other employees required to assist a Tribunal in the discharge of its functions and provide the Tribunal with such officers and other employees as it may think fit.

Staff of the Tribunal.

(2) The salaries and allowances and conditions of service of the officers and other employees of a Tribunal shall be such as may be specified by rules made by the appropriate Government.

CHAPTER III

JURISDICTION, POWERS AND AUTHORITY OF TRIBUNALS

14. (1) Save as otherwise expressly provided in this Act, the Central Administrative Tribunal shall exercise, on and from the appointed day, all the jurisdiction, powers and authority exercisable immediately before that day by all courts (except the Supreme Court ~~under article 136 of the Constitution~~) in relation to—

Jurisdiction, powers and authority of the Central Administrative Tribunal.

(a) recruitment, and matters concerning recruitment, to any All-India Service or to any civil service of the Union or a civil post under the Union or to a post connected with defence or in the defence services, being, in either case, a post filled by a civilian;

(b) all service matters concerning—

(i) a member of any All-India Service; or

(ii) a person [not being a member of an All-India Service or a person referred to in clause (c)] appointed to any civil service of the Union or any civil post under the Union; or

(iii) a civilian [not being a member of an All-India Service or a person referred to in clause (c)] appointed to any defence services or a post connected with defence,

and pertaining to the service of such member, person or civilian, in connection with the affairs of the Union or of any State or of any local or other authority within the territory of India or under the control of the Government of India or of any corporation owned or controlled by the Government;

1. ins. by Art 19 of 1986, S.8 (w.e.f. 22.1.1986).

2. omitted and ins. by S.9 ibid (w.e.f. 22.1.1986).

3. ins. by S.10, ibid (w.e.f. 22.1.1986).

3. Omitted by Art 19 of 1986, s.12 (w.e.f. 22.1.1986).

(c) all service matters pertaining to service in connection with the affairs of the Union concerning a person appointed to any service or post referred to in sub-clause (ii) or sub-clause (iii) of clause (b),¹ being a person whose services have been placed by a State Government or any local or other authority or any corporation [or society]² for such appointment.

(d) declared that references to "Union" in this sub-section shall be construed as including references also to a Union territory,³ of India or under the control of the Government of India or under the control of the Government of a State, owned or controlled by Government, not being a local or other authority or corporation [or society] controlled or owned by a State Government:

Provided that if the Central Government considers it expedient so to do for the purpose of facilitating transition to the scheme as envisaged by this Act, different dates may be so specified under this sub-section in respect of different classes of, or different categories under any class of, local or other authorities or corporations [or society].⁴

(3) Save as otherwise expressly provided in this Act, the Central Administrative Tribunal shall also exercise, on and from the date with effect from which the provisions of this sub-section apply to any local or other authority or corporation, all the jurisdiction, powers and authority exercisable immediately before that date by all courts (except the Supreme Court under article 136 of the Constitution) in relation to—⁵ ~~xxx~~

(a) recruitment, and matters concerning recruitment, to any service or post in connection with the affairs of such local or other authority or corporation; and

(b) all service matters concerning a person [other than a person referred to in clause (a) or clause (b) of sub-section (1)] appointed to any service or post in connection with the affairs of such local or other authority or corporation and pertaining to the service of such person in connection with such affairs.

Jurisdiction, powers and authority of State Administrative Tribunals.

15. (1) Save as otherwise expressly provided in this Act, the Administrative Tribunal for a State shall exercise, on and from the appointed day, all the jurisdiction, powers and authority exercisable immediately before that day by all courts (except the Supreme Court under article 136 of the Constitution) in relation to—⁶ ~~xxx~~

(a) recruitment, and matters concerning recruitment, to any civil service of the State or to any civil post under the State;

(b) all service matters concerning a person [not being a person referred to in clause (c) of this sub-section or a member, person or civilian referred to in clause (b) of sub-section (1) of section 14] appointed to any civil service of the State or any civil post under the State and pertaining to the service of such person in connection with the affairs of the State or of any local or other authority under the control of the State Government or of any corporation owned or controlled by the State Government;⁷ ~~xxx~~

(c) all service matters pertaining to service in connection with the affairs of the State concerning a person appointed to any service or post referred to in clause (b), being a person whose services have

1. Ins. and omitted by Art 19 of 1986, s.11 (w.e.f. 22.1.1986).
2. Ins. by s.11, ibid. (w.e.f. 1.11.1985).

been placed by any such local or other authority or corporation [or other body as is controlled or owned by the State Government, at the disposal of the State Government for such appointment.]

(2) The State Government may, by notification, apply with effect from such date as may be specified in the notification the provisions of sub-section (3) to local or other authorities and corporations [controlled or owned by the State Government:]

Provided that if the State Government considers it expedient so to do for the purpose of facilitating transition to the scheme as envisaged by this Act, different dates may be so specified under this sub-section in respect of different classes of, or different categories under any class of, local or other authorities or corporations [or societies] !

(3) Save as otherwise expressly provided in this Act, the Administrative Tribunal for a State shall also exercise, on and from the date with effect from which the provisions of this sub-section apply to any local or other authority or corporation, all the jurisdiction, powers and authority exercisable immediately before that date by all courts (except the Supreme Court under article 136 of the Constitution) in relation to—

(a) recruitment, and matters concerning recruitment, to any service or post in connection with the affairs of such local or other authority or corporation, and [or society] !

(b) all service matters concerning a person [other than a person referred to in clause (b) of sub-section (1) of this section or a member, person or civilian referred to in clause (b) of sub-section (1) of section 14] appointed to any service or post in connection with the affairs of such local or other authority or corporation [and pertaining to the service of such person in connection with such affairs.]

(4) For the removal of doubts, it is hereby declared that the jurisdiction, powers and authority of the Administrative Tribunal for a State shall not extend to, or be exercisable in relation to, any matter in relation to which the jurisdiction, powers and authority of the Central Administrative Tribunal extends or is exercisable.

16. A Joint Administrative Tribunal for two or more States shall exercise all the jurisdiction, powers and authority exercisable by the Administrative Tribunals for such States.

Jurisdiction,
powers
and
authority
of a Joint
Administrative
Tribunal.

17. A Tribunal shall have, and exercise, the same jurisdiction, powers and authority in respect of contempt of itself as a High Court has and may exercise and, for this purpose, the provisions of the Contempt of Courts Act, 1971, shall have effect subject to the modifications that—

Power to
punish
for con-
tempt.

(a) the references therein to a High Court shall be construed as including a reference to such Tribunal;

In 1986 and omitted by Art 19 of 1986, s. 12 (w.e.f. 22.1.86).

(b) the references to the Advocate-General in section 15 of the said Act shall be construed,—

(i) in relation to the Central Administrative Tribunal, as a reference to the Attorney-General or the Solicitor-General or the Additional Solicitor-General; and

(ii) in relation to an Administrative Tribunal for a State or a Joint Administrative Tribunal for two or more States, as a reference to the Advocate-General of the State or any of the States for which such Tribunal has been established.

Distribution of business amongst the Benches.

[If any Benches of a Tribunal are constituted]

18. (1) Where ~~any additional Bench or Benches of a Tribunal is or~~ are constituted, the appropriate Government may, from time to time, by notification, make provisions as to the distribution of the business of the Tribunal amongst the ~~principal Bench and the additional Bench or addi-~~ ^(1, xxx) tional Benches and specify the matters which may be dealt with by each Bench.

(2) If any question arises as to whether any matter falls within the purview of the business allocated to a Bench of a Tribunal, the decision of the Chairman thereon shall be final.

Explanation.—For the removal of doubts, it is hereby declared that the expression "matters" includes applications under section 19.

CHAPTER IV

PROCEDURE

Applications to tribunals.

19. (1) Subject to the other provisions of this Act, a person aggrieved by any order pertaining to any matter within the jurisdiction of a Tribunal may make an application to the Tribunal for the redressal of his grievance.

Explanation.—For the purposes of this sub-section, "order" means an order made—

(a) by the Government or a local or other authority within the territory of India or under the control of the Government of India ~~or~~ by any corporation owned or controlled by the Government; or

(b) by an officer, committee or other body or agency of the Government or a local or other authority or corporation referred to in clause (a).

[or society]

(2) Every application under sub-section (1) shall be in such form and be accompanied by such documents or other evidence and by such fee (if any, not exceeding one hundred rupees) as ~~may be prescribed by the~~ Central Government.

(3) On receipt of an application under sub-section (1), the Tribunal may, if satisfied after such inquiry as it may deem fit, that the requirements under this Act are complied with in relation to such application, admit such application; but where the Tribunal is not so satisfied, it may reject the application summarily.

(4) Where an application has been admitted by a Tribunal under sub-section (3), every proceeding under the relevant service rules as to redressal of grievances in relation to the subject-matter of such application pending immediately before such admission shall abate and save

5. Subs. and omitted by Art 19 of 1986, S.13(w.e.f. 22-1-86).

6. Ins. & subs. by S.14, ibid (w.e.f. 22-1-1986).

as otherwise directed by the Tribunal, no appeal or representation in relation to such matter shall thereafter be entertained under such rules.

20. (1) A Tribunal shall not ordinarily admit an application unless it is satisfied that the applicant had availed of all the remedies available to him under the relevant service rules as to redressal of grievances.

(2) For the purposes of sub-section (1), a person shall be deemed to have availed of all the remedies available to him under the relevant service rules as to redressal of grievances,—

(a) if a final order has been made by the Government or other authority or officer or other person competent to pass such order under such rules, rejecting any appeal preferred or representation made by such person in connection with the grievance; or

(b) where no final order has been made by the Government or other authority or officer or other person competent to pass such order with regard to the appeal preferred or representation made by such person, if a period of six months from the date on which such appeal was preferred or representation was made has expired.

(3) For the purposes of sub-sections (1) and (2), any remedy available to an applicant by way of submission of a memorial to the President or to the Governor of a State or to any other functionary shall not be deemed to be one of the remedies which are available unless the applicant had elected to submit such memorial.

21. (1) A Tribunal shall not admit an application,—

Limita-
tion.

(a) in a case where a final order such as is mentioned in clause (a) of sub-section (2) of section 20 has been made in connection with the grievance unless the application is made, within one year from the date on which such final order has been made;

(b) in a case where an appeal or representation such as is mentioned in clause (b) of sub-section (2) of section 20 has been made and a period of six months had expired thereafter without such final order having been made, within one year from the date of expiry of the said period of six months.

(2) Notwithstanding anything contained in sub-section (1), where—

(a) the grievance in respect of which an application is made had arisen by reason of any order made at any time during the period of three years immediately preceding the date on which the jurisdiction, powers and authority of the Tribunal becomes exercisable under this Act in respect of the matter to which such order relates; and

(b) no proceedings for the redressal of such grievance had been commenced before the said date before any High Court,

the application shall be entertained by the Tribunal if it is made within the period referred to in clause (a), or, as the case may be, clause (b), of sub-section (1) or within a period of six months from the said date, whichever period expires later.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), an application may be admitted after the period of one year specified in clause (a) or clause (b) of sub-section (1) or, as the case

Applica-
tions not
to be
admitted
unless
other
remedies
exhaust-
ed.

may be, the period of six months specified in sub-section (2), if the applicant satisfies the Tribunal that he had sufficient cause for not making the application within such period.

22. (1) A Tribunal shall not be bound by the procedure laid down in the Code of Civil Procedure, 1908, but shall be guided by the principles of natural justice and subject to the other provisions of this Act and of any rules made by the Central Government, the Tribunal shall have power to regulate its own procedure including the fixing of places and times of its inquiry and deciding whether to sit in public or in private.

5 of 1908.

(2) A Tribunal shall decide every application made to it as expeditiously as possible and ordinarily every application shall be decided on a perusal of documents and written representations and after hearing of oral arguments, if any, allowed by the Tribunal in the circumstances of the case.

(3) A Tribunal shall have, for the purposes of holding any inquiry, the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters, namely:

5 of 1908.

(a) summoning and enforcing the attendance of any person and examining him on oath;

(b) requiring the discovery and production of documents;

(c) receiving evidence on affidavits;

(d) subject to the provisions of sections 123 and 124 of the Indian Evidence Act, 1872, requisitioning any public record or document or copy of such record or document from any office;

1 of 1872.

(e) issuing commissions for the examination of witness or documents;

(f) reviewing its decisions;

(g) dismissing a representation for default or deciding it ex parte;

(h) setting aside any order of dismissal of any representation for default or any order passed by it ex parte; and

(i) any other matter which may be prescribed by the Central Government.

23. (1) A person making an application to a Tribunal under this Act may either appear in person or take the assistance of a legal practitioner of his choice to present his case before the Tribunal.

(2) The Central Government or a State Government or a local or other authority or corporation to which the provisions of sub-section (3) of section 14 or sub-section (3) of section 15 apply, may appoint one or more persons (whether legal practitioners or not) to act as presenting officers and a person so appointed, or any legal practitioner duly authorised in this behalf, by it may present its case with respect to any application before a Tribunal.

1. sub. by Art 19 of 1986, S.15 (w.e.f. 22.1.1986).

2. ins. and sub. by S.16, ibid (w.e.f. 22.1.1986).

24. Notwithstanding anything contained in any other provisions of this Act or in any other law for the time being in force, no interim order (whether by way of injunction or stay or in any other manner) shall be made on, or in any proceedings relating to, an application unless—

Conditions as to making of interim orders.

(a) copies of such application and of all documents in support of the plea for such interim order are furnished to the party against whom such application is made or proposed to be made; and

(b) opportunity is given to such party to be heard in the matter:

Provided that a Tribunal may dispense with the requirements of clauses (a) and (b) and make an interim order as an exceptional measure if it is satisfied, for reasons to be recorded in writing, that it is necessary so to do for preventing any loss being caused to the applicant which cannot be adequately compensated in money but any such interim order shall, if it is not sooner vacated, cease to have effect on the expiry of a period of fourteen days from the date on which it is made unless the said requirements have been complied with before the expiry of that period and the Tribunal has continued the operation of the interim order.

25. On the application of any of the parties, and after notice to the parties, and after hearing such of them as he may desire to be heard, or on his own motion without such notice, the Chairman may—

Power of Chairman to transfer cases from one Bench to another.

(a) transfer any case pending before the principal Bench, for disposal, to any additional Bench; or

(b) transfer any case pending before an additional Bench for disposal to any other additional Bench, or

(c) withdraw to the principal Bench any case pending before any additional Bench, for disposal by the principal Bench.

26. The decision of a Bench on any point shall, where there is a majority, be according to the opinion of the majority, and where there is no majority and the members are equally divided in their opinion, they shall draw up a statement of the case setting forth the point or points on which they differ, and make a reference to the Chairman and on receipt of such reference the Chairman may arrange for the hearing of such point or points by one or more of the other members (including, if he did not preside over such Bench, himself) and such point or points shall be decided according to the opinion of the majority of the members who have heard the case including those who had first heard it.

Decision to be by majority.

27. Subject to the other provisions of this Act and the rules, the order of a Tribunal finally disposing of an application shall be executed in the same manner in which any final order of the nature referred to in clause (a) of sub-section (2) of section 20 (whether or not such final order had actually been made) in respect of the grievance to which the application relates would have been executed.

Execution of orders of a Tribunal.

1. Subs. by Art 19 of 1986, S.17 (w.e.f. 22.1.1986).

2. Subs. by S.18, ibid. (w.e.f. 22.1.1986).

Exclusion
of juris-
diction of
courts
except
the Sup-
reme
Court
under
article
136 of
the Cons-
titution.

Transfer of
pending
cases.

[or society]

[or society]

CHAPTER V

MISCELLANEOUS

28. On and from the date from which any jurisdiction, powers and authority becomes exercisable under this Act by a Tribunal in relation to recruitment and matters concerning recruitment to any Service or post or service matters concerning members of any Service or persons appointed to any Service or post, no court (except the Supreme Court under article 136 of the Constitution) shall have, or be entitled to exercise any jurisdiction, powers or authority in relation to such recruitment or matters concerning such recruitment or such service matters.

29. (1) Every suit or other proceeding pending before any court or other authority immediately before the date of establishment of a Tribunal under this Act, being a suit or proceeding the cause of action whereon it is based is such that it would have been, if it had arisen after such establishment, within the jurisdiction of such Tribunal, shall stand transferred on that date to such Tribunal:

Provided that nothing in this sub-section shall apply to any appeal pending as aforesaid before a High Court or the Supreme Court. (2) ~~xxx~~

(2) Every suit or other proceeding pending before a court or other authority immediately before the date with effect from which jurisdiction is conferred on a Tribunal in relation to any local or other authority or corporation, being a suit or proceeding the cause of action whereon it is based is such that it would have been, if it had arisen after the said date, within the jurisdiction of such Tribunal, shall stand transferred on that date to such Tribunal:

Provided that nothing in this sub-section shall apply to any appeal pending as aforesaid before a High Court or the Supreme Court. (3) ~~xxx~~

Explanation.—For the purposes of this sub-section “date with effect from which jurisdiction is conferred on a Tribunal”, in relation to any local or other authority or corporation, means the date with effect from which the provisions of sub-section (3) of section 14 or, as the case may be, sub-section (3) of section 15 are applied to such local or other authority or corporation. [or society] 2

(3) Where immediately before the date of establishment of a Joint Administrative Tribunal any one or more of the States for which it is established, has or have a State Tribunal or State Tribunals, all cases pending before such State Tribunal or State Tribunals immediately before the said date together with the records thereof shall stand transferred on that date to such Joint Administrative Tribunal.

Explanation.—For the purposes of this sub-section, “State Tribunal” means a Tribunal established under sub-section (2) of section 4.

(4) Where any suit, appeal or other proceeding stands transferred from any court or other authority to a Tribunal under sub-section (1) or sub-section (2),—

(a) the court or other authority shall, as soon as may be after such transfer, forward the records of such suit, appeal or other proceeding to the Tribunal; and

1. Subs. by Act 19 of 1986, s. 19 (w.e.f 1.11.1985).

2. Omitted and ins. by S. 20, ibid (w.e.f 22.1.1984).

(b) the Tribunal may, on receipt of such records, proceed to deal with such suit, appeal or other proceeding, so far as may be, in the same manner as in the case of an application under section 19 from the stage which was reached before such transfer or from any earlier stage or *de novo* as the Tribunal may deem fit.

(5) Where any case stands transferred to a Joint Administrative Tribunal under sub-section (3), the Joint Administrative Tribunal may proceed to deal with such case from the stage which was reached before it stood so transferred.

^{45 of 1860.} 30. All proceedings before a Tribunal shall be deemed to be judicial proceedings within the meaning of sections 193, 219 and 228 of the Indian Penal Code.

Proceedings before a Tribunal to be judicial proceedings.

^{45 of 1860.} 31. The Chairman, Vice-Chairman and other Members and the officers and other employees provided under section 13 to a Tribunal shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

Members and staff of Tribunal to be public servants.

Protection of action taken in good faith.

32. No suit, prosecution or other legal proceeding shall lie against the Central or State Government or against the Chairman, Vice-Chairman or other Member of any Central or Joint or State Administrative Tribunal, or any other person authorised by such Chairman, Vice-Chairman or other Member for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

Act to have overriding effect.

33. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law other than this Act.

Power to remove difficulties.

34. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by 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 removing the difficulty.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before each House of Parliament.

35. (1) The Central Government may, subject to the provisions of section 36, by notification, make rules to carry out the provisions of this Act.

Power of the Central Government to make rules.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the case or cases which shall be decided by a Bench composed of more than ~~three~~ Members under clause (d) of sub-section (4) of section 5; *[two Members]*

(b) the procedure under sub-section (3) of section 9 for the investigation of misbehaviour or incapacity of Chairman, Vice-Chairman or other Member;

1. *Ans. by Act 19 of 1986, s.21 (w.e.f. 22.1.1986).*
2. *Sols. by S.22, ibid. (w.e.f. 22.1.1986).*
3. *Ans. by Act 51 of 1987, s.5.*

- (c) the salaries and allowances payable to, and the other terms and conditions of, the Chairman, Vice-Chairman and other Members;
- (d) the form in which an application may be made under section 19, the documents and other evidence by which such application shall be accompanied and the fees payable in respect of such application;
- (e) the rules subject to which a Tribunal shall have power to regulate its own procedure under sub-section (1) of section 22 and the additional matters in respect of which a Tribunal may exercise the powers of a civil court under clause (i) of sub-section (3) of that section; and
- (f) any other matter which may be prescribed or in respect of which rules are required to be made by the Central Government.

Power
of the
appropriate
Government to
make
rules.

36. The appropriate Government may, by notification, make rules to provide for all or any of the following matters, namely:—

- (a) the financial and administrative powers which the Chairman of a Tribunal may exercise over the principal Bench and the additional Benches of the Tribunal under section 12; 2 mrs
- (b) the salaries and allowances and conditions of service of the officers and other employees of a Tribunal under sub-section (2) of section 13; and
- (c) any other matter not being a matter specified in section 35 in respect of which rules are required to be made by the appropriate Government.

Laying
of rules.

37. (1) Every rule made under this Act by the Central Government 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 both Houses agree that the rule should not be made, the rule 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.

(2) Every rule made by a State Government under this Act shall be laid, as soon as may be after it is made, before the State Legislature.

1. Subs. by Act 19 of 1986, s. 22 (w.e.f. 22.1.1986).
2. Omitted by S. 23, ibid. (w.e.f. 22.1.1986).
3. Ins. by Act 51 of 1987, s. 6.

THE APPROPRIATION (VOTE ON ACCOUNT) ACT, 1985

No. 14 OF 1985

[29th March, 1985.]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1985-86.

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

1. This Act may be called the Appropriation (Vote on Account) Act, 1985.

Short title.

2. From and out of the Consolidated Fund of India there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of thirty-seven thousand three hundred thirty-eight crores, twenty-seven lakhs and ten thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86.

With-
drawal
of Rs.
37338,
27,10,000
from and
out of the
Con-
solidated
Fund
of India
for the
financial
year
1985-86.

3. The sums authorised to be withdrawn from and out of the Consolidated Fund by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appropria-
tion.

4. References to Ministries or Departments in the Schedule are to such Ministries or Departments as existing immediately before the 6th day of March, 1985 and shall, on or after that date, be construed as references to the appropriate Ministries or Departments as reconstituted from time to time.

Construc-
tion of
references
to Minis-
tries and
Depart-
ments in
the
Schedule.

THE SCHEDULE

(See sections 2, 3 and 4)

No. of Vote	Services and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consolida- ted Fund		
1	Department of Agriculture and Co-operation . . . Revenue	78,57,000	2,000		78,59,000
2	Agriculture . . . Revenue	41,38,40,000	..		41,38,40,000
	Capital	371,00,43,000	36,08,27,000		407,08,70,000
3	Fisheries . . . Revenue	4,47,80,000	..		4,47,80,000
	Capital	1,64,01,000	1,80,000		1,65,81,000
4	Animal Husbandry and Dairy Development . . . Revenue	22,71,77,000	4,000		22,71,81,000
	Capital	7,89,01,000	17,50,000		8,06,51,000
5	Co-operation . . . Revenue	2,41,80,000	..		2,41,80,000
	Capital	38,98,67,000	91,66,000		39,90,33,000
6	Department of Agricultural Research and Education . . . Revenue	14,81,000	..		14,81,000
7	Payments to Indian Council of Agricultural Research . . . Revenue	24,73,19,000	..		24,73,19,000
8	Department of Rural Development . . . Revenue	188,22,14,000	1,000		188,22,15,000
	Capital	7,52,000	..		7,52,000
9	Ministry of Chemicals and Fertilizers . . . Revenue	206,31,51,000	..		206,31,51,000
	Capital	27,27,83,000	83,33,000		28,11,16,000
10	Ministry of Commerce and Supply . . . Revenue	57,33,000	..		57,33,000
11	Foreign Trade and Export Production . . . Revenue	135,87,38,000	..		135,87,38,000
	Capital	18,20,58,000	..		18,20,58,000
12	Textiles, Handloom and Handicrafts . . . Revenue	43,75,82,000	..		43,75,82,000
	Capital	36,62,97,000	2,34,44,000		38,97,41,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
13	Supplies and Disposals	Revenue	2,54,05,000	4,16,000
14	Ministry of Communica-	Revenue	92,46,000	92,46,000
	cations	Capital	7,12,33,000	7,12,33,000
15	Overseas Communi-	Revenue	7,54,20,000	7,54,20,000
	cations Service	Capital	2,33,33,000	2,33,33,000
16	Postal Services	Revenue	131,59,16,000	7,50,000
		Capital	5,91,33,000	..
17	Telecommunication	Revenue	243,73,33,000	10,00,000
	Services	Capital	151,59,83,000	16,000
18	Ministry of Defence	Revenue	79,48,33,000	4,000
		Capital	26,91,87,000	52,38,000
19	Defence—Pensions	Revenue	84,74,79,000	2,41,87,000
20	Defence Services—	Revenue	797,84,70,000	10,29,000
	Army	Capital	100,32,50,000	83,000
21	Defence Services—	Revenue	288,32,23,000	1,10,000
	Navy	Capital	154,25,33,000	1,08,00,000
22	Defence Services—	Revenue	160,87,000	..
	Air Force	Capital	82,05,17,000	..
23	Capital Outlay on	Capital	18,40,000	58,33,000
	Defence Services	Revenue	4,73,79,000	..
24	Ministry of Education	Revenue	82,05,17,000	66,73,000
25	Education	Capital	160,87,000	..
26	Department of Environ-	Revenue	8,44,85,000	..
	ment	Capital	..	8,44,85,000
27	Department of Forest	Revenue	90,00,000	..
	and Wild Life	Capital	8,44,85,000	90,00,000
28	Ministry of External	Revenue	7,11,33,000	..
	Affairs	Capital	33,90,92,000	4,060
29	Ministry of Finance	Revenue	6,000	..
		Capital	2,18,90,000	..
30	Customs	Revenue	6,91,66,000	7,000
		Capital	13,21,19,000	..

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
31	Union Excise Duties	Revenue	16,15,68,000	50,000 16,16,18,000
32	Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	Revenue	18,05,77,000	22,000 18,05,99,000
33	Stamps . . .	Revenue	7,25,61,000	.. 7,25,61,000
		Capital	1,12,75,000	.. 1,12,75,000
34	Audit . . .	Revenue	21,96,24,000	38,23,000 22,34,47,000
35	Currency, Coinage and Mint . . .	Revenue	26,76,79,000	8,000 26,76,87,000
		Capital	16,36,41,000	.. 16,36,41,000
36	Pensions . . .	Revenue	26,63,87,000	91,01,000 27,54,88,000
37	Opium and Alkaloid Factories . . .	Revenue	24,14,18,000	1,000 24,14,19,000
		Capital	1,18,58,000	.. 1,18,58,000
38	Transfers to State Governments . . .	Revenue	765,83,49,000	1058,83,37,000 1824,66,86,000
		Capital	..	1058,16,18,000 1958,16,18,000
	CHARGED.—Interest Payments . . .	Revenue	..	1185,44,33,000 1185,44,33,000
39	Other Expenditure of the Ministry of Finance . . .	Revenue	170,80,37,000	2,000 170,80,39,000
		Capital	571,55,08,000	.. 571,55,08,000
40	Loans to Government Servants, etc. . .	Capital	20,68,50,000	.. 20,68,50,000
	CHARGED.—Repayment of Debt . . .	Capital	..	25354,96,32,000 25354,96,32,000
41	Department of Food	Revenue	208,46,30,000	8,000 208,46,38,000
		Capital	19,11,49,000	3,86,000 19,15,85,000
42	Department of Civil Supplies . . .	Revenue	91,73,000	.. 91,73,000
		Capital	1,33,84,000	59,66,000 1,93,50,000
43	Ministry of Health and Family Welfare	Revenue	33,31,000	.. 33,31,000
44	Medical and Public Health . . .	Revenue	52,67,88,000	14,000 52,68,02,000
		Capital	17,90,53,000	36,000 17,90,89,000
45	Family Welfare . . .	Revenue	88,94,93,000	.. 88,94,93,000
		Capital	1,86,93,000	.. 1,86,93,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
46	Ministry of Home Affairs Revenue	1,25,85,000	1,000	1,25,86,000
47	Cabinet Revenue	1,23,54,000	..	1,23,54,000
48	Police Revenue	97,45,71,000	30,000	97,46,01,000
	Capital	6,40,32,000	83,50,000	7,23,82,000
49	Other Administrative and General Services Revenue	46,65,97,000	2,000	46,65,99,000
	Capital	6,99,91,000	..	6,99,91,000
50	Rehabilitation Revenue	25,30,56,000	16,000	25,30,72,000
	Capital	1,29,33,000	1,31,76,000	2,61,09,000
51	Other Expenditure of the Ministry of Home Affairs Revenue	65,66,39,000	40,59,22,000	106,25,61,000
	Capital	36,69,76,000	65,64,000	37,35,40,000
52	Delhi Revenue	67,67,51,000	25,94,000	67,93,45,000
	Capital	45,82,19,000	84,65,000	46,66,84,000
53	Chandigarh Revenue	11,19,44,000	28,98,000	11,48,42,000
	Capital	6,24,58,000	12,50,000	6,37,08,000
54	Andaman and Nicobar Islands Revenue	10,63,06,000	2,000	10,63,08,000
	Capital	6,18,60,000	..	6,18,60,000
55	Dadra and Nagar Haveli Revenue	1,37,62,000	..	1,37,62,000
	Capital	98,33,000	..	98,33,000
56	Lakshadweep Revenue	3,14,81,000	..	3,14,81,000
	Capital	55,52,000	..	55,52,000
57	Ministry of Industry and Company Affairs Revenue	1,85,91,000	3,59,000	1,89,50,000
	Capital	16,000	..	16,000
58	Industries Revenue	17,92,08,000	..	17,92,08,000
	Capital	51,14,00,000	..	51,14,00,000
59	Village and Small Industries Revenue	34,10,25,000	5,00,00,000	39,10,25,000
	Capital	25,50,67,000	96,66,000	26,47,33,000
60	Ministry of Information and Broadcasting Revenue	27,21,000	..	27,21,000
61	Information and Publicity Revenue	7,72,19,000	..	7,72,19,000
	Capital	30,50,000	..	30,50,000
62	Broadcasting Revenue	28,70,10,000	16,000	28,70,26,000
	Capital	20,45,14,000	1,66,000	20,46,80,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
63	Department of Irrigation	Revenue	29,77,31,000	13,000 29,77,44,000
		Capital	4,41,34,000	12,48,67,000 16,90,01,000
64	Department of Power	Revenue	98,49,31,000	.. 38,49,31,000
		Capital	280,76,11,000	4,68,33,000 285,44,44,000
65	Ministry of Labour	Revenue	30,31,000	.. 30,31,000
66	Labour and Employment	Revenue	29,99,40,000	4,000 29,99,44,000
		Capital	18,66,000	.. 18,66,000
67	Ministry of Law and Justice	Revenue	5,46,11,000	.. 5,46,11,000
68	Administration of Justice	Revenue	17,86,000	33,86,000 51,72,000
69	Ministry of Parliamentary Affairs	Revenue	8,24,000	.. 8,24,000
70	Ministry of Petroleum	Revenue	42,71,000	.. 42,71,000
		Capital	45,23,31,000	.. 45,23,31,000
71	Planning	Revenue	1,28,25,000	.. 1,28,25,000
72	Statistics	Revenue	4,46,83, 00	.. 4,46,83,000
73	Department of Science and Technology	Revenue	10,70,50,000	.. 10,70,50,000
		Capital	5,75,000	.. 5,75,000
74	Survey of India	Revenue	7,09,16,000	.. 7,09,16,000
		Capital	1,67,000	.. 1,67,000
75	Meteorology	Revenue	5,19,69,000	.. 5,19,69,000
		Capital	1,22,30,000	.. 1,22,30,000
76	Department of Scientific and Industrial Research	Revenue	26,30,58,000	.. 26,30,58,000
		Capital	45,00,000	.. 45,00,000
77	Department of Non-Conventional Energy Sources	Revenue	20,09,41,000	.. 20,09,41,000
		Capital	40,00,000	.. 40,00,000
78	Ministry of Shipping and Transport	Revenue	1,01,14,000	.. 1,01,14,000
79	Roads	Revenue	38,44,17,000	91,000 38,45,08,000
		Capital	45,49,94,000	6,77,50,000 52,27,44,000
80	Ports, Lighthouses and Shipping	Revenue	17,20,24,000	1,000 17,20,25,000
		Capital	21,07,48,000	76,67,000 21,84,15,000

of 1985]

Appropriation (Vote on Account)

6

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
81	Road and Inland Water Transport	Revenue	2,25,27,000	2,25,27,000
		Capital	26,50,02,000	17,50,000 26,67,52,000
82	Ministry of Social and Women's Welfare	Revenue	21,26,97,000	21,26,97,000
		Capital	11,08,000	11,08,000
83	Department of Steel	Revenue	2,43,11,000	2,43,11,000
		Capital	117,32,83,000	117,16,000 118,49,99,000
84	Department of Mines	Revenue	20,47,79,000	83,000 20,48,62,000
		Capital	50,24,16,000	50,24,16,000
85	Department of Coal	Revenue	24,74,48,000	24,74,48,000
		Capital	1,77,50,01,000	.. 1,77,50,01,000
86	Ministry of Tourism and Civil Aviation	Revenue	22,64,000	22,64,000
87	Aviation	Revenue	10,95,57,000	3,000 10,95,60,000
		Capital	15,13,50,000	3,33,000 15,16,83,000
88	Tourism	Revenue	3,03,40,000	.. 3,03,40,000
		Capital	2,23,63,000	.. 2,23,63,000
89	Ministry of Works and Housing	Revenue	37,17,000	.. 37,17,000
90	Public Works	Revenue	20,61,10,000	.. 20,61,10,000
		Capital	11,57,22,000	2,00,000 11,59,22,000
91	Water Supply and Sewerage	Revenue	50,16,66,000	.. 50,16,66,000
92	Housing and Urban Development	Revenue	6,00,77,000	30,57,000 6,31,34,000
		Capital	14,46,85,000	2,91,21,000 17,38,06,000
93	Stationery and Printing	Revenue	10,31,32,000	1,000 10,31,33,000
94	Department of Atomic Energy	Revenue	22,41,000	.. 22,41,000
95	Atomic Energy, Research, Development and Industrial Projects	Revenue	32,46,76,000	.. 32,46,76,000
		Capital	71,94,39,000	.. 71,94,39,000
96	Nuclear Power Schemes	Revenue	75,94,03,000	.. 75,94,03,000
		Capital	32,96,20,000	.. 32,96,20,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
97	Department of Culture Revenue	Rs. 5,44,67,000	Rs. ..	Rs. 5,44,67,000
98	Archaeology . . . Revenue	Rs. 2,65,83,000	Rs. ..	Rs. 2,65,83,000
99	Department of Elec- tronics . . . Revenue	Rs. 9,32,50,000	Rs. ..	Rs. 9,32,50,000
	Capital	Rs. 8,40,83,000	Rs. ..	Rs. 8,40,83,000
100	Department of Ocean Development . . . Revenue	Rs. 4,32,43,000	Rs. ..	Rs. 4,32,43,000
	Capital	Rs. 11,66,000	Rs. ..	Rs. 11,66,000
101	Department of Personnel and Administrative Reforms . . . Revenue	Rs. 2,54,85,000	Rs. 1,000	Rs. 2,54,86,000
	Capital	Rs. ..	Rs. 66,66,000	Rs. 66,66,000
102	Department of Space . . . Revenue	Rs. 24,59,26,000	Rs. ..	Rs. 24,59,26,000
	Capital	Rs. 18,36,44,000	Rs. 37,000	Rs. 18,36,81,000
103	Department of Youth Affairs and Sports . . . Revenue	Rs. 5,60,60,000	Rs. ..	Rs. 5,60,60,000
	Capital	Rs. 21,66,000	Rs. ..	Rs. 21,66,000
104	Lok Sabha . . . Revenue	Rs. 1,89,70,000	Rs. 83,000	Rs. 1,90,53,000
105	Rajya Sabha . . . Revenue	Rs. 66,49,000	Rs. 19,000	Rs. 66,68,000
106	CHARGED.— <i>Staff, House- hold and Allowances of the President</i> . . . Revenue	Rs. ..	Rs. 23,19,000	Rs. 23,19,000
	Secretariat of the Vice- President . . . Revenue	Rs. 1,88,000	Rs. ..	Rs. 1,88,000
	CHARGED.— <i>Union Public Service Commission</i> . . . Revenue	Rs. ..	Rs. 1,20,97,000	Rs. 1,20,97,000
	TOTAL . . .	Rs. 7649,95,14,000	Rs. 29688,31,96,000	Rs. 37338,27,10,000

THE APPROPRIATION (No. 3) ACT, 1985

No. 15 OF 1985

[29th March, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1984-85.

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

1. This Act may be called the Appropriation (No. 3) Act, 1985.
Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of eight thousand seven hundred and fifty-six crores, forty-five lakhs and eighty-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85, in respect of the services specified in column 2 of the Schedule.
Issue of
Rs. 8756,
45,81,000
out of the
Consoli-
dated
Fund of
India
for the
year
1984-85.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.
Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services, and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consolidated Fund		
		Rs.	Rs.	Rs.	
1	Department of Agriculture and Co-operation . . . Revenue	35,85,000	..	35,85,000	
2	Agriculture . . . Revenue	19,30,01,000	..	19,30,01,000	
3	Fisheries . . . Revenue	1,62,00,000	..	1,62,00,000	
4	Animal Husbandry and Dairy Development . . . Revenue	1,000	..	1,000	
6	Co-operation . . . Capital	..	5,00,00,000	5,00,00,000	
7	Department of Agricultural Research and Education . . . Revenue	10,27,000	..	10,27,000	
9	Ministry of Chemicals and Fertilizers . . . Revenue	119,59,34,000	..	119,59,34,000	
10	Ministry of Commerce Revenue	19,15,000	..	19,15,000	
11	Foreign Trade and Export Production . . . Revenue	3,000	..	3,000	
12	Textiles, Handloom and Handicrafts . . . Revenue	22,98,55,000	..	22,98,55,000	
		141,35,89,000	49,17,000	141,85,06,000	
17	Capital Outlay on Posts and Telegraphs Capital	49,00,00,000	..	49,00,00,000	
18	Ministry of Defence . . . Revenue	45,47,17,000	..	45,47,17,000	
		2,000	..	2,000	
19	Defence Services—Army Revenue	393,64,00,000	..	393,64,00,000	
21	Defence Services—Air Force . . . Revenue	62,61,39,000	1,61,000	62,63,00,000	
23	Capital Outlay on Defence Services . . . Capital	39,60,00,000	4,37,00,000	43,97,00,000	
25	Education . . . Revenue	69,57,000	..	69,57,000	
		10,00,000	..	10,00,000	

No. of Vote	Services and purposes	Voted by Parliament	Sums not exceeding	
			Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
26	Department of Culture Revenue	4,75,75,000	..	4,75,75,000
27	Archaeology . . . Revenue	1,80,00,000	..	1,80,00,000
31	Department of Non- Conventional Energy Sources . . . Revenue	3,000	..	3,000
32	Ministry of External Affairs . . . Revenue	8,79,27,000	..	8,79,27,000
33	Ministry of Finance Revenue	1,67,24,000	..	1,67,24,000
34	Customs . . . Revenue	5,56,90,000	..	5,56,90,000
	Capital	15,65,05,000	..	15,65,05,000
35	Union Excise Duties Revenue	7,71,83,000	..	7,71,83,000
36	Taxes on Income, Estate Duty, Wealth Tax and Gift Tax Revenue	9,41,48,000	..	9,41,48,000
37	Stamps . . . Revenue	..	3,33,000	3,33,000
	Capital	1,50,50,000	..	1,50,50,000
38	Audit . . . Revenue	13,79,24,000	23,00,000	14,02,24,000
39	Currency, Coinage and Mint . . . Revenue	8,76,50,000	2,19,000	8,78,69,000
40	Pensions . . . Revenue	19,57,07,000	..	19,57,07,000
41	Opium and Alkaloid Factories . . . Capital	8,54,000	..	8,54,000
42	Transfers to State Governments . . . Revenue	..	51,66,56,000	51,66,56,000
	Capital	..	808,26,50,000	808,26,50,000
	CHARGED.—Interest Payments . . . Revenue	..	390,00,00,000	390,00,00,000
43	Other Expenditure of the Ministry of Finance . . . Revenue	5,000	..	5,000
	Capital	168,05,92,000	..	168,05,92,000
44	Loans to Government Servants, etc. Capital	13,45,00,000	..	13,45,00,000
	CHARGED.—Repayment of Debt . . . Capital	..	5000,00,00,000	5000,00,00,000
45	Department of Food . Revenue	253,21,22,000	..	253,21,22,000
	Capital	21,90,62,000	..	21,90,62,000
46	Department of Civil Supplies . . . Capital	1,000	..	1,000
47	Ministry of Health and Family Welfare . Revenue	5,00,000	..	5,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
48	Medical and Public Health . . . Revenue	4,17,06,000	..	4,17,06,000
	Capital	12,22,94,000	..	12,22,94,000
49	Family Welfare . . . Revenue	10,12,88,000	..	10,12,88,000
50	Ministry of Home Affairs . . . Revenue	1,49,12,000	2,000	1,49,14,000
52	Department of Personnel and Administrative Reforms . . . Revenue	1,83,03,000	..	1,83,03,000
53	Police . . . Revenue	82,98,19,000	1,37,000	82,99,56,000
	Capital	7,68,21,000	31,52,000	7,99,73,000
54	Other Administrative and General Services Revenue	54,17,48,000	5,000	54,17,53,000
	Capital	4,60,60,000	..	4,60,60,000
55	Other Expenditure of the Ministry of Home Affairs . . . Revenue	5,42,17,000	..	5,42,17,000
56	Delhi . . . Revenue	34,54,22,000	25,01,000	34,79,23,000
	Capital	5,000	..	5,000
57	Chandigarh . . . Revenue	5,04,94,000	17,49,000	5,22,43,000
58	Andaman and Nicobar Islands . . . Revenue	3,12,86,000	5,000	3,12,91,000
	Capital	1,61,68,000	..	1,61,68,000
59	Dadra and Nagar Haveli . . . Revenue	44,99,000	..	44,99,000
60	Lakshadweep . . . Revenue	2,47,35,000	..	2,47,35,000
	Capital	84,69,000	..	84,69,000
61	Ministry of Industry . . . Revenue	20,15,000	..	20,15,000
62	Industries . . . Revenue	37,03,79,000	..	37,03,79,000
63	Village and Small Industries . . . Capital	2,53,75,000	..	2,53,75,000
64	Ministry of Information and Broadcasting Revenue	21,34,000	..	21,34,000
65	Information and Publicity . . . Revenue	6,47,19,000	..	6,47,19,000
66	Broadcasting . . . Revenue	13,42,21,000	..	13,42,21,000
	Capital	5,16,87,000	5,62,000	5,22,49,000
67	Ministry of Irrigation . . . Capital	..	10,50,00,000	10,50,00,000
68	Department of Labour Revenue	16,77,000	..	16,77,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	
69	Labour and Employment	Revenue	57,18,06,000	57,18,06,000
		Capital	7,00,000	7,00,000
70	Department of Rehabilitation	Revenue	..	1,85,000
71	Ministry of Law, Justice and Company Affairs	Revenue	23,58,000	23,67,000
72	Administration of Justice	Revenue	..	21,15,000
75	Planning Commission	Revenue	59,43,000	59,43,000
76	Ministry of Rural Development	Revenue	1,000	1,000
77	Ministry of Shipping and Transport	Revenue	47,11,000	47,11,000
78	Roads	Revenue	8,64,90,000	8,64,90,000
		Capital	10,98,52,000	3,05,00,000
79	Ports, Lighthouses and Shipping	Revenue	4,000	4,000
		Capital	4,000	2,9000,000
80	Road and Inland Water Transport	Revenue	1,000	1,000
		Capital	12,12,50,000	12,12,50,000
82	Department of Steel	Revenue	138,98,24,000	138,98,24,000
		Capital	449,97,46,000	4,00,00,000
83	Department of Mines	Revenue	1,000	1,000
		Capital	24,55,00,000	24,55,00,000
85	Meteorology	Revenue	86,59,000	36,59,000
86	Aviation	Capital	1,000	35,32,000
88	Ministry of Works and Housing	Revenue	18,76,000	18,76,000
89	Public Works	Revenue	1,87,18,000	1,87,18,000
		Capital	..	11,28,000
91	Housing and Urban Development	Revenue	1,65,00,000	16,91,000
		Capital	2,00,01,000	9,00,000
92	Stationery and Printing	Revenue	..	68,000
96	Department of Electronics	Revenue	1,000	1,000
		Capital	1,000	1,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
100	Survey of India Revenue	3,47,70,000	..	3,47,70,000
101	Grants to Council to Scientific and Industrial Research Revenue	8,50,00,000	..	8,50,00,000
104	Department of Supply Revenue	4,75,000	..	4,75,000
105	Supplies and Disposals Revenue	25,00,000	..	25,00,000
108	Department of Parliamentary Affairs Revenue	3,35,000	..	3,35,000
	CHARGED.— <i>Staff, Household and Allowances of the President</i> Revenue	..	1,1,90,000	11,90,000
109	Secretariat of the Vice-President Revenue	1,85,000	..	1,85,000
	CHARGED.— <i>Union Public Service Commission</i> Revenue	..	1,11,44,000	1,11,44,000
	TOTAL	2472,67,13,000	6283,78,68,000	856,45,81,000

THE APPROPRIATION (RAILWAYS) No. 3 ACT, 1985

No. 16 OF 1985

[29th March, 1985.]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1985-86 for the purposes of Railways.

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

1. This Act may be called the Appropriation (Railways) No. 3 Act, 1985.

Short title.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of ten thousand seven hundred crores and eleven thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86, in respect of the services relating to Railways specified in column 2 of the Schedule.

Issue of
Rs. 10700,
00,11,000
out of
the Con-
solidated
Fund of
India for
the finan-
cial year
1985-86.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	5,39,34,000	..	5,39,34,000
2	Miscellaneous Expenditure (General)	34,52,29,000	..	34,52,29,000
3	General Superintendence and Services on Railways	258,47,36,000	3,31,000	258,50,67,000
4	Repairs and Maintenance of Permanent Way and Works	532,68,66,000	3,10,000	532,71,76,000
5	Repairs and Maintenance of Motive Power	412,24,00,000	2,15,000	412,26,15,000
6	Repairs and Maintenance of Carriages and Wagons	593,36,76,000	3,45,000	593,40,21,000
7	Repairs and Maintenance of Plant and Equipment	294,02,71,000	2,80,000	294,05,51,000
8	Operating Expenses— Rolling Stock and Equipment	470,19,27,000	6,77,000	470,26,04,000
9	Operating Expenses — Traffic	526,43,27,000	4,55,000	526,47,82,000
10	Operating Expenses— Fuel	1028,27,68,000	3,60,000	1028,31,28,000
11	Staff Welfare and Amenities	179,76,19,000	1,57,000	179,77,76,000
12	Miscellaneous Working Expenses	264,47,76,000	7,97,26,000	272,45,02,000
13	Provident Fund, Pension and Other Retirement Benefits	280,66,75,000	9,01,50,000	289,68,25,000
14	Appropriation to Funds	1275,53,31,000	..	1275,53,31,000
15	Dividend to General Revenues, Repayment of loan taken from General Revenues and Amortization of Over-capitalization	546,85,31,000	..	546,85,31,000
16	Assets— Acquisition, Construction and Replacement— Revenue	14,99,00,000	1,00,000	15,00,00,000
	Other Expenditure	3962,30,39,000	2,49,00,000	3964,79,39,000
	TOTAL	10680,20,05,000	19,80,06,000	10700,00,11,000

THE APPROPRIATION (RAILWAYS) No. 4 ACT, 1985

No. 17 of 1985

[29th March, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1984-85 for the purposes of Railways.

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

1. This Act may be called the Appropriation (Railways) No. 4 Act, 1985.

Short title.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two hundred four crores, ninety-five lakhs and eighty-seven thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85, in respect of the services relating to Railways specified in column 2 of the Schedule.

Issue of
Rs. 204,
95,87,000
out of
the Con-
solidated
Fund of
India
for the
financial
year
1984-85.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	26,55,000	..	26,55,000
3	General Superintendence and Services	12,32,92,000	..	12,32,92,000
4	Repairs and Maintenance of Permanent Way and Works	40,52,35,000	..	40,52,35,000
7	Repairs and Maintenance of Plant and Equipment	17,11,98,000	..	17,11,98,000
8	Operating Expenses— Rolling Stock and Equipment	10,41,81,000	2,34,000	10,44,15,000
9	Operating Expenses— Traffic	20,51,71,000	..	20,51,71,000
10	Operating Expenses— Fuel	45,41,76,000	1,50,000	45,43,26,000
11	Staff Welfare and Amenities	4,19,95,000	..	4,19,95,000
12	Miscellaneous Working Expenses	18,18,65,000	63,05,000	18,81,70,000
13	Provident Fund, Pension and Other Retirement Benefits	35,30,57,000	..	35,30,57,000
16	Assets— Acquisition, Construction and Replacement			
	Revenue	..	73,000	73,000
	TOTAL	204,28,25,000	67,62,000	204,95,87,000

THE PUNJAB APPROPRIATION (VOTE ON ACCOUNT) ACT, 1985

No. 18 OF 1985

[29th March, 1985.]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Punjab for the services of a part of the financial year 1985-86.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Punjab Appropriation (Vote on Account) Act, 1985.

Short title.

2. From and out of the Consolidated Fund of the State of Punjab there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two thousand one hundred twenty-nine crores, ninety lakhs and ninety-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86.

With-
drawal of
Rs. 2129,
90,91,000
from and
out of
the Con-
solidated
Fund of
the State
of Punjab
for the
financial
year
1985-86.

3. The sums authorised to be withdrawn from and out of the Consolidated Fund of the State of Punjab by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote/ Approp- riation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
1	State Legislature . . . Revenue	58,91,000	56,000	59,47,000
	Staff, Household and Allowances of the Governor . . . Revenue	..	15,46,000	15,46,000
2	Council of Ministers Revenue	42,94,000	..	42,94,000
3	Administration of Justice . . . Revenue	2,80,68,000	53,59,000	3,34,27,000
4	Elections . . . Revenue	61,40,000	7,000	61,47,000
5	Revenue . . . Revenue	7,54,37,000	66,000	7,55,03,000
6	Excise and Taxation . . . Revenue	3,24,10,000	32,000	3,24,42,000
7	Finance . . . Revenue	41,58,33,000	38,000	41,58,66,000
8	Public Service Commission . . . Revenue	10,21,000	9,19,000	19,40,000
9	Civil Secretariat . . . Revenue	2,74,51,000	12,000	2,74,63,000
10	District Administration . . . Revenue	4,01,19,000	2,11,000	4,03,30,000
11	Police . . . Revenue	28,00,94,000	95,000	28,01,89,000
12	Jails . . . Revenue	2,54,17,000	7,000	2,54,24,000
13	Stationery and Printing . . . Revenue	2,26,80,000	3,23,000	2,30,03,000
	Capital	14,20,000	..	14,20,000
14	Miscellaneous Services Revenue	3,22,80,000	5,000	3,22,85,000
15	Rehabilitation, Relief and Resettlement . . . Revenue	6,37,000	..	6,37,000
16	Education . . . Revenue	111,13,33,000	1,65,33,000	112,78,66,000
17	Technical Education, Science and Technology . . . Revenue	1,78,62,000	..	1,78,62,000
	Capital	28,00,000	..	28,00,000
18	Medical and Public Health . . . Revenue	43,56,27,000	50,000	43,56,77,000
	Capital	50,000	..	50,000
19	Housing and Urban Development . . . Revenue	1,32,21,000	2,000	1,32,23,000
	Capital	6,02,80,000	..	6,02,80,000

No. of Vote/ Approp- riation	Services and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consolidated Fund	Rs.	
20	Information and Publicity . . .	Revenue	1,28,51,000	7,000	1,28,58,000
21	Tourism and Cultural Affairs . . .	Revenue	45,29,000	87,000	46,16,000
		Capital	10,00,000	..	10,00,000
22	Labour, Employment and Industrial Training . . .	Revenue	4,92,72,000	1,00,000	4,93,72,000
		Capital	8,52,000	..	8,52,000
23	Social Security and Welfare . . .	Revenue	14,77,16,000	28,000	14,77,44,000
		Capital	57,50,000	..	57,50,000
24	Planning and Statistics . . .	Revenue	87,15,000	1,000	87,16,000
25	Co-operation . . .	Revenue	4,73,20,000	15,000	4,73,35,000
		Capital	8,55,14,000	..	8,55,14,000
26	Agriculture . . .	Revenue	20,45,08,000	11,23,000	20,56,31,000
		Capital	2,05,90,000	..	2,05,90,000
27	Soil and Water Conservation . . .	Revenue	1,85,17,000	2,000	1,85,19,000
28	Food . . .	Revenue	1,01,30,000	..	1,01,30,000
		Capital	457,44,20,000	90,000	457,45,10,000
29	Animal Husbandry . . .	Revenue	6,57,88,000	25,000	6,58,13,000
30	Dairy Development . . .	Revenue	33,46,000	..	33,46,000
31	Fisheries . . .	Revenue	56,28,000	15,000	56,43,000
32	Forests . . .	Revenue	8,56,06,000	1,000	8,56,07,000
		Capital	4,50,000	..	4,50,000
33	Community Development . . .	Revenue	28,70,88,000	1,09,000	28,71,97,000
34	Industries . . .	Revenue	5,84,30,000	50,000	5,84,80,000
		Capital	3,94,00,000	..	3,94,00,000
35	Civil Aviation . . .	Revenue	32,27,000	..	32,27,000
		Capital	2,50,000	..	2,50,000
36	Roads and Bridges . . .	Revenue	12,18,30,000	2,00,000	12,20,30,000
		Capital	23,27,50,000	..	23,27,50,000
37	Road Transport . . .	Revenue	37,27,82,000	5,40,000	37,33,22,000
		Capital	6,00,00,000	..	6,00,00,000
38	Multi-purpose River Projects . . .	Revenue	6,75,29,000	..	6,75,29,000
		Capital	20,81,80,000	..	20,81,80,000

Punjab Appropriation (Vote on Account) [ACT 18 OF 1985]

1 No. of Vote/ Approp- riation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
39	Irrigation, Drainage and Flood Control . . . Revenue	34,42,86,000	..	34,42,86,000
	Capital	27,03,37,000	..	27,03,37,000
40	Buildings . . . Revenue	30,01,67,000	6,50,000	30,08,17,000
	Capital	9,15,98,000	..	9,15,98,000
	Public Debt . . . Capital	..	871,13,94,000	871,13,94,000
	Interest Payments and Sourcing of Debt . . . Revenue	..	79,49,08,000	79,49,08,000
41	Loans and Advances by the State Go- vernment . . . Capital	131,97,69,000	..	131,97,69,000
	TOTAL . . .	176,44,90,000	953,46,01,000	2129,90,91,000

THE PUNJAB APPROPRIATION (No. 2) ACT, 1985

No. 19 of 1985

[29th March, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Punjab for the services of the financial year 1984-85.

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

1. This Act may be called the Punjab Appropriation (No. 2) Act, 1985.
2. From and out of the Consolidated Fund of the State of Punjab there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of seven hundred sixty-one crores, ninety-three lakhs and twenty-nine thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1984-85, in respect of the services specified in column 2 of the Schedule.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Punjab by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Short title.

Issue of
Rs. 761,93,
29,000
from and
out of
the Con-
solidated
Fund of
the State
of Punjab
for the
financial
year
1984-85.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote/ Approp- riation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Staff, Household and Allowances of the Governor . . . Revenue	..	11,59,000	11,59,000
3	Administration of Justice . . . Revenue	87,53,000	9,51,000	97,04,000
5	Revenue . . . Revenue	2,59,25,000	..	2,59,25,000
7	Finance . . . Revenue	9,64,08,000	..	9,64,08,000
8	Public Service Commission . . . Revenue	..	5,29,000	5,29,000
9	Civil Secretariat . . . Revenue	54,42,000	..	54,42,000
10	District Administration . . . Revenue	27,80,000	..	27,80,000
11	Police . . . Revenue	6,61,07,000	2,06,000	6,63,13,000
16	Education . . . Revenue	22,35,57,000	1,36,00,000	23,71,57,000
17	Technical Education, Science and Technology . . . Revenue	75,04,000	..	75,04,000
18	Medical and Public Health . . . Revenue	3,27,64,000	85,000	3,28,49,000
19	Housing and Urban Development . . . Revenue	23,42,000	5,000	23,47,000
20	Information and Publicity . . . Revenue	20,82,000	..	20,82,000
21	Tourism and Cultural Affairs . . . Revenue	1,73,000	52,000	2,25,000
22	Labour, Employment and Industrial Training . . . Revenue	58,74,000	..	58,74,000
23	Social Security and Welfare . . . Revenue	34,96,000	..	34,96,000
25	Co-operation . . . Revenue	49,88,000	..	49,88,000
28	Food . . . Revenue	31,54,000	..	31,54,000
29	Animal Husbandry . . . Revenue	12,08,000	..	12,08,000
31	Fisheries . . . Revenue	4,99,000	..	4,99,000
32	Forests . . . Revenue	9,21,000	..	9,21,000

1 No. of Vote Apro- priation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
34	Industries . . Revenue	10,31,000	..	10,31,000
	Capital	4,72,000	..	4,72,000
35	Civil Aviation . . Revenue	10,60,000	..	10,60,000
36	Roads and Bridges . . Capital	1,20,00,000	..	1,20,00,000
38	Multi-purpose River Projects .. Revenue	40,64,000	..	40,64,000
	Capital	2,66,61,000	..	2,66,61,000
40	Buildings . . Revenue	1,63,91,000	3,17,000	1,67,08,000
	Capital	11,80,000	..	11,80,000
	Public Debt . . Capital	..	646,27,81,000	646,27,81,000
	Interest Payments and Sourcing of Debt . . Revenue	58,28,08,000	..	58,28,08,000
	TOTAL . .	55,68,36,000	706,24,93,000	761,93,29,000

THE REQUISITIONING AND ACQUISITION OF IMMOVABLE PROPERTY (AMENDMENT) ACT, 1985

No. 20 of 1985

[29th March, 1985.]

An Act further to amend the Requisitioning and Acquisition of Immovable Property Act, 1952.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Requisitioning and Acquisition of Immovable Property (Amendment) Act, 1985.

(2) It shall be deemed to have come into force on the 8th day of March, 1985.

Short title and commencement.

30 of 1952.

2. In section 6 of the Requisitioning and Acquisition of Immovable Property Act, 1952 (hereinafter referred to as the principal Act), in sub-section (1A), for the words "fifteen years", wherever they occur, the words "seventeen years" shall be substituted.

Amend-
ment of
section 6

3. In section 8 of the principal Act, in sub-section (2A), in clause (c), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

Amend-
ment of
section 8.

"(ii) secondly with effect from the date of expiry of five years, and thirdly with effect from the date of expiry of ten years, from the date on which the revision under sub-clause (i) takes effect.".

2 of 1985.

4. (1) The Requisitioning and Acquisition of Immovable Property, (Amendment) Ordinance, 1985, is hereby repealed.

Repeal
and
saving

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

THE BHOPAL GAS LEAK DISASTER (PROCESSING OF
CLAIMS) ACT, 1985

No. 21 OF 1985

[29th March, 1985.]

An Act to confer certain powers on the Central Government to secure that claims arising out of, or connected with, the Bhopal gas leak disaster are dealt with speedily, effectively, equitably and to the best advantage of the claimants and for matters incidental thereto.

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

1. (1) This Act may be called the Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985.
- (2) It shall be deemed to have come into force on the 20th day of February, 1985.
2. In this Act, unless the context otherwise requires,—

Short title and commencement.

Definitions.

(a) "Bhopal gas leak disaster" or "disaster" means the occurrence on the 2nd and 3rd days of December, 1984, which involved the release of highly noxious and abnormally dangerous gas from a plant in Bhopal (being a plant of the Union Carbide India Limited, a subsidiary of the Union Carbide Corporation, U.S.A.) and which resulted in loss of life and damage to property on an extensive scale;

(b) "claim" means—

(i) a claim, arising out of, or connected with, the disaster, for compensation or damages for any loss of life or personal injury which has been, or is likely to be, suffered;

(ii) a claim, arising out of, or connected with, the disaster, for any damage to property which has been, or is likely to be, sustained;

(iii) a claim for expenses incurred or required to be incurred for containing the disaster or mitigating or otherwise coping with the effects of the disaster;

(iv) any other claim (including any claim by way of loss of business or employment) arising out of, or connected with, the disaster;

(c) "claimant" means a person entitled to make a claim;

(d) "Commissioner" means the Commissioner appointed under section 6;

(e) "person" includes the Government;

(f) "Scheme" means a Scheme framed under section 9.

Explanation.—For the purposes of clauses (b) and (c), where the death of a person has taken place as a result of the disaster, the claim for compensation or damages for the death of such person shall be for the benefit of the spouse, children (including a child in the womb) and other heirs of the deceased and they shall be deemed to be the claimants in respect thereof.

Power of
Central
Government
to repre-
sent
claimants.

3. (1) Subject to the other provisions of this Act, the Central Government shall, and shall have the exclusive right to, represent, and act in place of (whether within or outside India) every person who has made, or is entitled to make, a claim for all purposes connected with such claim in the same manner and to the same effect as such person.

(2) In particular and without prejudice to the generality of the provisions of sub-section (1), the purposes referred to therein include—

(a) institution of any suit or other proceeding in or before any court or other authority (whether within or outside India) or withdrawal of any such suit or other proceeding, and

(b) entering into a compromise.

(3) The provisions of sub-section (1) shall apply also in relation to claims in respect of which suits or other proceedings have been instituted in or before any court or other authority (whether within or outside India) before the commencement of this Act:

Provided that in the case of any such suit or other proceeding with respect to any claim pending immediately before the commencement of this Act in or before any court or other authority outside India, the Central Government shall represent, and act in place of, or along with, such claimant, if such court or other authority so permits.

Claimant's
right to
be repre-
sented by
a legal
practi-
tion,

4. Notwithstanding anything contained in section 3, in representing, and acting in place of, any person in relation to any claim, the Central Government shall have due regard to any matters which such person may require to be urged with respect to his claim and shall, if such person so desires, permit at the expense of such person, a legal practitioner of his choice to be associated in the conduct of any suit or other proceeding relating to his claim.

2 Ans. by S.B, ibid.

5. (1) For the purpose of discharging its functions under this Act, the Central Government shall have the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of any person from any part of India and examining him on oath;
- (b) requiring the discovery and production of any document;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copy thereof from any court or office;
- (e) issuing commissions for the examination of witnesses or documents;
- (f) any other matter which the Central Government may, by notification in the Official Gazette, specify.

(2) Every notification made under clause (f) of 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 notification or both Houses agree that the notification should not be made, the notification 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 notification.

6. (1) For the purpose of assisting it in discharging its functions under this Act, the Central Government may appoint an officer, to be known as the Commissioner for the welfare of the victims of the Bhopal gas leak disaster, and such other officers and employees to assist him as that Government may deem fit.

Commissioner
and
other
officers
and em-
ployees.

(2) The Commissioner shall discharge such functions as may be assigned to him by the Scheme.

(3) The Commissioner and such of the officers subordinate to him as may be authorised by the Central Government by notification in the Official Gazette in this behalf, may, for the discharge of their functions under the Scheme, exercise all or any of the powers which the Central Government may exercise under section 5.

(4) All officers and authorities of the Government shall act in aid of the Commissioner.

7. The Central Government may, by notification in the Official Gazette, delegate, subject to such conditions and limitations as may be specified in the notification, all or any of its powers under this Act (excepting the power under section 9 to frame a Scheme), to the Government of Madhya Pradesh or an officer of the Central Government not below the rank of a Joint Secretary to that Government or an officer of the Government of Madhya Pradesh not below the rank of a Secretary to that Government [or the Commissioner].

Power to
delegate.

1 Ans. by Act 24 of 1992, S. 2

8. (1) In computing, under the Limitation Act, 1963 or any other law for the time being in force, the period of limitation for the purpose of instituting a suit or other proceeding for the enforcement of a claim, any period after the date on which such claim is registered under, and in accordance with, the provisions of the Scheme shall be excluded.

(2) Nothing in sub-section (1) shall apply to any proceedings by way of appeal.

Power to frame a Scheme.

9. (1) The Central Government shall, for carrying into effect the purposes of this Act, frame by notification in the Official Gazette a Scheme as soon as may be after the commencement of this Act.

(2) In particular and without prejudice to the generality of the provisions of sub-section (1), a Scheme may provide for all or any of the following matters, namely:—

(a) the registration of the claims under the Scheme and all matters connected with such registration;

(b) the processing of the claims for securing their enforcement and matters connected therewith;

(c) the maintenance of records and registers in respect of the claims;

(d) the creation of a fund for meeting expenses in connection with the administration of the Scheme and of the provisions of this Act;

(e) the amounts which the Central Government may, after due appropriation made by Parliament by law in that behalf, credit to the fund referred to in clause (d) and any other amounts which may be credited to such fund;

(f) the utilisation, by way of disbursal (including apportionment) or otherwise, of any amounts received in satisfaction of the claims;

(g) the officer (being a judicial officer of a rank not lower than that of a District Judge) who may make such disbursal or apportionment in the event of a dispute;

(h) the maintenance and audit of accounts with respect to the amounts referred to in clauses (e) and (f);

(i) the functions of the Commissioner and other officers and employees appointed under section 6.

(3) Every Scheme framed under sub-section (1) shall be laid, as soon as may be after it is framed, 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 Scheme or both Houses agree that the Scheme should not be framed, the Scheme 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 Scheme.

10. For the removal of doubts, it is hereby declared that—Removal
of doubts.

(a) any sums paid by the Government to a claimant otherwise than by way of disbursal of the compensation or damages received as a result of the adjudication or settlement of his claim by a court or other authority, shall be deemed to be without prejudice to the adjudication or settlement by such court or other authority of his claim to receive compensation or damages in satisfaction of his claim and shall not be taken into account by such court or other authority in determining the amount of compensation or damages to which he may be entitled in satisfaction of his claim;

(b) in disbursing under the Scheme the amount received by way of compensation or damages in satisfaction of a claim as a result of the adjudication or settlement of the claim by a court or other authority, deduction shall be made from such amount of the sums, if any, paid to the claimant by the Government before the disbursal of such amount.

11. The provisions of this Act and of any Scheme framed thereunder shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or any instrument having effect by virtue of any enactment other than this Act.Overrid-
ing effect.

1 of 1985.

12. (1) The Bhopal Gas Leak Disaster (Processing of Claims) Ordinance, 1985, is hereby repealed.Repeal
and
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE HANDLOOMS (RESERVATION OF ARTICLES FOR PRODUCTION) ACT, 1985

No. 22 of 1985

[29th March, 1985.]

An Act to provide for reservation of certain articles for exclusive production by handlooms and for matters connected therewith.

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

Short title, extent and commencement.

1. (1) This Act may be called the Handlooms (Reservation of Articles for Production) Act, 1985.

(2) It extends to the whole of India.

(3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

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

(a) "Advisory Committee" means the Advisory Committee constituted under section 4;

(b) "handloom" means any loom, other than powerloom;

(c) "manufacturer" includes the producer and processor, and the expression "manufacture" shall be construed accordingly;

(d) "powerloom" means a loom which is worked by power as defined in clause (g) of section 2 of the Factories Act, 1948;

(e) "processor" means a person engaged in any ancillary process subsequent to the production of cloth, such as dyeing, bleaching, mercerising, calendering, embroidering, printing, raising, cloth embossing or any other finishing process, but does not include a producer, and the expression "process" shall be construed accordingly;

(f) "producer" means a person engaged in the production of cloth on any loom, other than handloom, and shall include a person who owns, works or operates on, a loom for the production of cloth, and the expression "produce" shall be construed accordingly.

63 of 1948.

¹ 31.3.1986 Vids Notification No. G.S.C. 505 (E), dated 10.3.1986.

65 of 1951.

3. (1) Notwithstanding anything contained in the Industries (Development and Regulation) Act, 1951, the Central Government may, if it is satisfied, after considering the recommendations made to it by the Advisory Committee, that it is necessary so to do for the protection and development of the handloom industry, by order published in the Official Gazette, direct, from time to time, that any article or class of articles shall, on and from such date as may be specified in the order (hereinafter referred to as the date of reservation), be reserved for exclusive production by handlooms.

Power to specify articles for exclusive production by handlooms.

(2) Every order published 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 may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

4. (1) The Central Government shall, with a view to determining the nature of any article or class of articles that may be reserved for exclusive production by handlooms, constitute an Advisory Committee consisting of such persons as have, in the opinion of that Government, the necessary expertise to give advice on the matter.

Constitution of Advisory Committee.

(2) The Advisory Committee shall, after considering the following matters, communicate its recommendations to the Central Government, namely:—

- (a) the article or class of articles which is being produced by handlooms for mass consumption;
- (b) the article or class of articles which is being produced traditionally by handlooms;
- (c) the level of employment likely to be generated by the production of the article or class of articles referred to in clause (a) or clause (b) exclusively by handlooms;
- (d) the protection of interests of persons engaged in the handloom industry and the need for the continued maintenance of the industry; and
- (e) such other matters as the Advisory Committee may think fit.

5. Where an order has been made under section 3 reserving any article or class of articles for exclusive production by handlooms, such article or class of articles shall not, on and from the date of reservation, be produced by any loom, other than handloom:

Provided that any person who, immediately before the date of reservation of any article or class of articles, was engaged in the production of such article or class of articles in any loom, other than handloom may continue to be so engaged till the expiry of three months from the date of such reservation.

Prohibition of production of articles exclusively reserved for handlooms.

Power to call for information or to furnish samples.

6. (1) The Central Government may, by order, require any manufacturer to furnish, for the purposes of this Act,—

(a) such information in his possession with respect to any manufacturing activity or business carried on by him or by any other person to any officer or authority specified by it in such form and within such period as may be specified by that Government in the order;

(b) such samples of any articles manufactured by him or by any other person for inspection by such officer or authority, at such places and within such period as may be specified by it in the order.

(2) Where any order has been issued to any manufacturer under sub-section (1), he shall comply with such order.

Power to enter and inspect

7. Any officer authorised by the Central Government (hereinafter referred to as the authorised officer) may enter, at all reasonable times, any place or premises of any manufacturer in which any textile articles are stored, kept or exposed for sale and may require the production for inspection of any books of account, registers, records or other documents kept therein and ask for such information relating to the manufacture, storage or keeping for sale of any such articles or to any powerlooms that may be found in such place as he may think fit for the purposes of carrying into effect the provisions of this Act.

Power to search and seize.

8. (1) If the authorised officer has any reason to believe that,—

(a) any article or class of articles specified in any order made under section 3 is being produced in any place in contravention of such order; or

(b) any article or class of articles produced in contravention of such order are secreted in any place; or

(c) any article or class of articles is liable to forfeiture under this Act,

he may enter into and search such place or premises for such article, or class of articles or any powerloom which in the opinion of the authorised officer may have been used for the production of such article or class of articles.

(2) Where, as a result of any search made under sub-section (1), any article or class of articles or any powerloom has been found and the authorised officer has reason to believe that such article or class of articles has been produced, or such powerloom has been used for the production of any article or class of articles, in contravention of any order made under section 3, he may seize such article, class of articles or powerloom, together with the package, covering or receptacle, if any, in which such article or class of articles is found:

Provided that where it is not practicable to seize any article or powerloom, the authorised officer may serve on the owner of the article or the powerloom, as the case may be, an order that he shall not remove, part with, or otherwise deal with, the article or powerloom except with the previous permission of such authorised officer.

(3) Where any article or powerloom is seized under sub-section (2) and no prosecution has been launched within six months of such seizure, it shall be returned to the person from whose possession it was seized.

(4) The authorised officer may also seize any documents or things which, in his opinion, will be useful for, or relevant to, any proceeding under this Act.

(5) The person from whose custody any documents are seized under sub-section (4) shall be entitled to make copies thereof or take extracts therefrom in the presence of the authorised officer.

(6) If any person legally entitled to the documents or things seized under sub-section (4) objects, for any reason, to the retention by the authorised officer of the documents or things, he may make an application to the Central Government stating therein the reasons for such objection and requesting for the return of the documents or things.

(7) On receipt of an application under sub-section (6), the Central Government may, after giving the applicant an opportunity of being heard, pass such order as it may think fit.

2 of 1974.

9. The provisions of the Code of Criminal Procedure, 1973, relating to searches and seizures shall, so far as may be, apply to every search or seizure made under this Act.

Search
and
seizure
to be
made in
accord-
ance with
the Code
of Crimi-
nal Pro-
cedure,
1973.

10. Whoever produces any article or class of articles in contravention of an order made under section 3,—

(a) shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to five thousand rupees per loom by which the said article or class of articles is produced, or with both, and in the case of a continuing contravention, with an additional fine which may extend to five hundred rupees per loom for every day during which such contravention continues after conviction for the first such contravention; and

(b) the article or class of articles in respect of which the order has been contravened or any powerloom by the use of which such order is contravened, including any package covering or receptacle in which the article or class of articles is found, shall be forfeited to the Central Government:

Provided that if the court is of opinion that it is not necessary to direct forfeiture in respect of any of the articles, powerloom or any package, covering or receptacle, it may, for reasons to be recorded, refrain from doing so.

Penalty
for con-
traven-
tion of
orders
made
under
section 3.

11. If any person,—

(a) when required by any order made under section 6 to furnish any information or sample, makes any statement or furnishes any information which is false in any material particular and which he knows, or has reasonable cause to believe, to be false or does not believe it to be true, or fails to furnish such sample or damages or destroys any article from which such sample was required; or

False
state-
ment.

98 *Handlooms (Reservation of Articles for Production)* [ACT 22]

(b) when required by the authorised officer under section 7 to produce any books of account, registers, records or other documents, fails to produce, or damages or destroys any such books, registers or other documents,

he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five thousand rupees, or with both.

Attempts
and
abet-
ment.

12. Any person who attempts to contravene or abets the contravention of any order made under section 3 shall be deemed to have contravened that order.

Offences
by com-
panies.

13. (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 provided in this Act, 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 offence.

(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 purposes of this section,—

(a) "company" means any body corporate and includes a co-operative society registered or deemed to be registered under any law for the time being in force, a firm or other association of individuals; and

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

Offences
to be
cogniz-
able.

14. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, every offence punishable under this Act shall be cognizable.

2 of 1974.

Power
to dele-
gate.

15. The Central Government may, by order, direct that the powers exercisable by it under any provision of this Act, other than the power to make orders under section 3 or under section 18 or to make rules under section 19, shall in relation to such matters and subject to such conditions, if any, as may be specified in the direction, be exercisable also by—

(a) such officer or authority subordinate to the Central Government; or

(b) such State Government or such officer or authority subordinate to a State Government, as may be specified in the direction.

16. The Central Government may give such directions as it may consider necessary to a State Government as to the carrying into execution of the provisions of this Act.

Power of
Central
Govern-
ment to
give
direc-
tions.

17. No suit, prosecution or other legal proceeding shall lie against the Central Government, State Government or any officer or employee of the Central Government or of any State Government or any authorised officer for anything which is in good faith done or intended to be done under this Act or an order made under section 3.

Protec-
tion of
action
taken in
good
faith.

18. (1) If the Central Government is satisfied that the demand for any article or class of articles reserved by an order under section 3 outside India is such that it is not possible for the handloom industry to meet such demand or any such article or class of articles is required to be produced for purposes of research or for the development of markets for such article or class of articles or of the handloom industry generally, it is necessary or expedient so to do, it may, by order published in the Official Gazette, exempt such article or class of articles from the operation of such order, and permit such article or class of articles to be produced by any powerloom solely for the purposes of export or for research by such institutions as may be specified in the order.

Power to
exempt.

(2) Every order made under this section 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 may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

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

Power to
make
rules.

(2) Every rule made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for 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 both Houses agree that the rule should not be made, the rule 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.

Rep. by Art 27 of 1987, s. 4 (w.e.f. 9.6.1987).

THE NATIONAL SECURITY (AMENDMENT) ACT, 1985

No. 23 OF 1985

[29th March, 1985.]

An Act further to amend the National Security Act, 1980, in its application to the State of Punjab and the Union territory of Chandigarh.

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

Short title.

Amend-
ment of
section
14A.

1. This Act may be called the National Security (Amendment) Act, 1985.

2. In the National Security Act, 1980, as applicable to the State of Punjab and the Union territory of Chandigarh, in sub-section (1) of section 14A, for the figures, letters and words "3rd day of April, 1985", the figures, letters and words "3rd day of April, 1986" shall be substituted

65 of 1980.

THE GOVERNMENT OF UNION TERRITORIES
(AMENDMENT) ACT, 1985

No. 24 OF 1985

[29th March, 1985.]

An Act further to amend the Government of Union Territories Act, 1963.

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

1. This Act may be called the Government of Union Territories (Amendment) Act, 1985.

Short title.

20 of 1963.
2. In the Government of Union Territories Act, 1963 (hereinafter referred to as the principal Act), in section 13, in clause (a) of subsection (2), for the word and figures "section 14", the words, figures and letter "section 14 or section 14A" shall be substituted.

Amend-
ment of
Section
13.

3. After section 14 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
14A.

"14A. The provisions of the Tenth Schedule to the Constitution shall, subject to the necessary modifications (including modifications for construing references therein to the Legislative Assembly of a State, article 188, article 194 and article 212 as references, respectively, to the Legislative Assembly of a Union territory, section 11, section 16 and section 37 of this Act), apply to and in relation to the members of the Legislative Assembly of a Union territory as they apply to and in relation to the members of the Legislative Assembly of a State, and accordingly,—

Disquali-
fication
on ground
of defec-
tion for
being a
member.

(a) the said Tenth Schedule as so modified shall be deemed to form part of this Act; and

(b) a person shall be disqualified for being a member of the Legislative Assembly of a Union territory if he is so disqualified under the said Tenth Schedule as so modified."

THE COMPULSORY DEPOSIT SCHEME (INCOME-TAX
PAYERS) AMENDMENT ACT, 1985

No. 25 of 1985

[30th March, 1985.]

An Act further to amend the Compulsory Deposit Scheme (Income-tax Payers) Act, 1974.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Compulsory Deposit Scheme (Income-tax Payers) Amendment Act, 1985.

Amend-
ment of
section 8.

2. In section 8 of the Compulsory Deposit Scheme (Income-tax Payers) Act, 1974, in sub-section (1),—

38 of 1974.

(a) in the proviso, for the words "Provided that", the words "Provided further that" shall be substituted;

(b) before the proviso as so amended, the following proviso shall be inserted, namely:—

"Provided that no depositor shall be entitled to withdraw before the expiry of the financial year 1985-86 any amount which, in accordance with the foregoing provisions of this sub-section, is repayable or payable during that financial year and the provisions of sub-section (2) shall apply in relation to such amount as they apply in relation to any amount referred to in that sub-section.".

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THE UNION DUTIES OF EXCISE (DISTRIBUTION) AMENDMENT ACT, 1985

No. 26 OF 1985.

[30th March, 1985.]

An Act further to amend the Union Duties of Excise (Distribution) Act, 1979.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Union Duties of Excise (Distribution) Amendment Act, 1985.

Short title
and com-
mence-
ment.

(2) It shall come into force on the 1st day of April, 1985.

Amend-
ment of
long title
of Act 24
of 1979.

2. In the Union Duties of Excise (Distribution) Act, 1979 (hereinafter referred to as the principal Act), in the long title, for the words, figures and letters "interim report dated the 14th day of November, 1983", the words, figures and letters "report dated the 30th day of April, 1984" shall be substituted.

Substi-
tution of
new sec-
tion for
section 2.

3. For section 2 of the principal Act, the following section shall be substituted, namely:—

Defini-
tion.

2. In this Act, the expression "distributable Union duties of excise" means,—

(a) in respect of the financial year commencing on the 1st day of April, 1984, forty per cent. of the net proceeds of Union duties of excise, other than on electricity,

(b) in respect of each of the financial years commencing on or after the 1st day of April, 1985, forty-five per cent. of the net proceeds of Union duties of excise,

1 of 1944. levied and collected under the Central Excises and Salt Act, 1944, and any other law for the levy and collection of such duty, unless the law earmarks the proceeds of the duty for any special purpose.

Explanation.—The expression "net proceeds" has the same meaning as in clause (1) of article 279 of the Constitution.

Amend-
ment of
section 3.

4. Section 3 of the principal Act shall be re-numbered as sub-section (1) thereof and—

(a) in sub-section (1) as so re-numbered, for the words “be distributed, provisionally,”, the words “be distributed” shall be substituted;

(b) after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

“(2) During the financial year commencing on the 1st day of April, 1985 and each of the three succeeding financial years, there shall be paid, out of the Consolidated Fund of India, to the States sums equivalent to the distributable Union duties of excise levied and collected in that year, and,—

(a) eight-ninths of the sums so payable during each such financial year shall be distributed to each of the States specified in column (1) of Table I below in such percentage as is set out against it in column (2) thereof; and

(b) one-ninth of the sums so payable during each such financial year shall be distributed to each of the States specified in column (1) of Table II below in such percentage as is set out against it in column (2) thereof with respect to that financial year.

TABLE I

State (1)	Percentage (2)
Andhra Pradesh	8.587
Assam	2.977
Bihar	13.202
Gujarat	3.506
Haryana	1.017
Himachal Pradesh	0.589
Jammu and Kashmir	0.856
Karnataka	5.077
Kerala	3.800
Madhya Pradesh	8.852
Maharashtra	6.216
Manipur	0.233
Meghalaya	0.194
Nagaland	0.096
Orissa	4.592
Punjab	1.317
Rajasthan	4.695
Sikkim	0.039
Tamil Nadu	7.317
Tripura	0.292
Uttar Pradesh	19.097
West Bengal	7.449

TABLE II

State (1)	Financial year and percentage			
	1985-86	1986-87	1987-88	1988-89
Assam	12.578	12.713	13.418	12.023
Himachal Pradesh	11.528	12.914	14.098	16.475
Jammu and Kashmir	16.661	17.818	18.560	20.254
Manipur	7.742	8.722	9.545	11.217
Meghalaya	6.180	6.944	7.570	8.863
Nagaland	9.944	11.240	12.371	14.482
Orissa	8.154	5.457	3.109	0.598
Sikkim	1.836	2.051	2.232	2.593
Tripura	9.104	10.207	11.162	12.956
West Bengal	16.273	11.934	7.935	0.539.%

THE ADDITIONAL DUTIES OF EXCISE (GOODS OF
SPECIAL IMPORTANCE) AMENDMENT ACT, 1985

No. 27 of 1985

[30th March, 1985.]

An Act further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title
and com-
mence-
ment.

1. (1) This Act may be called the Additional Duties of Excise (Goods of Special Importance) Amendment Act, 1985.

(2) It shall come into force on the 1st day of April, 1985.

Amend-
ment
of long
title
of Act 58
of 1957.

2. In the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (hereinafter referred to as the principal Act), in the long title, for the words, figures and letters "interim report dated the 14th day of November, 1983", the words, figures and letters "report dated the 30th day of April, 1984" shall be substituted.

Amend-
ment
of Second
Schedule.

3. In the principal Act, in the Second Schedule,—

(a) in paragraphs 1, 2 and 3, the word "provisionally" shall be omitted;

(b) after paragraph 3, the following paragraph shall be inserted, namely:—

Sugar,
tobacco
and fabrics.

4. During each of the financial years commencing on and after the 1st day of April, 1985, there shall be paid to each of the States specified in column 1 of the Table below such percentage of the net proceeds of additional duties levied and collected during that financial year in respect of sugar, tobacco, cotton fabrics, silk fabrics, woollen fabrics and man-made fabrics after deducting therefrom a sum equal to 2.391 per cent. of the said proceeds as being attributable to Union territories, as is set out against it in column 2:

Provided that if during that financial year there is levied and collected in any State a tax on the sale or purchase of sugar, tobacco, cotton fabrics, silk fabrics, woollen fabrics and man-made fabrics or one or more of them by or under any law of

Act 27 of 1985 Additional Duties of Excise (Goods of Special Importance) Amendment 107

that State, no sums shall be payable to that State under this paragraph in respect of that financial year, unless the Central Government by special order otherwise directs.

TABLE

State	Percentage
1	2
Andhra Pradesh	7.504
Assam	2.566
Bihar	8.627
Gujarat	5.941
Haryana	2.488
Himachal Pradesh	0.663
Jammu and Kashmir	0.853
Karnataka	5.561
Kerala	3.963
Madhya Pradesh	6.942
Maharashtra	11.461
Manipur	0.178
Meghalaya	0.183
Nagaland	0.098
Orissa	3.653
Punjab	3.675
Rajasthan	4.827
Sikkim	0.039
Tamil Nadu	7.549
Tripura	0.287
Uttar Pradesh	14.318
West Bengal	8.624

THE ESTATE DUTY (DISTRIBUTION) AMENDMENT
ACT, 1985

No. 28 OF 1985

[30th March, 1985.]

An Act further to amend the Estate Duty (Distribution) Act, 1962.

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

Short title and commencement. 1. (1) This Act may be called the Estate Duty (Distribution) Amendment Act, 1985.

(2) It shall come into force on the 1st day of April, 1985.

Amendment of long title of Act 9 of 1962. 2. In the long title of the Estate Duty (Distribution) Act, 1962 (hereinafter referred to as the principal Act), for the words, figures and letters "interim report dated the 14th day of November, 1983", the words, figures and letters "report dated the 30th day of April, 1984" shall be substituted.

Amendment of section 3. 3. In section 3 of the principal Act, in sub-section (1),—

(a) for the words, figures and letters "the financial year commencing on the 1st day of April, 1984", the words, figures and letters "each of the financial years commencing on and after the 1st day of April, 1984" shall be substituted;

(b) for the words "be distributed, provisionally,", the words "be distributed" shall be substituted.

THE APPROPRIATION (No. 4) ACT, 1985

No. 29 OF 1985



[16th May, 1985.]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 1985-86.

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

1. This Act may be called the Appropriation (No. 4) Act, 1985.

Short title.
Issue of
Rs. 2,12798.
82,40,000
out
of the
Consoli-
dated
Fund of
India for
the year
1985-86.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1985] to the sum of two lakhs twelve thousand seven hundred and ninety-eight crores, eighty-two lakhs, and forty thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86 in respect of the services specified in column 2 of the Schedule.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Appro-
priation.

4. References to Ministries or Departments in the Schedule are to such Ministries or Departments as existing immediately before the 6th day of March, 1985 and shall, on or after that date, be construed as references to the appropriate Ministries or Departments as reconstituted from time to time.

Con-
struc-
tion
of refer-
ences to
Minis-
tries
and
Depart-
ments
in the
Schedule.

THE SCHEDULE

(See sections 2, 3 and 4)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Department of Agriculture and Co-operation . . .	Revenue 4,71,42,000	10,000	4,71,52,000
2	Agriculture . . .	Revenue 249,15,42,000	..	249,15,42,000
		Capital 2207,49,60,000	216,49,65,000	2423,99,25,000
3	Fisheries . . .	Revenue 26,86,84,000	..	26,86,84,000
		Capital 9,84,10,000	11,00,000	9,95,10,000
4	Animal Husbandry and Dairy Development . . .	Revenue 136,43,61,000	20,000	136,43,81,000
		Capital 47,34,07,000	1,05,00,000	48,39,07,000
5	Co-operation . . .	Revenue 16,34,80,000	..	16,34,80,000
		Capital 235,87,00,000	5,50,00,000	241,37,00,000
6	Department of Agricultural Research and Education . . .	Revenue 88,91,000	..	88,91,000
7	Payments to Indian Council of Agricultural Research . . .	Revenue 148,39,16,000	..	148,39,16,000
8	Department of Rural Development . . .	Revenue 937,89,87,000	1,6,000	937,89,93,000
		Capital 45,15,000	..	45,15,000
9	Ministry of Chemicals and Fertilizers . . .	Revenue 1241,35,73,000	..	1241,35,73,000
		Capital 285,52,00,000	5,00,00,000	290,52,00,000
10	Ministry of Commerce and Supply . . .	Revenue 3,44,02,000	..	3,44,02,000
11	Foreign Trade and Export Production . . .	Revenue 821,85,07,000	..	821,85,07,000
		Capital 109,73,51,000	..	109,73,51,000
12	Textiles, Handloom and Handicrafts . . .	Revenue 263,61,95,000	..	263,61,95,000
		Capital 219,77,82,000	14,06,67,000	233,84,49,000
13	Supplies and Disposals . . .	Revenue 15,24,33,000	25,00,000	15,49,33,000

No. of Vote	Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
14	Ministry of Communications . . .	Revenue	5,54,76,000	..
		Capital	42,74,00,000	42,74,00,000
15	Overseas Communications Service . . .	Revenue	45,25,20,000	45,25,20,000
		Capital	14,00,00,000	14,00,00,000
16	Postal Services . . .	Revenue	789,55,00,000	45,00,000
		Capital	35,48,00,000	..
17	Telecommunication Services . . .	Revenue	1462,40,00,000	60,00,000
		Capital	909,59,00,000	1,00,000
18	Ministry of Defence . . .	Revenue	476,89,99,000	25,000
		Capital	161,51,22,000	3,14,33,000
19	Defence—Pensions . . .	Revenue	508,48,75,000	14,51,25,000
20	Defence Services—Army	Revenue	4787,08,25,000	61,75,000
21	Defence Services—Navy	Revenue	601,95,00,000	5,00,000
22	Defence Services—Air Force . . .	Revenue	1729,93,40,000	6,60,000
23	Capital Outlay on Defence Services . . .	Capital	925,52,00,000	6,48,00,000
24	Ministry of Education . . .	Revenue	3,65,25,000	..
25	Education . . .	Revenue	509,78,05,000	..
		Capital	50,42,000	3,50,00,000
26	Department of Environment . . .	Revenue	41,32,76,000	..
27	Department of Forest and Wild Life . . .	Revenue	50,94,11,000	..
		Capital	..	5,40,00,000
28	Ministry of External Affairs . . .	Revenue	203,45,54,000	25,000
		Capital	42,68,00,000	..
29	Ministry of Finance . . .	Revenue	13,13,41,000	..
		Capital	38,000	..
30	Customs . . .	Revenue	79,27,17,000	45,000
		Capital	41,50,00,000	..
31	Union Excise Duties . . .	Revenue	96,94,09,000	3,03,000
32	Taxes on Income, Estate Duty, Wealth Tax and Gift Tax . . .	Revenue	108,34,65,000	1,32,000
33	Stamps . . .	Revenue	43,53,69,000	..
		Capital	6,76,50,000	6,76,50,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
34	Audit . . . Revenue	131,77,47,000	2,29,39,000	134,06,86,000
35	Currency, Coinage and Mint . . . Revenue	160,60,75,000	50,000	160,61,25,000
	Capital	98,18,46,000	..	98,18,46,000
36	Pensions . . . Revenue	159,83,26,000	5,46,10,000	165,29,36,000
37	Opium and Alkaloid Factories . . . Revenue	45,71,78,000	1,000	45,71,79,000
	Capital	3,32,63,000	..	3,32,63,000
38	Transfers to State Governments . . . Revenue	2396,99,59,000	6353,00,22,000	8749,99,81,000
	Capital	..	6662,98,60,000	6662,98,60,000
	CHARGED.— <i>Interest payments</i> . . . Revenue	..	7075,00,00,000	7075,00,00,000
39	Other Expenditure of the Ministry of Finance . . . Revenue	1019,70,23,000	10,000	1019,70,33,000
	Capital	929,30,48,000	..	929,30,48,000
40	Loans to Government Servants, etc. . . Capital	124,11,00,000	..	124,11,00,000
	CHARGED.— <i>Repayment of Debt</i> . . . Capital	..	151379,77,93,000	151379,77,93,000
41	Department of Food . . . Revenue	1250,77,82,000	50,000	1250,78,32,000
	Capital	114,68,98,000	23,16,000	114,92,14,000
42	Department of Civil Supplies . . . Revenue	6,50,39,000	..	6,50,39,000
	Capital	8,58,06,000	3,58,00,000	12,16,06,000
43	Ministry of Health and Family Welfare . . . Revenue	1,99,89,000	..	1,99,89,000
44	Medical and Public Health . . . Revenue	316,07,29,000	80,000	316,08,09,000
	Capital	107,43,23,000	2,15,000	107,45,38,000
45	Family Welfare . . . Revenue	533,65,98,000	..	533,65,98,000
	Capital	11,18,00,000	..	11,18,00,000
46	Ministry of Home Affairs . . . Revenue	7,55,13,000	2,000	7,55,15,000
47	Gabinet . . . Revenue	7,41,25,000	..	7,41,25,000
48	Police . . . Revenue	584,74,31,000	1,80,000	584,76,11,000
	Capital	38,41,95,000	5,01,00,000	43,42,95,000
49	Other Administrative and General Services . . . Revenue	279,95,82,000	11,000	279,95,93,000
	Capital	41,99,50,000	..	41,99,50,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
50	Rehabilitation . . . Revenue	151,83,40,000	95,000	151,84,35,000
		Capital	7,75,99,000	7,90,61,000
51	Other Expenditure of the Ministry of Home Affairs . . . Revenue	370,76,34,000	163,74,33,000	534,50,67,000
		Capital	186,98,54,000	2,62,54,000
52	Delhi . . . Revenue	406,05,09,000	1,55,65,000	407,60,74,000
		Capital	274,93,18,000	5,07,90,000
53	Chandigarh . . . Revenue	67,16,68,000	1,73,89,000	68,90,57,000
		Capital	23,89,17,000	75,00,000
54	Andaman and Nicobar Islands . . . Revenue	63,78,40,000	10,000	63,78,50,000
		Capital	37,11,62,000	..
55	Dadra and Nagar Haveli . . . Revenue	8,25,75,000	..	8,25,75,000
		Capital	5,89,98,000	..
56	Lakshadweep . . . Revenue	18,88,86,000	..	18,88,86,000
		Capital	3,33,11,000	..
57	Ministry of Industry and Company Affairs Revenue	11,15,51,000	21,57,000	11,37,08,000
		Capital	1,00,000	..
58	Industries . . . Revenue	107,52,47,000	..	107,52,47,000
		Capital	306,84,00,000	..
59	Village and Small In- dustries . . . Revenue	204,81,50,000	30,00,00,000	234,81,50,000
		Capital	153,29,02,000	5,80,00,000
60	Ministry of Infor- mation and Broadcast- ing Revenue	1,63,29,000	..	1,63,29,000
61	Information and Pub- licity . . . Revenue	46,33,19,000	..	46,33,19,000
		Capital	1,83,00,000	..
62	Broadcasting . . . Revenue	172,20,65,000	1,00,000	172,21,65,000
		Capital	122,70,87,000	10,00,000
63	Department of Irriga- tion . . . Revenue	160,95,84,000	80,000	160,96,64,000
		Capital	18,23,05,000	59,92,00,000
64	Department of Power Revenue	230,95,91,000	..	230,95,91,000
		Capital	1738,78,67,000	28,10,00,000
65	Ministry of Labour Revenue	1,81,89,000	..	1,81,89,000

No. of Vote	Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
66	Labour and Employment . . . Revenue	179,96,45,000	25,000	179,96,70,000
	Capital	1,12,01,000	..	1,12,01,000
67	Ministry of Law and Justice . . . Revenue	32,76,68,000	..	32,76,68,000
68	Administration of Justice . . . Revenue	1,07,17,000	2,03,17,000	3,10,34,000
69	Ministry of Parliamentary Affairs . . . Revenue	49,45,000	..	49,45,000
70	Ministry of Petroleum Revenue	2,81,31,000	..	2,81,31,000
	Capital	271,39,89,000	..	271,39,89,000
71	Planning . . . Revenue	7,69,55,000	..	7,69,55,000
72	Statistics . . . Revenue	26,81,03,000	..	26,81,03,000
73	Department of Science and Technology . . . Revenue	77,03,00,000	..	77,03,00,000
	Capital	34,50,000	..	34,50,000
74	Survey of India . . . Revenue	42,55,00,000	..	42,55,00,000
	Capital	10,00,000	..	10,00,000
75	Meteorology . . . Revenue	31,18,16,000	..	31,18,16,000
	Capital	7,33,84,000	..	7,33,84,000
76	Department of Scientific and Industrial Research . . . Revenue	158,23,50,000	..	158,23,50,000
	Capital	2,70,00,000	..	2,70,00,000
77	Department of Non-Conventional Energy Sources . . . Revenue	88,74,50,000	..	88,74,50,000
	Capital	2,40,00,000	..	2,40,00,000
78	Ministry of Shipping and Transport . . . Revenue	6,06,83,000	..	6,06,83,000
79	Roads . . . Revenue	230,65,04,000	5,50,000	230,70,54,000
	Capital	272,99,69,000	40,65,00,000	313,64,69,000
80	Ports, Lighthouses and Shipping . . . Revenue	106,71,43,000	3,000	106,71,46,000
	Capital	135,69,86,000	4,60,00,000	140,29,86,000
81	Road and Inland Water Transport . . . Revenue	13,51,66,000	..	13,51,66,000
	Capital	131,00,16,000	1,05,00,000	132,05,16,000
82	Ministry of Social and Women's Welfare Revenue	129,11,83,000	..	129,11,83,000
	Capital	66,50,000	..	66,50,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
83	Department of Steel	Revenue	14,58,71,000	..
		Capital	703,97,00,000	7,03,00,000
84	Department of Mines	Revenue	130,36,79,000	5,00,000
		Capital	197,37,00,000	..
85	Department of Coal	Revenue	148,46,92,000	..
		Capital	1065,00,06,000	..
86	Ministry of Tourism and Civil Aviation	Revenue	1,35,85,000	..
87	Aviation . . .	Revenue	65,73,47,000	20,000
		Capital	90,81,00,000	20,00,000
88	Tourism . . .	Revenue	18,20,42,000	..
		Capital	13,41,80,000	..
89	Ministry of Works and Housing . . .	Revenue	2,23,05,000	..
90	Public Works . . .	Revenue	123,66,65,000	..
		Capital	69,43,33,000	12,00,000
91	Water Supply and Sewerage . . .	Revenue	301,00,00,000	..
92	Housing and Urban Development . . .	Revenue	36,04,62,000	1,83,42,000
		Capital	86,81,08,000	17,47,26,000
93	Stationery and Print- ing . . .	Revenue	61,87,94,000	5,000
94	Department of At- omic Energy . . .	Revenue	1,34,47,000	..
95	Atomic Energy Re- search, Development and Industrial Pro- jects . . .	Revenue	194,80,61,000	..
		Capital	449,97,89,000	..
96	Nuclear Power Schemes . . .	Revenue	231,53,19,000	..
		Capital	197,77,21,000	..
97	Department of Culture	Revenue	33,68,02,000	..
98	Archaeology . . .	Revenue	15,95,00,000	..
99	Department of Elec- tronics . . .	Revenue	57,30,00,000	..
		Capital	52,30,00,000	..

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
100	Department of Ocean Development . . . Revenue	28,19,60,000	..	28,19,60,000
		Capital	70,00,000	70,00,000
101	Department of Personnel and Administrative Reforms . . . Revenue	15,29,15,000	5,000	15,29,20,000
		Capital	4,00,00,000	4,00,00,000
102	Department of Space Revenue	126,55,59,000	..	126,55,59,000
		Capital	85,99,64,000	86,01,89,000
103	Department of Youth Affairs and Sports . . . Revenue	34,63,61,000	..	34,63,61,000
		Capital	1,30,00,000	1,30,00,000
104	Lok Sabha . . . Revenue	11,03,21,000	5,00,000	11,08,21,000
105	Rajya Sabha . . . Revenue	3,98,98,000	1,15,000	4,00,13,000
	CHARGED.— Staff, Household and Allowances of the President . . . Revenue	..	1,39,19,000	1,39,19,000
106	Secretariat of the Vice-President . . . Revenue	11,30,000	..	11,30,000
	CHARGED.— Union Public Service Commission . . . Revenue	..	5,57,85,000	5,57,85,000
	TOTAL	40640,34,39,000	172158,48,01,000	212798,82,40,000

THE PAYMENT OF BONUS (AMENDMENT) ACT, 1985

No. 30 OF 1985

[22nd May, 1985.]

An Act further to amend the Payment of Bonus Act, 1965.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Payment of Bonus (Amendment) Act, 1985.
2. Section 12 of the Payment of Bonus Act, 1965 shall be omitted.

Short title.

Omission of section 12.

21 of 1965.

THE TERRORIST AND DISRUPTIVE ACTIVITIES
(PREVENTION) ACT, 1985

No. 31 of 1985

[23rd May, 1985.]

An Act to make special provisions for the prevention of, and for coping with, terrorist and disruptive activities and for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

PART I

PRELIMINARY

Short title,
extent,
application,
commencement,
duration
and
savings.

1. (1) This Act may be called the Terrorist and Disruptive Activities (Prevention) Act, 1985.
(2) It extends to the whole of India, and it applies also—
 - (a) to citizens of India outside India;
 - (b) to persons in the service of the Government, wherever they may be; and
 - (c) to persons on ships and aircraft registered in India, wherever they may be.

* * * * *

~~2. xtra~~ Provided that so much of this Act as relates to terrorist acts shall not apply to the State of Jammu and Kashmir.

- (3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint and shall remain in force for a period of two years from the date of its commencement, but its expiry under the operation of this sub-section shall not affect—

- (a) the previous operation of, or anything duly done or suffered under, this Act or any rule made thereunder or any order made under any such rule, or
- (b) any right, privilege, obligation or liability acquired, accrued or incurred under this Act or any rule made thereunder or any order made under any such rule, or

¹ 24.5.1985 : Vide Notification No. S.O. 412(E), dated 24.5.1985.

2. omitted by M^o 46 of 1985, s. 2 (w.e.f. 5.6.1985).

(c) any penalty, forfeiture or punishment incurred in respect of any offence under this Act or any contravention of any rule made under this Act or of any order made under any such rule, or

(d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid,

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced and any such penalty, forfeiture or punishment may be imposed as if this Act had not expired.

2. (1) In this Act, unless the context otherwise requires,—

Defini-
tions.

2 of 1974.

(a) "Code" means the Code of Criminal Procedure, 1973;

(b) "Designated Court" means a Designated Court constituted under section 7;

(c) "disruptive activity" has the meaning assigned to it in section 4, and the expression "disruptionist" shall be construed accordingly;

(d) "High Court", in relation to a Designated Court, means the High Court within the territorial limits of whose jurisdiction such Designated Court is proposed to be, or is, constituted;

(e) "Public Prosecutor" means a Public Prosecutor or an Additional Public Prosecutor or a Special Public Prosecutor appointed under section 11, and includes any person acting under the directions of the Public Prosecutor;

(f) "terrorist act" has the meaning assigned to it in sub-section (1) of section 3 and the expression "terrorist" shall be construed accordingly;

(g) words and expressions used but not defined in this Act and defined in the Code shall have the meanings respectively assigned to them in the Code.

(2) Any reference in this Act to any enactment or any provision thereof shall, in relation to an area in which such enactment or such provision is not in force, be construed as a reference to the corresponding law or the relevant provision of the corresponding law, if any, in force in that area.

PART II

PUNISHMENTS FOR, AND MEASURES FOR COPING WITH, TERRORIST AND DISRUPTIVE ACTIVITIES

3. (1) Whoever with intent to overawe the Government as by law established or to strike terror in the people or any section of the people or to alienate any section of the people or to adversely affect the harmony amongst different sections of the people does any act or thing by using bombs, dynamite or other explosive substances or inflammable substances or firearms or other lethal weapons or poisons or noxious gases or other chemicals or any other substances (whether biological or otherwise) of a hazardous nature in such a manner as to cause, or as is likely to cause, death of, or injuries to, any person or persons or damage to, or destruction of, property or disruption of any supplies or services essential to the life of the community, commits a terrorist act.

Punish-
ment
for
terrorist
acts.

(2) Whoever commits a terrorist act shall,—

(i) if such act has resulted in the death of any person, be punishable with death;

(ii) in any other case, be punishable with imprisonment for a term which shall not be less than five years but which may extend to term of life and shall also be liable to fine.

(3) Whoever conspires or attempts to commit, or advocates, abets, advises or incites or knowingly facilitates the commission of, a terrorist act or any act preparatory to a terrorist act, shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to term of life and shall also be liable to fine.

Punishment for disruptive activities.
4. (1) Whoever commits or conspires or attempts to commit or abets, advocates, advises, incites or knowingly facilitates the commission of, any disruptive activity or any act preparatory to a disruptive activity shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to term of life and shall also be liable to fine.

(2) For the purposes of sub-section (1), "disruptive activity" means any action taken, whether by act or by speech or through any other media or in any other manner whatsoever,—

(i) which questions, disrupts or is intended to disrupt, whether directly or indirectly, the sovereignty and territorial integrity of India; or

(ii) which is intended to bring about or supports any claim, whether directly or indirectly, for the cession of any part of India or the secession of any part of India from the Union.

Explanation.—For the purposes of this sub-section,—

(a) "cession" includes the admission of any claim of any foreign country to any part of India, and

(b) "secession" includes the assertion of any claim to determine whether a part of India will remain within the Union.

(3) Without prejudice to the generality of the provisions of sub-section (2), it is hereby declared that any action taken, whether by act or by speech or through any other media or in any other manner whatsoever which—

(a) advocates, advises, suggests or incites; or

(b) predicts, prophesies or pronounces or otherwise expresses, in such manner as to incite, advise, suggest or prompt,

the killing or the destruction of any persons bound by oath under the Constitution to uphold the sovereignty and integrity of India or any public servants shall be deemed to be a disruptive activity within the meaning of this section.

Power to make rules.

5. (1) The Central Government may, by notification in the Official Gazette, make such rules as appear to it necessary or expedient for the prevention of, and for coping with, terrorist acts and disruptive activities.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), the rules may provide for, and may empower any authority (being the Central Government or a State Government or the Administrator of a Union territory under article 239 of the Constitution or an officer of the Central Government not lower in rank than that of a Joint Secretary to that Government or an officer of a State Government not lower in rank than that of a District Magistrate or an officer competent to exercise under any law the powers of a District Magistrate) to make orders providing for, all or any of the following matters with respect to the purposes mentioned in that sub-section, namely:—

(a) preventing or prohibiting anything likely to facilitate the commission of terrorist acts or disruptive activities or prejudice the successful conduct of operations against terrorists or disruptionists including—

(i) communications with persons (whether within or outside India) instigating or abetting terrorist acts or disruptive activities or assisting in any manner terrorists or disruptionists;

(ii) acquisition, possession or publication, without lawful authority or excuse of information likely to assist terrorists or disruptionists;

(iii) rendering of any assistance, whether financial or otherwise, to terrorists or disruptionists;

(b) preventing, with a view to coping with terrorist acts or disruptive activities, the spread without lawful authority or excuse, of reports or the prosecution of any purpose likely to cause disaffection or alarm or to prejudice maintenance of peaceful conditions in any area or part of India or to promote feelings of ill-will, enmity or hatred between different sections of the people of India;

(c) regulating the conduct of persons in respect of areas the control of which is considered necessary or expedient and the removal of such persons from such areas;

(d) requiring any person or class of persons to comply with any scheme for the prevention of, or for coping with, terrorist acts or disruptive activities;

(e) ensuring the safety of persons and property;

(f) the demolition, destruction or rendering useless, in case of necessity, of any building or other premises or any other property;

(g) prohibiting or regulating in any area traffic and the use of any vehicles or vessels or signals or any apparatus whatsoever;

(h) the control of movements within India of persons arriving in India from outside India;

(i) prohibiting or regulating the use of postal, telegraphic or telephonic services, including taking possession of such services, and the delaying, seizing, intercepting or interrupting of postal articles or telegraphic or telephonic messages;

(j) regulating the delivery, otherwise than by postal or telegraphic service, of postal articles and telegrams;

(k) regulating supplies and services essential to the life of the community;

(l) the requisitioning of services of persons for maintaining supplies and services essential to the life of the community;

(m) the provision, construction, maintenance or alteration of buildings, premises or other structures or excavations required for the conduct of operations against terrorists or disruptionists;

(n) prohibiting or regulating the possession, use or disposal of—

(i) explosives, inflammable substances, corrosive and dangerous articles, arms and ammunitions;

(ii) vehicles and vessels;

(iii) wireless telegraphic apparatus;

(iv) photographic and signalling apparatus, or any means of recording or communicating information;

(o) preventing the disclosure of official secrets;

(p) prohibiting or regulating meetings, assemblies, fairs and processions;

(q) preventing or controlling any use of uniforms, whether official or otherwise, flags, official decorations like medals, badges and other insignia and anything similar thereto, where such use is calculated to deceive;

(r) ensuring the accuracy of any report or declaration legally required of any person;

(s) preventing anything likely to cause misapprehension in respect of the identity of any official person, official document or official property or in respect of the identity of any person, document or property purported to be or resembling an official person, official document or official property;

(t) the entry into, and search of, any place whatsoever reasonably suspected of being used for harbouring terrorists or disruptionists or for manufacturing or storing anything for use for purpose of terrorist acts or disruptive activities.

(3) The rules made under sub-section (1) may further—

(a) provide for the arrest and trial of persons contravening any of the rules or any order issued thereunder;

(b) provide that any contravention of, or any attempt to contravene, or any abetment of, or any attempt to abet the contravention of any of the provisions of the rules or any order issued under any such provision, shall be punishable with imprisonment for a term which may extend to seven years or for a term which may not be less than six months but which may extend to seven years or with fine or with imprisonment as aforesaid and fine;

(c) provide for the seizure, detention and forfeiture of any property in respect of which such contravention, attempt or abetment as is referred to in clause (b) has been committed and for the adjudication of such seizure and forfeiture, whether by any court or by any other authority;

- (d) confer powers and impose duties as respects any matter upon the Central Government or officers and authorities of the Central Government or upon any State Government or officers and authorities of the State Government;
- (e) prescribe the duties and powers of public servants and other persons as regards preventing the contravention of, or securing the observance of, the rules or any order made thereunder;
- (f) provide for preventing contravention, obstruction and deception of, and disobedience to, any person acting, and interference with any notice issued, in pursuance of the rules or any order made thereunder;
- (g) prohibit attempts by any person to screen from punishment any one, other than the husband or wife of such person, contravening any of the rules or any order made thereunder;
- (h) empower or direct any authority to take such action as may be specified in the rules or as may seem to such authority necessary for the purpose of ensuring the safety of persons and of property.

6. (1) If any person contravenes, in any area notified in this behalf by a State Government, any such provision of, or any such rule made under, the Arms Act, 1959, the Explosives Act, 1884, the Explosive Substances Act, 1908, or the Inflammable Substances Act, 1952, as may be notified in this behalf by the Central Government or by a State Government, he shall, notwithstanding anything contained in any of the aforesaid Acts or the rules made thereunder, be punishable with imprisonment for a term which may extend to ten years or, if his intention is to aid any terrorist or disruptionist, with death or imprisonment for a term which shall not be less than three years but which may extend to term of life, and shall also be liable to fine.

Enhanced penalties.

(2) For the purposes of this section, any person who attempts to contravene or abets, or attempts to abet, or does any act preparatory to the contravention of any provision of any law, rule or order shall be deemed to have contravened that provision.

PART III DESIGNATED COURTS

7. (1) The State Government may for the whole or any part of the State constitute one or more Designated Courts.

Designated Courts.

(2) A Designated Court shall be presided over by a judge to be appointed by the State Government with the concurrence of the Chief Justice of the High Court.

(3) The State Government may also appoint, with the concurrence of the Chief Justice of the High Court, additional judges to exercise jurisdiction in a Designated Court.

(4) A person shall not be qualified for appointment as a judge or an additional judge of a Designated Court unless he is, immediately before such appointment, a sessions judge or an additional sessions judge in any State.

(5) For the removal of doubts, it is hereby provided that the attainment by a person appointed as a judge or an additional judge of a Designated Court of the age of superannuation under the rules applicable to him in the Service to which he belongs, shall not affect his continuance as such judge or additional judge.

(6) Where any additional judge or additional judges is or are appointed in a Designated Court, the judge of the Designated Court may, from time to time, by general or special order, in writing, provide for the distribution of business of the Designated Court among himself and the additional judge or additional judges and also for the disposal of urgent business in the event of his absence or the absence of any additional judge.

Place of sitting.

8. A Designated Court may, if it considers it expedient or desirable so to do, sit for any of its proceedings at any place, other than the ordinary place of its sitting, in the State in which it is constituted:

Provided that if the Public Prosecutor certifies to the Designated Court that it is in his opinion necessary for the protection of the accused or any witness or otherwise expedient in the interests of justice that the whole or any part of the trial should be held at some place other than the ordinary place of its sitting, the Designated Court may, after hearing the accused make an order to that effect unless, for reasons to be recorded in writing, the Designated Court thinks fit to make any other order.

Jurisdiction of Designated Courts.

9. (1) Notwithstanding anything contained in the Code, every offence punishable under any provision of this Act or any rule made thereunder shall be triable only by the Designated Court within whose local jurisdiction it was committed.

(2) The Central Government may, if satisfied on the recommendation of the State Government or otherwise that it is necessary or expedient in the public interest so to do, transfer with the concurrence of the Chief Justice of India (such concurrence to be obtained on a motion moved in that behalf by the Attorney-General of India) any case pending before a Designated Court in that State to a Designated Court in any other State.

(3) Where the whole or any part of the area within the local limits of the jurisdiction of a Designated Court has been declared to be, or forms part of, any area which has been declared to be a disturbed area under any enactment for the time being in force making provision for the suppression of disorder and restoration and maintenance of public order, and the Central Government is of opinion, whether on receipt of a report received from the Government of the State in which such court is located or otherwise, that the situation prevailing in the State is not conducive to fair, impartial or speedy trial within the State, of offences under this Act or the rules made thereunder which such court is competent to try, the Central Government may, with the concurrence of the Chief Justice of India, specify, by notification in the Official Gazette, in relation to such court (hereafter in this sub-section referred to as the local court) a Designated Court outside the State (hereafter in this section referred to as the specified court), and thereupon—

(a) it shall not be competent, at any time during the period of operation of such notification, for such local court to exercise any jurisdiction in respect of, or try, any offence under this Act or the rules thereunder;

(b) the jurisdiction which would have been, but for the issue of such notification, exercisable by such local court in respect of such offences committed during the period of operation of such notification shall be exercisable by the specified court;

(c) all cases relating to such offences pending immediately before the date of issue of such notification before such local court shall stand transferred on that date to the specified court;

(d) all cases taken cognizance of by, or transferred to, the specified court under clause (b) or clause (c) shall be dealt with and tried in accordance with this Act (whether during the period of operation of such notification or thereafter) as if such offences had been committed within the local limits of the jurisdiction of the specified court or, as the case may be, transferred for trial to it under sub-section (2).

Explanation.—A notification issued under this sub-section in relation to any local court shall cease to operate on the date on which the whole or, as the case may be, the aforementioned part of the area within the local limits of its jurisdiction, ceases to be a disturbed area.

10. (1) When trying any offence a Designated Court may also try any other offence with which the accused may, under the Code, be charged at the same trial if the offence is connected with such other offence.

(2) If, in the course of any trial under this Act of any offence, it is found that the accused person has committed any other offence under this Act or any rule thereunder or under any other law, the Designated Court may convict such person of such other offence and pass any sentence authorised by this Act or such rule or, as the case may be, such other law, for the punishment thereof.

Power of
Desig-
nated
Courts
with
respect
to other
offences.

11. (1) For every Designated Court, the State Government shall appoint a person to be the Public Prosecutor and may appoint one or more persons to be the Additional Public Prosecutor or Additional Public Prosecutors:

Public
Prosecu-
tors.

Provided that the State Government may also appoint for any case or class of cases a Special Public Prosecutor.

(2) A person shall be eligible to be appointed as a Public Prosecutor or an Additional Public Prosecutor or a Special Public Prosecutor under this section only if he has been in practice as an Advocate for not less than seven years or has held any post, for a period of not less than seven years, under the Union or a State, requiring special knowledge of law.

(3) Every person appointed as a Public Prosecutor or an Additional Public Prosecutor or a Special Public Prosecutor under this section shall be deemed to be a Public Prosecutor within the meaning of clause (u) of section 2 of the Code, and the provisions of the Code shall have effect accordingly.

12. (1) A Designated Court may take cognizance of any offence, without the accused being committed to it for trial, upon receiving a complaint of facts which constitute such offence or upon a police report of such facts.

Proce-
dure
and
powers
of
Desig-
nated
Courts.

(2) Where an offence triable by a Designated Court is punishable with imprisonment for a term not exceeding three years or with fine or with both, the Designated Court may, notwithstanding anything contained in

sub-section (1) of section 260 or section 262 of the Code, try the offence in a summary way in accordance with the procedure prescribed in the Code and the provisions of sections 263 to 265 of the Code, shall, so far as may be, apply to such trial:

Provided that when, in the course of a summary trial under this sub-section, it appears to the Designated Court that the nature of the case is such that it is undesirable to try it in a summary way, the Designated Court shall recall any witnesses who may have been examined and proceed to re-hear the case in the manner provided by the provisions of the Code for the trial of such offence and the said provisions shall apply to and in relation to a Designated Court as they apply to and in relation to a Magistrate:

Provided further that in the case of any conviction in a summary trial under this section, it shall be lawful for a Designated Court to pass a sentence of imprisonment for a term not exceeding two years.

(3) A Designated Court may, with a view to obtaining the evidence of any person supposed to have been directly or indirectly concerned in, or privy to, an offence, tender a pardon to such person on condition of his making a full and true disclosure of the whole circumstances within his knowledge relative to the offence and to every other person concerned whether as principal or abettor in the commission thereof, and any pardon so tendered shall, for the purposes of section 308 of the Code, be deemed to have been tendered under section 307 thereof.

(4) Subject to the other provisions of this Act, a Designated Court shall, for the purpose of trial of any offence, have all the powers of a Court of Session and shall try such offence as if it were a Court of Session so far as may be in accordance with the procedure prescribed in the Code for the trial before a Court of Session.

(5) Subject to the other provisions of this Act, every case transferred to a Designated Court under sub-section (2) of section 9 shall be dealt with as if such case had been transferred under section 406 of the Code to such Designated Court.

Protection of witnesses.

13. (1) Notwithstanding anything contained in the Code, all proceedings before a Designated Court shall be conducted *in camera*:

Provided that where the Public Prosecutor so applies, any proceedings or part thereof may be held in open court.

(2) A Designated Court may, on an application made by a witness in any proceedings before it or by the Public Prosecutor in relation to such witness or on its own motion, take such measures as it deems fit for keeping the identity and address of the witness secret.

(3) In particular and without prejudice to the generality of the provisions of sub-section (2), the measures which a Designated Court may take under that sub-section may include—

(a) the holding of the proceedings at a protected place;

(b) the avoiding of the mention of the names and addresses of the witnesses in its orders or judgments or in any records of the case accessible to public;

(c) the issuing of any directions for securing that the identity and addresses of the witnesses are not disclosed.

(4) Any person who contravenes any direction issued under sub-section (3) shall be punishable with imprisonment for a term which may extend to one year and with fine which may extend to one thousand rupees.

14. The trial under this Act of any offence by a Designated Court shall have precedence over the trial of any other case against the accused in any other court (not being a Designated Court) and shall be concluded in preference to the trial of such other case and accordingly the trial of such other case shall remain in abeyance.

Trial by
Designated
Courts
to have
prece-
dence.

15. Where after taking cognizance of any offence, a Designated Court is of opinion that the offence is not triable by it, it shall, notwithstanding that it has no jurisdiction to try such offence, transfer the case for trial of such offence to any court having jurisdiction under the Code and the court to which the case is transferred may proceed with the trial of the offence as if it had taken cognizance of the offence.

Power to
transfer
cases
to regu-
lar
courts.

16. (1) Notwithstanding anything contained in the Code, an appeal shall lie as a matter of right from any judgment, sentence or order, not being an interlocutory order, of a Designated Court to the Supreme Court both on facts and on law.

Appeal

(2) Except as aforesaid, no appeal or revision shall lie to any court from any judgment, sentence or order of a Designated Court.

(3) Every appeal under this section shall be preferred within a period of thirty days from the date of the judgment, sentence or order appealed from:

Provided that the Supreme Court may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that the appellant had sufficient cause for not preferring the appeal within the period of thirty days.

PART IV

MISCELLANEOUS

17. (1) Notwithstanding anything contained in the Code or any other law, every offence punishable under this Act or any rule made thereunder shall be deemed to be a cognizable offence within the meaning of clause (c) of section 2 of the Code and "cognizable case" as defined in that clause shall be construed accordingly.

Modified
applica-
tion of
certain
provi-
sions of
the
Code.

(2) Section 167 of the Code shall apply in relation to a case involving an offence punishable under this Act or any rule made thereunder subject to the modifications that—

(a) the reference in sub-section (1) thereof to "Judicial Magistrate" shall be construed as a reference to "Judicial Magistrate or Executive Magistrate";

(b) the references in sub-section (2) thereof to "fifteen days", "ninety days" and "sixty days", wherever they occur, shall be construed as references to "sixty days", "one year" and "one year", respectively; and

(c) sub-section (2A) thereof shall be deemed to have been omitted.

(3) Sections 366 to 371 and section 392 of the Code shall apply in relation to a case involving an offence triable by a Designated Court subject to the modifications that the references to "Court of Session" and "High Court", wherever occurring therein, shall be construed as references to "Designated Court" and "Supreme Court", respectively.

(4) Nothing in section 438 of the Code shall apply in relation to any case involving the arrest of any person on an accusation of having committed an offence punishable under this Act or any rule made thereunder.

(5) Notwithstanding anything contained in the Code, no person accused of an offence punishable under this Act or any rule made thereunder shall, if in custody, be released on bail or on his own bond unless—

(a) the Public Prosecutor has been given an opportunity to oppose the application for such release, and

(b) where the Public Prosecutor opposes the application, the court is satisfied that there are reasonable grounds for believing that he is not guilty of such offence and that he is not likely to commit any offence while on bail.

(6) The limitations on granting of bail specified in sub-section (5) are in addition to the limitations under the Code or any other law for the time being in force on granting of bail.

Competence of Central Government to exercise powers of State Government and delegation of powers.

18. (1) Any power exercisable by a State Government under this Act may, after consultation with the State Government, be exercised by the Central Government with the same effect as if such power had been conferred directly on the Central Government and had been delegated by that Government to such State Government.

(2) The Central Government may, by notification in the Official Gazette, direct that any power (except the power under section 5 to make rules) or duty which by this Act or by any rule made under this Act is conferred or imposed on the Central Government shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercised or discharged also—

(a) by any officer of the Central Government not lower in rank than a Deputy Secretary to that Government, or

(b) by any State Government or by any officer of a State Government not lower in rank than a Sub-divisional Magistrate or Magistrate of the First Class.

(3) The State Government may, by notification in the Official Gazette, direct that any power which by this Act or by any rule made under this Act is conferred or imposed on the State Government or which is being by this Act or any such rule conferred or imposed on the Central

Government has been directed under sub-section (2) to be exercised or discharged by the State Government shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercised or discharged by any officer or authority subordinate to the State Government.

19. The Supreme Court may, by notification in the Official Gazette, make such rules, if any, as it may deem necessary for carrying out the provisions of this Act relating to Designated Courts.

Power
of the
Supreme
Court
to make
rules.

Saving.

20. (1) Nothing in this Act shall affect the jurisdiction exercisable by, or the procedure applicable to, any court or other authority under any law relating to the naval, military or air forces or other armed forces of the Union.

(2) For the removal of doubts, it is hereby declared that for the purposes of any such law as is referred to in sub-section (1), a Designated Court shall be deemed to be a court of ordinary criminal justice.

21. Every rule made by the Central Government under this Act 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 both Houses agree that the rule should not be made, the rule 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.

Rules to
be laid
before
Houses
of Par-
liament.

Overrid-
ing
effect.

22. The provisions of this Act or any rule made thereunder or any order made under any such rule shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act or in any instrument having effect by virtue of any enactment other than this Act.

23. Where an order purports to have been made and signed by any authority in exercise of any power conferred by or under this Act, a court shall, within the meaning of the Indian Evidence Act, 1872, presume that such order was so made by that authority.

Saving
as to
orders.

24. No suit, prosecution or other legal proceeding shall lie against the Central Government or a State Government or any officer or authority of the Central Government or State Government or any other authority to whom powers have been delegated under this Act for anything which is in good faith done or intended to be done in pursuance of this Act or any rules made thereunder or any order issued under any such rule.

Protec-
tion of
action
taken
under
the Act.

THE FINANCE ACT, 1985
ARRANGEMENT OF SECTIONS

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2. Income-tax.

CHAPTER III

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Income-tax

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SECTIONS

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THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

THE FOURTH SCHEDULE.

THE FIFTH SCHEDULE. [omitted]

THE FINANCE ACT, 1985

No. 32 of 1985

[24th May, 1985.]

An Act to give effect to the financial proposals of the Central Government for the financial year 1985-86.

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

CHAPTER I

PRELIMINARY

Short
title
and com-
mencement.

Income
tax.

1. (1) This Act may be called the Finance Act, 1985.

(2) Save as otherwise provided in this Act, sections 2 to 41 (except sections 32, 34, 35 and 38) shall be deemed to have come into force on the 1st day of April, 1985.

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1985, income-tax shall be charged at the rates specified in Part I of the First Schedule and shall be increased,—

(a) in the cases to which Paragraphs A, B, C and D of that Part apply, by a surcharge for purposes of the Union; and

(b) in the cases to which Paragraph E of that Part applies, by a surcharge, calculated in each case in the manner provided therein:

Provided that where an assessee, being a company, has made, during the financial year commencing on the 1st day of April, 1984, any deposit with the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964, under the Companies Deposits (Surcharge on Income-tax) Scheme, 1984, then, the surcharge on income-tax payable by the company,—

(a) in a case where the amount of the deposit so made is equal to, or exceeds, the amount of surcharge on income-tax payable by it, shall be nil; and

18 of 1984.

(b) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.

(2) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding six hundred rupees, in addition to total income, and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first fifteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first eight thousand rupees,

of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purpose of determining the amount of income-tax in accordance with this sub-clause, the provisions of clause (ii) of the proviso below Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of fifteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of eight thousand rupees,

and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if the net agricultural income as so increased were the total income:

Provided that in a case referred to in the said Sub-Paragraph II, for the purposes of determining the amount of income-tax in accordance with this sub-clause, the provisions of clause (ii) of the proviso below the said Sub-Paragraph II and the provisions relating to surcharge on income-tax in the said Sub-Paragraph II shall not apply;

(iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii):

Provided that in a case referred to in the said Sub-Paragraph II, where the sum so arrived at exceeds sixty per cent. of the amount by which the total income exceeds twelve thousand rupees, the excess shall be disregarded;

(iv) the amount of income-tax determined in accordance with sub-clause (iii) shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax and the sum so arrived at shall be the income-tax in respect of the total income.

(3) In cases to which the provisions of Chapter XII or Chapter XIIA or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be.

43 of 1961.

(4) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(5) Subject to the provisions of sub-section (6), in cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule:

Provided that in cases to which the provisions of Chapter XII or Chapter XIIA or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that an assessee, being a company, may, in lieu of payment of the amount of surcharge on income-tax at the rate specified in Paragraph E of Part III of the First Schedule, make a deposit under the scheme framed under sub-section (7) before the last instalment of "advance tax" is due in its case, and where it does so, the surcharge on income-tax payable by the company,—

(i) in a case where the amount of the deposit so made is equal to or exceeds the amount of surcharge on income-tax payable by it, shall be *nil*; and

(ii) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.

(6) In the cases to which Sub-Paragraph I or Sub-Paragraph II of Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding six hundred rupees, in addition to total income and the total income exceeds,—

(i) in a case to which the said Sub-Paragraph I applies, eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, twelve thousand rupees,

then, in calculating income-tax under the first proviso to sub-section (5) of section 132 of the Income-tax Act or in charging income-tax under sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after,—

(i) in a case to which the said Sub-Paragraph I applies, the first eighteen thousand rupees, and

(ii) in a case to which the said Sub-Paragraph II applies, the first twelve thousand rupees,

of the total income but without being liable to tax], only for the purpose of calculating, charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so calculated, charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the

rates specified in Sub-Paragraph I or, as the case may be, Sub-Paragraph II of the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased,—

(A) in a case to which the said Sub-Paragraph I applies, by a sum of eighteen thousand rupees; and

(B) in a case to which the said Sub-Paragraph II applies, by a sum of twelve thousand rupees,

and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Sub-Paragraph I or, as the case may be, the said Sub-Paragraph II, as if the net agricultural income as so increased were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be refused by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income.

(7) Where an assessee, being a company, makes, during the financial year commencing on the 1st day of April, 1985, any deposit with the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964, under any such scheme as the Central Government may, by notification in the Official Gazette, frame in this behalf, then the surcharge on income-tax payable by the company for the assessment year commencing on the 1st day of April, 1986,—

18 of 1964.

(i) in a case where the amount of the deposit so made is equal to or exceeds the amount of surcharge on income-tax payable by it, shall be *nil*; and

(ii) in a case where the amount of the deposit so made falls short of the amount of surcharge on income-tax payable by it, shall be reduced by the amount of the deposit.

(8) For the purposes of this section and the First Schedule,—

(a) "company in which the public are substantially interested" means a company which is such a company as is referred to in section 108 of the Income-tax Act;

(b) "domestic company" means an Indian company, or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1985, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of that Act;

(c) "industrial company" means a company which is mainly engaged in the business of generation or distribution of electricity

or any other form of power or in the carriage, by road or inland waterways, of passengers or goods or in the construction of ships or in the execution of projects or in the manufacture or processing of goods or in mining.

Explanation.—For the purposes of this clause,—

(i) a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or any other form of power or in the carriage, by road or inland waterways, of passengers or goods or in the construction of ships or in the execution of projects or in the manufacture or processing of goods or in mining, if the income attributable to any one or more of the aforesaid activities included in its total income of the previous year (as computed before making any deduction under Chapter VIA of the Income-tax Act) is not less than fifty-one per cent. of such total income;

(ii) "project" means a project for the construction of a building, road, dam, bridge or other structure or assembly or installation of any machinery or plant;

(d) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(e) "investment company" means a company whose gross total income (as defined in section 80B of the Income-tax Act) consists mainly of income which is chargeable under the heads "Interest on securities", "Income from house property", "Capital gains" and "Income from other sources";

(f) "net agricultural income", in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(g) "tax-free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(h) "trading company" means a company whose business consists mainly in dealing in goods or merchandise manufactured, produced or processed by a person other than that company and whose income attributable to such business included in its gross total income (as defined in section 80B of the Income-tax Act) is not less than fifty-one per cent. of the amount of such gross total income;

(i) all other words and expressions used in this section or in the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

Amend-
ment of
section 2.

3. In section 2 of the Income-tax Act, in clause (18), after sub-clause (ab), the following sub-clause shall be inserted and shall be deemed to have been inserted with effect from the 1st day of April, 1984, namely:—

“(ac) if it is a mutual benefit finance company, that is to say, a company which carries on, as its principal business, the business of acceptance of deposits from its members and which is declared by the Central Government under section 620A of the Companies Act, 1956, to be a *Nidhi* or Mutual Benefit Society; or”.

1 of 1956.

Amend-
ment of
section
10.

4. In section 10 of the Income-tax Act,—

(a) in clause (10B), for the portion beginning with the words “at the time of his retrenchment”, and ending with the words “whichever is less.”, the following shall be substituted with effect from the 1st day of April, 1986, namely:—

“at the time of his retrenchment:

Provided that the amount exempt under this clause shall not exceed—

- (i) an amount calculated in accordance with the provisions of clause (b) of section 25F of the Industrial Disputes Act, 1947; or
(ii) fifty thousand rupees,

14 of 1947.

whichever is less:

Provided further that the preceding proviso shall not apply in respect of any compensation received by a workman in accordance with any scheme which the Central Government may, having regard to the need for extending special protection to the workmen in the undertaking to which such scheme applies and other relevant circumstances, approve in this behalf.”;

- (b) in clause (15), after sub-clause (iii), the following sub-clause shall be inserted, namely:—

“(iiia) interest payable to any bank incorporated in a country outside India and authorised to perform central banking functions in that country on any deposits made by it, with the approval of the Reserve Bank of India, with any scheduled bank.

Explanation.—For the purposes of this sub-clause, “scheduled bank” shall have the meaning assigned to it in the *Explanation* to clause (iii) of sub-section (5) of section 11;—

- (c) in clause (26A), for the figures, letters and words “1st day of April, 1986”, the figures, letters and words “1st day of April, 1989” shall be substituted.

Amend-
ment of
section
16.

5. In section 16 of the Income-tax Act, in clause (i), with effect from the 1st day of April, 1986,—

(a) the *Explanation* shall be numbered as *Explanation 1*;

(b) after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:—

"Explanation 2.—For the purposes of the proviso to this clause, the use of any vehicle referred to therein for journey by the assessee from his residence to his office or other place of work, or from such office or place to his residence, shall not be regarded as the use of such vehicle otherwise than wholly and exclusively in the performance of his duties;"

6. In section 17 of the Income-tax Act,—

(a) in clause (2), in paragraph (c) of sub-clause (iii), for the portion beginning with the words "under the head "Salaries", and ending with the words "eighteen thousand rupees;", the following shall be substituted with effect from the 1st day of April, 1986, namely:—

'under the head "Salaries" (whether due from, or paid or allowed by, one or more employers), exclusive of the value of all benefits or amenities not provided for by way of monetary payment, exceeds twenty-four thousand rupees;'

67 of 1984.

(b) in clause (2) [as amended by clause (ii) of section 7 of the Taxation Laws (Amendment) Act, 1984],—

(a) in sub-clause (iv), the word "and" shall be inserted at the end;

(b) in sub-clause (v), the word "and" occurring at the end shall be omitted;

(c) sub-clause (vi) shall be omitted.

7. After section 33A of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1986, namely:—

Amend.
ment
of
section
17.

Insertion
of new
section
33AB.

Tea
develop-
ment
account.

'33AB. (1) Where an assessee carrying on business of growing and manufacturing tea in India has, during the previous year, deposited with the National Bank any amount or amounts in an account (hereafter in this section referred to as the special account) maintained by the assessee with that Bank in accordance with a scheme (hereafter in this section referred to as the scheme) approved in this behalf by the Tea Board the assessee shall, subject to the provisions of this section, be allowed a deduction of—

(a) a sum equal to the amount or the aggregate of the amounts so deposited during the previous year, or

(b) a sum equal to twenty per cent. of the profits of such business (computed under the head "Profits and gains of business or profession" before making any deduction under this section), whichever is less.

Explanation.—In this section,—

(a) "National Bank" means the National Bank for Agriculture and Rural Development established under section 3 of the National Bank for Agriculture and Rural Development Act, 1981;

81 of 1981.

(b) "Tea Board" means the Tea Board established under section 4 of the Tea Act, 1953.

29 of 1953.

(2) Where the amount or the aggregate of the amounts deposited by the assessee in the special account during the previous year exceeds the sum allowable as deduction under sub-section (1), the excess shall be treated, for the purposes of that sub-section, as a deposit made by the assessee in the next following previous year.

(3) Where any amount standing to the credit of the assessee in the special account is utilised by the assessee for the purposes of the business referred to in sub-section (1) in accordance with the scheme,—

(a) for acquiring any asset being building, machinery, plant or furniture, the actual cost of such asset as determined under clause (1) of section 43 shall, for the purposes of this Act, be reduced by the amount so utilised;

(b) for incurring any expenditure for the purposes of such business, such expenditure shall be reduced by the amount so utilised and the resultant sum, if any, shall be taken into account for the purposes of this Act.

(4) Where any amount, standing to the credit of the assessee in the special account, which is released during any previous year by the National Bank for being utilised by the assessee for the purposes of the business referred to in sub-section (1) in accordance with the scheme is not so utilised, either wholly or in part, within that previous year, the whole of such amount or, as the case may be, part thereof which is not so utilised shall be deemed to be profits and gains of business and accordingly chargeable to income-tax as the income of that previous year.

(5) The provisions of this section shall apply in relation to the assessment year commencing on the 1st day of April, 1986, and the four assessment years next following that assessment year.'

8. After section 35A of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1986, namely:—

Insertion
of new
section
35AB.

Expenditure
on
know-
how.

'35AB. (1) Subject to the provisions of sub-section (2), where the assessee has paid in any previous year any lump sum consideration for acquiring any know-how for use for the purposes of his business, one-sixth of the amount so paid shall be deducted in computing the profits and gains of the business for that previous year, and the balance amount shall be deducted in equal instalments for each of the five immediately succeeding previous years.

(2) Where the know-how referred to in sub-section (1) is developed in a laboratory, University or institution referred to in sub-section (2B) of section 32A, one-third of the said lump sum consideration paid in the previous year by the assessee shall be deducted in computing the profits and gains of the business for that year, and the balance amount shall be deducted in equal instalments for each of the two immediately succeeding previous years.

Explanation.—For the purposes of this section, "know-how" means any industrial information or technique likely to assist in the manufacture or processing of goods or in the working of a mine, oil

well or other sources of mineral deposits (including the searching for, discovery or testing of deposits or the winning of access thereto)."

9. In section 35CC of the Income-tax Act, in sub-section (1), after the second proviso, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 17th day of March, 1985, namely:—

"Provided also that no programme shall be approved under this section after the 16th day of March, 1985."

10. In section 36 of the Income-tax Act,—

(a) in sub-section (1),—

(i) to clause (vii), the following proviso shall be added, namely:—

"Provided that in the case of a bank to which clause (viiia) applies, the amount of the deduction relating to any such debt or part thereof shall be limited to the amount by which such debt or part thereof exceeds the credit balance in the provision for bad and doubtful debts account made under that clause;";

(ii) in clause (viiia),—

(1) for the portion beginning with the words "in respect of any provision" and ending with the words "in the prescribed manner.", the following shall be substituted, namely:—

"in respect of any provision for bad and doubtful debts made by a scheduled bank [not being a bank approved by the Central Government for the purposes of clause (viiia) or a bank incorporated by or under the laws of a country outside India] or a non-scheduled bank, an amount not exceeding ten per cent. of the total income (computed before making any deduction under this clause and Chapter VIA) or an amount not exceeding two per cent. of the aggregate average advances made by the rural branches of such bank, computed in the prescribed manner, whichever is higher.";

(2) in the *Explanation*, in clause (ii), for the words, brackets, letter and figure "at the end of clause (b) of sub-section (2)", the words, brackets and figures "to clause (iii) of sub-section (5)" shall be substituted;

(iii) in clauses (viii) and (viiia), for the brackets, words, figures and letter "(computed before making any deduction under Chapter VIA)", the brackets, words, figures and letter "(computed before making any deduction under this clause and Chapter VIA)" shall be substituted;

(b) in sub-section (2), after clause (iv), the following clause shall be inserted, namely:—

"(v) where such debt or part of debt relates to advances made by a bank to which clause (viiia) of sub-section (1) applies, no such deduction shall be allowed unless the bank has debited the amount of such debt or part of debt in that previous year to

Amend-
ment of
section
35CC.

Amend-
ment of
section
36.

the provision for bad and doubtful debts account made under that clause.”.

Amendment of section 37.

11. In section 37 of the Income-tax Act, with effect from the 1st day of April, 1986,—

- (a) in sub-section (1), the words, figures and letters “and section 80VV” shall be omitted;
- (b) sub-sections (3A), (3B), (3C) and (3D) shall be omitted.

Amendment of section 40A.

12. In section 40A of the Income-tax Act,—

- (a) in sub-section (5), in clause (b) of *Explanation 2* [as amended by section 11 of the Taxation Laws (Amendment) Act, 1984],—

67 of 1984.

(i) in sub-clause (iv), the word “and” shall be inserted at the end;

(ii) in sub-clause (v), the word “and” occurring at the end shall be omitted;

(iii) sub-clause (vi) shall be omitted;

(b) sub-section (8) shall be omitted with effect from the 1st day of April, 1986;

(c) after sub-section (11), the following sub-section shall be inserted with effect from the 1st day of April, 1986, namely:—

“(12) No deduction shall be allowed in excess of ten thousand rupees for any assessment year in respect of any expenditure incurred by the assessee by way of fees or other remuneration paid to any person (other than an employee of the assessee),—

(a) for services (not being services by way of preparation of return of income) in connection with any proceeding under this Act before any income-tax authority or the Commission constituted under section 245B or a competent authority within the meaning of clause (b) of section 269A or the Appellate Tribunal or any court;

(b) for services in connection with any other proceeding before any court, being a proceeding relating to tax, penalty, interest or any other matter under this Act; and

(c) for any advice in connection with tax, penalty, interest or any other matter under this Act.”.

Amendment of section 44AB.

13. In section 44AB (inserted by section 11 of the Finance Act, 1984) of the Income-tax Act, in the proviso, the words “by an accountant” shall be omitted.

21 of 1984.

Amendment of section 54.

14. In section 54 of the Income-tax Act, in sub-section (1), the words and figures “to which the provisions of section 53 are not applicable” shall be omitted.

Amendment of section 58.

15. In section 58 of the Income-tax Act, in clause (a) of sub-section (1), after sub-clause (i), the following sub-clause shall be inserted with effect from the 1st day of April, 1986, namely:—

“(ia) any expenditure of the nature referred to in sub-section (12) of section 40A.”.

16. In section 80CC of the Income-tax Act, in sub-section (3), in clause (a),—

(a) for the words "with the main object of carrying on the business of—", the words "and the issue is wholly and exclusively for the purposes of carrying on the business of—" shall be substituted;

(b) in the proviso, the words "formed and registered in India with the main object of" shall be omitted.

17. Section 80F of the Income-tax Act shall be omitted with effect from the 1st day of April, 1986.

Amend-
ment of
section
80CC.

Omission
of sec-
tion 80F.

18. In section 80G of the Income-tax Act,—

(a) in sub-section (1), for clause (i), the following clause shall be substituted with effect from the 1st day of April, 1986, namely:—

"(i) in a case where the aggregate of the sums specified in sub-section (2) includes any sum or sums of the nature specified in sub-clause (iiia) or in sub-clause (vii) of clause (a) thereof, an amount equal to the whole of the sum or, as the case may be, sums of such nature plus fifty per cent. of the balance of such aggregate; and";

(b) in sub-section (2), in clause (a), after sub-clause (iiib), the following sub-clause shall be inserted, namely:—

"(iiic) the Indira Gandhi Memorial Trust, the deed of declaration in respect whereof was registered at New Delhi on the 21st day of February, 1985; or".

Amend-
ment of
section
80G.

19. In the Income-tax Act, for section 80HHC, the following section shall be substituted with effect from the 1st day of April, 1986, namely:—

Substitu-
tion of
new sec-
tion for
section
80HHC.

'80HHC. (1) Where an assessee, being an Indian company or a person (other than a company) resident in India, is engaged in the business of export out of India of any goods or merchandise to which this section applies, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction of an amount, not exceeding fifty per cent. of the profits derived by the assessee from the export of such goods or merchandise:

Deduc-
tion in
respect
of pro-
fits re-
tained
for
export
business.

Provided that an amount equal to the amount of the deduction claimed under this sub-section is debited to the profit and loss account of the previous year in respect of which the deduction is to be allowed and credited to a reserve account to be utilised for the purposes of the business of the assessee.

(2) (a) This section applies to all goods or merchandise, other than those specified in clause (b), if the sale proceeds of such goods or merchandise exported out of India are receivable by the assessee in convertible foreign exchange.

(b) This section does not apply to the following goods or merchandise, namely:—

- (i) mineral oil; and
- (ii) minerals and ores.

(3) For the purposes of sub-section (1), profits derived from the export of goods or merchandise out of India shall be,—

(a) in a case where the business carried on by the assessee consists exclusively of the export out of India of the goods or merchandise to which this section applies, the profits of the business as computed under the head "Profits and gains of business or profession";

(b) in a case where the business carried on by the assessee does not consist exclusively of the export out of India of the goods or merchandise to which this section applies, the amount which bears to the profits of the business (as computed under the head "Profits and gains of business or profession") the same proportion as the export turnover bears to the total turnover of the business carried on by the assessee.

*Explanation.—*For the purposes of this section,—

(a) "convertible foreign exchange" means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the Foreign Exchange Regulation Act, 1973, and any rules made thereunder;

46 of 1973.

(b) "export turnover" means the sale proceeds receivable by the assessee in convertible foreign exchange of any goods or merchandise to which this section applies and which are exported out of India, but does not include freight or insurance attributable to the transport of the goods or merchandise beyond the customs station as defined in the Customs Act, 1962.

52 of 1962.

Amend-
ment of
section
80-I.

20. In section 80-I of the Income-tax Act,—

(a) in sub-section (2), in clause (iii), for the words "four years", the words "nine years" shall be substituted;

(b) in sub-section (3), in clause (iii), for the words "four years", the words "nine years" shall be substituted;

(c) in sub-section (4), in clause (iv), for the words, figures and letters "before the 1st day of April, 1985", the words, figures and letters "before the 1st day of April, 1990" shall be substituted.

Omission
of sec-
tion 80JJ.

21. Section 80JJ of the Income-tax Act shall be omitted with effect from the 1st day of April, 1986.

22. Section 80N of the Income-tax Act shall be omitted with effect from the 1st day of April, 1986.

Omission
of sec-
tion 80N.

23. In section 80QQA of the Income-tax Act, in sub-section (1), for the words "four assessment years", the words "nine assessment years" shall be substituted.

Amend-
ment of
section
80QQA.

24. Section 80V of the Income-tax Act shall be omitted with effect from the 1st day of April, 1986.

Omission
of sec-
tion 80V.

25. Section 80VV of the Income-tax Act shall be omitted with effect from the 1st day of April, 1986.

Omission
of sec-
tion
80VV.

26. In section 115 of the Income-tax Act, in clause (i), for sub-clause (a), the following sub-clause shall be substituted with effect from the 1st day of April, 1986, namely:—

Amend-
ment of
section
115.

"(a) on so much of the amount of such long-term capital gains as relate to buildings or lands or any rights in buildings or lands, at the rate of fifty per cent.; and".

27. In section 115E of the Income-tax Act, with effect from the 1st day of April, 1986,—

Amend-
ment of
section
115E.

(a) in sub-section (1), the words "as increased by a surcharge for purposes of the Union at the rate of twelve and a half per cent. of such income-tax" shall be omitted;

(b) in sub-section (2), in clause (i), for the words "the aggregate of the income-tax and surcharge", the words "the income-tax" shall be substituted.

28. In section 136 of the Income-tax Act, the words and figures "and every income-tax authority shall be deemed to be a Civil Court for the purposes of section 195, but not for the purposes of Chapter XXVI, of the Code of Criminal Procedure, 1973" shall be inserted and shall be deemed to have been inserted at the end with effect from the 1st day of April, 1974.

Amend-
ment of
section
136.

29. In section 139 of the Income-tax Act,—

67 of 1984.

(a) in sub-section (1A), in clause (b) [as substituted by sub-clause (i) of clause (a) of section 25 of the Taxation Laws (Amendment) Act, 1984], for the words "eighteen thousand rupees", the words "twenty-four thousand rupees" shall be substituted with effect from the 1st day of April, 1986;

Amend-
ment of
section
139.

1 of 1956.

(b) in sub-section (9), in the *Explanation*, in clause (e), for the words "auditor's report", the words, figures and letter "auditor's report and, where an audit of cost accounts of the assessee has been conducted under section 233B of the Companies Act, 1956, also the report under that section" shall be substituted.

Substitution of new section for section 167A.

Charge of tax where shares of members unknown.

30. In the Income-tax Act, for section 167A, the following section shall be substituted, namely:—

'167A. Where the individual shares of the members of an association of person (other than a company or co-operative society) in the whole or any part of the income of such association are indeterminate or unknown, tax shall be charged on the total income of the association at the maximum marginal rate.'

Explanation.—For the purposes of this section,—

(a) "maximum marginal rate" shall have the meaning assigned to it in *Explanation 2* below sub-section (3) of section 164;

(b) the individual shares of the members of an association of persons in the whole or any part of the income of such association shall be deemed to be indeterminate or unknown if such shares (in relation to the whole or any part of such income) are indeterminate or unknown on the date of formation of such association or at any time thereafter.'

Insertion of new section 180A.

31. After section 180 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 1986, namely:—

Consideration for know-how.

'180A. Where the time taken by an individual, who is resident in India, for developing any know-how is more than twelve months, he may elect that the gross amount of any lump sum consideration received or receivable by him during the previous year for allowing use of such know-how shall be treated for the purposes of charging income-tax for that year and for each of the two immediately preceding previous years as if one-third thereof were included in his income chargeable to tax for each of those years respectively and if he so elects, notwithstanding anything contained in any other provision of this Act,—

(a) such gross amount shall be so treated, and

(b) the assessments for each of the two preceding previous years shall, if made, be accordingly rectified under section 154, the period of four years specified in sub-section (7) of that section being reckoned from the end of the financial year in which the assessment relating to the previous year in which the amount was received or receivable by such individual is made.

Explanation.—For the purposes of this section, the expression "know-how" has the meaning assigned to it in section 35AB.'

Amendment of section 208.

32. In section 208 of the Income-tax Act, in sub-section (2), in clauses (c) and (d), for the letters and figures "Rs. 15,000", the letters and figures "Rs. 18,000" shall be substituted.

33. In section 245D of the Income-tax Act, in sub-section (2A), after the words, brackets and figure "order under sub-section (1)", the words "allowing the application to be proceeded with" shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1984.

Amend-
ment of
section
245D.

34. In section 273A of the Income-tax Act, Explanation 2 below sub-section (1) shall be omitted.

Amend-
ment of
section
273A.

35. In section 278A of the Income-tax Act, after the word, figures and letters "section 276CC", the words, figures and letters "or section 276DD" shall be inserted.

Amend-
ment of
section
278A.

36. The following amendments (being amendments of a consequential nature) shall be made in the Income-tax Act, with effect from the 1st day of April, 1986, namely:—

Conse-
quential
amend-
ments.

(a) in section 80A,—

(i) in sub-section (1), for the figures and letters "80VV", the figures and letter "80U" shall be substituted;

(ii) in sub-section (3), the words, figures and letters "or section 80JJ" shall be omitted;

(b) in section 80O, for the *Explanation*, the following *Explanation* shall be substituted, namely:—

'*Explanation*.—For the purposes of this section,—

(i) "convertible foreign exchange" means foreign exchange which is for the time being treated by the Reserve Bank of India as convertible foreign exchange for the purposes of the law for the time being in force for regulating payments and dealings in foreign exchange;

(ii) any income used by the assessee outside India in the manner permitted by the Reserve Bank of India shall be deemed to have been brought into India in accordance with the law for the time being in force for regulating payments and dealings in foreign exchange, on the date on which such permission is given.';

(c) in section 80P, in sub-section (3), the words, figures and letters "or section 80JJ" shall be omitted and for the words, figures and letters "section 80J and section 80JJ", the words, figures and letter "and section 80J" shall be substituted;

(d) in section 80VVA, in sub-section (2),—

(i) after clause (xiii), the following clause shall be inserted, namely:—

"(xiiiia) section 33AB;"

(ii) clause (xxiii) shall be omitted;

- (iii) clause (xxvi) shall be omitted;
- (e) in section 155, sub-section (11) shall be omitted;
- (f) in section 269SS, in the *Explanation*, for clause (i), the following clause shall be substituted, namely:—

(i) “banking company” means a company to which the Banking Regulation Act, 1949, applies and includes any bank or banking institution referred to in section 51 of that Act;;

10 of 1949.

- (g) in section 269T, in the *Explanation*, for clause (i), the following clause shall be substituted, namely:—

(i) “banking company” shall have the meaning assigned to it in clause (i) of the *Explanation* to section 269SS;;

- (h) the Tenth Schedule shall be omitted.

Wealth-tax

Amend-
ment of
section 5.

37. In section 5 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act),—

57 of 1957.

- (a) in sub-section (1), with effect from the 1st day of April, 1986,—

- (i) the following proviso shall be added to clause (i), namely:—

“Provided that nothing contained in this clause shall apply to any property forming part of any business, not being a business referred to in clause (a) or clause (b) of sub-section (4A) of section 11 of the Income-tax Act in respect of which separate books of account are maintained or a business carried on by an institution, fund or trust referred to in clause (22) or clause (22A) or clause (23B) or clause (23C) of section 10 of that Act;”;

- (ii) in clause (iv), the proviso shall be omitted;

- (b) in sub-section (1A), with effect from the 1st day of April, 1986,—

- (i) for the word, brackets and figures “clauses (xv)”, the word, brackets and figures “clauses (iv), (xv)” shall be substituted;

- (ii) for the words “two hundred and sixty-five thousand rupees”, at both the places where they occur, the words “five hundred thousand rupees” shall be substituted;

- (iii) the second proviso [inserted by item (3) of sub-clause (ii) of clause (a) of section 34 of the Finance Act, 1984] shall be omitted;

21 of 1984.

- (iv) in the third proviso [inserted by item (3) of sub-clause (ii) of clause (a) of section 34 of the Finance Act, 1984], for the words “Provided also”, the words “Provided further” shall be substituted;

21 of 1984.

- (c) in sub-section (3) [as amended by sub-clause (iii) of clause (a) of section 34 of the Finance Act, 1984], the brackets, figures and letter “(xxxv),” shall be omitted.

21 of 1984.

38. In section 18B of the Wealth-tax Act, *Explanation 2* below sub-section (1) shall be omitted.

Amend-
ment of
section 18B.

39. In section 22D of the Wealth-tax Act, in sub-section (2A), after the words, brackets and figure "order under sub-section (1)", the words "allowing the application to be proceeded with" shall be inserted and shall be deemed to have been inserted with effect from the 1st day of October, 1984.

Amend-
ment of
section 22D.

40. In the Wealth-tax Act, for Part I of Schedule I, the following Part shall be substituted with effect from the 1st day of April, 1986, namely:—

Amend-
ment of
Schedule I.

"PART I

(1) In the case of every individual or Hindu undivided family, not being a Hindu undivided family to which item (2) of this Part applies,—

Rate of tax

(a) where the net wealth does not exceed Rs. 2,50,000	Nil;
(b) where the net wealth exceeds Rs. 2,50,000 but does not exceed Rs. 10,00,000	1 per cent. of the amount by which the net wealth exceeds Rs. 2,50,000;
(c) where the net wealth exceeds Rs. 10,00,000 but does not exceed Rs. 20,00,000	Rs. 3,750 plus 1 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000;
(d) where the net wealth exceeds Rs. 20,00,000	Rs. 13,750 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 20,00,000.

(2) In the case of every Hindu undivided family which has at least one member whose net wealth assessable for the assessment year exceeds Rs. 2,50,000,—

Rate of tax

(a) where the net wealth does not exceed Rs. 1,50,000	Nil;
(b) where the net wealth exceeds Rs. 1,50,000 but does not exceed Rs. 5,00,000	1 per cent. of the amount by which the net wealth exceeds Rs. 1,50,000;
(c) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 3,500 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
(d) where the net wealth exceeds Rs. 10,00,000	Rs. 13,500 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000.",

Interest-tax

Amend-
ment of
Act 45
of 1974.

41. In the Interest-tax Act, 1974, in section 6, in sub-section (2), after the words, figures and letters "ending with the 30th day of June, 1980", the words, figures and letters "or after the 31st day of March, 1985" shall be inserted.

CHAPTER IV

INDIRECT TAXES

Customs

Amend-
ment of
Act 51
of 1975.

Auxi-
liary
duties of
customs.

42. The Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), shall be amended in the manner specified in the Second Schedule.

43. (1) In the case of goods mentioned in the First Schedule to the Customs Tariff Act, or in that Schedule, as amended from time to time, there shall be levied and collected as an auxiliary duty of customs an amount equal to fifty per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962 (hereinafter referred to as the Customs Act).

52 of 1962.

- (2) Sub-section (1) shall cease to have effect after the 31st day of March, 1986, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

10 of 1897.

- (3) The auxiliary duties of customs referred to in sub-section (1) shall be in addition to any duties of customs chargeable on such goods under the Customs Act, or any other law for the time being in force.

- (4) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the auxiliary duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

Addi-
tional
duties of
customs
(Televi-
sion
sets).

44. (1) In the case of goods specified in the Fifth Schedule, being goods imported into India, there shall be levied and collected as an additional duty of customs an amount calculated at the rate set forth in the said Schedule.

- (2) The additional duties of customs referred to in sub-section (1) shall be in addition to any other duties of customs chargeable on such goods under the Customs Act or any other law for the time being in force.

- (3) The provisions of the Customs Act and the rules and regulations made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the additional duties of customs leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of customs on such goods under that Act or those rules and regulations, as the case may be.

Excise

of 1944.

45. In section 2 of the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in clause (f), after sub-clause (ii), the following sub-clause shall be inserted, namely:—

Amend-
ment of
section 2.

“(iiia) in relation to goods comprised in Item No. 3A of the First Schedule, includes the labelling or re-labelling of containers and repacking from bulk packs to retail packs or the adoption of any other treatment to render the product marketable to the consumer;”.

46. The First Schedule to the Central Excises Act shall be amended in the manner specified in the Third Schedule.

Amend-
ment of
First
Schedule.

Special
duties of
excise.

47. (1) In the case of goods chargeable with a duty of excise under the Central Excises Act, as amended from time to time, read with any notification for the time being in force issued by the Central Government in relation to the duty so chargeable (not being a notification providing for any exemption for giving credit with respect to, or reduction of duty of excise under the said Act on such goods equal to, any duty of excise under the said Act, or the additional duty under section 3 of the Customs Tariff Act, already paid on the raw material or component parts used in the production or manufacture of such goods), there shall be levied and collected a special duty of excise equal to ten per cent. of the amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1986, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The special duties of excise referred to in sub-section (1) shall be in addition to any duties of excise chargeable on such goods under the Central Excises Act, or any other law for the time being in force.

(4) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the special duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules, as the case may be.

48. The Additional Duties of Excise (Goods of Special Importance) Act, 1957 (hereinafter referred to as the Additional Duties of Excise Act), shall be amended in the manner specified in the Fourth Schedule.

Amend-
ment of
Act 58
of 1957.

49. (1) In the case of goods specified in the Fifth Schedule, being goods manufactured in India, there shall be levied and collected as an additional duty of excise an amount calculated at the rate set forth in the said Schedule.

Addi-
tional
duties of
excise
(Televi-
sion
sets).

(2) The additional duties of excise referred to in sub-section (1) shall be in addition to any other duties of excise chargeable on such

goods under the Central Excise Act or any other law for the time being in force.

(3) The provisions of the Central Excises Act and the rules made thereunder, including those relating to refunds and exemptions from duties, shall, as far as may be, apply in relation to the levy and collection of the additional duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of duties of excise on such goods under that Act or those rules, as the case may be.

(4) The additional duties of excise leviable under sub-section (1) shall be for the purposes of the Union and the proceeds thereof shall not be distributed among the States.

CHAPTER V

MISCELLANEOUS

Amend-
ment of
Act 2 of
1899.

50. In the Indian Stamp Act, 1899, in Schedule I, in the column headed "Proper Stamp-duty", with effect from the 1st day of July, 1985,—

(a) in article No. 14, for the words "Twenty-five naye paise", the words "One rupee" shall be substituted;

(b) in article No. 37, for the words "One rupee", the words "Two rupees" shall be substituted.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX AND SURCHARGE ON INCOME-TAX

Paragraph A

Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 15,000	Nil;
(2) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	20 per cent. of the amount by which the total income exceeds Rs. 15,000;
(3) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000	Rs. 1,000 plus 25 per cent. of the amount by which the total income exceeds Rs. 20,000;
(4) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs. 2,250 plus 30 per cent. of the amount by which the total income exceeds Rs. 25,000;
(5) where the total income exceeds Rs. 30,000 but does not exceed Rs. 40,000	Rs. 3,750 plus 35 per cent. of the amount by which the total income exceeds Rs. 30,000;
(6) where the total income exceeds Rs. 40,000 but does not exceed Rs. 50,000	Rs. 7,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 40,000;
(7) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000	Rs. 11,250 plus 45 per cent. of the amount by which the total income exceeds Rs. 50,000;
(8) where the total income exceeds Rs. 70,000 but does not exceed Rs. 1,00,000	Rs. 20,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 70,000;
(9) where the total income exceeds Rs. 1,00,000	Rs. 35,250 plus 55 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1985 exceeds Rs. 15,000,—

Rates of income-tax

(1) where the total income does not exceed Rs. 8,000	Nil;
(2) where the total income exceeds Rs. 8,000 but does not exceed Rs. 15,000	22 per cent. of the amount by which the total income exceeds Rs. 8,000;
(3) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000	Rs. 1,540 plus 27 per cent. of the amount by which the total income exceeds Rs. 15,000;
(4) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000	Rs. 2,890 plus 35 per cent. of the amount by which the total income exceeds Rs. 20,000;
(5) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000	Rs. 4,640 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000;
(6) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000	Rs. 6,640 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000;
(7) where the total income exceeds Rs. 50,000	Rs. 16,640 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000;

Provided that for the purposes of this Sub-Paragraph,—

- (i) no income-tax shall be payable on a total income not exceeding Rs. 12,000;
- (ii) where the total income exceeds Rs. 12,000 but does not exceed Rs. 17,610, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 12,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000	15 per cent. of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,500 plus 25 per cent. of the amount by which the total income exceeds Rs. 10,000;

(3) where the total income exceeds Rs. 20,000

Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Paragraph C

Sub-Paragraph I

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000

Nil;

(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000

5 per cent. of the amount by which the total income exceeds Rs. 10,000;

(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000

Rs. 750 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;

(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000

Rs. 2,500 plus 15 per cent. of the amount by which the total income exceeds Rs. 50,000;

(5) where the total income exceeds Rs. 1,00,000

Rs. 10,000 plus 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Sub-Paragraph II

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000

Nil;

(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000.

4 per cent. of the amount by which the total income exceeds Rs. 10,000;

(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,350 plus 13 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Sub-Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Explanation.—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of twelve and a half per cent. of such income-tax.

Paragraph E

I. In the case of a domestic company,—

Rates of income-tax

I. In the case of a domestic company,—

(1) where the company is a company in which the public are substantially interested 55 per cent. of the total income;

(2) where the company is not a company in which the public are substantially interested—

(i) in the case of an industrial company 60 per cent. of the total income;

(ii) in any other case 65 per cent. of the total income.

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it (with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.

(ii) on the balance, if any, of the total income 70 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge calculated at the rate of five per cent. of such income-tax.

PART II

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction at the following rates:—

	Income-tax	
	Rate of income-tax	Rate of surcharge
1. In the case of a person other than a company—		
(a) where the person is resident in India—		
(i) on income by way of interest other than "Interest on securities"	10 per cent.	<i>Nil</i> ;
(ii) on income by way of winnings from lotteries	25 per cent.	<i>Nil</i> ;
(iii) on income by way of winnings from horse races and crossword puzzles	30 per cent.	<i>Nil</i> ;
(iv) on income by way of insurance commission	10 per cent.	<i>Nil</i> ;
(v) on income by way of interest payable on	10 per cent.	<i>Nil</i> ;
(A) any security, other than a tax-free security, of the Central or a State Government;		
(B) any debentures or other securities for money issued by or on		

	Income-tax	
	Rate of income-tax	Rate of surcharge
behalf of any local authority or a corporation established by a Central, State or Provincial Act;		
(C) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956, and any rules made thereunder		42 of 1956.
(vi) on any other income (excluding interest payable on a tax-free security)	20 per cent.	<i>Nil</i> ;
(B) where the person is not resident in India—		
(i) in the case of a non-resident Indian—		
(A) on investment income and long-term capital gains	20 per cent.	<i>Nil</i> ;
(B) on income by way of interest payable on a tax-free security	15 per cent.	<i>Nil</i> ;
(C) on the whole of the other income	income-tax at 30 per cent. of the amount of the income, or income-tax in respect of the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income,	
(ii) in the case of any other person—	whichever is higher;	
(A) on the whole of the income (excluding interest payable on a tax-free security)	income-tax at 30 per cent. of the amount of the income, or income-tax in respect of [the income at the rates prescribed in Sub-Paragraph I of Paragraph A of Part III of this Schedule, if such income had been the total income,	
(B) on income by way of interest payable on a tax-free security	15 per cent.	<i>Nil</i> ;

	Income-tax	
	Rate of income-tax	Rate of surcharge
2. In the case of a company—		
(a) where the company is a domestic company—		
(i) on income by way of interest other than "Interest on securities"	20 per cent.	1 per cent.;
(ii) on any other income (excluding interest payable on a tax-free security)	21.5 per cent.	1.075 per cent.,
(b) where the company is not a domestic company—		
(i) on income by way of dividends payable by any domestic company	25 per cent.	Nil;
(ii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	25 per cent.	Nil;
(iii) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976, where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the proviso to sub-section (1A) of section 115A of the Income-tax Act, to the Indian concern	40 per cent	Nil;
(iv) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iii)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and which has been approved by the Central Government.—		
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.	2.5 per cent.;

Income-tax	Rate of income-tax	Rate of surcharge
(B) where the agreement is made after the 31st day of March, 1976—		
(1) on so much of the amount of such income as consists of lump sum consideration for the transfer outside India of, or the imparting of information outside India in respect of, any data, documentation, drawing or specification relating to any patent, invention, model, design, secret formula or process, or trade mark or similar property	20 per cent.	Nil;
(2) on the balance, if any,	40 per cent.	Nil;
of such income		
(v) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and which has been approved by the Central Government—		
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.	2.5 per cent;
(B) where the agreement is made after the 31st day of March, 1976	40 per cent.	Nil;
(vi) on income by way of interest payable on a tax-free security	44 per cent.	2.2 per cent;
(vii) on any other income	65 per cent.	3.25 per cent.

Explanation.—For the purposes of this Part, “investment income”, “long-term capital gains” and “non-resident Indian” shall have the meanings assigned to them in Chapter XII-A of the Income-tax Act.

PART III

Rates for calculating or charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" or any payment referred to in sub-section (9) of section 80E and computing "advance tax".

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or sub-section (1A) of section 161 or section 164 or section 164A or section 167A of the Income-tax Act at the rates as specified in that Chapter or section], shall be so calculated, charged, deducted or computed at the following rate or rates:—

Paragraph A

Sub-Paragraph I

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which Sub-Paragraph II of this Paragraph or any other Paragraph of this Part applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 18,000	Nil;
(2) where the total income exceeds Rs. 18,000 but does not exceed Rs. 25,000	25 per cent. of the amount by which the total income exceeds Rs. 18,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 1,750 plus 30 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 9,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 29,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Sub-Paragraph II

In the case of every Hindu undivided family which at any time during the previous year has at least one member whose total income

of the previous year relevant to the assessment year commencing on the 1st day of April, 1986 exceeds Rs. 18,000,—

Rates of Income-tax

(1) where the total income does not exceed Rs. 12,000	Nil;
(2) where the total income exceeds Rs. 12,000 but does not exceed Rs. 20,000	25 per cent. of the amount by which the total income exceeds Rs. 12,000;
(3) where the total income exceeds Rs. 20,000 but does not exceed Rs. 40,000	Rs. 2,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000;
(4) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000	Rs. 8,000 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 40,000;
(5) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,00,000	Rs. 16,000 <i>plus</i> 50 per cent. of the amount by which the total income exceeds Rs. 60,000;
(6) where the total income exceeds Rs. 1,00,000	Rs. 36,000 <i>plus</i> 55 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000	15 per cent. of the total income;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000	Rs. 1,500 <i>plus</i> 25 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 20,000	Rs. 4,000 <i>plus</i> 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

Paragraph C

Sub-Paragraph I

In the case of every registered firm, not being a case to which Sub-Paragraph II of this Paragraph applies,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	5 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 750 <i>plus</i> 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,500 <i>plus</i> 15 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 10,000 <i>plus</i> 24 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Sub-Paragraph II

In the case of every registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income,—

Rates of income-tax

(1) where the total income does not exceed Rs. 10,000	Nil;
(2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000	4 per cent. of the amount by which the total income exceeds Rs. 10,000;
(3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000	Rs. 600 plus 7 per cent. of the amount by which the total income exceeds Rs. 25,000;
(4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 2,350 plus 13 per cent. of the amount by which the total income exceeds Rs. 50,000;
(5) where the total income exceeds Rs. 1,00,000	Rs. 8,850 plus 22 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Explanation.—For the purposes of this Paragraph, “registered firm” includes an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	50 per cent.
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Paragraph E

In the case of a company,—

*Rates of income-tax***I. In the case of a domestic company,—**

(1) where the company is a company in which the public are substantially interested	50 per cent. of the total income;
(2) where the company is not a company in which the public are substantially interested	60 per cent. of the total income;
(i) in the case of a trading company or an investment company	55 per cent. of the total income.
(ii) in any other case	

II. In the case of a company other than a domestic company,—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976, or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of 65 per cent. the total income

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge calculated at the rate of five per cent. of such income-tax.

PART IV

[See section 2(8) (f)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head “Income from other sources” and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head “Profits and gains of business or profession” and the provisions of sections 30, 31, 32, 34, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43 and 43A of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling house by the receiver of the rent or revenue or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of the said section 23 shall apply subject to the modifications that the references to "total income" therein shall be construed as references to net agricultural income and that the words, figures and letter "and before making any deduction under Chapter VIA" shall be omitted.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a partner of a registered firm or an unregistered firm assessed as a registered firm under clause (b) of section 183 of the Income-tax Act, which in the previous year has any agricultural income, or is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of the said section 183 and which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an unregistered firm but has any agricultural income, then, the agricultural income or loss of the firm shall be computed in accordance with these rules and his share in the agricultural income or loss of the firm shall be computed in the manner laid down in sub-section (1), sub-section (2) and sub-section (3) of section 67 of the Income-tax Act and the share so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income, then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 7.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income:

Provided that where the assessee is a partner of an unregistered firm which has not been assessed as a registered firm under clause (b) of section 183 of the Income-tax Act or is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the firm, association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 8.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 9.—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1985, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1977 or the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1977, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1978, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1982, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1983 or the 1st day of April, 1984,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1985.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 1986 or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than that previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1978 or the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985, is a loss, then, for the purposes of sub-section (6) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1978, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1979 or the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1979, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1980 or the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1980, to

the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1981 or the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1981, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1982 or the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1982, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1983 or the 1st day of April, 1984 or the 1st day of April, 1985,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1983, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1984 or the 1st day of April, 1985,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1984, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1985, and

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1985,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 1986 or the period aforesaid.

(3) Where a change has occurred in the constitution of a firm, nothing in sub-rule (1) or sub-rule (2) shall entitle the firm to set off so much of the loss proportionate to the share of a retired or deceased partner computed in the manner laid down in sub-section (1), sub-section (2) and sub-section (3) of section 67 of the Income-tax Act as exceeds his share of profits, if any, of the previous year in the firm, or entitle any partner to the benefit of any portion of the said loss (computed in the manner aforesaid) which is not apportionable to him.

(4) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(5) Notwithstanding anything contained in this rule, no loss which has not been determined by the Income-tax Officer under the provisions of these rules or the rules contained in Part IV of the First Schedule to the Finance (No. 2) Act, 1977, or of the Schedule to the Finance Act,

19 of 1978.
21 of 1979.
44 of 1980.
16 of 1981.
14 of 1982.
11 of 1983.
21 of 1984.

1978, or of the First Schedule to the Finance Act, 1979, or of the First Schedule to the Finance (No. 2) Act, 1980, or of the First Schedule to the Finance Act, 1981, or of the First Schedule to the Finance Act, 1982, or of the First Schedule to the Finance Act, 1983, or of the First Schedule to the Finance Act, 1984, shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 10.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 11.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 12.—For the purposes of computing the net agricultural income of the assessee, the Income-tax Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

(See section 42)

In the First Schedule to the Customs Tariff Act,—

- (i) in Heading No. 27.09, for the entry in column (3), the entry “20%” shall be substituted;
- (ii) in sub-heading No. (2) of Heading No. 84.51/55, for the entry in column (3), the entry “200%” shall be substituted;
- (iii) in Heading No. 84.62,—
 - (1) in sub-heading No. (1), for the entry in column (3), the entry “100 per cent., plus Rs. 100 per bearing” shall be substituted;
 - (2) in sub-heading No. (2), for the entry in column (3), the entry “200%, plus Rs. 100 per bearing” shall be substituted;
 - (3) in sub-heading No. (3), for the entry in column (3), the entry “200%, plus Rs. 100 per bearing” shall be substituted.

THE THIRD SCHEDULE

(See section 46)

PART I

In the First Schedule to the Central Excises Act,—

- (i) in Item No. 14AA,—
 - (a) for the Heading “CHEMICALS, THE FOLLOWING, NAMELY:—”, the Heading “INORGANIC CHEMICALS, THE FOLLOWING, NAMELY:—” shall be substituted;

- (b) in sub-Item (1), the brackets and figure "(1)" shall be omitted;
- (c) sub-Item (2) and the entries relating thereto shall be omitted;
- (ii) in Item No. 14E, for the entry in the third column, the entry "Thirteen per cent. *ad valorem.*" shall be substituted;
- (iii) in Item No. 16B, in the second column, for the words "IN SHEETS, BLOCKS, BOARDS OR THE LIKE;" the words "IN SHEETS, BLOCKS, BOARDS OR THE LIKE, WHETHER OR NOT FACE COVERED WITH TEXTILE FABRICS, ARTIFICIAL PLASTIC MATERIAL, PAINT, PAPER OR METAL;" shall be substituted;
- (iv) in Item No. 18,—
 - (a) for the entry in the third column against sub-Item II(i) (a), the entry "One hundred and five rupees per kilogram." shall be substituted;
 - (b) for the entry in the third column against sub-Item II(i) (b), the entry "One hundred and fifteen rupees per kilogram." shall be substituted;
 - (c) for the entry in the third column against sub-Item II(ii), the entry "Twenty-five rupees per kilogram." shall be substituted;
 - (d) for the entry in the third column against sub-Item II(iii), the entry "One hundred and fifteen rupees per kilogram." shall be substituted;
 - (e) for the entry in the third column against sub-Item III(i), the entry "Eight paise per count per kilogram." shall be substituted;
 - (f) for the entry in the third column against sub-Item III(ii), the entry "Twenty-four rupees per kilogram." shall be substituted;
 - (g) for the entry in the third column against sub-Item IV, the entry "Twelve rupees per kilogram." shall be substituted;
- (v) in Item No. 18A,—
 - (a) for the entry in the third column against sub-Item (i), the entry "Eight paise per count per kilogram." shall be substituted;
 - (b) for the entry in the third column against sub-Item (ii), the entry "Twenty-four rupees per kilogram." shall be substituted;

(vi) in Item No. 18B, for the entry in the third column against sub-Item (ii), the entry "Twenty-four rupees per kilogram." shall be substituted;

(vii) in Item No. 18C, for the entry in the third column against sub-Item (ii), the entry "Twenty-four rupees per kilogram." shall be substituted;

(viii) in Item No. 18D, for the entry in the third column, the entry "Six hundred and sixty rupees per metric tonne." shall be substituted;

(ix) in Item No. 18E, for the entry in the third column, the entry "Thirty rupees per kilogram." shall be substituted;

(x) in Item No. 19,—

(a) in the second column, for the words, brackets and figures "if (i) in such fabrics cotton predominates in weight, or (ii) such fabrics contain more than 40 per cent. by weight of cotton and 50 per cent. or more by weight of non-cellulosic fibres or yarn or both", the words "if in such fabrics cotton predominates in weight" shall be substituted;

(b) for the entry in the third column against sub-Item II, the entry "The duty for the time being leviable on the base fabrics, if not already paid, plus twenty-five per cent. *ad valorem*." shall be substituted;

(xi) in Item No. 20, for the entry in the third column against sub-Item (2), the entry "The duty for the time being leviable on the base fabrics, if not already paid, plus twenty-five per cent. *ad valorem*." shall be substituted;

(xii) in Item No. 21,—

(a) in the second column, for the words and figures "fabrics in which wool predominates in weight or which contain more than 30 per cent. of wool and 50 per cent. or more of non-cellulosic fibre or yarn or both", the words "fabrics in which wool predominates in weight" shall be substituted;

(b) for the entry in the third column against sub-Item (2), the entry "The duty for the time being leviable on the base fabrics, if not already paid, plus twenty-five per cent. *ad valorem*." shall be substituted;

(xiii) in Item No. 22,—

(a) for the entry in the third column against sub-Item (2), the entry "The duty for the time being leviable on the base fabrics, if not already paid, plus twenty-five per cent. *ad valorem*." shall be substituted;

(b) for *Explanation II*, the following *Explanation* shall be substituted, namely:—

"*Explanation II*.—This Item does not include glass fabrics.";

(xiv) in Item No. 22A, for each of the entries in the third column against sub-Items (1) and (2), the entry "Six hundred and sixty rupees per metric tonne." shall be substituted;

(xv) in Item No. 25,—

(a) for the entry in the third column against sub-Item (1), the entry "One hundred rupees per metric tonne." shall be substituted;

(b) for the entry in the third column against sub-Item (2), the entry "Twelve per cent. *ad valorem*." shall be substituted;

(c) for the entries in the third column against sub-Items (3) (i) and (3) (ii), the entries "One hundred rupees per metric tonne." and "Four hundred rupees per metric tonne." shall, respectively, be substituted;

(d) for the entries in the third column against sub-Items (4) (i) and (4) (ii), the entries "One hundred rupees per metric tonne." and "Eight hundred and twenty-five rupees per metric tonne." shall, respectively, be substituted;

(e) for the entry in the third column against sub-Item (5), the entry "Twelve per cent. *ad valorem*." shall be substituted;

(f) for the entries in the third column against sub-Items (6) (i), (6) (ii) and (6) (iii), the entries "One hundred rupees per metric tonne.", "Four hundred rupees per metric tonne." and "Four hundred rupees per metric tonne." shall, respectively, be substituted;

(g) for the entries in the third column against sub-Items (7) (i) and (7) (ii), the entries "One hundred rupees per metric tonne." and "Four hundred rupees per metric tonne." shall, respectively, be substituted;

(h) for the entry in the third column against sub-Item (8), the entry "Four hundred rupees per metric tonne." shall be substituted;

(i) for the entries in the third column against sub-Items (9) (i) and (9) (ii), the entries "One thousand and five hundred rupees per metric tonne." and "Four hundred rupees per metric tonne." shall, respectively, be substituted;

(j) for the entry in the third column against sub-Item (10), the entry "Four hundred rupees per metric tonne." shall be substituted;

(k) for the entry in the third column against sub-Item (11), the entry "Four hundred rupees per metric tonne." shall be substituted;

(l) for the entry in the third column against sub-Item (12), the entry "One thousand and five hundred rupees per metric tonne." shall be substituted;

(m) for the entries in the third column against sub-Items (13) (i), (13) (ii), (13) (iii) and (13) (iv), the entries

"One thousand and five hundred rupees per metric tonne.", "One thousand nine hundred and twenty-five rupees per metric tonne.", "One thousand three hundred and seventy-five rupees per metric tonne." and "One thousand and five hundred rupees per metric tonne." shall, respectively, be substituted;

(n) for the entry in the third column against sub-Item (14), the entry "Four hundred rupees per metric tonne." shall be substituted;

(o) for the entry in the third column against sub-Item (15), the entry "One thousand and one hundred rupees per metric tonne, plus the excise duty for the time being leviable on pig iron or steel ingots, as the case may be." shall be substituted;

(p) for the entries in the third column against sub-Items (16) (i) and (16) (ii), the entries "One hundred rupees per metric tonne." and "Eight hundred and twenty-five rupees per metric tonne." shall, respectively, be substituted;

(q) in clause (xviii) of the *Explanation*, the words "and includes a corrugated sheet" shall be inserted at the end;

(xvi) in Item No. 26A, in the *Explanation* below sub-Item (10),—

(a) in clause (vi), the words "and includes a corrugated or troughed sheet" shall be inserted at the end;

(b) in clause (x), for the words "or extrusion process;", the words "extrusion, welding or brazing process;" shall be substituted;

(xvii) in Item No. 26B, in clause (vi) of the *Explanation* below sub-Item (8), the words "and includes a corrugated or troughed sheet" shall be inserted at the end;

(xviii) in Item No. 27,—

(a) in the entry in the second column against sub-Item (10), for the words "hollow sections", the words "hollow sections and semi-hollow sections" shall be substituted;

(b) in the *Explanation* below sub-Item (11),—

(1) in clause (vi), the words "and includes a corrugated or troughed sheet" shall be inserted at the end;

(2) after clause (x), the following clause shall be inserted, namely:—

'(xa) "semi-hollow section" means a section which is normally extruded, drawn or cast and any part of whose cross-section is a partially enclosed void, the area of which is substantially greater than the square of the width of the gap;';

(xix) in Item No. 29A, in the entry in the second column against sub-Item (2), after the words "package type air conditioners", the words "; split unit air conditioners, cooling or room unit and condensing unit therefor" shall be inserted;

(xx) in Item No. 41, for the entry in the third column, the entry "Five paise each." shall be substituted;

(xxi) in Item No. 68, for the entry in the third column, the entry "Twelve per cent. *ad valorem.*" shall be substituted.

PART II

Item No.	Description of goods	Rate of duty
(1)	(2)	(3)

In the First Schedule to the Central Excises Act,—

(i) after Item No. 3, the following Item shall be inserted, namely:—

'3A. PAN MASALA—

Pan masala, that is to say, any preparation containing betel nuts and any one or more other ingredients such as lime, catechu, cardamom, copra and menthol, put up for sale in unit containers and commonly known as "pan masala".

(ii) after Item No. 14AA, the following Item shall be inserted, namely:—

"14AAA. ORGANIC CHEMICALS, THE FOLLOWING, NAMELY:—

(1) Acetic acid	Fifteen per cent. <i>ad valorem.</i>
(2) Acetic anhydride	Fifteen per cent. <i>ad valorem.</i>
(3) Acetone	Fifteen per cent. <i>ad valorem.</i>
(4) Phenol	Fifteen per cent. <i>ad valorem.</i>
(5) Methanol	Fifteen per cent. <i>ad valorem.</i>
(6) Caprolactam	Fifty per cent. <i>ad valorem.</i>
(7) Dimethyl terephthalate	Fifty per cent. <i>ad valorem.</i> ";

(iii) for Item No. 14F, the following Item shall be substituted, namely:—

'14F. COSMETICS AND TOILET PREPARATIONS NOT CONTAINING ALCOHOL OR OPIUM, INDIAN HEMP OR OTHER NARCOTIC DRUGS OR NARCOTICS, NAMELY:—

(f) Preparations for the care of the skin, beauty or make-up preparations and manicure or pedicure preparations, such as: beauty creams, vanishing creams, cold creams, make-up creams, cleansing creams, skin foods and skin tonics, face powders, baby powders, toilet powders, talcum powders and grease paints lipsticks, eye-shadow and eye-brow pencils,

Item No.	Description of goods	Rate of duty
(1)	(2)	(3)

nail polishes and varnishes, cuticle removers and other preparations for use in manicure or chiropody, sun-burn preventive preparations and sun-tan preparations, barrier creams to give protection against skin irritants, personal (body) deodorants, depilatories.

(ii) Preparations for the care of the hair, such as: brilliantines, perfumed hair oils, hair lotions, pomades and creams, hair dyes, shampoos whether or not containing soap or organic surface active agents.

(iii) Shaving creams, whether or not containing soap or organic surface active agents.

Explanation I.—“Alcohol”, “Opium”, “Indian Hemp”, “Narcotic Drugs” and “Narcotics” have the meanings respectively assigned to them in section 2 of the Medicinal and Toilet Preparations (Excise Duties) Act, 1955.

Explanation II.—This Item includes cosmetics and toilet preparations whether or not they contain subsidiary pharmaceutical or antiseptic constituents, or are held out as having subsidiary curative or prophylactic value.

Explanation III.—This Item includes unmixed products, only when they are in packing of a kind sold to the consumer and put up with labels, literature or other indications that they are for use as cosmetics or toilet preparations or put up in a form clearly specialised to such use.”

(iv) for Item No. 14H, the following Item shall be substituted, namely:—

“14H. GASES INCLUDING LIQUEFIED OR SOLIDIFIED GASES, THE FOLLOWING, NAMELY:—

(1) Oxygen	One rupee per cubic metre.
(2) Chlorine	One hundred rupees per metric tonne.

(3) Ammonia	One thousand rupees per metric tonne.
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(4) Carbonic acid (carbon dioxide)	One rupee per kilogram.
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(5) Chlorofluoro hydrocarbons of Methane and Ethane	Thirty-five per cent. <i>ad valorem</i> .
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(6) Acetylene (whether in dissolved condition or not)	Ten rupees per cubic metre.”;
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Item No.	Description of goods	Rate of duty
(1)	(2)	(3)
(v) for Item No. 16, the following Item shall be substituted, namely:—		
16. TYRES		
	"Tyre" means a pneumatic tyre in the manufacture of which rubber is used, and includes the inner tube, the tyre flap and the outer cover of such a tyre:	
I. (1) Tyres for motor vehicles and trailers—		
(a) Tyres for two-wheeled motor vehicles, namely, scooters, motor cycles, mopeds and autocycles—		
(i) Tyres	Fifty rupees per tyre.	
(ii) Tubes	Twenty rupees per tube.	
(iii) Flaps	Twenty rupees per flap.	
(b) Others—		
(i) Tyres	One thousand six hundred and fifty rupees per tyre.	
(ii) Tubes	Two hundred and fifty rupees per tube.	
(iii) Flaps	Fifty rupees per flap.	
(2) Tyres for tractors, including agricultural tractors—		
(a) Tyres	Five hundred and fifty rupees per tyre.	
(b) Tubes	One hundred rupees per tube.	
(c) Flaps	Fifty rupees per flap.	
II. Tyres for cycles and cycle rickshaws—		
(1) Tyres	Fifteen per cent. <i>ad valorem.</i>	
(2) Tubes	Fifteen per cent. <i>ad valorem.</i>	
III. Tyres for vehicles or equipments designed for use off the road—		
(1) Tyres	Sixty-six per cent. <i>ad valorem.</i>	
(2) Tubes	One thousand rupees per tube.	
(3) Flaps	Fifty rupees per flap.	
IV. All other tyres—		
(1) Tyres	Twenty-eight per cent. <i>ad valorem.</i>	

Item No.	Description of goods	Rate of duty
(1)	(2)	(3)
	(2) Tubes	One hundred rupees per tube.
	(3) Flaps	Fifty rupees per flap.

Explanation I.—“Motor vehicles” means all mechanically propelled vehicles, other than tractors, designed for use upon roads.

Explanation II.—“Motor vehicles”, “tractors, including agricultural tractors” and “trailers” shall include a chassis; but shall not include a vehicle running upon fixed rails.”;

(vi) for Item No. 23A, the following Item shall be substituted, namely:—

23A. GLASS AND GLASSWARE

(1) Flat glass

Thirty-five per cent. *ad valorem*, plus five rupees and fifty paise per millimetre thickness per square metre.

Explanation.—“Flat glass” includes sheet glass, wired glass and rolled glass whether in the form of plate glass, figured glass or in any other form; but excludes laminated glass and toughened glass, whether shaped or not.

(2) Laboratory glassware

Thirty per cent. *ad valorem*.

(3) Glass shells, glass globes and chimneys for lamps and lanterns

Fifteen per cent. *ad valorem*.

(4) Laminated glass and toughened glass, whether shaped or not

Thirty-five per cent. *ad valorem*.

(5) Other glass and glassware including tableware

Thirty-five per cent. *ad valorem*.

Explanation.— This Item does not include electrical insulators or electrical insulating fittings or parts of such insulators or insulating fittings.”

Item to be inserted No.	Description of goods	Rate of duty
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(1)

(2)

(3)

(vii) after Item No. 23C, the following Item shall be inserted,
namely:—

**"23E. MARBLE, IN THE
FOLLOWING FORMS,
NAMELY:—**

(1) Blocks

Sixty rupees per cubic metre.

(2) Slabs

Fifty rupees per square metre.

(3) Tiles

Fifty rupees per square metre."

(viii) after Item No. 48, the following Item shall be inserted,
namely:—

**"48A. TRAVEL GOODS,
THE FOLLOWING,
NAMELY:—**

Twenty-five per cent. *ad valorem*.

**SUIT CASES, BRIEF
CASES, VANITY BAGS
AND VANITY CASES,
ALL SORTS.**

THE FOURTH SCHEDULE

(See section 48)

In the First Schedule to the Additional Duties of Excise Act,—

(i) in Item No. 1, for the entry in the third column, the entry "Ten per cent. *ad valorem*." shall be substituted;

(ii) in Item No. 4, under "II. Manufactured tobacco—", for the entries in the third column against sub-Items (3) (i) and (3) (ii), the entries "Four rupees per thousand." and "Two rupees per thousand." shall, respectively, be substituted.

THE FIFTH SCHEDULE

(See sections 44 and 49)

Item No.	Description of goods	Rate of duty
(1)	(2)	(3)
	BROADCAST TELEVISION RECEIVER SETS, ALL SORTS, INCLUDING THOSE IN COMBINATION WITH ANY ONE OR MORE OF THE FOLLOWING, NAMELY, RADIOS (INCLUDING TRANSISTOR SETS), TAPE RECORDERS, VIDEO CASSETTE RECORDERS AND ANY OTHER APPLIANCES OR INSTRUMENTS.	One hundred rupees per set.

Y Omitted by Act 33 of 1996, S.81

THE COINAGE (AMENDMENT) ACT, 1985

No. 33 OF 1985

[24th May, 1985.]

An Act further to amend the Coinage Act, 1906.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title.

Amend.
ment of
section 6.

1. This Act may be called the Coinage (Amendment) Act, 1985.
2. Section 6 of the Coinage Act, 1906 shall be re-numbered as sub-section (1) of that section and after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

“(2) Notwithstanding anything contained in sub-section (1), if the Central Government is of opinion that it is necessary or expedient in the public interest so to do, it may authorise the coining, in like manner as is provided in that sub-section, of coins by any person (including the Government of any foreign country), beyond the limits of India and import such coins for issue under its authority under that sub-section.”

THE ANDHRA PRADESH LEGISLATIVE COUNCIL
(ABOLITION) ACT, 1985

No. 34 OF 1985

[24th May, 1985.]

An Act to provide for the abolition of the Legislative Council of the State of Andhra Pradesh and for matters supplemental, incidental and consequential thereto.

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

1. (1) This Act may be called the Andhra Pradesh Legislative Council (Abolition) Act, 1985.

Short title and commencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Definitions.

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

(a) "appropriate Government" means, as respects a law relating to a matter enumerated in List I in the Seventh Schedule to the Constitution, the Central Government, and as respects any other law, the State Government;

(b) "article" means an article of the Constitution;

(c) "Council" means the Legislative Council of the State of Andhra Pradesh;

(d) "law" includes any enactment, ordinance, regulation, order, bye-law, rule, scheme, notification or other instrument having the force of law in the whole or any part of the State of Andhra Pradesh;

(e) "Legislative Assembly" means the Legislative Assembly of the State of Andhra Pradesh.

Abolition of the Council.

3. (1) The Legislative Council of the State of Andhra Pradesh is hereby abolished.

(2) On the abolition of the Council, every member thereof shall cease to be such member.

4. In sub-clause (a) of clause (1) of article 168, the words "Andhra Pradesh," shall be omitted.

Amendment of article 168.

¹ 1.6.1985: vide Notification No/ 465(E), dated 31.5.1985.

182 Andhra Pradesh Legislative Council (Abolition) [ACT 34 OF 1985]

Amend-
ment of
Act 43 of
1950.

5. In the Representation of the People Act, 1950,—

(a) in the Third Schedule, entry No. 1 relating to Andhra Pradesh shall be omitted;

(b) in the Fourth Schedule, the heading "Andhra Pradesh" and the entries thereunder shall be omitted.

Omission
of section
3 of the
Legisla-
tive
Councils
Act, 1957.

6. Section 3 of the Legislative Councils Act, 1957, shall be omitted.

37 of 1957.

Provision
as to
pending
Bills.

7. (1) A Bill pending in the Council immediately before the commencement of this Act which has not been passed by the Legislative Assembly shall lapse on the abolition of the Council.

(2) A Bill pending in the Council immediately before the commencement of this Act which has been passed by the Legislative Assembly shall not lapse on the abolition of the Council, but on such abolition shall be deemed to have been passed before such commencement by both Houses of the Legislature of the State of Andhra Pradesh in the form in which it was passed by the Legislative Assembly.

(3) If a Bill which having been passed by the Legislative Assembly is, before the commencement of this Act, either rejected by the Council or passed by the Council with amendments, the Legislative Assembly may, after such commencement, pass the Bill again with or without such amendments, if any, as have been made by the Council and the Bill so passed shall be deemed to be a Bill introduced in and passed by the Legislative Assembly after the commencement of this Act.

Power to
adapt
laws.

8. The appropriate Government may, before the expiration of one year from the commencement of this Act, by order, published in the Official Gazette, make such adaptations and modifications of any law made before such commencement whether by way of repeal or amendment as may be necessary or expedient in consequence of the abolition of the Council under section 3, and thereupon every such law shall have effect subject to the adaptations and modifications so made.

Power to
construe
laws.

9. Notwithstanding that no provision or insufficient provision has been made under section 8 for the adaptation or modification of a law made before the commencement of this Act, any court, tribunal or authority required or empowered to enforce such law may construe the law in such manner, without affecting the substance, as may be necessary or proper on account of the abolition of the Council, in regard to the matter before the court, tribunal or authority.

THE COMPANIES (AMENDMENT) ACT, 1985

NO. 35 OF 1985

[24th May, 1985.]

An Act further to amend the Companies Act, 1956.

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

1. This Act may be called the Companies (Amendment) Act, 1985.
2. In the Companies Act, 1956 (hereinafter referred to as the principal Act), for section 293A, the following shall be substituted, namely:—

"Political contributions"

293A. (1) Notwithstanding anything contained in any other provision of this Act,—

(a) no Government company; and

(b) no other company which has been in existence for less than three financial years,

shall contribute any amount or amounts, directly or indirectly,—

(i) to any political party; or

(ii) for any political purpose to any person.

(2) A company, not being a company referred to in clause (a) or clause (b) of sub-section (1), may contribute any amount or amounts, directly or indirectly,—

(a) to any political party, or

(b) for any political purpose to any person.

Provided that the amount or, as the case may be, the aggregate of the amounts which may be so contributed by a company in any financial year shall not exceed five per cent. of its average net profits determined in accordance with the provisions of sections 349 and 350 during the three immediately preceding financial years.

Explanation.—Where a portion of a financial year of the company falls before the commencement of the Companies (Amendment) Act, 1985, and a portion falls after such commencement, the latter portion

Short title.

Substitution of new section for section 293A.

Prohibitions and restrictions regarding political contributions.

shall be deemed to be a financial year within the meaning, and for the purposes, of this sub-section:

Provided further that no such contribution shall be made by a company unless a resolution authorising the making of such contribution is passed at a meeting of the Board of Directors and such resolution shall, subject to the other provisions of this section, be deemed to be justification in law for the making and the acceptance of the contribution authorised by it.

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

(a) a donation or subscription or payment caused to be given by a company on its behalf or on its account to a person who, to its knowledge, is carrying on any activity which, at the time at which such donation or subscription or payment was given or made, can reasonably be regarded as likely to effect public support for a political party shall also be deemed to be contribution of the amount of such donation, subscription or payment to such person for a political purpose;

(b) the amount of expenditure incurred, directly or indirectly, by a company on advertisement in any publication (being a publication in the nature of a souvenir, brochure, tract, pamphlet or the like) by or on behalf of a political party or for its advantage shall also be deemed,—

(i) where such publication is by or on behalf of a political party, to be a contribution of such amount to such political party, and

(ii) where such publication is not by or on behalf of but for the advantage of a political party, to be a contribution for a political purpose to the person publishing it.

(4) Every company shall disclose in its profit and loss account any amount or amounts contributed by it to any political party or for any political purpose to any person during the financial year to which that account relates, giving particulars of the total amount contributed and the name of the party or person to whom or to whom such amount has been contributed.

(5) If a company makes any contribution in contravention of the provisions of this section,—

(a) the company shall be punishable with fine which may extend to three times the amount so contributed; and

(b) every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine.”

3. In section 396 of the principal Act,—

(a) in sub-section (2), for the words “The order aforesaid may”, the words “The order aforesaid may provide for the continuation by or against the transferee company of any legal proceedings pending by or against any transferor company and may also” shall be substituted;

(b) in sub-section (3), for the words "as may be prescribed", the words "as may be prescribed and every such assessment shall be published in the Official Gazette" shall be substituted;

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

"(3A) Any person aggrieved by any assessment of compensation made by the prescribed authority under sub-section (3) may, within thirty days from the date of publication of such assessment in the Official Gazette, prefer an appeal to the Company Law Board and thereupon the assessment of the compensation shall be made by the Company Law Board.";

(d) in sub-section (4),—

(i) in clause (a), the word "and", occurring at the end, shall be omitted;

(ii) after clause (a), the following clause shall be inserted, namely:—

"(aa) the time for preferring an appeal under sub-section (3A) has expired, or where any such appeal has been preferred, the appeal has been finally disposed of; and".

4. In section 529 of the principal Act,—

(a) in sub-section (1), the following proviso shall be inserted at the end, namely:—

"Provided that the security of every secured creditor shall be deemed to be subject to a *pari passu* charge in favour of the workmen to the extent of the workmen's portion therein, and, where a secured creditor, instead of relinquishing his security and proving his debt, opts to realise his security,—

(a) the liquidator shall be entitled to represent the workmen and enforce such charge;

(b) any amount realised by the liquidator by way of enforcement of such charge shall be applied rateably for the discharge of workmen's dues; and

(c) so much of the debt due to such secured creditor as could not be realised by him by virtue of the foregoing provisions of this proviso or the amount of the workmen's portion in his security, whichever is less, shall rank *pari passu* with the workmen's dues for the purposes of section 529A.";

(b) in sub-section (2),—

(i) in the proviso, for the words "pay the expenses", the words "pay his portion of the expenses" shall be substituted;

(ii) after the proviso, the following *Explanation* shall be inserted, namely:—

"Explanation.—For the purposes of this proviso, the portion of expenses incurred by the liquidator for the preservation of a security which the secured creditor shall be

Amend-
ment of
section
529,

liable to pay shall be the whole of the expenses less an amount which bears to such expenses the same proportion as the workmen's portion in relation to the security bears to the value of the security.”;

(c) after sub-section (2), the following sub-section shall be inserted, namely:—

(3) For the purposes of this section, section 529A and section 530,—

(a) “workmen”, in relation to a company, means the employees of the company, being workmen within the meaning of the Industrial Disputes Act, 1947; 14 of 1947.

(b) “workmen's dues”, in relation to a company, means the aggregate of the following sums due from the company to its workmen, namely:—

(i) all wages or salary including wages payable for time or piece work and salary earned wholly or in part by way of commission of any workman, in respect of services rendered to the company and any compensation payable to any workman under any of the provisions of the Industrial Disputes Act, 1947; 14 of 1947

(ii) all accrued holiday remuneration becoming payable to any workman, or in the case of his death to any other person in his right, on the termination of his employment before, or by the effect of, the winding up order or resolution;

(iii) unless the company is being wound up voluntarily merely for the purposes of reconstruction or of amalgamation with another company, or unless the company has, at the commencement of the winding up, under such a contract with insurers as is mentioned in section 14 of the Workmen's Compensation Act, 1923, rights capable of being transferred to and vested in the workman, all amounts due in respect of any compensation or liability for compensation under the said Act in respect of the death or disablement of any workman of the company;

(iv) all sums due to any workman from a provident fund, a pension fund, a gratuity fund or any other fund for the welfare of the workmen, maintained by the company;

(c) “workmen's portion”, in relation to the security of any secured creditor of a company, means the amount which bears to the value of the security the same proportion as the amount of the workmen's dues bears to the aggregate of—

(i) the amount of workmen's dues; and

(ii) the amounts of the debts due to the secured creditors.

Illustration

The value of the security of a secured creditor of a company is Rs. 1,00,000. The total amount of the workmen's dues is Rs. 1,00,000. The amount of the debts due from the company to its secured creditors is Rs. 3,00,000. The aggregate of the amount of workmen's dues and of the amounts of debts due to secured creditors is Rs. 4,00,000. The workmen's portion of the security is therefore, one-fourth of the value of the security, that is Rs. 25,000.

5. After section 529 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
529A.

"529A. (1) Notwithstanding anything contained in any other provision of this Act or any other law for the time being in force, in the winding up of a company,—

(a) workmen's dues; and

(b) debts due to secured creditors to the extent such debts rank under clause (c) of the proviso to sub-section (1) of section 529 *pari passu* with such dues,

shall be paid in priority to all other debts.

(2) The debts payable under clause (a) and clause (b) of sub-section (1) shall be paid in full, unless the assets are insufficient to meet them, in which case they shall abate in equal proportions."

Over-
riding
prefe-
rential
pay-
ments.

6. In section 530 of the principal Act,—

Amend-
ment of
section
530.

(a) in sub-section (1),—

(i) in the opening portion, for the words "there shall be paid", the words, figures and letter "subject to the provisions of section 529A, there shall be paid" shall be substituted;

(ii) in clause (b), the words, figures and letter "and any compensation payable to any workman under any of the provisions of Chapter VA of the Industrial Disputes Act, 1947" shall be omitted;

(b) in sub-section (2), the proviso shall be omitted;

(c) in sub-section (8),—

(i) in clause (b), the word "and" occurring at the end shall be omitted;

(ii) after clause (b), the following clause shall be inserted, namely:—

'(bb) the expression "employee" does not include a workman; and'.

THE HIGH COURT AND SUPREME COURT JUDGES
(CONDITIONS OF SERVICE) AMENDMENT ACT, 1985

No. 36 OF 1985

[24th May, 1985.]

An Act further to amend the High Court Judges (Conditions of Service) Act, 1954 and the Supreme Court Judges (Conditions of Service) Act, 1958.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the High Court and Supreme Court Judges (Conditions of Service) Amendment Act, 1985.

Amend-
ment of
section
22B of
Act 28
of 1954.

2. In the High Court Judges (Conditions of Service) Act, 1954, in section 22B, for the words "three hundred rupees", the words "five hundred rupees" shall be substituted.

Amend-
ment of
section
23A of
Act 41
of 1958.

3. In the Supreme Court Judges (Conditions of Service) Act, 1958, in section 23A, for the words "three hundred rupees", the words "five hundred rupees" shall be substituted.

THE TEA COMPANIES (ACQUISITION AND TRANSFER
OF SICK TEA UNITS) ACT, 1985

ARRANGEMENT OF SECTIONS

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PRELIMINARY

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ACQUISITION AND TRANSFER OF THE SICK TEA UNITS OF THE TEA COMPANIES

3. Acquisition of rights of tea companies in respect of sick tea units.
4. General effect of vesting.
5. Tea companies to be liable for certain prior liabilities.

CHAPTER III

PAYMENT OF AMOUNTS

6. Payment of amount.
7. Payment of further amount.

CHAPTER IV

MANAGEMENT, ETC., OF THE SICK TEA UNITS OF THE TEA COMPANIES

8. Management, etc., of the sick tea units of the tea companies.
9. Duty of persons in charge of management of the sick tea units to deliver all assets, etc.
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PROVISIONS RELATING TO EMPLOYEES OF THE TEA COMPANIES

11. Continuance of employees.
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13. Appointment of Commissioner of Payments.
14. Payment by the Central Government to the Commissioner.

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16. Claims to be made to the Commissioner.
17. Priority of claims.
18. Examination of claims.
19. Admission or rejection of claims.
20. Disbursement of money by the Commissioner.
21. Disbursement of amounts to the tea companies.
22. Undisbursed or unclaimed amounts to be deposited with the general revenue account.

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24. Assumption of liability.
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26. Contracts to cease to have effect unless ratified by the Tea Trading Corporation.
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28. Offences by companies.
29. Protection of action taken in good faith.
30. Tea companies not to be wound up by the court.
31. Delegation of powers.
32. Power to make rules.
33. Power to remove difficulties.
34. Repeal and saving.

THE FIRST SCHEDULE.**THE SECOND SCHEDULE.**

THE TEA COMPANIES (ACQUISITION AND TRANSFER
OF SICK TEA UNITS) ACT, 1985

No. 37 OF 1985

[28th May, 1985.]

An Act to provide for the acquisition and transfer of the sick tea units specified in the First Schedule and the right, title and interest of the tea companies in respect of the said tea units with a view to securing proper reorganisation and management of such tea units so as to subserve the interests of the general public by augmenting the production and manufacture of different varieties of tea which are essential to the needs of the economy of the country and for matters connected therewith or incidental thereto.

WHEREAS the sick tea units specified in the First Schedule had been engaged in the production and manufacture of different varieties of tea;

29 of 1953. AND WHEREAS the management of the said tea units was taken over by the Central Government under the Tea Act, 1953;

AND WHEREAS the Central Government had invested large sums of money with a view to making the said tea units viable;

AND WHEREAS further investment of large sums of money is necessary for reorganising and rehabilitating the said tea units;

AND WHEREAS the acquisition by the Central Government of the said tea units is necessary to enable it to invest such large sums of money and to protect the large investments already made and also the interests of the workmen employed therein by proper reorganisation and management of the said tea units and thereby to augment the production and manufacture of different varieties of tea which are essential to the needs of the economy of the country;

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

CHAPTER I
PRELIMINARY

1. (1) This Act may be called the Tea Companies (Acquisition and Transfer of Sick Tea Units) Act, 1985.

(2) It shall be deemed to have come into force on the 8th day of April, 1985.

Short title
and
commencement.

Definitions.

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

(a) "appointed day" means the date of commencement of this Act;

(b) "Commissioner" means the Commissioner of Payments appointed under section 13;

(c) "notification" means a notification published in the Official Gazette;

(d) "prescribed" means prescribed by rules made under this Act;

(e) "sick tea unit" means a tea unit, specified in column (2) of the First Schedule, the management of which had, before the appointed day, been taken over by the Central Government under the Tea Act, 1953;

29 of 1953.

(f) "specified date", in relation to any provision of this Act, means such date as the Central Government may, by notification, specify for the purposes of that provision and different dates may be specified for different provisions of this Act;

1 of 1956.

(g) "tea companies" means the companies (being companies as defined in the Companies Act, 1956) specified in column (3) of the First Schedule;

(h) "Tea Trading Corporation" means the Tea Trading Corporation of India Limited, a company incorporated and registered under the Companies Act, 1956;

1 of 1956.

(i) words and expressions used herein and not defined but defined in the Tea Act, 1953, shall have the meanings respectively assigned to them in that Act;

29 of 1953.

(j) words and expressions used herein and not defined either in this Act or in the Tea Act, 1953, but defined in the Companies Act, 1956 shall have the meanings respectively assigned to them in the Companies Act, 1956.

29 of 1953.

1 of 1956.

CHAPTER II

ACQUISITION AND TRANSFER OF THE SICK TEA UNITS OF THE TEA COMPANIES

Acquisition of rights of tea companies in respect of sick tea units.

3. (1) On the appointed day, every sick tea unit and the right, title and interest of every tea company in relation to its sick tea units or, as the case may be, sick tea unit shall, by virtue of this Act, stand transferred to, and vested in, the Central Government.

(2) Every sick tea unit which stands vested in the Central Government by virtue of sub-section (1) shall, immediately after it has so vested, stand transferred to, and vested in, the Tea Trading Corporation.

General effect of vesting.

4. (1) Every sick tea unit shall be deemed to include all assets, rights, lease-holds, powers, authorities and privileges and all property, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, reserve funds, investments, book debts and all other rights and interests in, or arising out of, such property as were, immediately before the appointed day, in the ownership, possession, power or control of the tea company concerned, whether within or outside India, and all books of account, registers and all other documents of whatever nature relating thereto and shall also be deemed to include the liabilities specified in sub-section (1) of section 24.

(2) All properties as aforesaid which have vested in the Tea Trading Corporation under sub-section (2) of section 3 shall, by force of such vesting, be freed and discharged from any trust, obligation, mortgage, charge, lien and all other incumbrances affecting them and any attachment, injunction, decree or order of any court, tribunal or other authority restricting the use of such properties in any manner or appointing any receiver in respect of the whole or any part of such properties shall be deemed to have been withdrawn.

(3) Every mortgagee of any property which has vested under this Act in the Tea Trading Corporation and every person holding any charge, lien or other interest in, or in relation to, any such property shall give, within such time and in such manner as may be prescribed, an intimation to the Commissioner of such mortgage, charge, lien or other interest.

(4) For the removal of doubts, it is hereby declared that the mortgagee of any property referred to in sub-section (3) or any other person holding any charge, lien or other interest in, or in relation to, any such property shall be entitled to claim, in accordance with his rights and interests, payment of the mortgage money or other dues, in whole or in part, out of the amounts directed to be given under sections 6 and 7 to the tea company concerned but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the Tea Trading Corporation.

(5) Any licence or other instrument granted to a tea company in relation to its sick tea unit which has vested in the Tea Trading Corporation under sub-section (2) of section 3 at any time before the appointed day and in force immediately before that day shall continue to be in force on and after such day in accordance with its tenor in relation to and for the purposes of such sick tea unit, and that Corporation shall be deemed to be substituted in such licence or other instrument as if such licence or other instrument had been granted to such Corporation and such Corporation shall hold it for the remainder of the period for which the tea company would have held it under the terms thereof.

(6) If, on the appointed day, any suit, appeal or other proceeding of whatever nature, in relation to any matter specified in sub-section (1) of section 24, in respect of the sick tea unit of any tea company which has vested in the Tea Trading Corporation under sub-section (2) of section 3, instituted or preferred by or against that company, is pending, the same shall not abate, be discontinued or be, in any way, prejudicially

affected by reason of the transfer of the sick tea unit of such tea company or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted or enforced by or against the Tea Trading Corporation.

Tea companies to be liable for certain prior liabilities.

Payment of amount.

Payment of further amount.

5. Subject to the other provisions of this Act, every liability, other than the liability specified in sub-section (1) of section 24, of a tea company in respect of any period prior to the appointed day, shall be the liability of that company and shall be enforceable against it and not against the Tea Trading Corporation.

CHAPTER III

PAYMENT OF AMOUNTS

6. Every tea company shall be given, by the Central Government, for the transfer to and vesting in that Government under sub-section (1) of section 3 of the sick tea unit or, as the case may be, each sick tea unit of that company and the right, title and interest of that company in relation to such sick tea unit, in cash and in the manner specified in Chapter VI, such amount as is specified against the name of that sick tea unit in column (4) of the First Schedule.

7. (1) Every tea company shall be given, by the Central Government, per annum, for the deprivation of the management of its sick tea unit, an amount as is specified against the name of that sick tea unit in column (5) of the First Schedule, for the period commencing on the date on which the management of such sick tea unit was taken over in pursuance of the order made by the Central Government under the provisions of the Tea Act, 1953 and ending on the appointed day.

- (2) Every amount specified in columns (4) and (5) of the First Schedule shall carry simple interest at the rate of four per cent. per annum for the period commencing on the appointed day and ending on the date on which the payment of such amount is made by the Central Government to the Commissioner.

- (3) The amounts determined in relation to any tea company in accordance with the provisions of sub-section (2) shall be given by the Central Government to the tea company in addition to the amounts specified in columns (4) and (5) of the First Schedule against that company.

29 of 1953.

CHAPTER IV

MANAGEMENT, ETC., OF THE SICK TEA UNITS OF THE TEA COMPANIES

Management etc., of the sick tea units of the tea companies.

8. The Tea Trading Corporation or any person which that Corporation may, by order in writing, specify, shall be entitled to exercise the powers of general superintendence, direction, control and management of the affairs and business of a sick tea unit, the right, title and interest of the tea company in relation to which have vested in the Corporation under sub-section (2) of section 3, and do all such things as the tea company of the sick tea unit is authorised to exercise and do.

9. (1) On the vesting of the management of the sick tea units of the tea companies in the Tea Trading Corporation, the persons in charge of the management of such sick tea units immediately before such vesting shall be bound to deliver to the Tea Trading Corporation all assets, books of account, registers and all other documents in their custody relating to such sick tea units.

Duty of persons in charge of management of the sick tea units to deliver all assets, etc.

(2) The Central Government may issue such directions as it may deem desirable in the circumstances of the case to the Tea Trading Corporation and the said Corporation may also, if it is considered necessary so to do, apply to the Central Government at any time for instructions as to the manner in which the management of the sick tea units of the tea companies shall be conducted or in relation to any other matter arising in the course of such management.

Duty of persons to account for assets, etc., in their possession.

10. (1) Any person who has, on the appointed day, in his possession or under his control any assets, books, documents or other papers relating to any sick tea unit owned by a tea company which has vested in the Tea Trading Corporation under this Act shall be liable to account for the said assets, books, documents and other papers to the Tea Trading Corporation and shall deliver them up to that Corporation or to such person or persons as that Corporation may specify in this behalf.

(2) The Tea Trading Corporation may take or cause to be taken all necessary steps for securing possession of the sick tea units of the tea companies which have vested in that Corporation under this Act.

(3) Every tea company shall, within such period as the Tea Trading Corporation may allow in this behalf, furnish to that Corporation a complete inventory of all property and assets, as on the appointed day pertaining to its sick tea unit, which have vested in that Corporation under sub-section (2) of section 3, and for this purpose, the Corporation shall afford to such company all reasonable facilities.

CHAPTER V

PROVISIONS RELATING TO EMPLOYEES OF THE TEA COMPANIES

11. (1) Every person who has been, immediately before the appointed day, employed in any sick tea unit of any of the tea companies shall become, on and from the appointed day, an employee of the Tea Trading Corporation and shall hold office or service under that Corporation, with the same rights and privileges as to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting and shall continue to do so unless and until his employment under that Corporation is duly terminated or until his remuneration and other conditions of service are duly altered by that Corporation.

Continuance of employees.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947, or in any other law for the time being in force, the transfer of the services of any officer or other person employed in any sick tea unit of any tea company, to the Tea Trading Corporation, shall not entitle such officer or other employee to any compensation under this Act or any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

Provident fund and other funds.

12. (1) Where a tea company has established a provident fund, superannuation fund, welfare fund or other funds for the benefit of persons employed in a sick tea unit owned by it, the monies relatable to its employees whose services have become transferred by or under this Act to the Tea Trading Corporation shall, out of the monies standing, on the appointed day, to the credit of such provident fund, superannuation fund, welfare fund or other funds, stand transferred to, and vest in, the Tea Trading Corporation.

(2) The monies which stand transferred under sub-section (1) to the Tea Trading Corporation, shall be dealt with by that Corporation in such manner as may be prescribed.

CHAPTER VI

COMMISSIONER OF PAYMENTS

Appointment of Commissioner of Payments.

13. (1) The Central Government shall, for the purpose of disbursing the amounts payable under sections 6 and 7 to the tea companies, by notification, appoint a Commissioner of Payments.

(2) The Central Government may appoint such other persons as it may think fit to assist the Commissioner and thereupon the Commissioner may authorise one or more of such persons also to exercise all or any of the powers exercisable by him under this Act and different persons may be authorised to exercise different powers.

(3) Any person authorised by the Commissioner to exercise any of the powers exercisable by the Commissioner may exercise those powers in the same manner and with the same effect as if they have been conferred on that person directly by this Act and not by way of authorisation.

(4) The salaries and allowances of the Commissioner and other persons appointed under this section shall be defrayed out of the Consolidated Fund of India.

Payment by the Central Government to the Commissioner.

14. (1) The Central Government shall, within thirty days from the specified date, pay in cash to the Commissioner, for payment to every tea company,—

(a) an amount equal to the amounts or amount specified against the name of that company in column (4) of the First Schedule; and

(b) a further amount equal to the amounts or amount specified against the name of that company in column (5) of the First Schedule.

(2) A deposit account shall be opened by the Central Government in favour of the Commissioner in the Public Account of India, and every amount paid under this Act to the Commissioner shall be deposited by him to the credit of the said deposit account and the said deposit account shall be operated by the Commissioner.

(3) Separate records shall be maintained by the Commissioner in respect of each of the tea companies in relation to which payment has been made to him under this Act.

(4) Interest accruing on the amount in relation to a tea company standing to the credit of the deposit account referred to in sub-section (2) shall enure to the benefit of such tea company.

15. (1) The Tea Trading Corporation shall be entitled to receive, up to the specified date, to the exclusion of all other persons, any money due to any tea company in relation to its sick tea unit which has vested in the Corporation under sub-section (2) of section 3, and realised after the appointed day, notwithstanding that the realisation pertains to a period prior to the appointed day.

Certain powers of the Tea Trading Corporation.

(2) The Tea Trading Corporation may make a claim to the Commissioner with regard to every payment made by that Corporation, after the appointed day, for discharging any liability of a tea company, not being any liability specified in sub-section (1) of section 24, in relation to any sick tea unit owned by it in respect of any period prior to the appointed day; and every such claim shall have priority, in accordance with the priorities attaching under this Act to the matter in relation to which such liability has been discharged by the Tea Trading Corporation.

(3) Save as otherwise provided in this Act, the liabilities of a tea company in relation to any sick tea unit owned by it in respect of any transaction prior to the appointed day, which have not been discharged on or before the specified date, shall be the liabilities of that company.

16. [Every person having a claim against a tea company with regard to any of the matters specified in the Second Schedule, pertaining to any sick tea unit owned by it, shall prefer such claim before the Commissioner within thirty days from the specified date:

Claims to be made to the Commissioner.

Provided that if the Commissioner is satisfied that the claimant was prevented by sufficient cause from preferring the claim within the said period of thirty days, he may entertain the claim within a further period of thirty days, but not thereafter.

[2] (2) Notwithstanding anything contained in sub-section (1), all the claims preferred before the Commissioner after the period or the further period specified in that sub-section but on or before the 27th day of July, 1989, shall be deemed to have been validly preferred.]

Priority of claims.

(b) the claims specified in each of the categories shall rank equally and be paid in full, but if the amount paid to the Commissioner under this Act is insufficient to meet such claims in full, they shall abate in equal proportions and be paid accordingly; and

(c) the question of discharging any liability with regard to a matter specified in a lower category shall arise only if a surplus is left after meeting all the liabilities specified in the immediately higher category.

198 Tea Companies (Acquisition and Transfer of Sick Tea Units) [ACT 37]

Examination of claims.

18. (1) On receipt of the claims made under section 16, the Commissioner shall arrange the claims in the order of priorities specified in the Second Schedule and examine the same in accordance with such order.

(2) If on an examination of the claims against a tea company, the Commissioner is of the opinion that the amount paid to him under this Act for payment to such company is not sufficient to meet the liabilities specified in any lower category, he shall not be required to examine any claim in respect of such lower category.

Admission or rejection of claims.

19. (1) After examining the claims against a tea company, with reference to the priorities set out in the Second Schedule, the Commissioner shall fix a date on or before which every claimant against the tea company shall file the proof of his claim.

(2) Not less than fourteen days' notice of the date so fixed shall be given by advertisement in one issue of any daily newspaper in the English language having circulation in the major parts of the country and one issue of any daily newspaper in such regional language as the Commissioner may consider suitable, and every such notice shall call upon the claimant to file the proof of his claim with the Commissioner within the period specified in the advertisement.

(3) Every claimant who fails to file the proof of his claim within the period specified by the Commissioner shall be excluded from the disbursements made by the Commissioner.

(4) The Commissioner shall, after such investigation as may, in his opinion, be necessary and after giving the tea company concerned an opportunity of refuting the claim and after giving the claimant a reasonable opportunity of being heard, by order in writing, admit or reject the claim in whole or in part.

(5) The Commissioner shall have the power to regulate his own procedure in all matters arising out of the discharge of his functions, including the place or places at which he may hold his sittings and shall, for the purpose of making any investigation under this Act, have the same powers as are vested in a Civil Court under the Code of Civil Procedure, 1908, while trying a suit in respect of the following matters, namely:—

(a) the summoning and enforcing the attendance of any witness and examining him on oath;

(b) the discovery and production of any document or other material object producible as evidence;

(c) the reception of evidence on affidavit;

(d) the issuing of any commission for the examination of witnesses.

(6) Any investigation before the Commissioner shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code, and the Commissioner shall be deemed to be a Civil Court for the purposes of section 195 and Chapter XXVI of the Code of Criminal Procedure, 1973.

5 of 1908.

45 of 1860.

2 of 1974.

(7) A claimant who is dissatisfied with the decision of the Commissioner may prefer an appeal against such decision to the High Court within the local limits of whose jurisdiction the registered office of the tea company concerned is situated and every such appeal shall be heard and disposed of by not less than two Judges of that High Court.

20. After admitting a claim against a tea company under this Act, the amount due in respect of such claim shall be paid by the Commissioner to the person or persons to whom such amount is due and on such payment, the liability of such tea company in respect of such claim shall stand discharged.

Disbursement of money by the Commissioner.

21. (1) If out of the monies paid to him in relation to a tea company, there is a balance left after meeting the liabilities as specified in the Second Schedule, the Commissioner shall disburse such balance to such tea company.

Disbursement of amounts to the tea companies.

(2) Where the possession of any machinery, equipment or other property possessed by a tea company has vested in the Tea Trading Corporation under this Act but such machinery, equipment or other property does not belong to such tea company, it shall be lawful for that Corporation to continue to possess such machinery or equipment or other property on the same terms and conditions under which they were possessed by such tea company immediately before the appointed day.

22. Any money paid to the Commissioner which remains undisbursed or unclaimed on the date immediately preceding the date on which the office of the Commissioner is finally wound up, shall be transferred by the Commissioner, before his office is finally wound up, to the general revenue account of the Central Government, but a claim to any money so transferred may be preferred to the Central Government by the person entitled to such payment and shall be dealt with as if such transfer had not been made, and the order, if any, for payment of the claim being treated as an order for the refund of revenue.

Undisbursed or unclaimed amounts to be deposited with the general revenue account.

CHAPTER VII

MISCELLANEOUS

23. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or in any instrument having effect by virtue of any law, other than this Act, or in any decree or order of any court, tribunal or other authority.

Act to have overriding effect.

24. (1) Where any liability of a tea company arising out of any item specified in Category I of the Second Schedule is not discharged fully by the Commissioner out of the amounts paid to him under this Act, the Commissioner shall intimate in writing to the Central Government the extent of the liability which remains undischarged and that liability shall be assumed by the Central Government.

Assumption of liability.

(2) The Central Government may, by order, direct the Tea Trading Corporation to take over the liability assumed by the Central Government under sub-section (1), and on receipt of such direction, it shall be the duty of that Corporation to discharge such liability.

Management to continue to vest in certain persons until alternative arrangements have been made.

Contracts to cease to have effect unless ratified by the Tea Trading Corporation.

Penalties

25. Notwithstanding the vesting under this Act of a sick tea unit of any tea company in the Tea Trading Corporation—

(a) any person who has been managing the affairs of such sick tea unit before the date on which that unit had so vested shall, until alternative arrangements have been made by the Tea Trading Corporation for the management of such unit, continue to manage the affairs of the unit, as if such person had been authorised by the Tea Trading Corporation, to manage such unit;

(b) such person shall, until alternative arrangements have been made by the Tea Trading Corporation, continue to be authorised to operate, in relation to the sick tea unit of such tea company, any account of such unit in any bank as if he had been authorised by the Tea Trading Corporation to operate such account.

26. Every contract entered into by any tea company in relation to any sick tea unit owned by it which has vested in the Tea Trading Corporation under sub-section (2) of section 3, for any service, sale or supply and in force immediately before the appointed day, shall, on and from the expiry of a period of one hundred and eighty days from the appointed day, cease to have effect unless such contract is, before the expiry of that period, ratified in writing by the Tea Trading Corporation, and in ratifying such contract, the Tea Trading Corporation may make such alterations or modifications therein as it may think fit:

Provided that the Tea Trading Corporation shall not omit to ratify a contract and shall not make any alteration or modification in a contract—

(a) unless it is satisfied that such contract is unduly onerous or has been entered into in bad faith or is detrimental to the interests of the Tea Trading Corporation; and

(b) except after giving the parties to the contract a reasonable opportunity of being heard and except after recording in writing its reasons for refusal to ratify the contract or for making any alteration or modification therein.

27. Any person who,—

(a) having in his possession, custody or control any property forming part of a sick tea unit owned by any tea company wrongfully withdraws such property from the Tea Trading Corporation; or

(b) wrongfully obtains possession of, or retains any property forming part of, a sick tea unit owned by any tea company; or

(c) wilfully withdraws or fails to furnish to the Tea Trading Corporation or any person or body of persons specified by that Corporation, any document or inventory relating to a sick tea unit owned by any tea company, which may be in his possession, custody or control; or

(d) fails to deliver to the Tea Trading Corporation or any person or body of persons specified by that Corporation, any assets, books of account, registers or other documents in his possession, custody or control relating to a sick tea unit owned by any tea company; or

(e) wrongfully removes or destroys any property forming part of a sick tea unit owned by any tea company or prefers any claim under this Act which he knows or has reason to believe to be false or grossly inaccurate,

shall be punishable with imprisonment for a term which may extend to two years and also with fine which may extend to ten thousand rupees.

28. (1) Where an offence punishable 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:

Offences
by com-
panies

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 offence.

(2) Notwithstanding anything contained in sub-section (1), where any 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 be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

*Explanation.—*For the purposes of this section—

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

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

29. (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer of that Government or the Tea Trading Corporation or other person authorised by that Government or Corporation for anything which is in good faith done or intended to be done under this Act.

Protection
of action
taken in
good
faith.

(2) No suit or other legal proceeding shall lie against the Central Government or any of its officers or other employees or the Tea Trading Corporation or any officer or other person authorised by that Corporation for any damage caused or likely to be caused for anything which is in good faith done or intended to be done under this Act.

Tea companies not to be wound up by the court.

Delegation of powers.

Power to make rules.

Power to remove difficulties.

Repeal and saving.

30. No proceeding for the winding up of a tea company, the right, title and interest in relation to a sick tea unit owned by which have vested in the Tea Trading Corporation under this Act or for the appointment of a receiver in respect of the business of the sick tea unit shall lie or be proceeded with in any court except with the consent of the Central Government.

31. (1) The Central Government may, by notification, direct that all or any of the powers exercisable by it under this Act, other than the powers conferred by this section and sections 32 and 33, may also be exercised by such person or persons as may be specified in the notification.

(2) Whenever any delegation of power is made under sub-section (1), the person to whom such power has been delegated shall act under the direction, control and supervision of the Central Government.

32. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

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

(a) the time within which, and the manner in which, an intimation referred to in sub-section (3) of section 4 shall be given;

(b) the manner in which the monies in any provident fund or other fund, referred to in sub-section (2) of section 12, shall be dealt with;

(c) any other matter which is required to be, or may be, prescribed.

(3) Every rule made by the Central Government under this Act 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 both Houses agree that the rule should not be made, the rule 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.

33. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty:

Provided that no such order shall be made after the expiry of a period of two years from the appointed day.

34. (1) The Tea Companies (Acquisition and Transfer of Sick Tea Units) Ordinance, 1985, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE FIRST SCHEDULE

[See sections 2(e) and (g), 6, 7 and 14(1)]

S.I. No.	Name of the sick tea unit	Name of the tea company	Amount (Rupees in lakhs)	Further amount (Rupees)
(1)	(2)	(3)	(4)	(5)
1.	Pashok Tea Estate	Messrs Pashok Tea Company Limited, 10, Pollock Street, Calcutta.	26.03	7,640
2.	Looksan Tea Estate	Messrs Pashok Tea Company Limited, 10, Pollock Street, Calcutta.	100.15	9,340
3.	Vah-Tukvar Tea Estate	Messrs Sashi Tara Tea Company Private Limited, Darjeeling.	25.82	4,940
4.	Potong Tea Estate	Messrs Moon Moon Tea Company (Private) Limited, 5, Clive Row, Calcutta.	16.35	3,460

THE SECOND SCHEDULE

[See sections 16, 18(1), 19(1), 21(1) and 24(1)]

ORDER OF PRIORITIES

Category I—

Employees' dues on account of unpaid salaries, wages, provident fund, Employees' State Insurance contribution or premium relating to the Life Insurance Corporation of India and any other amounts due to employees in respect of any period whether before or after the management of the sick tea units had been taken over by the Central Government.

Category II—

Land revenue, taxes, cesses, rural employment cess, electricity duty, or other dues to the State Government and Local Authorities in respect of any period whether before or after the management of the sick tea units had been taken over by the Central Government.

Category III—

Loans and other financial accommodation, together with interest, provided by the Central Government as well as similar accommodation provided by commercial banks and public financial institutions during any period after the management of the sick tea units had been taken over by the Central Government.

Category IV—

Revenue, taxes, cesses, rates or other dues to the Central Government, in respect of any period whether before or after the management of the sick tea units had been taken over by the Central Government.

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Tea Units)

Category V—

Secured loans obtained by any tea company for the purposes of its sick tea unit from nationalised banks, Tea Board constituted under the Tea Act, 1953, and public financial institutions during any period before the management of that sick tea unit had been taken over by the Central Government.

29 of 1953.

Category VI—

Any other credit availed of by any tea company for trade or manufacturing purposes with respect to its sick tea unit, during any period before the management of that sick tea unit had been taken over by the Central Government.

THE MONOPOLIES AND RESTRICTIVE TRADE
PRACTICES (AMENDMENT) ACT, 1985

No. 38 OF 1985

[28th May, 1985.]

An Act further to amend the Monopolies and Restrictive Trade Practices Act, 1969.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Monopolies and Restrictive Trade Practices (Amendment) Act, 1985.
2. In the Monopolies and Restrictive Trade Practices Act, 1969 in section 20, in clause (a), for the words "twenty crores", the words "one hundred crores" shall be substituted.

Short title.

Amend-
ment of
Act 54 of
1969.

THE ARMS (AMENDMENT) ACT, 1985

No. 39 OF 1985

[28th May, 1985.]

An Act further to amend the Arms Act, 1959.

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

Short title.

Amend-
ment of
section 25
of Act 54
of 1959.

1. This Act may be called the Arms (Amendment) Act, 1985.
2. In section 25 of the Arms Act, 1959,—
 - (a) in sub-section (1A), for the words "one year, but which may extend to five years", the words "three years, but which may extend to seven years" shall be substituted;
 - (b) in sub-section (1B), for the words "six months", at both the places where they occur, the words "one year" shall be substituted;
 - (c) after sub-section (1B), the following sub-section shall be inserted, namely:—

'(1C) Notwithstanding anything contained in sub-section (1B), whoever commits an offence punishable under that sub-section in any disturbed area shall be punishable with imprisonment for a term which shall not be less than three years but which may extend to seven years and shall also be liable to fine.

Explanation.—For the purposes of this sub-section, "disturbed area" means any area declared to be a disturbed area under any enactment, for the time being in force, making provision for the suppression of disorder and restoration and maintenance of public order, and includes any areas specified by notification under section 24A or section 24B.'

THE SECURITIES CONTRACTS (REGULATION)
AMENDMENT ACT, 1985

No. 40 OF 1985

[1st June, 1985.]

An Act further to amend the Securities Contracts (Regulation) Act, 1956.

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

1. (1) This Act may be called the Securities Contracts (Regulation) Amendment Act, 1985.

Short title and commencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Insertion of new section 22A.

42 of 1956.

2. In the Securities Contracts (Regulation) Act, 1956 (hereinafter referred to as the principal Act), after section 22, the following section shall be inserted, namely:—

Free transferability and registration of transfers of listed securities of companies.

'22A. (1) In this section, unless the context otherwise requires,—

(a) "company" means a company whose securities are listed on a recognised stock exchange;

(b) "security" means security of a company, being a security listed on a recognised stock exchange but not being a security which is not fully paid up or on which the company has a lien;

(c) all other words and expressions used in this section and not defined in this Act but defined in the Companies Act, 1956 shall have the same meanings as are assigned to them in that Act.

1 of 1956.

(2) Subject to the provisions of this section, securities of companies shall be freely transferable.

1 of 1956.

(3) Notwithstanding anything contained in its articles or in section 82 or section 111 of the Companies Act, 1956, but subject to the other provisions of this section, a company may refuse to register the transfer of any of its securities in the name of the

¹. 17.1.1986 : vide Notification No.S.O. 23 (E), date 17.1.1986.

transferee on any one or more of the following grounds and on no other ground, namely:—

- (a) that the instrument of transfer is not proper or has not been duly stamped and executed or that the certificate relating to the security has not been delivered to the company or that any other requirement under the law relating to registration of such transfer has not been complied with;
- (b) that the transfer of the security is in contravention of any law;
- (c) that the transfer of the security is likely to result in such change in the composition of the Board of Directors as would be prejudicial to the interests of the company or to the public interest;
- (d) that the transfer of the security is prohibited by any order of any court, tribunal or other authority under any law for the time being in force.

(4) A company shall, before the expiry of two months from the date on which the instrument of transfer of any of its securities is lodged with it for the purposes of registration of such transfer, not only form, in good faith, its opinion as to whether such registration ought not or ought to be refused on any of the grounds mentioned in sub-section (3) but also—

- (a) if it has formed the opinion that such registration ought not to be so refused, effect such registration;
- (b) if it has formed the opinion that such registration ought to be refused on the ground mentioned in clause (a) of sub-section (3), intimate the transferor and the transferee by notice in the prescribed form about the requirements under the law which has or which have to be complied with for securing such registration; and
- (c) in any other case, make a reference to the Company Law Board and forward copies of such reference to the transferor and the transferee.

(5) Every reference under clause (c) of sub-section (4), shall be in the prescribed form and contain the prescribed particulars and shall be accompanied by the instrument of transfer of the securities to which it relates, the documentary evidence, if any, furnished to the company along with the instrument of transfer, and evidence of such other nature and such fees as may be prescribed.

(6) On receipt of a reference under sub-section (4), the Company Law Board shall, after causing reasonable notice to be given to the company and also to the transferor and the transferee concerned and giving them a reasonable opportunity to make their representations, if any, in writing by order direct either that the transfer shall be registered by the company or that it need not be registered by it.

(7) Where on a reference under sub-section (4) the Company Law Board directs that the transfer of the securities to which it relates—

- (a) shall be registered by the company, the company shall give effect to the direction within ten days of the receipt of the

1 of 1956

order as if it were an order made on appeal by the Company Law Board in exercise of the powers under section 111 of the Companies Act, 1956;

(b) need not be registered by the company, the company shall, within ten days from the date of such direction, intimate the transferor and the transferee accordingly.

(8) If default is made in complying with the provisions of this section, the company and every officer of the company who is in default shall be punishable with fine which may extend to five thousand rupees.

(9) If in any reference made under clause (c) of sub-section (4) of this section, any person makes any statement—

(a) which is false in any material particular, knowing it to be false; or

(b) which omits any material fact knowing it to be material, he shall be punishable with imprisonment for a term which may extend to three years and shall also be liable to fine.

(10) For the removal of doubts, it is hereby provided that nothing in this section shall apply in relation to any securities the instrument of transfer in respect whereof has been lodged with the company before the commencement of the Securities Contracts (Regulation) Amendment Act, 1985.'

3. In section 24 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

Amend.
ment of
section 30.

"(3) The provisions of this section shall be in addition to, and not in derogation of, the provisions of section 22A."

4. In section 30 of the principal Act, in sub-section (2),—

(a) in clause (h), the word "and" occurring at the end shall be omitted;

(b) after clause (h), the following clause shall be inserted, namely:—

Amend.
ment of
section 30.

"(ha) the form in which a notice referred to in sub-clause (b) of sub-section (4) of section 22A shall be, the particulars which such notice shall contain, the form in which a reference under clause (c) of the said sub-section (4) shall be, the particulars which such reference shall contain, and the evidence and the fees which shall accompany such reference; and".

THE PUNJAB APPROPRIATION (No. 3) ACT, 1985

No. 41 OF 1985

[6th August, 1985.]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the State of Punjab for the services of the financial year 1985-86.

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

Short title.

Issue of Rs. 3802,
37,95,000
out of the
Consolidated
Fund of the
State of
Punjab
for the
financial
year
1985-86.

Appropriation.

1. This Act may be called the Punjab Appropriation (No. 3) Act, 1985.

2. From and out of the Consolidated Fund of the State of Punjab there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Punjab Appropriation (Vote on Account) Act, 1985] to the sum of three thousand eight hundred two crores, thirty-seven lakhs and ninety-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86, in respect of the services specified in column 2 of the Schedule.

18 of 1985.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Punjab by this Act shall be appropriated for the services and purpose expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote/ Ap- pro- pri- ation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	State Legislature . . Revenue	1,17,82,000	1,12,000	1,18,94,000
	Staff, Household and Allowances of the Governor . . Revenue	..	30,93,000	30,93,000
2	Council of Ministers . . Revenue	85,88,000	..	85,88,000
3	Administration of Justice . . Revenue	5,61,36,000	1,07,18,000	6,68,54,000
4	Elections . . Revenue	1,22,80,000	15,000	1,22,95,000
5	Revenue . . Revenue	15,08,75,000	1,33,000	15,10,08,000
6	Excise and Taxation . . Revenue	6,48,20,000	64,000	6,48,84,000
7	Finance . . Revenue	83,16,66,000	67,000	83,17,33,000
8	Public Service Commission . . Revenue	20,42,000	18,39,000	38,81,000
9	Civil Secretariat . . Revenue	5,49,03,000	25,000	5,49,28,000
10	District Administration . . Revenue	8,02,38,000	4,23,000	8,06,61,000
11	Police . . Revenue	56,01,88,000	1,90,000	56,03,78,000
12	Jails . . Revenue	5,08,35,000	15,000	5,08,50,000
13	Stationery and Printing . . Revenue Capital	4,53,61,000 28,40,000	6,46,000 ..	4,60,07,000 28,40,000
14	Miscellaneous Services . . Revenue	6,45,61,000	10,000	6,45,71,000
15	Rehabilitation, Relief and Resettlement . . Revenue	12,75,000	..	12,75,000
16	Education . . Revenue	222,26,67,000	3,30,67,000	225,57,34,000
17	Technical Education, Science and Technology . . Revenue Capital	3,57,24,000 56,00,000	3,57,24,000 56,00,000
18	Medical and Public Health . . Revenue Capital	87,12,54,000 1,00,000	1,00,000 ..	87,13,54,000 1,00,000
19	Housing and Urban Development . . Revenue Capital	2,64,42,000 12,05,60,000	5,000 ..	2,64,47,000 12,05,60,000
20	Information and Publicity . . Revenue	2,57,02,000	15,000	2,57,17,000
21	Tourism and Cultural Affairs . . Revenue Capital	90,59,000 20,00,000	1,75,000 ..	92,34,000 20,00,000
22	Labour, Employment and Industrial Training . . Revenue Capital	9,85,44,000 17,04,000	2,00,000 ..	9,87,44,000 17,04,000

1 No. of Vote/ Ap- pro- pri- ation	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolida- ted Fund	Total
			Rs.	
23	Social Security and Welfare	Revenue Capital	29,54,32,000 1,15,00,000	56,000 .. 29,54,88,000 1,15,00,000
24	Planning and Statistics	Revenue	1,74,30,000	1,000 1,74,31,000
25	Co-operation	Revenue Capital	9,46,41,000 17,10,29,000	30,000 .. 9,46,71,000 17,10,29,000
26	Agriculture	Revenue Capital	40,90,17,000 4,11,80,000	22,47,000 .. 41,12,64,000 4,11,80,000
27	Soil and Water Conservation	Revenue	3,70,35,000	5,000 3,70,40,000
28	Food	Revenue Capital	2,02,60,000 457,44,20,000	1,80,000 2,02,60,000 457,46,00,000
29	Animal Husbandry	Revenue	13,15,76,000	50,000 13,16,26,000
30	Dairy Development	Revenue	66,92,000	.. 66,92,000
31	Fisheries	Revenue	1,12,56,000	31,000 1,12,87,000
32	Forests	Revenue Capital	17,12,13,000 9,00,000	2,000 .. 17,12,15,000 9,00,000
33	Community Development	Revenue	57,41,77,000	2,19,000 57,43,96,000
34	Industries	Revenue Capital	11,68,60,000 7,88,00,000	1,00,000 .. 11,69,60,000 7,88,00,000
35	Civil Aviation	Revenue Capital	64,55,000 5,00,000	.. 64,55,000 5,00,000
36	Roads and Bridges	Revenue Capital	24,36,60,000 46,55,00,000	4,00,000 .. 24,40,60,000 46,55,00,000
37	Road Transport	Revenue Capital	74,55,65,000 12,00,00,000	10,80,000 .. 74,66,45,000 12,00,00,000
38	Multi-purpose River Projects	Revenue Capital	13,50,58,000 41,63,60,000	.. 13,50,58,000 41,63,60,000
39	Irrigation, Drainage and Flood Control	Revenue Capital	68,85,72,000 54,06,75,000	.. 68,85,72,000 54,06,75,000
40	Buildings	Revenue Capital	60,03,34,000 18,31,96,000	1,30,00,000 .. 60,16,34,000 18,31,96,000
	Public Debt	Capital	..	1742,27,89,000 1742,27,89,000
	Interest Payments and Service of Debt	Revenue	..	158,98,16,000 158,98,16,000
41	Loans and advances by the State Government	Capital	262,75,38,000	.. 262,75,38,000
	TOTAL		1895,45,77,000	1906,92,18,000 3802,37,95,000

THE APPROPRIATION (No. 5) ACT, 1985

No. 42 OF 1985

[19th August, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1985-86.

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

1. This Act may be called the Appropriation (No. 5) Act, 1985.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of three thousand eight hundred and seventy-two crores, fifty-three lakhs and fifty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86, in respect of the services specified in column 2 of the Schedule.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

Short title.

Issue of
Rs. 3872,
53,55,000
out of the
Con-
solida-
ted Fund
of India
for the
year
1985-86.

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
2	Agriculture . . . Capital	..	60,00,00,000	60,00,00,000
3	Fisheries . . . Capital	..	70,00,000	70,00,000
4	Animal Husbandry and Dairy Development . . . Revenue	5,57,00,000	..	5,57,00,000
8	Department of Rural Development . . . Revenue	121,54,71,000	..	121,54,71,000
9	Ministry of Chemicals and Fertilizers . . . Revenue	2,00,00,000	..	2,00,00,000
		Capital	14,54,04,000	14,54,04,000
11	Foreign Trade and Export Production . . . Revenue	10,10,000	..	10,10,000
		Capital	3,45,80,000	3,45,80,000
12	Textiles, Handloom and Handicrafts . . . Capital	45,00,00,000	..	45,00,00,000
25	Education . . . Revenue	110,06,75,000	..	110,06,75,000
30	Customs . . . Revenue	6,00,00,000	..	6,00,00,000
31	Union Excise Duties . . . Revenue	12,50,00,000	1,39,78,000	13,89,78,000
35	Currency, Coinage and Mint . . . Revenue	..	98,000	98,000
		Capital	55,38,00,000	55,38,00,000
38	Transfers to State Governments . . . Capital	..	2028,01,00,000	2028,01,00,000
39	Other Expenditure of the Ministry of Finance . . . Revenue	1,000	..	1,000
		Capital	400,00,00,000	400,00,00,000
41	Department of Food . . . Revenue	250,00,00,000	..	250,00,00,000
44	Medical and Public Health . . . Revenue	3,00,00,000	..	3,00,00,000
48	Police . . . Revenue	..	3,49,000	3,49,000
49	Other Administrative and General Services . . . Revenue	12,00,000	..	12,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
52	Delhi . . . Revenue	5,00,00,000	..	5,00,00,000
	Capital	75,00,00,000	..	75,00,00,000
58	Industries . . . Revenue	27,50,00,000	..	27,50,00,000
70	Ministry of Petroleum Revenue	19,00,00,000	..	19,00,00,000
	Capital	10,00,00,000	..	10,00,00,000
80	Ports, Lighthouses and Shipping . . . Capital	7,00,00,000	..	7,00,00,000
83	Department of Steel . . . Capital	300,00,00,000	..	300,00,00,000
84	Department of Mines . . . Revenue	1,000	..	1,000
	Capital	290,00,00,000	..	290,00,00,000
90	Public Works . . . Capital	1,000	..	1,000
92	Housing and Urban Development . . . Capital	15,00,01,000	..	15,00,01,000
99	Department of Electronics . . . Revenue	2,12,86,000	..	2,12,86,000
	Capital	2,47,00,000	..	2,47,00,000
TOTAL . . .		1782,38,30,000	2090,75,25,000	3872,53,55,000

THE STATE FINANCIAL CORPORATIONS (AMENDMENT)
ACT, 1985

No. 43 OF 1985

[21st August, 1985.]

An Act further to amend the State Financial Corporations Act, 1951.

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

Short title.

1. This Act may be called the State Financial Corporations (Amendment) Act, 1985.

Amend-
ment of
section 2.

2. In section 2 of the State Financial Corporations Act, 1951 (hereinafter referred to as the principal Act), in clause (c),—

63 of 1951.

(a) for sub-clause (ii), the following sub-clause shall be substituted, namely:—

“(ii) mining or development of mines;”;

(b) in sub-clause (iv), after the words “or by air”, the words “or by ropeway or by lift” shall be inserted;

(c) for sub-clause (viii), the following sub-clause shall be substituted, namely:—

“(viii) the setting up or development of an industrial area or industrial estate;”;

(d) in sub-clause (ix), the word “or” occurring at the end shall be omitted;

(e) after sub-clause (x), the following sub-clauses shall be inserted, namely:—

“(xi) providing weigh bridge facilities;

(xii) the research and development of any process or product in relation to any of the matters aforesaid; or

(xiii) such other activity as may be approved by the Development Bank.”;

(f) the *Explanation* shall be numbered as *Explanation 1* thereof and after *Explanation 1* as so numbered, the following *Explanation* shall be inserted, namely:—

“*Explanation 2*.—If any doubt arises as to whether a concern is an industrial concern or not, the same shall be referred

to the Development Bank for its decision and the decision of the Development Bank thereon shall be final.”

3. In section 3A of the principal Act, in sub-section (2), clause (e) shall be omitted.

Amend.
ment of
section
3A.

4. In section 4 of the principal Act,—

(a) in sub-section (1), for the words “but it shall in no case be less than fifty lakhs of rupees or exceed ten crores of rupees.”, the following shall be substituted, namely:—

“but it shall not be less than fifty lakhs of rupees or exceed fifty crores of rupees:

Provided that the Central Government may, on the recommendation of the Development Bank, by notification in the Official Gazette, increase the authorised capital up to one hundred crores of rupees.”;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The authorised capital shall be divided into such number of fully paid-up shares of the same face value and shall be issued to the parties mentioned in sub-section (3) at such times and in such manner as the State Government may, by notification in the Official Gazette, determine:

Provided that no such notification shall be necessary when the shares are to be issued to the parties mentioned in clauses (a) and (ba) of sub-section (3).”;

(c) in sub-section (3), in clause (c), for the words “or other financial institutions”, the words “, other financial institutions or such other institutions as the Central Government may notify in this behalf in the Official Gazette” shall be substituted;

(d) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) If any shares allocated to any of the parties referred to in clauses (c) and (d) of sub-section (3) remain unsubscribed, they shall be subscribed for equally by the State Government and the Development Bank.”

5. In section 5 of the principal Act,—

Amend.
ment of
section
4.

(a) in sub-section (1), after the words “or any other financial institution or class of financial institutions recognised in this behalf by the State Government”, the words, brackets, letter and figures “or other institutions notified under clause (c) of sub-section (3) of section 4” shall be inserted;

Amend.
ment of
section 5.

(b) sub-section (2) shall be omitted.

Amend.
ment of
section 6.

6. In section 6 of the principal Act, in sub-section (2),—

(a) for the words "the shares of the Corporation shall", the words "the shares of the Financial Corporation, and such of the bonds and debentures issued by it as are guaranteed by the State Government as to the repayment of the principal and payment of interest, and receipts issued by it for such of the deposits as are guaranteed by the State Government as to the repayment of the principal and payment of interest, shall" shall be substituted;

(b) for the words and figures "Banking Companies Act, 1949", the words and figures "Banking Regulation Act, 1949" shall be substituted.

Amend.
ment of
section 7.

7. In section 7 of the principal Act,—

(a) in sub-section (1),—

(i) for the words "shall be guaranteed by the State Government", the words "shall, if so required by the Financial Corporation, be guaranteed by the State Government" shall be substituted;

(ii) the words "at the time the bonds and debentures are issued" shall be omitted;

(b) in sub-section (2), in the proviso, for the words "ninety per cent. of", the word "twice" shall be substituted;

(c) in sub-section (5), the words "at any time" shall be omitted and the following proviso shall be added at the end, namely:—

"Provided that the Financial Corporation may, with the prior approval of the Development Bank, exceed the aforesaid limit up to thirty times the amount of the paid-up share capital and reserve fund of the Financial Corporation."

Amend.
ment of
section 8.

8. In section 8 of the principal Act,—

(a) in sub-section (1), for the proviso, the following provisos shall be substituted, namely:—

"Provided that the total amount of such deposits shall not exceed twice the paid-up share capital of the Financial Corporation;

Provided further that the Central Government may permit the Financial Corporation to accept deposits up to a higher limit not exceeding ten times the paid-up share capital of the Financial Corporation.";

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Any deposit accepted under sub-section (1), other than a deposit from the State Government shall, if so required by the Financial Corporation, be guaranteed by the State Government as to the repayment of the principal and the payment of interest."

9. In section 10 of the principal Act, in clause (d), for the words "financial institutions", the words "financial institutions and other institutions" shall be substituted.

Amend-
ment of
section 10.

10. After section 10 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
10A.

"10A. The office of a director elected under clause (d) of section 10 shall become vacant if he ceases to hold any office in the scheduled bank, insurance company, investment trust, co-operative bank, financial or other institution in which he held any office at the time of his election as such director."

Vacation
of office
by an
elected
director.

11. In section 15 of the principal Act, in sub-section (1),—

Amend-
ment of
section
15.

(a) the words ", not being the managing director," shall be omitted;

(b) after the proviso, the following proviso shall be inserted, namely:—

"Provided further that the same person may be appointed to function both as Chairman and as managing director."

12. In section 19 of the principal Act, in sub-section (5), in clause (a), the words ", not being the managing director," shall be omitted.

Amend-
ment of
section
19.

13. In section 20 of the principal Act, in sub-section (2), for the words "shall be laid", the words "shall, after confirmation thereof at the next meeting of the Executive Committee, be laid" shall be substituted.

Amend-
ment of
section
20.

14. In section 21 of the principal Act, for the words "one or more advisory committee or committees", the words "one or more committee or committees consisting wholly of directors or wholly of other persons or partly of directors and partly of other persons" shall be substituted.

Amend-
ment of
section
21.

15. In section 25 of the principal Act,—

Amend-
ment of
section
25.

(a) in sub-section (1),—

(i) in sub-clause (ii) of clause (a), after the words "State co-operative banks", the words "or other financial institutions" shall be inserted;

(ii) in clause (d), after the words "or arising out of, the grant of loans or advances to an industrial concern, or subscription to debentures of an industrial concern", the words "or relating to the business of the Development Bank, Industrial Finance Corporation of India or financial institution" shall be inserted;

(iii) for clause (da), the following clause shall be substituted, namely:—

"(da) subscribing to, or purchasing of, the stock, shares, bonds or debentures of an industrial concern or any other concern with the prior approval of the Development Bank;"

(iv) for clause (f), the following clause shall be substituted, namely:—

“(f) retaining as part of its assets any stock, shares, bonds or debentures which it may acquire by subscription or in fulfilment of its underwriting liabilities and disposing of the stock, shares, bonds or debentures so acquired;”;

(v) in clause (g),—

(a) in the first proviso, for the words “Provided that”, the following shall be substituted, namely:—

“Provided that the Financial Corporation may, with the prior approval of the Development Bank, exceed the said limit of twenty years up to a further period of ten years:

Provided further that”;

(b) in the second proviso,—

(i) for the words “Provided further that”, the words “Provided also that” shall be substituted;

(ii) for the words “convert such debentures or loans”, the words “convert the amounts outstanding on such debentures or loans” shall be substituted;

(iii) the following *Explanation* shall be inserted at the end, namely:—

Explanation.—In this clause, the expression “the amounts outstanding on such debentures or loans” shall mean the principal, interest and other charges payable on such debentures or loans as at the time when the amounts are sought to be converted into stock or shares.;

(vi) after clause (g), the following clauses shall be inserted, namely:—

“(ga) accepting or discounting promissory notes and bills of exchange made, drawn, accepted or endorsed by industrial concerns or by any person selling capital goods manufactured by one industrial concern to another industrial concern;

(gb) undertaking research and surveys for evaluating or dealing with marketing or investments and undertaking and carrying on techno-economic studies or other activities in connection with the development of any industry;

(gc) providing technical and administrative assistance to any industrial concern or any person for the promotion, management or expansion of any industry;

(gd) planning and assisting in the promotion and development of industries;

(ge) doing such other business as the Development Bank may authorise;";

(b) sub-section (2) shall be omitted.

16. After section 25 of the principal Act, the following section shall be inserted, namely:—

"25A. The Financial Corporation shall have the right to acquire, by transfer or assignment, the rights and interests of any such financial institution as may be notified by the Central Government (including any other rights incidental thereto) in relation to any loan or advance granted or any amount recoverable by such institution, either in whole or in part, by the execution or issue of any instrument or by the transfer of any instrument by endorsement or in any other manner:

Provided that such loan or advance or amount relates to any business which the Financial Corporation may transact under this Act."

17. In section 26 of the principal Act,

(a) in sub-section (1),—

(i) for the words, brackets and figures "State Financial Corporations (Amendment) Act, 1972", the words, brackets and figures "State Financial Corporations (Amendment) Act, 1985" shall be substituted;

(ii) in clause (i), for the words "thirty lakhs of rupees in the case of", the words "sixty lakhs of rupees in the case of a corporation established by or under any other law or" shall be substituted;

(iii) in clause (ii), for the words "fifteen lakhs", the words "thirty lakhs" shall be substituted;

(iv) the following proviso shall be inserted at the end, namely:—

"Provided that the Financial Corporation may, with the prior approval of the Development Bank, exceed the limit under clause (i) or clause (ii) up to four times."

(b) sub-section (2) shall be omitted.

18. In section 28 of the principal Act, in sub-section (1), in clause (d), for the words "one crore of rupees", the words "three crores of rupees or such higher amount not exceeding thirty crores of rupees as the Central Government may, by notification in the Official Gazette, specify" shall be substituted.

19. In section 31 of the principal Act, in sub-section (1), after clause (a), the following clause shall be inserted, namely:—

"(aa) for enforcing the liability of any surety; or".

Insertion
of new
section
25A.

Power to
acquire
rights.

Amend-
ment of
section
26.

77 of 1972

Amend-
ment of
section
28.

Amend-
ment of
section
31.

Amend-
ment of
section
32.

20. In section 32 of the principal Act,—

(a) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) When the application is for the relief mentioned in clause (aa) of sub-section (1) of section 31, the district judge shall issue a notice calling upon the surety to show cause on a date to be specified in the notice why his liability should not be enforced.”;

(b) in sub-section (3), after the words, brackets and figure “or sub-section (2),” the words, brackets, figure and letter “or issuing a notice under sub-section (1A),” shall be inserted;

(c) for sub-section (4), the following sub-sections shall be substituted, namely:—

“(4) At the same time as he passes an order under sub-section (1), the district judge shall issue to the industrial concern or to the owner of the security attached a notice accompanied by copies of the order, the application and the evidence, if any, recorded by him calling upon it or him to show cause on a date to be specified in the notice why the *ad interim* order of attachment should not be made absolute or the injunction confirmed.

(4A) If no cause is shown on or before the date specified in the notice under sub-section (1A), the district judge shall forthwith order the enforcement of the liability of the surety.”;

(d) in sub-section (7),—

(i) in clause (d), the word “or” occurring at the end shall be omitted;

(ii) after clause (d), the following clause shall be inserted, namely:—

“(da) direct the enforcement of the liability of the surety or reject the claim made in this behalf; or”;

(iii) in the first proviso, after the words, brackets and letter “under clause (c),” the words, brackets and letters “or making an order rejecting the claim to enforce the liability of the surety under clause (da) or making an order rejecting the claim to transfer the management of the industrial concern to the Financial Corporation under clause (e)” shall be inserted;

(iv) in the second proviso, after the words “from attachment”, the words “or rejecting the claim to enforce the liability of the surety or rejecting the claim to transfer the industrial concern to the Financial Corporation” shall be inserted;

(e) in sub-section (9), for the words, brackets and figure “under sub-section (5)”, the words, brackets, figures and letter “under sub-section (4A), sub-section (5)” shall be substituted.

21. After section 32F of the principal Act, the following section shall be inserted, namely:—

“32G. Where any amount is due to the Financial Corporation in respect of any accommodation granted by it to any industrial concern, the Financial Corporation or any person authorised by it in writing in this behalf, may, without prejudice to any other mode of recovery, make an application to the State Government for the recovery of the amount due to it, and if the State Government or such authority, as that Government may specify in this behalf, is satisfied, after following such procedure as may be prescribed, that any amount is so due, it may issue a certificate for that amount to the Collector, and the Collector shall proceed to recover that amount in the same manner as an arrear of land revenue.”

Insertion
of new
section
32G.

Recovery
of
amounts
due
to the
Financial
Corpora-
tion as
an arrear
of land
revenue.

22. In section 33 of the principal Act, in sub-section (2), after the words, brackets and figures “the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970”, the words, figures and brackets “or any of the banks specified in column 2 of the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980” shall be inserted.

Amend-
ment of
section
33.

23. In section 35A of the principal Act, in sub-section (1), the first proviso shall be omitted.

Amend-
ment of
section
35A.

24. In section 36 of the principal Act, in sub-section (1), for the words “three months”, the words “four months” shall be substituted.

Amend-
ment of
section
36.

25. In section 38 of the principal Act, for sub-sections (1) and (2), the following sub-section shall be substituted, namely:—

Amend-
ment of
section
38.

“(1) The Financial Corporation shall furnish to the State Government, the Development Bank and the Reserve Bank such statements and returns in such form as the State Government, the Development Bank or the Reserve Bank may require from time to time.”

of 1922.
of 1961.

26. In section 43 of the principal Act, for the words and figures “Indian Income-tax Act, 1922”, the words and figures “Income-tax Act, 1961” shall be substituted.

Amend-
ment of
section
43.

27. In section 43A of the principal Act, after the words “Financial Corporation”, the words and figures “or to any committee appointed under section 21” shall be inserted.

Amend-
ment of
section
43A.

28. After section 43A of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
43B.

“43B. (1) The minutes of every meeting of the committee appointed under section 21 shall, after confirmation thereof at the next meeting of the committee, be laid before the Board at the next following meeting of the Board.

Reports
to the
Board.

(2) Every action taken by the managing director and any other officer of the Financial Corporation shall, as soon as may be after it is taken by them, be reported to the Board.”.

Amend-
ment of
section
46.

29. In section 46 of the principal Act, in sub-section (1),—

(a) for the words “any institution in existence at the commencement of this Act”, the words “any institution established by a State Government” shall be substituted;

(b) the following proviso shall be inserted at the end, namely:—

“Provided that no notification shall be issued under this sub-section in respect of any institution unless a request is made in that behalf by the State Government concerned.”.

Amend-
ment of
section
48.

30. In section 48 of the principal Act, in sub-section (2),—

(a) clause (h) shall be omitted;

(b) in clause (m), for the words “advisory committees for technical and other advice”, the word “committees” shall be substituted.

**THE CRIMINAL LAW AMENDMENT (AMENDING)
ACT, 1985**

No. 44 OF 1985

[21st August, 1985.]

An Act further to amend the Criminal Law Amendment Act, 1952.

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

1. This Act may be called the Criminal Law Amendment (Amending) Act, 1985.
Short title.
2. In sub-section (1) of section 11 of the Criminal Law Amendment Act, 1952, after the words "air force law", the brackets, words and figures
46 of 1952.
47 of 1968.Amend-
ment of
section 11.
"including the Border Security Force Act, 1968)" shall be added.

**THE TERRORIST AFFECTED AREAS (SPECIAL COURTS)
AMENDMENT ACT, 1985**

No. 45 OF 1985

[26th August, 1985.]

An Act to amend the Terrorist Affected Areas (Special Courts) Act, 1984.

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

Short title.

1. This Act may be called the Terrorist Affected Areas (Special Courts) Amendment Act, 1985.

Insertion of new section 15A.

2. In the Terrorist Affected Areas (Special Courts) Act, 1984 (hereinafter referred to as the principal Act), after section 15, the following section shall be inserted, namely:—

61 of 1984.

“15A. Where the area comprising a judicial zone has ceased to be a terrorist affected area and no cases are pending before a Special Court or an Additional Special Court established in relation to such judicial zone, the Central Government may, by notification in the Official Gazette, abolish such Special Court or Additional Special Court.”

Substitution of the Schedule.

3. For the Schedule to the principal Act, the following Schedule shall be substituted, namely:—

“THE SCHEDULE

[See section 2(f)]

1. Offences under the following provisions of the Indian Penal Code:—

45 of 1860.

sections 121, 121A, 122 and 123.

2. Offences under the following provisions of the Anti-Hijacking Act, 1982:—

65 of 1982.

sections 4 and 5.

NOTE 1.—The offence of criminal conspiracy or attempt to commit, or abetment of, an offence specified in this Schedule shall be deemed to be a scheduled offence.

NOTE 2.—The commission of an offence specified in this Schedule by any member of an unlawful assembly shall be deemed to be the commission of that scheduled offence by every other member of the unlawful assembly.”.

4. (1) Notwithstanding anything contained in section 7 of the principal Act but subject to the provisions of sub-section (2), after the commencement of this Act, a Special Court shall not take cognizance of, or have or exercise any jurisdiction with respect to, any offence other than an offence mentioned in or connected with an offence mentioned in the Schedule to the principal Act as substituted by section 3 of this Act.

(2) Every case which is pending immediately before the commencement of this Act before any Special Court and which is in respect of an offence other than an offence mentioned in, or connected with an offence mentioned in, the Schedule to the principal Act as substituted by section 3 of this Act shall, as soon as may be after such commencement, be transferred to a court which would have had jurisdiction but for the enactment of the principal Act to take cognizance thereof and the court to which the case is so transferred may proceed with the case from the stage at which it was at the time of such transfer as if it had originally taken cognizance of the case and the case was pending with it at that time.

(3) This section shall be read as one with the principal Act and words and expressions used in this section shall be construed accordingly.

Special
Courts
to cease
to exer-
cise
juris-
diction
with res-
pect to
certain
cases
and
transfer
of pend-
ing cases.

**THE TERRORIST AND DISRUPTIVE ACTIVITIES
(PREVENTION) AMENDMENT ACT, 1985**

No. 46 OF 1985

[29th August, 1985.]

An Act to amend the Terrorist and Disruptive Activities (Prevention) Act, 1985.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Terrorist and Disruptive Activities (Prevention) Amendment Act, 1985.

(2) It shall be deemed to have come into force on the 5th day of June, 1985.

Application to Jammu and Kashmir and amendment of Act 31 of 1985.

2. (1) The Terrorist and Disruptive Activities (Prevention) Act, 1985 (hereinafter referred to as the principal Act), to the extent it is not applicable immediately before the commencement of this Act to the State of Jammu and Kashmir, is hereby applied to that State.

(2) In sub-section (2) of section 1 of the principal Act, the proviso shall be omitted.

Repeal and saving.

3. (1) The Terrorist and Disruptive Activities (Prevention) Amendment Ordinance, 1985, is hereby repealed.

4 of 1985.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

THE INDIAN RAILWAYS (AMENDMENT) ACT, 1985

No. 47 OF 1985

[2nd September, 1985.]

An Act further to amend the Indian Railways Act, 1890.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the Indian Railways (Amendment) Act, 1985.

Short title.

2. In section 100B of the Indian Railways Act, 1890,—

Amend-
ment of
section
100B of
Act 9
of 1890.

- (i) for the words "five hundred rupees", the words "two thousand rupees" shall be substituted;
- (ii) the following provisos shall be inserted at the end, namely:—

"Provided that in the absence of special and adequate reasons to the contrary to be mentioned in the judgment of the court, where a railway servant or any other person without authority in this behalf, causes to be obstructed any train by tampering with, disconnecting or otherwise interfering in any other manner with its hose-pipe, he shall be punishable with imprisonment for a term which shall not be less than six months and with fine which shall not be less than five hundred rupees:

Provided further that where a railway servant or any other person without authority in this behalf, obstructs or causes to obstruct any train or rail car carrying passengers or any goods train by squatting, picketing or during a *Rail Roko* agitation or *Bandh* or by alarm chain pulling or tampering with signal gear or otherwise, he shall be punishable with imprisonment for a term which shall not be less than three months (ninety days) or with fine which shall not be less than one thousand rupees.”

THE COFFEE (AMENDMENT) ACT, 1985

NO. 48 OF 1985

[2nd September, 1985.]

An Act further to amend the Coffee Act, 1942.

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

Short title
and
commencement.

1. (1) This Act may be called the Coffee (Amendment) Act, 1985.

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

Amend-
ment of
section 11.

2. In the Coffee Act, 1942 (hereinafter referred to as the principal Act), in section 11, for the words "eleven rupees and eighty naye paise", the words "fifty rupees" shall be substituted. 7 of 1942.

Amend-
ment of
section 12.

3. In section 12 of the principal Act, for the words "eleven rupees and eighty naye paise", the words "fifty rupees" shall be substituted.

Amend-
ment of
section 13.

4. In section 13 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The provisions of the Customs Act, 1962, and the rules and regulations made thereunder, shall, as far as may be, apply in relation to,—" 52 of 1962.

(a) the refund of the duty of customs where coffee is exported and subsequently imported into India; and

(b) the export, without payment of the duty of customs, of coffee which is subsequently to be imported into India."

Amend-
ment of
section
48.

5. In section 48 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Every rule made under this section 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 both Houses agree that the rule should not be made, the rule 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."

THE ESSENTIAL SERVICES MAINTENANCE (AMENDMENT) ACT, 1985

No. 49 OF 1985

[2nd September, 1985.]

An Act to amend the Essential Services Maintenance Act, 1981.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

- | | |
|---|---|
| 1. This Act may be called the Essential Services Maintenance (Amendment) Act, 1985. | Short title. |
| 2. In the Essential Services Maintenance Act, 1981, in sub-section (4) of section 1, for the words "four years", the words "nine years" shall be substituted. | Amend-
ment of
section
1 of Act
40 of 1981. |

**THE INDIRA GANDHI NATIONAL OPEN UNIVERSITY
ACT, 1985**

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title and commencement.
2. Definitions.
3. Establishment and incorporation of the University.
4. The objects of the University.
5. Powers of the University.
6. Jurisdiction.
7. University open to all classes, castes and creeds.
8. The Visitor.
9. Officers of the University.
10. The Vice-Chancellor.
11. The Pro-Vice-Chancellors.
12. The Directors.
13. The Registrars.
14. The Finance Officer.
15. Other officers.
16. Authorities of the University.
17. The Board of Management.
18. The Academic Council.
19. The Planning Board.
20. The Board of Recognition.
21. The Schools of Studies.
22. The Finance Committee.
23. Other authorities.
24. Statutes.
25. Statutes how made.
26. Ordinances.

SECTIONS

27. Regulations.
28. Annual report.
29. Annual accounts, etc.
30. Conditions of service of employees.
31. Tribunal of Arbitration.
32. Provident and pension funds.
33. Disputes as to the constitution of the University authorities and bodies.
34. Filling of casual vacancies.
35. Proceedings of the University authorities or bodies not invalidated by vacancies.
36. Protection of action taken in good faith.
37. Mode of proof of University record.
38. Power to remove difficulties.
39. Transitional provisions.
40. Statutes, Ordinances and Regulations to be published in the Official Gazette and to be laid before Parliament.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE INDIRA GANDHI NATIONAL OPEN UNIVERSITY
ACT, 1985

No. 50 OF 1985

[2nd September, 1985.]

An Act to establish and incorporate an open University at the national level for the introduction and promotion of the open university and distance education systems in the educational pattern of the country and for the co-ordination and determination of standards in such systems.

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

Short title and commencement.

Definitions.

1. (1) This Act may be called the Indira Gandhi National Open University Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, and the Statutes made hereunder, unless the context otherwise requires,—

(a) "Academic Council" means the Academic Council of the University;

(b) "Board of Management" means the Board of Management of the University;

(c) "Board of Recognition" means the Board of Recognition of the University;

(d) "College" means a College or other academic institution established or maintained by, or admitted to the privileges of, the University;

(e) "distance education system" means the system of imparting education through any means of communication, such as broadcasting, telecasting, correspondence courses, seminars, contact programmes or the combination of any two or more of such means;

(f) "employee" means any person appointed by the University, and includes teachers and other academic staff of the University;

(g) "Finance Committee" means the Finance Committee of the University;

(h) "Governing Body", in relation to a College, means any body (by whatever name called) charged with the management of the affairs of the College and recognised as such by the University;

¹20.9.1985 : vide Notification No. S.O. 678 (E), dated 19.9.1985.

(i) "Planning Board" means the Planning Board of the University;

(j) "Regional Centre" means a centre established or maintained by the University for the purpose of co-ordinating and supervising the work of Study Centres in any region and for performing such other functions as may be conferred on such centre by the Board of Management;

(k) "Regulations" means the Regulations made by any authority of the University under this Act for the time being in force;

(l) "School" means a School of Studies of the University;

(m) "Statutes" and "Ordinances" mean, respectively, the Statutes and Ordinances of the University for the time being in force;

(n) "student" means a student of the University, and includes any person who has enrolled himself for pursuing any course of study of the University;

(o) "Study Centre" means a centre established, maintained or recognised by the University for the purpose of advising, counselling or for rendering any other assistance required by the students;

(p) "teachers" means Professors, Readers, Lecturers and such other persons as may be designated as such by the Ordinances for imparting instruction in the University or for giving guidance or rendering assistance to students for pursuing any course of study of the University;

(q) "University" means the Indira Gandhi National Open University established under this Act;

(r) "Vice-Chancellor" and "Pro-Vice-Chancellor" mean, respectively, the Vice-Chancellor and a Pro-Vice-Chancellor of the University.

3. (1) There shall be established a University by the name of "the Indira Gandhi National Open University".

(2) The headquarters of the University shall be at Delhi and it may establish or maintain Colleges, Regional Centres and Study Centres at such other places in India as it may deem fit.

(3) The first Vice-Chancellor, the first Pro-Vice-Chancellors and the first members of the Board of Management, the Academic Council and the Planning Board and all persons who may hereafter become such officers or members, so long as they continue to hold such office or membership, are hereby constituted a body corporate by the name of "the Indira Gandhi National Open University".

(4) The University shall have perpetual succession and a common seal and shall sue and be sued by the said name.

4. The objects of the University shall be to advance and disseminate learning and knowledge by a diversity of means, including the use of any communication technology, to provide opportunities for higher education to a larger segment of the population and to promote the educational well being of the community generally, to encourage the Open University and distance education systems in the educational pattern of

Establish-
ment and
incorpo-
ration of
the Uni-
versity.

The ob-
jects of
the Uni-
versity.

1 Added by Act 32 of 1997, S. 2 Ins. w.e.f. 16.12.1997.

the country and to co-ordinate and determine the standards in such systems, and the University shall, in organising its activities, have due regard to the objects specified in the First Schedule.

Powers
of the
Univer-
sity.

5. (1) The University shall have the following powers, namely:—
- (i) to provide for instruction in such branches of knowledge, technology, vocations and professions as the University may determine from time to time and to make provision for research;
 - (ii) to plan and prescribe courses of study for degrees, diplomas, certificates or for any other purpose;
 - (iii) to hold examinations and confer degrees, diplomas, certificates or other academic distinctions or recognitions on persons who have pursued a course of study or conducted research in the manner laid down by the Statutes and Ordinances;
 - (iv) to confer honorary degrees or other distinctions in the manner laid down by the Statutes;
 - (v) to determine the manner in which distance education in relation to the academic programmes of the University may be organised;
 - (vi) to institute professorships, readerships, lecturerships and other academic positions necessary for imparting instruction or for preparing educational material or for conducting other academic activities, including guidance, designing and delivery of course and evaluation of the work done by the students, and to appoint persons to such professorships, readerships, lecturerships and other academic positions;
 - (vii) to co-operate with, and seek the co-operation of, other universities and institutions of higher learning, professional bodies and organisations for such purposes as the University considers necessary;
 - (viii) to institute and award fellowships, scholarships, prizes and such other awards for recognition of merit as the University may deem fit;
 - (ix) to establish and maintain such Regional Centres as may be determined by the University from time to time;
 - (x) to establish, maintain or recognise Study Centres in the manner laid down by the Statutes;
 - (xi) to provide for the preparation of instructional materials, including films, cassettes, tapes, video cassettes and other software;
 - (xii) to organise and conduct refresher courses, workshops, seminars and other programmes for teachers, lesson writers, evaluators and other academic staff;
 - (xiii) to recognise examinations of, or periods of study (whether in full or part) at, other universities, institutions or other places of higher learning as equivalent to examinations or periods of study in the University, and to withdraw such recognition at any time;
 - (xiv) to make provision for research and development in educational technology and related matters;

(xv) to create administrative, ministerial and other necessary posts and to make appointments thereto;

(xvi) to receive benefactions, donations and gifts and to acquire, hold, maintain and dispose of any property movable or immovable, including trust and Government property, for the purposes of the University;

(xvii) to borrow, with the approval of the Central Government, whether on the security of the property of the University or otherwise, money for the purposes of the University;

(xviii) to enter into, carry out, vary or cancel contracts;

(xix) to demand and receive such fees and other charges as may be laid down by the Ordinances;

(xx) to provide, control and maintain discipline among the students and all categories of employees and to lay down the conditions of service of such employees, including their codes of conduct;

(xxi) to recognise any institution of higher learning or studies for such purposes as the University may determine and to withdraw such recognition;

(xxii) to appoint, either on contract or otherwise, visiting Professors, Emeritus Professors, Consultants, fellows, scholars, artists, course writers and such other persons who may contribute to the advancement of the objects of the University;

(xxiii) to recognise persons working in other universities, institutions or organisations as teachers of the University on such terms and conditions as may be laid down by the Ordinances;

(xxiv) to determine standards and to specify conditions for the admission of students to courses of study of the University which may include examination, evaluation and any other method of testing;

(xxv) to make arrangements for the promotion of the general health and welfare of the employees;

(xxvi) to confer autonomous status on a College or a Regional Centre in the manner laid down by the Statutes;

(xxvii) to admit to its privileges any College in or outside India subject to such conditions as may be laid down by the Statutes:

Provided that no College shall be so admitted except with the prior approval of the Visitor;

(xxviii) to do all such acts as may be necessary or incidental to the exercise of all or any of the powers of the University as are necessary and conducive to the promotion of all or any of the objects of the University.

(2) Notwithstanding anything contained in any other law for the time being in force, but without prejudice to the provisions of sub-section (1), it shall be the duty of the University to take all such steps as it may deem fit for the promotion of the open university and distance education systems and for the determination of standards of teaching, evaluation and research in such systems, and for the purpose of performing this function, the University shall have such powers,

including the power to allocate and disburse grants to Colleges, whether admitted to its privileges or not, or to any other university or institution of higher learning, as may be specified by the Statutes.

Jurisdiction.

University open to all classes, castes and creeds.

6. The University shall in the exercise of its powers have jurisdiction over the whole of India. [And to the Study Centres outside India.]

7. (1) The University shall be open to persons of either sex and of whatever race, creed, caste or class, and it shall not be lawful for the University to adopt or impose on any person any test whatsoever of religious belief or profession in order to entitle him to be appointed as a teacher of the University or to hold any other office therein or admitted as a student in the University, or to graduate thereat, or to enjoy or exercise any privilege thereof.

(2) Nothing in sub-section (1) shall be deemed to prevent the University from making any special provision for the appointment or admission of women or of persons belonging to the weaker sections of the society, and in particular, of persons belonging to the Scheduled Castes or Scheduled Tribes.

The Visitor.

8. (1) The President of India shall be the Visitor of the University.

(2) Subject to the provisions of sub-sections (3) and (4), the Visitor shall have the right to cause an inspection to be made, by such person or persons as he may direct, of the University, its buildings, laboratories and equipment, and of any College, Regional Centre, a Study Centre and also of the examination, instruction and other work conducted or done by the University, and to cause an inquiry to be made in like manner in respect of any matter connected with the administration and finances of the University.

(3) The Visitor shall, in every case, give notice to the University of his intention to cause an inspection or inquiry to be made and the University shall, on receipt of such notice, have the right to make, within thirty days from the date of receipt of the notice or such other period as the Visitor may determine, such representations to him as it may consider necessary.

(4) After considering the representations, if any, made by the University, the Visitor may cause to be made such inspection or inquiry as is referred to in sub-section (2).

(5) Where an inspection or inquiry has been caused to be made by the Visitor, the University shall be entitled to appoint a representative who shall have the right to appear in person and to be heard on such inspection or inquiry.

(6) The Visitor may address the Vice-Chancellor with reference to the results of such inspection or inquiry together with such views and advice with regard to the action to be taken thereon as the Visitor may be pleased to offer and on receipt of the address made by the Visitor, the Vice-Chancellor shall communicate forthwith to the Board of Management the results of the inspection or inquiry and the views of the Visitor and the advice tendered by him upon the action to be taken thereon.

(7) The Board of Management shall communicate through the Vice-Chancellor to the Visitor such action, if any, as it proposes to take or has been taken by it upon the results of such inspection or inquiry.

1 Added by ACT 32 of 1997, S.3 [w.e.f. 16.12.1997]

(8) Where the Board of Management does not within a reasonable time, take action to the satisfaction of the Visitor, the Visitor may, after considering any explanation furnished or representation made by the Board of Management, issue such directions as he may think fit and the Board of Management shall be bound to comply with such directions.

(9) Without prejudice to the foregoing provisions of this section, the Visitor may, by an order in writing, annul any proceedings of the University which is not in conformity with this Act, the Statutes or the Ordinances:

Provided that before making any such order, he shall call upon the University to show cause why such an order should not be made and, if any cause is shown within a reasonable time, he shall consider the same.

(10) The Visitor shall have such other powers as may be specified by the Statutes.

9. The following shall be the officers of the University:—

- (1) The Vice-Chancellor;
- (2) The Pro-Vice-Chancellor
- (3) The Directors;
- (4) The Registrars;
- (5) The Finance Officer; and

(6) Such other officers as may be declared by the Statutes to be the officers of the University.

Officers
of the
Univer-
sity.

10. (1) The Vice-Chancellor shall be appointed by the Visitor in such manner, for such term and on such emoluments and other conditions of service as may be prescribed by the Statutes.

The Vice-
Chancel-
lor.

(2) The Vice-Chancellor shall be the principal academic and executive officer of the University, and shall exercise supervision and control over the affairs of the University and give effect to the decisions of all the authorities of the University.

(3) The Vice-Chancellor may, if he is of the opinion that immediate action is necessary on any matter, exercise any power conferred on any authority of the University by or under this Act and shall report to such authority the action taken by him on such matter:

Provided that if the authority concerned is of the opinion that such action ought not to have been taken, it may refer the matter to the Visitor whose decision thereon shall be final:

Provided further that any person in the service of the University who is aggrieved by the action taken by the Vice-Chancellor under this subsection, shall have the right to appeal against such action to the Board of Management within ninety days from the date on which such action is communicated to him and thereupon the Board of Management may confirm, modify or reverse the action taken by the Vice-Chancellor.

(4) The Vice-Chancellor, if he is of the opinion that any decision of any authority is beyond the powers of the authority conferred by the provisions of this Act, Statutes or Ordinances or that any decision taken is not in the interests of the University, may ask the authority concerned

to review its decision within sixty days of such decision and if the authority refuses to review its decision either in whole or in part or no decision is taken by it within the said period of sixty days, the matter shall be referred to the Visitor whose decision thereon shall be final:

Provided that the decision of the authority concerned shall remain suspended during the period of review of such decision by the authority or the Visitor, as the case may be, under this sub-section.

(5) The Vice-Chancellor shall exercise such other powers and perform such other functions as may be prescribed by the Statutes and the Ordinances.

The Pro-Vice-Chancellors.

11. Every Pro-Vice-Chancellor shall be appointed in such manner, on such emoluments and other conditions of service, and shall exercise such powers and perform such functions, as may be prescribed by the Statutes.

The Directors.

12. Every Director shall be appointed in such manner, on such emoluments and other conditions of service, and shall exercise such powers and perform such functions, as may be prescribed by the Statutes.

The Registrars.

13. (1) Every Registrar shall be appointed in such manner, on such emoluments and other conditions of service as may be prescribed by the Statutes.

(2) A Registrar empowered by the Board of Management shall have the power to enter into, and sign, agreements and authenticate records on behalf of the University.

(3) Every Registrar shall exercise such powers and perform such functions as may be prescribed by the Statutes.

The Finance Officer.

14. The Finance Officer shall be appointed in such manner, on such emoluments and other conditions of service and shall exercise such powers and perform such functions as may be prescribed by the Statutes.

Other officers.

15. The manner of appointment, emoluments, powers and duties of the other officers of the University shall be prescribed by the Statutes.

Authorities of the University.

16. The following shall be the authorities of the University:—

- (1) The Board of Management;
- (2) The Academic Council;
- (3) The Planning Board;
- (4) The Board of Recognition;
- (5) The Schools of Studies;
- (6) The Finance Committee; and

(7) Such other authorities as may be declared by the Statutes to be the authorities of the University.

The Board of Management.

17. (1) The Board of Management shall be the principal executive body of the University.

(2) The constitution of the Board of Management, the term of office of its members and its powers and functions shall be prescribed by the Statutes.

18. (1) The Academic Council shall be the principal academic body of the University and shall, subject to the provisions of this Act, the Statutes and Ordinances, have the control and general regulation of, and be responsible for, the maintenance of standards of learning, education instruction, evaluation and examination within the University and shall exercise such other powers and perform such other functions as may be conferred or imposed upon it by the Statutes.

The Academic Council.

(2) The constitution of the Academic Council and the term of office of its members shall be prescribed by the Statutes.

19. (1) There shall be constituted a Planning Board of the University which shall be the principal planning body of the University and shall also be responsible for the monitoring of the developments of the University on the lines indicated in the objects of the University.

The Planning Board.

(2) The constitution of the Planning Board, the term of office of its members and its powers and functions shall be prescribed by the Statutes.

20. (1) The Board of Recognition shall be responsible for admitting Colleges to the privileges of the University.

The Board of Recognition.

(2) The constitution and the other powers and functions of the Board of Recognition shall be prescribed by the Statutes.

21. (1) There shall be such number of Schools of Studies as the University may determine from time to time.

The Schools of Studies.

(2) The constitution, powers and functions of the Schools of Studies shall be prescribed by the Statutes.

22. The constitution, powers and functions of the Finance Committee shall be prescribed by the Statutes.

The Finance Committee.

23. The constitution, powers and functions of the other authorities which may be declared by the Statutes to be authorities of the University shall be prescribed by the Statutes.

Other authorities.

24. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the manner of appointment of the Vice-Chancellor, the term of his appointment, the emoluments and other conditions of his service and the powers and functions that may be exercised and performed by him;

(b) the manner of appointment of Pro-Vice-Chancellors, Directors, Registrars, the Finance Officer and other officers, the emoluments and other conditions of their service and the powers and functions that may be exercised and performed by each of the officers;

(c) the constitution of the Board of Management and other authorities of the University, the terms of office of the members of such authorities and the powers and functions that may be exercised and performed by such authorities;

(d) the appointment of teachers and other employees of the University, their emoluments and other conditions of service;

- (e) the constitution of a pension or provident fund and the establishment of an insurance scheme for the benefit of the employees of the University;
- (f) the principles governing the seniority of service of the employees of the University;
- (g) the procedure in relation to any appeal or application for review by any employee or student of the University against the action of any officer or authority of the University, including the time within which such appeal or application for review shall be preferred or made;
- (h) the procedure for the settlement of disputes between the employees or students of the University, and the University;
- (i) the conferment of autonomous status on Colleges and Study Centres;
- (j) the co-ordination and determination of standards in the open University and distance education systems and the allocation and disbursement of grants to Colleges and other universities and institutions;
- (k) the conditions that are required to be fulfilled for admission of the Colleges to the privileges of the University;
- (l) all other matters which by this Act are to be, or may be, provided by the Statutes.

**Statutes
how
made.**

25. (1) The first Statutes are those set out in the Second Schedule.

(2) The Board of Management may, from time to time, make new or additional Statutes or may amend or repeal the Statutes referred to in sub-section (1):

Provided that the Board of Management shall not make, amend or repeal any Statute affecting the status, powers or constitution of any authority of the University until such authority has been given a reasonable opportunity to express its opinion in writing on the proposed changes and any opinion so expressed has been considered by the Board of Management.

(3) Every new Statute or addition to the Statutes or any amendment or repeal thereof shall require the approval of the Visitor, who may assent thereto or withhold assent or remit to the Board of Management for re-consideration in the light of the observations, if any, made by him.

(4) A new Statute or a Statute amending or repealing an existing Statute shall not be valid unless it has been assented to by the Visitor.

(5) Notwithstanding anything contained in the foregoing sub-sections, the Visitor may make new or additional Statutes or amend or repeal the Statutes referred to in sub-section (1), during the period of three years immediately after the commencement of this Act.

(6) Notwithstanding anything contained in the foregoing sub-sections, the Visitor may direct the University to make provisions in the Statutes in respect of any matter specified by him and if the Board of Management is unable to implement such a direction within sixty days of its

receipt, the Visitor may, after considering the reasons, if any, communicated by the Board of Management for its inability to comply with such direction, make or amend the Statutes suitably.

26. (1) Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any of the following matters, namely:—

Ordinances.

(a) the admission of students, the courses of study and the fees therefor, the qualifications pertaining to degrees, diplomas, certificates and other courses, the conditions for the grant of fellowships, awards and the like;

(b) the conduct of examinations, including the terms and conditions and appointment of examiners;

(c) the management of Colleges admitted to the privileges of the University; and

(d) any other matter which by this Act or the Statutes is to be, or may be, provided for by the Ordinances.

(2) The first Ordinances shall be made by the Vice-Chancellor with the previous approval of the Central Government and the Ordinances so made may be amended, repealed or added to at any time by the Board of Management in the manner prescribed by the Statutes.

27. The authorities of the University may make Regulations consistent with this Act, the Statutes and the Ordinances for the conduct of their own business and that of the committees, if any, appointed by them and not provided for by this Act, the Statutes or the Ordinances in the manner prescribed by the Statutes.

Regulations.

28. (1) The annual report of the University shall be prepared under the directions of the Board of Management which shall include, among other matters, the steps taken by the University towards the fulfilment of its objects.

Annual report.

(2) The annual report so prepared shall be submitted to the Visitor on or before such date as may be prescribed by the Statutes.

(3) A copy of the annual report, as prepared under sub-section (1) shall also be submitted to the Central Government which shall, as soon as may be, cause the same to be laid before both the Houses of Parliament.

29. (1) The annual accounts and the balance sheet of the University shall be prepared under the directions of the Board of Management and shall, once at least every year, and at intervals of not more than fifteen months, be audited by the Comptroller and Auditor-General of India or such person or persons as he may authorise in this behalf.

Annual accounts, etc.

(2) A copy of the accounts together with the audit report shall be submitted to the Visitor along with the observations, if any, of the Board of Management.

(3) Any observations made by the Visitor on the annual accounts shall be brought to notice of the Board of Management and the views of the Board of Management, if any, on such observations shall be submitted to the Visitor.

(4) A copy of the accounts together with the audit report, as submitted to the Visitor, shall also be submitted to the Central Government, which shall, as soon as may be, cause the same to be laid before both the Houses of Parliament.

(5) The audited annual accounts, after having been laid before both the Houses of Parliament, shall be published in the Gazette of India.

Conditions of service of employees.

30. (1) Every employee of the University shall be appointed under a written contract and such contract shall not be inconsistent with the provisions of this Act, the Statutes and the Ordinances.

(2) The contract referred to in sub-section (1) shall be lodged with the University and a copy of which shall be furnished to the employee concerned.

Tribunal of Arbitration.

31. (1) Any dispute arising out of a contract of employment referred to in section 30 between the University and an employee shall, at the request of either party, be referred to a Tribunal of Arbitration which shall consist of one member nominated by the Board of Management, one member nominated by the employee concerned and an umpire to be nominated by the Visitor.

(2) Every such reference shall be deemed to be a submission to arbitration upon the terms of this section within the meaning of the Arbitration Act, 1940, and all the provisions of that Act, with the exception of section 2 thereof, shall apply accordingly.

2 of 1940

(3) The procedure for regulating the work of the Tribunal of Arbitration shall be prescribed by the Statutes.

(4) The decision of the Tribunal of Arbitration shall be final and binding on the parties, and no suit shall lie in any court in respect of the matters decided by the Tribunal.

Provident and pension funds.

32. (1) The University shall constitute for the benefit of the employees such provident or pension funds or provide such insurance schemes as it may deem fit in such manner and subject to such conditions as may be prescribed by the Statutes.

(2) Where such provident or pension fund has been so constituted, the Central Government may declare that the provisions of the Provident Funds Act, 1925 shall apply to such funds, as if it were a Government Provident Fund.

19 of 1925.

Disputes as to the constitution of the University authorities and bodies.

33. If any question arises as to whether any person has been duly elected or appointed as, or is entitled to be a member of any authority or other body of the University, the matter shall be referred to the Visitor whose decision thereon shall be final.

Filling of casual vacancies.

34. All the casual vacancies among the members (other than *ex officio* members) of any authority or other body of the University shall be filled, as soon as may be convenient, by the person or body who appoints elects or co-opted the member whose place has become vacant and any person appointed, elected or co-opted to a casual vacancy shall be a

member of such authority or body for the residue of the term for which the person whose place he fills would have been a member.

35. No act or proceedings of any authority or any other body shall be invalidated merely by reason of the existence of any vacancy or vacancies among its members.

Proceedings of the University authorities or bodies not invalidated by vacancies.

36. No suit or other legal proceedings shall lie against any officer or employee of the University for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act or the Statutes or the Ordinances.

Protection of action taken in good faith.

37. A copy of any receipt, application, notice, order, proceedings, resolution of any authority or committee of the University, or other documents in the possession of the University, or any entry in any register duly maintained by the University, if certified by the Registrar so designated shall, notwithstanding anything contained in the Indian Evidence Act, 1872 or in any other law for the time being in force, be admitted as evidence of the matters and transactions specified therein, where the original thereof would, if produced, have been admissible to evidence.

Mode of proof of University record.

38. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Gazette of India, make such provisions, not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.

39. Notwithstanding anything contained in this Act and the Statutes:-

Transitional provisions.

(a) The first Vice-Chancellor, the first Registrars and the first Finance Officer shall be appointed by the Visitor and they shall be governed by the terms and conditions of service specified by the Statutes;

Provided that the first Vice-Chancellor shall be eligible for appointment in the manner specified in the Statutes for another term;

(b) The first Board of Management shall consist of not more than fifteen members who shall be nominated by the Visitor and they shall hold office for a term of three years; and

(c) (i) The first Planning Board shall consist of not more than ten members who shall be nominated by the Visitor and they shall hold office for a term of three years;

(ii) The Planning Board shall, in addition to the powers and functions conferred on it by this Act, exercise the powers of the Academic Council, until the Academic Council is constituted under the provisions of this Act and the Statutes, and in the exercise of such powers, the Planning Board may co-opt such members as it may decide.

Statutes,
Ordinances
and Regu-
lations to
be publish-
ed in the
Official
Gazette
and to be
laid before
Parliament.

40. (1) Every Statute, Ordinance or Regulation made under this Act shall be published in the Official Gazette.

(2) Every Statute, Ordinance or Regulation made under this Act 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 successive sessions aforesaid, both Houses agree in making any modification in the Statute, Ordinance or Regulation or both Houses agree that the Statute, Ordinance or Regulation should not be made, the Statute, Ordinance 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 Statute, Ordinance or Regulation.

THE FIRST SCHEDULE

(See section 4)

THE OBJECTS OF THE UNIVERSITY

1. The University shall endeavour through education, research, training and extension to play a positive role in the development of the country, and, based on the rich heritage of the country, to promote and advance the culture of the people of India and its human resources. Towards this end, it shall:—

(a) strengthen and diversify the degree, certificate and diploma courses related to the needs of employment and necessary for building the economy of the country on the basis of its natural and human resources;

(b) provide access to higher education for large segments of the population, and in particular, the disadvantaged groups such as those living in remote and rural areas including working people, housewives and other adults who wish to upgrade or acquire knowledge through studies in various fields;

(c) promote acquisition of knowledge in a rapidly developing and changing society and to continually offer opportunities for upgrading knowledge, training and skills in the context of innovations, research and discovery in all fields of human endeavour;

- (d) provide an innovative system of university level education, flexible and open, in regard to methods and pace of learning, combination of courses, eligibility for enrolment, age of entry, conduct of examination and operation of the programmes with a view to promote learning and encourage excellence in new fields of knowledge;
- (e) contribute to the improvement of the educational system in India by providing a non-formal channel complementary to the formal system and encouraging transfer of credits and exchange of teaching staff by making wide use of texts and other software developed by the University;
- (f) provide education and training in the various arts, crafts and skills of the country, raising their quality and improving their availability to the people;
- (g) provide or arrange training of teachers required for such activities or institutions;
- (h) provide suitable post-graduate courses of study and promote research;
- (i) provide the counselling and guidance to its students; and
- (j) promote national integration and the integrated development of the human personality through its policies and programmes.

2. The University shall strive to fulfil the above objects by a diversity of means of distance and continuing education, and shall function in co-operation with the existing Universities and Institutions of higher learning and make full use of the latest scientific knowledge and new educational technology to offer a high quality of education which matches contemporary needs.

THE SECOND SCHEDULE

(See section 24)

STATUTES OF THE UNIVERSITY

1. The Vice-Chancellor

(1) The Vice-Chancellor shall be a whole-time salaried officer of the University.

(2) The Vice-Chancellor shall be appointed by the Visitor from out of a panel of not less than three persons recommended (the names being arranged in the alphabetical order) by a committee constituted under clause (3):

Provided that if the Visitor does not approve of any of the persons so recommended he may call for fresh recommendations.

(3) The committee referred to in clause (2) shall consist of three members of whom two shall be nominated by the Board of Management and one by the Visitor, and the person nominated by the Visitor shall be the Convenor of the committee:

Provided that no person who is an employee of the University or of any affiliated College or a member of any authority of the University shall be nominated to be a member of the Committee.

(4) The Vice-Chancellor shall hold office for a term of five years from the date on which he enters upon his office, or until he attains the age of sixty-five years, whichever is earlier, and he shall not be eligible for re-appointment:

Provided that the Visitor may require any Vice-Chancellor after his term has expired, to continue in office for such period, not exceeding a total period of one year as may be specified by him.

(5) The emoluments and other conditions of service of the Vice-Chancellor shall be as follows:-

(i) There shall be paid to the Vice-Chancellor a salary of Rs. 3,000 per month and he would be entitled to the free use of the University car and, without payment of rent, to the use of furnished residence throughout his term of office and no charge shall fall on the Vice-Chancellor personally in respect of the maintenance of such residence.

(ii) In addition to the salary specified in sub-clause (i), the Vice-Chancellor shall be entitled to such other allowances as are admissible to University employees from time to time.

(iii) The Vice-Chancellor shall be entitled to such terminal benefits and allowances as may be fixed by the Board of Management with the approval of the Visitor from time to time.

Provided that where an employee of the University or a College or of any other university or any institution maintained by or affiliated to such other university is appointed as the Vice-Chancellor, he may be allowed to continue to contribute to any provident fund of which he is a member and the University shall contribute to the account of such person in that provident fund at the same rate at which such person had been contributing immediately before his appointment as Vice-Chancellor:

Provided further that where such employee had been a member of any pension scheme, the University shall make the necessary contribution to such scheme.

(iv) The Vice-Chancellor shall be entitled to travelling allowance at such rates as may be fixed by the Board of Management.

(v) The Vice-Chancellor shall be entitled to leave on full pay for one-eleventh of the period spent by him on active service.

(vi) In addition to the leave referred to in sub-clause (v), the Vice-Chancellor shall be entitled to half pay leave at the rate of twenty days per year of every completed year of service and the half pay leave may be availed of as commuted leave on full pay on medical certificate.

(6) If the office of the Vice-Chancellor becomes vacant due to death, resignation or otherwise, or if he is unable to perform his duties due to ill health or any other cause, the senior-most Pro-Vice-Chancellor shall perform the duties of the Vice-Chancellor, and if there is no Pro-Vice-Chancellor, the senior-most Director shall perform the functions of the Vice-Chancellor until the new Vice-Chancellor assumes his office or until the existing Vice-Chancellor attends to the duties of his office, as the case may be.

2. Powers and functions of the Vice-Chancellor

(1) The Vice-Chancellor shall be *ex officio* Chairman of the Board of Management, the Academic Council, the Planning Board, and the Finance Committee.

(2) The Vice-Chancellor shall be entitled to be present at, and address, any meeting of any other authority or other body of the University, but shall not be entitled to vote thereat unless he is a member of such authority or body.

(3) It shall be the duty of the Vice-Chancellor to see that this Act, the Statutes, Ordinances and Regulations are duly observed and he shall have all the powers necessary to ensure such observance.

(4) The Vice-Chancellor shall exercise control over the affairs of the University and shall give effect to the decisions of all the authorities of the University.

(5) The Vice-Chancellor shall have all the powers necessary for the proper maintenance of discipline in the University and he may delegate any such powers to such person or persons as he may deem fit.

(6) The Vice-Chancellor shall be empowered to grant leave to any officer of the University and make necessary arrangements for the discharge of the functions of such officer during his absence.

(7) The Vice-Chancellor shall grant leave of absence to any employee of the University in accordance with the rules and if he so desires, delegate such powers to another officer of the University.

(8) The Vice-Chancellor shall have the power to convene or cause to be convened the meetings of the Board of Management, the Academic Council, the Planning Board and the Finance Committee.

(9) The Vice-Chancellor shall have the following further powers, namely:—

(i) to appoint such Professors, Readers, Lecturers and other teachers as may be necessary with the prior approval of the Board of Management;

(ii) to appoint course writers, script writers, counsellors, programmers, artists and such other persons as may be considered necessary for the efficient functioning of the University;

(iii) to make short-term appointments for a period not exceeding six months at a time, of such persons as may be considered necessary for the functioning of the University;

(iv) to arrange for the establishment and maintenance of Regional and Study Centres at different places as may be required from time to time and delegate to any employee such powers as are necessary for their efficient functioning.

3. The Pro-Vice-Chancellors

(1) Every Pro-Vice-Chancellor shall be appointed by the Board of Management on the recommendation of the Vice-Chancellor:

Provided that if any recommendation of the Vice-Chancellor is not accepted by the Board of Management, the matter shall be referred to the Visitor who may either appoint the person recommended by the Vice-Chancellor or request the Vice-Chancellor to recommend another person for consideration by the Board of Management:

Provided further that the Board of Management may, on the recommendation of the Vice-Chancellor, appoint a Professor to perform the functions of a Pro-Vice-Chancellor in addition to his own functions as a Professor.

(2) The term of office of a Pro-Vice-Chancellor shall be such as may be decided by the Board of Management, but it shall not in any case exceed three years or until the expiration of the term of office of the Vice-Chancellor, whichever is earlier and he shall be eligible for re-appointment:

Provided that a Pro-Vice-Chancellor shall retire on attaining the age of sixty-five years:

Provided further that a Pro-Vice-Chancellor shall, while performing the functions of the Vice-Chancellor under clause (6) of Statute 1, continue in office notwithstanding the expiration of his term of office as Pro-Vice-Chancellor until a new Vice-Chancellor assumes his office or until the existing Vice-Chancellor attends to the duties of his office, as the case may be.

(3) (a) The salary of a Pro-Vice-Chancellor shall be Rs. 2,750 per month and where a Professor is appointed to perform the functions of a Pro-Vice-Chancellor in addition to his own functions as such Professor, he shall draw his pay in his substantive post plus a special pay of Rs. 500 per month, whichever is less.

(b) Every Pro-Vice-Chancellor shall be entitled, without payment of rent, to the use of a furnished residence throughout his term of office and no charge shall fall on the Pro-Vice-Chancellor personally in respect of maintenance of such residence.

(c) In addition to the salary specified in sub-clause (a), a Pro-Vice-Chancellor shall be entitled to such other allowances as are admissible to the employees of the University from time to time.

(d) Every Pro-Vice-Chancellor shall be entitled to such terminal benefits as may be fixed by the Board of Management from time to time.

(e) The Pro-Vice-Chancellor shall be entitled to subscribe to the contributory provident fund of the University till the end of his tenure:

Provided that where an employee of the University or a College or of any University or institution maintained by or affiliated to such other University is appointed as a Pro-Vice-Chancellor, he shall continue to be governed by the same retirement benefit scheme to which he was entitled prior to his appointment as Pro-Vice-Chancellor till he continues to hold his lien on that post, but under this provision, the pay for the purpose of subscription to the General Provident Fund and subscription to the University Contributory Provident Fund shall be the pay drawn by him as Pro-Vice-Chancellor.

(f) Every Pro-Vice-Chancellor shall assist the Vice-Chancellor in respect of such matters as may be specified by the Vice-Chancellor in this behalf from time to time and shall also exercise such powers and perform such functions as may be delegated to him by the Vice-Chancellor.

4. The Directors

(1) Every Director shall be appointed by the Board of Management on the recommendation of—

(i) the Vice-Chancellor, in case the candidate to be appointed is already a teacher of the University; and

(ii) a Selection Committee constituted for the purpose, in case the candidate to be appointed is from outside the University.

(2) Every Director shall be a whole-time salaried officer of the University:

Provided that one of the Directors shall be in charge of the administrative affairs of the teachers.

(3) The emoluments and other conditions of service of the Director shall be prescribed by the Ordinances:

Provided that a Director shall retire on attaining the age of sixty years.

(4) A Director shall exercise such powers and perform such functions as may be prescribed by the Ordinances.

5. The Registrar

(1) Every Registrar shall be appointed by the Board of Management on the recommendation of a Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(2) The emoluments and other conditions of service of a Registrar shall be prescribed by the Ordinances:

Provided that a Registrar shall retire on attaining the age of sixty years.

(3) A Registrar designated by the Board of Management shall have power to take disciplinary action against such of the employees, excluding teachers and other members as may be specified by the Board of Management by order.

(4) An appeal shall lie to an officer so designated by the Board of Management against any order made by the Registrar in pursuance of clause (3).

(5) In cases where an inquiry discloses that a punishment beyond the powers of a Registrar is called for, the Registrar shall, consequent to the enquiry, make a report to the Vice-Chancellor along with his recommendations for such action as the Vice-Chancellor may deem fit:

Provided that an appeal shall lie to the Board of Management against an order of the Vice-Chancellor imposing any penalty.

(6) Such of the Registrars as is designated by the Board of Management shall be—

- (i) the Secretary to the Board of Management;
- (ii) the Member-Secretary of the Academic Council;
- (iii) the Member-Secretary of the Planning Board.

(7) A Registrar so designated shall—

(a) be the custodian of the records, the common seal and such other properties of the University as the Board of Management may commit to his charge;

(b) issue notices and convene meetings of the Board of Management, the Academic Council and the Planning Board and of the committees appointed by those authorities;

(c) keep the minutes of the meetings of the Board of Management, the Academic Council and the Planning Board and of the committees appointed by such authorities;

(d) conduct the official proceedings and correspondence of the Board of Management, the Academic Council and the Planning Board;

(e) supply to the Visitor, a copy of the agenda of the meetings of the authorities of the University as soon as they are issued and the minutes of such meetings;

(f) represent the University in suits or proceedings, by or against the University, sign powers of attorney, verify pleadings and depute his representative for the purpose;

(g) perform such other functions as may be specified in the Statutes, Ordinances or Regulations or as may be required from time to time by the Board of Management or the Vice-Chancellor.

6. The Finance Officer

(1) The Finance Officer shall be appointed by the Board of Management on the recommendation of a Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University, and shall work under the control of the Vice-Chancellor.

(2) The emoluments and other conditions of service of the Finance Officer shall be prescribed by the Ordinances:

Provided that the Finance Officer shall retire on attaining the age of sixty years.

(3) When the office of the Finance Officer is vacant or when the Finance Officer is by reason of ill health, absence or any other cause

unable to perform his functions as Finance Officer, his functions shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(4) The Finance Officer shall—

(a) exercise general supervision of the funds of the University and advise it as regards its financial policies;

(b) perform such other financial functions as may be assigned to him by the Board of Management or as may be prescribed by the Statutes or the Ordinances:

Provided that the Finance Officer shall not incur any expenditure or make any investment exceeding one lakh of rupees without the previous approval of the Board of Management.

(5) Subject to the control of the Vice-Chancellor and the Board of Management, the Finance Officer shall—

(a) hold and manage the properties and investments of the University, including trust and immovable properties for fulfilling any of the objects of the University;

(b) ensure that the limits fixed by the Finance Committee for recurring and non-recurring expenditure for a year are not exceeded and the money is expended or spent for the purposes for which it was granted or allotted;

(c) be responsible for the preparation of the annual accounts and the budget of the University and for their presentation to the Board of Management after they have been considered by the Finance Committee;

(d) keep a constant watch on the cash and bank balances and investments;

(e) watch the progress of collection of revenue and advise on the methods of collection employed;

(f) ensure that the registers of properties of the University are maintained properly and that stock checking is conducted of equipments and other materials in the offices of the University including Regional Centres, Study Centres and other institutions maintained by the University;

(g) bring to the notice of the Vice-Chancellor any unauthorised expenditure or other financial irregularities and suggest appropriate action against persons at fault;

(h) call from any office of the University, including Regional Centres, Study Centres and other institutions maintained by the University, any information or reports that he may consider necessary for the performance of his functions.

(6) Any receipt given by the Finance Officer or by the person or persons duly authorised in this behalf by the Board of Management shall be a sufficient discharge for payment of moneys to the University.

7. Powers and functions of the Board of Management

(1) The Board of Management shall have the power of management and administration of the revenue and property of the University and the conduct of all administrative affairs of the University not otherwise provided for.

(2) Subject to the provisions of the Act, the Statutes and the Ordinances, the Board of Management shall, in addition to the other powers vested in it under the Statutes have the following powers, namely:—

(a) to create teaching and other academic posts and to define the functions and conditions of service of Professors, Readers, Lecturers and other teachers and other academic staff employed by the University;

(b) to prescribe qualifications for teachers and other academic staff;

(c) to approve the appointment of such Professors, Readers, Lecturers and other teachers and academic staff as may be necessary on the recommendations of the Selection Committees constituted for the purpose;

(d) to approve appointments to temporary vacancies of any academic staff;

(e) to specify the manner of appointment to temporary vacancies of academic staff;

(f) to provide for the appointment of visiting Professors, Emeritus Professors, Fellows, artists and writers and determine the terms and conditions of such appointments;

(g) to manage and regulate the finances, accounts, investments, property of the University and all other affairs of the University and to appoint such agents as may be considered fit;

(h) to invest any money belonging to the University, including any unapplied income, in such stocks, funds, shares or securities as it thinks fit or in the purchase of immovable property in India with like power of varying such investment from time to time, provided that no action under this clause shall be taken without consulting the Finance Committee;

(i) to create administrative, ministerial and other necessary posts after taking into account the recommendations of the Finance Committee and to specify the manner of appointment thereto;

(j) to regulate and enforce discipline amongst the employees in accordance with the Statutes and Ordinances;

(k) to transfer or accept transfers of any immovable or movable property on behalf of the University;

(l) to entertain, adjudicate upon, or redress the grievances of the employees and the students of the University who may, for any reason, feel aggrieved;

(m) to fix the remuneration payable to course writers, counsellors, examiners and invigilators, and travelling and other allowances payable, after consulting the Finance Committee;

(n) to select the common seal for the University and to provide for the use of such seal;

(o) to delegate any of its powers to the Vice-Chancellor, Pro-Vice-Chancellors, Registrars, the Finance Officer or any other officer, employee or authority of the University, or to a committee appointed by it;

(p) to institute fellowships, scholarships, studentships; and

(q) to exercise such other powers and perform such other functions as may be conferred or imposed on it by the Act or the Statutes.

(3) The Board of Management shall exercise all the powers of the University not otherwise provided for by the Act, Statutes, Ordinances and the Regulations for the fulfilment of the objects of the University.

8. Quorum for a meeting of the Board of Management

Six members of the Board of Management shall form a quorum for a meeting of the Board.

9. Powers of the Academic Council

Subject to the Act, the Statutes and the Ordinances, the Academic Council shall, in addition to all other powers vested in it under the Statutes, shall have the following powers, namely:—

(a) to exercise general supervision over the academic policies of the University and to give directions regarding methods of instruction, evaluation or research or improvement in academic standards;

(b) to consider matters of general academic interest either on its own initiative or on a reference from the Planning Board or a School of Studies or the Board of Management and to take appropriate action thereon; and

(c) to frame such regulations and rules consistent with the Statutes and the Ordinances regarding the academic functioning of the University, including discipline, admissions, award of fellowships and studentships, fees and other academic requirements.

10. The Planning Board

(1) The Planning Board shall consist of not more than ten members.

(2) All the members of the Planning Board, other than the Vice-Chancellor, shall hold office for a term of three years.

(3) It shall be the responsibility of the Planning Board to design and formulate appropriate programmes and activities of the University, and it shall, in addition, have the right to advise the Board

of Management and the Academic Council on any matter which it may deem necessary for the fulfilment of the objects of the University:

Provided that in case there is any difference of opinion between the Planning Board and the Academic Council on any matter, it shall be referred to the Board of Management whose decision shall be final.

(4) The Planning Board may constitute such committees as may be necessary for planning and monitoring the programmes of the University.

(5) The Planning Board shall meet at such intervals as it shall deem expedient, but it shall meet at least twice in a year.

11. The Finance Committee

(1) The Finance Committee shall consist of not more than seven members.

(2) All the members of the Finance Committee, other than the Vice-Chancellor, shall hold office for a term of three years from the dates on which they become members of the Committee.

(3) Four members of the Finance Committee shall form a quorum for a meeting of the Committee.

(4) The Finance Committee shall meet at least thrice a year to examine the accounts and scrutinise the expenditure.

(5) All proposals relating to revision of grade, upgradation of the scales and those items which are not included in the budget, shall be examined by the Finance Committee before they are considered by the Board of Management.

(6) The annual accounts and the financial estimates of the University prepared by the Finance Officer shall be laid before the Finance Committee for consideration and comments, and thereafter submitted to the Board of Management within the overall ceiling fixed by the Committee.

(7) The Finance Committee shall fix the limits for the total recurring and non-recurring expenditure for the year, based on income and resources of the University, and no expenditure shall be incurred by the University in excess of the limits so fixed.

12. Selection Committees

(1) There shall be Selection Committees for making recommendations to the Board of Management for appointments to the posts of Professors, Readers, Lecturers and other academic staff and heads of institutions maintained by the University.

(2) Each of the Selection Committees for appointment to the post of Professors, Readers, Lecturers and the academic staff shall consist of the following members, namely:—

(a) the Vice-Chancellor;

(b) a Pro-Vice-Chancellor or the Director of the School concerned nominated by the Vice-Chancellor;

- (c) a person nominated by the Visitor; and
 - (d) three experts not connected with the University to be nominated by the Vice-Chancellor in such manner as may be specified in the Ordinances.
- (3) The quorum for a meeting of a Selection Committee shall be four, which will include at least two experts.
- (4) The procedure to be followed by a Selection Committee in making recommendations shall be laid down in the Ordinances.
- (5) If the Board of Management is unable to accept the recommendations made by a Selection Committee, it shall record its reasons for such non-acceptance and submit the case to the Visitor for final orders.

13. Special mode of appointment

- (1) Notwithstanding anything contained in Statute 12, the Board of Management may invite a person of high academic distinction and professional attainments to accept the post of a Professor or a Reader or equivalent academic post in the University on such terms and conditions as it may deem fit, and appoint the person to such post.
- (2) The Board of Management may appoint a teacher or any other academic staff working in any other university or organisation for teaching or for undertaking a project or any work on such terms and conditions as may be determined by the Board in accordance with the manner specified by the Statutes.

14. Appointment for a fixed tenure

The Board of Management may appoint a person selected in accordance with the procedure laid down in the Statutes for a fixed tenure on such terms and conditions as it may deem fit.

15. Recognised Teachers

- (1) The qualifications for recognition of persons working in other universities, institutions or organisations as teachers shall be prescribed by the Ordinances.
- (2) The manner of recognising teachers, the period of recognition and withdrawal of recognition shall be prescribed by the Ordinances.

16. Committees

- (1) Any authority of the University may appoint as many standing or special committees as it may deem fit, and may appoint to such committees, persons who are not members of such authority.
- (2) Any committee appointed under clause (1) may deal with any subject delegated to it subject to the subsequent confirmation by the authority appointing it.

17. Terms and conditions of service and code of conduct of the teachers and other academic staff of the University

- (1) All the teachers and other academic staff of the University shall, in the absence of any contract to the contrary, be governed by

the terms and conditions of service and code of conduct as are specified in the Statutes and the Ordinances.

(2) Every teacher and member of other academic staff of the University shall be appointed on a written contract, the form of which shall be specified in the Statutes.

(3) A copy of every contract referred to in clause (2) shall be deposited with the Registrar.

18. Terms and conditions of service and code of conduct of other employees of the University.

All the employees of the University, other than the teachers and other academic staff of the University, shall, in the absence of any contract to the contrary, be governed by the term and conditions of service and code of conduct as are specified in the Statutes and the Ordinances.

19. Removal of employees of the University.

(1) Where there is an allegation of misconduct against a teacher, a member of the academic staff or other employee of the University, the Vice-Chancellor, in the case of the teacher or member of the academic staff, and the authority competent to appoint (hereinafter referred to as appointing authority) in the case of other employee, may, by order in writing, place such teacher, member of the academic staff or other employee under suspension and shall forthwith report to the Board of Management the circumstances in which the order was made.

(2) Notwithstanding anything contained in the terms of the contract of appointment or of any other terms and conditions of service of the employees, the Board of Management in respect of teachers and other academic staff, and the appointing authority, in respect of other employees, shall have the power to remove a teacher or a member of the academic staff, or as the case may be, other employee on grounds of misconduct.

(3) Save as aforesaid, the Board of Management, or as the case may be, the appointing authority, shall not be entitled to remove any teacher, member of the academic staff or other employee except for a good cause and after giving three months' notice or on payment of three months' salary in lieu thereof.

(4) No teacher, member of the academic staff or other employee shall be removed under clause (2) or clause (3) unless he has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(5) The removal of a teacher, member of the academic staff or other employee shall take effect from the date on which the order of removal is made:

Provided that where the teacher, member of the academic staff or other employee is under suspension at the time of his removal, such removal shall take effect from the date on which he was placed under suspension.

(6) Notwithstanding anything contained in the foregoing provisions of this Statute, a teacher, member of the academic staff or other employee may resign,—

(a) if he is a permanent employee, only after giving three months' notice in writing to the Board of Management or the appointing authority, as the case may be, or by paying three months' salary in lieu thereof;

(b) if he is not a permanent employee, only after giving one month's notice in writing to the Board of Management or, as the case may be, the appointing authority or by paying one month's salary in lieu thereof:

Provided that such resignation shall take effect only on the date on which the resignation is accepted by the Board of Management, or the appointing authority, as the case may be.

20. Maintenance of discipline amongst students of the University

(1) The powers regarding discipline and disciplinary action in regard to the students of the University shall vest with the Vice-Chancellor. The Vice-Chancellor may delegate all or any of his powers, as he may deem fit.

(2) Without prejudice to the generality of his powers relating to the maintenance of discipline and taking such action as he may deem appropriate for the maintenance of discipline, the Vice-Chancellor may, in the exercise of his power, by order, direct that any student or students be expelled or rusticated for a specified period and not admitted to a course or courses of study in the University or a recognised institution for a stated period, or be punished with a fine for an amount to be specified in the order, or debar him from taking an examination or examinations conducted by the University or a recognised institution for one or more years or that the result of the student or students concerned in the examination or examinations in which he or she has appeared to be cancelled.

(3) The heads of recognised institutions shall have the authority, to exercise all such disciplinary powers over the students in their respective institutions as may be necessary for proper conduct of such institution.

THE AUROVILLE (EMERGENCY PROVISIONS)
AMENDMENT ACT, 1985

No. 51 OF 1985

[2nd September, 1985.]

An Act to amend the Auroville (Emergency Provisions) Act, 1980.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title.

Amend-
ment of
section 3

1. This Act may be called the Auroville (Emergency Provisions) Amendment Act, 1985.

2. In section 3 of the Auroville (Emergency Provisions) Act, 1980, in sub-section (1), in the proviso, for the words "five years", the words "seven years" shall be substituted. 59 of 1980.

THE ESTATE DUTY (AMENDMENT) ACT, 1985

No. 52 OF 1985

[2nd September, 1985.]

An Act further to amend the Estate Duty Act, 1953.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Estate Duty (Amendment) Act, 1985.

Short title and commencement.

(2) It shall be deemed to have come into force on the 16th day of March, 1985.

2. In the Estate Duty Act, 1953, after section 5B, the following section shall be inserted, namely:—

Insertion of new section 5C in Act 34 of 1953.

“5C. Notwithstanding anything contained in section 5, this Act shall cease to apply to the levy of estate duty in respect of any property (other than agricultural land) which passes on the death of any person on or after the 16th day of March, 1985.”

Discontinuance of levy of estate duty.

THE PONDICHERRY UNIVERSITY ACT, 1985

ARRANGEMENT OF SECTIONS

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43. Completion of courses of studies in colleges and institutions affiliated to the University.
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THE SCHEDULE.

THE PONDICHERRY UNIVERSITY ACT, 1985

No. 53 OF 1985

[4th September, 1985.]

An Act to establish and incorporate a teaching and affiliating University in the Union territory of Pondicherry and to provide for matters connected therewith or incidental thereto.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title
and
comments-
ment.

Definitions.

1. (1) This Act may be called the Pondicherry University Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. In this Act, and in all Statutes made hereunder, unless the context otherwise requires,—

(a) "Academic Council" means the Academic Council of the University;

(b) "academic staff" means such categories of staff as are designated as academic staff by the Ordinances;

(c) "Board of Studies" means the Board of Studies of the University;

(d) "Chancellor" and "Vice-Chancellor" mean, respectively, the Chancellor and Vice-Chancellor of the University;

(e) "College" means a College maintained by, or admitted to the privileges of, the University;

(f) "Court" means the Court of the University;

(g) "Department" means a Department of Studies, and includes a Centre of Studies;

(h) "Director" means any of the Directors referred to in clauses (3), (4) and (5) of section 11;

(i) "employee" means any person appointed by the University, and includes teachers and other staff of the University;

(j) "Executive Council" means the Executive Council of the University;

12.10.1985: Vide Notification No. S.O. 751 (E), dated 14.10.1985.

(k) "Hall" means a unit of residence or of corporate life for the students of the University, College or Institution, provided, maintained or recognised by the University;

(l) "Institution" means an academic institution, not being a College, maintained by, or admitted to the privileges of the University;

(m) "Principal" means the Head of a College or an Institution, and includes where there is no Principal, the person for the time being duly appointed to act as Principal, and, in the absence of the Principal or acting Principal, a Vice-Principal duly appointed as such;

(n) "recognised institution" means an institution of higher learning recognised by the University;

(o) "recognised teachers" means such persons as are recognised by the University for the purpose of imparting instruction in a College or an Institution admitted to the privileges of the University;

(p) "School" means a School of Studies of the University;

(q) "Statutes", "Ordinances" and "Regulations" mean, respectively, the Statutes, Ordinances and Regulations of the University for the time being in force;

(r) "teachers of the University" means Professors, Readers, Lecturers and such other persons as may be appointed for imparting instruction or conducting research in the University or in any College or Institution maintained by the University and are designated as teachers by the Ordinances;

(s) "University" means the Pondicherry University.

3. (1) There shall be established a University by the name of "Pondicherry University".

The University.

(2) The headquarters of the University shall be at Pondicherry and it may also establish campuses at such other places within its jurisdiction as it may deem fit.

(3) The first Chancellor and the first Vice-Chancellor and the first members of the Court, the Executive Council and the Academic Council and all persons who may hereafter become such officers or members, so long as they continue to hold such office or membership, are hereby constituted a body corporate by the name of "Pondicherry University".

(4) The University shall have perpetual succession and a common seal and shall sue and be sued by the said name.

4. The objects of the University shall be to disseminate and advance knowledge by providing instructional and research facilities in such branches of learning as it may deem fit and by the example of its corporate life, and, in particular, to make special provisions for studies in French and for integrated courses for humanity and science in the educational programmes of the University and to take appropriate measures for promoting inter-disciplinary studies and research in the University.

Objects.

5. The University shall have the following powers, namely:—

- (1) to provide for instruction in such branches of learning as the University may, from time to time, determine and to make provision for research and for the advancement and dissemination of knowledge;
- (2) to provide for and organise studies in French;
- (3) to grant, subject to such conditions as the University may determine, diplomas or certificates to, and confer degrees or other academic distinctions on the basis of examinations, evaluation or any other method of testing, on persons, and to withdraw any such diplomas, certificates, degrees or other academic distinctions for good and sufficient cause;
- (4) to organise and to undertake extra-mural studies and extension services;
- (5) to confer honorary degrees or other distinctions in the manner prescribed by the Statutes;
- (6) to provide instruction, including correspondence and such other courses, to such persons as are not members of the University, as it may determine;
- (7) to institute Principalships, Professorships, Readerships, Lecturerships and other teaching or academic posts required by the University and to appoint persons to such Principalships, Professorships, Readerships, Lecturerships or other posts;
- (8) to recognise an Institution of higher learning for such purposes as the University may determine and to withdraw such recognition;
- (9) to recognise persons for imparting instruction in any College or Institution admitted to the privileges of the University;
- (10) to appoint persons working in any other university or organisation as teachers of the University for a specified period;
- (11) to create administrative, ministerial and other posts and to make appointments thereto;
- (12) to co-operate or collaborate or associate with any other university or authority or institution of higher learning in such manner and for such purposes as the University may determine;
- (13) to establish such campuses, special centres, specialised laboratories or other units for research and instruction as are, in the opinion of the University, necessary for the furtherance of its objects;
- (14) to institute and award fellowships, scholarships, studentships, medals and prizes;
- (15) to establish and maintain Colleges, Institutions and Halls;
- (16) to make provision for research and advisory services; and for that purpose to enter into such arrangements with other institutions or bodies as the University may deem necessary;

- (17) to admit to its privileges Colleges and Institutions not maintained by the University; to withdraw all or any of those privileges in accordance with such conditions as may be prescribed by the Statutes; and to recognise Halls not maintained by the University and to withdraw any such recognition;
- (18) to declare a College, an Institution or a Department as an autonomous College or an Institution or a Department, as the case may be;
- (19) to determine standards for admission into the University, which may include examination, evaluation or any other method of testing;
- (20) to demand and receive payment of fees and other charges;
- (21) to supervise the residences of the students of the University and to make arrangements for promoting their health and general welfare;
- (22) to make special arrangements in respect of women students as the University may consider desirable;
- (23) to regulate and enforce discipline among the employees and students of the University and take such disciplinary measures in this regard as may be deemed by the University to be necessary;
- (24) to make arrangements for promoting the health and general welfare of the employees;
- (25) to receive donations and to acquire, hold, manage and dispose of any property, movable or immovable, including trust and endowment properties for the purposes of the University;
- (26) to borrow, with the approval of the Central Government, on the security of the property of the University, money for the purposes of the University;
- (27) to do all such other acts and things as may be necessary, incidental or conducive to the attainment of all or any of the objects of the University.

6. The University shall also establish a School for studies in Eastern and Western Thought to be known as "Sri Aurobindo School of Eastern and Western Thought" and another School for studies in Tamil language and literature to be known as "Subramania Bharati School of Tamil Language and Literature".

Establishment of certain Schools.

7. (1) The jurisdiction of the University shall extend to the whole of the Union territory of Pondicherry:

Jurisdiction.

Provided that the University may, at the request of the Administrator of the Union territory of the Andaman and Nicobar Islands or of the Union territory of Lakshadweep and with the prior approval of the Central Government, extend its jurisdiction to those territories.

(2) No college or institution situated within the local limits of the jurisdiction of the University shall be compulsorily affiliated to the University and affiliation shall be granted by the University only to such

colleges or institutions as may agree to accept the Statutes and Ordinances.

(3) Any college or institution admitted to the privileges of the University shall cease to be associated with, or be admitted to the privileges of, any other university.

(4) No college or institution situated within the local limits of the jurisdiction of the University, but not admitted to its privileges, shall be associated with, or be admitted to the privileges of, any other university except with the previous approval of the Administrator of the Union territory in which such college or institution is situated.

University open to all classes, castes and creed.

8. (1) The University shall be open to persons of either sex and of whatever race, creed, caste, or class, and it shall not be lawful for the University to adopt or impose on any person any test whatsoever of religious belief or profession in order to entitle him to be admitted therein, as a teacher or student, or to hold any office therein, or to graduate thereat:

Provided that nothing in this section shall be deemed to prevent the University from making special provisions for the weaker sections of the people and, in particular, of the Scheduled Castes and the Scheduled Tribes.

(2) French nationals of Indian origin who have been permitted long-term residence in the Union territory of Pondicherry under the provisions of the Treaty of Cession shall also be eligible for admission to the University.

Explanation.—Treaty of Cession has the meaning assigned to it in the Pondicherry (Administration) Act, 1962.

Visitor.

49 of 1962.

9. (1) The President of India shall be the Visitor of the University.

(2) The Visitor shall have the right to cause an inspection to be made by such person or persons as he may direct, of the University, its buildings, laboratories and equipment, and of any College or Institution maintained by the University or admitted to its privileges; and also of the examinations, teaching and other work conducted or done by the University and to cause an inquiry to be made in like manner in respect of any matter connected with the administration or finances of the University, Colleges or Institutions.

(3) The Visitor shall, in every case, give notice of his intention to cause an inspection or inquiry to be made,—

(a) to the University, if such inspection or inquiry is to be made in respect of the University, College or Institution maintained by it, or

(b) to the management of the College or Institution, if the inspection or inquiry is to be made in respect of a College or an Institution admitted to the privileges of the University,

and the University or the management, as the case may be, shall have the right to make such representations to the Visitor, as it may consider necessary.

(4) After considering the representations, if any, made by the University or the management, as the case may be, the Visitor may cause to be made such inspection or inquiry as is referred to in sub-section (2).

(5) Where any inspection or inquiry has been caused to be made by the Visitor, the University or the management, as the case may be, shall be entitled to appoint a representative who shall have the right to be present and be heard at such inspection or inquiry.

(6) The Visitor may, if the inspection or inquiry is made in respect of the University or any College or Institution maintained by it, address the Vice-Chancellor with reference to the result of such inspection or inquiry, and the Vice-Chancellor shall communicate to the Executive Council the views of the Visitor with such advice as the Visitor may be pleased to offer upon the action to be taken thereon.

(7) The Visitor may, if the inspection or inquiry is made in respect of any College or Institution admitted to the privileges of the University, address the management concerned through the Vice-Chancellor with reference to the result of such inspection or inquiry, his views thereon and such advice as he may be pleased to offer upon the action to be taken thereon.

(8) The Executive Council or the management, as the case may be, shall communicate through the Vice-Chancellor to the Visitor such action, if any, as it proposes to take or has been taken upon the result of such inspection or inquiry.

(9) Where the Executive Council or the management does not, within a reasonable time, take action to the satisfaction of the Visitor, the Visitor may, after considering any explanation furnished or representation made by the Executive Council or management, issue such directions as he may think fit and the Executive Council or management, as the case may be, shall comply with such directions.

(10) Without prejudice to the foregoing provisions of this section, the Visitor may, by order in writing, annul any proceeding of the University which is not in conformity with this Act, the Statutes or Ordinances:

Provided that before making any such order, he shall call upon the University to show cause why such an order should not be made, and, if any cause is shown within a reasonable time, he shall consider the same.

(11) The Visitor shall have such other powers as may be prescribed by the Statutes.

10. The Administrator of the Union territory of Pondicherry shall be the Chief Rector of the University.

Chief
Rector.

11. The following shall be the officers of the University:—

Officers
of the
University.

(1) The Chancellor;

(2) The Vice-Chancellor;

(3) The Director of Studies, Educational Innovations and Rural Reconstruction;

- (4) The Director of Culture and Cultural Relations;
- (5) The Director of Physical Education, Sports, National Service and Students Welfare;
- (6) The Deans of Schools;
- (7) The Registrar;
- (8) The Finance Officer; and
- (9) Such other officers as may be declared by the Statutes to be officers of the University.

The Chancellor.

12. (1) The Chancellor shall be appointed by the Visitor in such manner as may be prescribed by the Statutes.

(2) The Chancellor shall, by virtue of his office, be the Head of the University.

(3) The Chancellor shall, if present, preside at the convocations of the University held for conferring degrees.

The Vice-Chancellor.

13. (1) The Vice-Chancellor shall be appointed by the Visitor in such manner as may be prescribed by the Statutes.

(2) The Vice-Chancellor shall be the principal executive and academic officer of the University, and shall exercise general supervision and control over the affairs of the University and give effect to the decisions of all the authorities of the University.

(3) The Vice-Chancellor may, if he is of opinion that immediate action is necessary on any matter, exercise any power conferred on any authority of the University by or under this Act and shall report to such authority the action taken by him on such matter:

Provided that if the authority concerned is of opinion that such action ought not to have been taken, it may refer the matter to the Visitor whose decision thereon shall be final:

Provided further that any person in the service of the University who is aggrieved by the action taken by the Vice-Chancellor under this subsection shall have the right to appeal against such action to the Executive Council within three months from the date on which decision on such action is communicated to him and thereupon the Executive Council may confirm, modify or reverse the action taken by the Vice-Chancellor.

(4) The Vice-Chancellor shall exercise such other powers and perform such other functions as may be prescribed by the Statutes or Ordinances.

Directors.

14. The Directors shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed by the Statutes.

Deans of Schools.

15. Every Dean of a School shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed by the Statutes.

The Registrar.

16. (1) The Registrar shall be appointed in such manner as may be prescribed by the Statutes.

(2) The Registrar shall have the power to enter into agreements, sign documents and authenticate records on behalf of the University and shall exercise such other powers and perform such other duties as may be prescribed by the Statutes.

17. The Finance Officer shall be appointed in such manner and shall exercise such powers and perform such duties as may be prescribed by the Statutes.

The Finance Officer.

18. The manner of appointment and powers and duties of other officers of the University shall be prescribed by the Statutes.

Other officers.

19. The following shall be the authorities of the University:—

Authorities of the University.

- (1) The Court;
- (2) The Executive Council;
- (3) The Academic Council;
- (4) The Boards of Schools;
- (5) The Planning Board; and

(6) Such other authorities as may be declared by the Statutes to be authorities of the University.

20. (1) The constitution of the Court and the term of office of its members shall be prescribed by the Statutes.

The Court.

(2) Subject to the provisions of this Act, the Court shall have the following powers and functions, namely:—

(a) to review, from time to time, the broad policies and programmes of the University and to suggest measures for the improvement and development of the University;

(b) to consider and pass resolutions on the annual report and the annual accounts of the University and the audit report on such accounts;

(c) to advise the Visitor in respect of any matter which may be referred to it for advice; and

(d) to perform such other functions as may be prescribed by the Statutes.

21. (1) The Executive Council shall be the principal executive body of the University.

The Executive Council.

(2) The constitution of the Executive Council, the term of office of its members and its powers and duties shall be prescribed by the Statutes.

22. (1) The Academic Council shall be the principal academic body of the University and shall, subject to the provisions of this Act, the Statutes and Ordinances, co-ordinate and exercise general supervision over the academic policies of the University.

The Academic Council.

(2) The constitution of the Academic Council, the term of office of its members and its powers and duties shall be prescribed by the Statutes.

The Planning Board, 23. (1) There shall be constituted in the University, a Planning Board, which shall be an authority of the University.

(2) The constitution of the Planning Board, term of office of its members and its powers and duties shall be prescribed by the Statutes.

Other authorities of the University 24. The constitution, powers and functions of the Boards of Schools and of such other authorities, as may be declared by the Statutes to be authorities of the University, shall be prescribed by the Statutes.

Power to make Statutes. 25. Subject to the provisions of this Act, the Statutes may provide for all or any of the following matters, namely:—

(a) the constitution, powers and functions of the authorities and other bodies of the University, as may be constituted from time to time;

(b) the election and continuance in office of the members of the said authorities and bodies, the filling of vacancies of members, and all other matters relative to those authorities and other bodies for which it may be necessary or desirable to provide;

(c) the appointment, powers and duties of the officers of the University and their emoluments;

(d) the appointment of teachers of the University and other academic staff and their emoluments;

(e) the appointment of teachers and other academic staff working in any other University or organisation for a specified period for undertaking a joint project;

(f) the conditions of service of employees including provision for pension, insurance and provident fund, the manner of termination of service and disciplinary action;

(g) the principles governing seniority of service of employees;

(h) the procedure for arbitration in cases of dispute between employees or students and the University;

(i) the procedure for appeal to the Executive Council by any employee or student against the action of any officer or authority of the University;

(j) the establishment and recognition of Students' Union or associations of teachers, academic staff or other employees;

(k) the participation of students in the affairs of the University;

(l) the conferment of honorary degrees;

(m) the withdrawal of degrees, diplomas, certificates and other academic distinctions;

- (n) the institution of fellowships, scholarships, studentships, medals and prizes;
- (o) the maintenance of discipline among the students;
- (p) the establishment and abolition of Schools, Departments, Halls, Colleges and Institutions;
- (q) the conditions under which Colleges and Institutions may be admitted to the privileges of the University and the withdrawal of such privileges;
- (r) the delegation of powers vested in the authorities or officers of the University; and
- (s) all other matters which by this Act are to be, or may be, provided by the Statutes.

26. (1) The first Statutes are those set out in the Schedule.

(2) The Executive Council may, from time to time, make new or additional Statutes or may amend or repeal the Statutes referred to in sub-section (1):

Provided that the Executive Council shall not make, amend or repeal any Statute affecting the status, powers or constitution of any authority of the University until such authority has been given an opportunity of expressing an opinion in writing on the proposed changes, and any opinion so expressed shall be considered by the Executive Council.

Statutes
how to be
made.

(3) Every new Statute or addition to the Statute or any amendment or repeal of a Statute shall require the assent of the Visitor who may assent thereto or withhold assent or remit to the Executive Council for consideration.

(4) A new Statute or a Statute amending or repealing an existing Statute shall have no validity unless it has been assented to by the Visitor.

(5) Notwithstanding anything contained in the foregoing sub-sections, the Visitor may make new or additional Statutes or amend or repeal the Statutes referred to in sub-section (1) during the period of three years immediately after the commencement of this Act:

Provided that the Visitor may, on the expiry of the said period of three years, make, within one year from the date of such expiry, such detailed Statutes as he may consider necessary and such detailed Statutes shall be laid before both Houses of Parliament.

27. (1) Subject to the provisions of this Act and the Statutes, the Ordinances may provide for all or any of the following matters, namely:—

Ordinances.

- (a) the admission of students to the University and their enrolment as such;
- (b) the courses of study to be laid down for all degrees, diplomas and certificates of the University;
- (c) the medium of instruction and examination;

- (d) the award of degrees, diplomas, certificates and other academic distinctions, the qualifications for the same and the means to be taken relating to the granting and obtaining of the same;
- (e) the fees to be charged for courses of study in the University and for admission to the examinations, degrees and diplomas of the University;
- (f) the conditions of award of fellowships, scholarships, studentships, medals and prizes;
- (g) the conduct of examinations, including the term of office and of appointment and the duties of examining bodies, examiners and moderators;
- (h) the conditions of residence of the students of the University;
- (i) the special arrangements, if any, which may be made for the residence, discipline and teaching of women students and the prescribing of special courses of studies for them;
- (j) the appointment and emoluments of employees other than those for whom provision has been made in the Statutes;
- (k) the establishment of Centres of Studies, Boards of Studies, Special Centres, specialised laboratories and other Committees;
- (l) the manner of co-operation and collaboration with other Universities and authorities including learned bodies or associations;
- (m) the creation, composition and functions of any other body which is considered necessary for improving the academic life of the University;
- (n) such other terms and conditions of service of teachers and other academic staff as are not prescribed by the Statutes;
- (o) the management of Colleges and Institutions established by the University;
- (p) the supervision and management of Colleges and Institutions admitted to the privileges of the University; and
- (q) all other matters which by this Act or the Statutes may be provided for by the Ordinances.

(2) The first Ordinances shall be made by the Vice-Chancellor with the previous approval of the Central Government and the Ordinances so made may be amended, repealed or added to at any time by the Executive Council in the manner prescribed by the Statutes.

28. The authorities of the University may make Regulations consistent with this Act, the Statutes and the Ordinances for the conduct of their own business and that of the committees appointed by them and not provided for by this Act, the Statutes or the Ordinances in the manner prescribed by the Statutes.

Annual report.

29. (1) The annual report of the University shall be prepared under the direction of the Executive Council and shall be submitted to the Court on or after such date as may be prescribed by Statutes and the Court shall consider the report in its annual meeting.

(2) The Court shall submit the annual report to the Visitor along with its comments, if any.

(3) A copy of the annual report, as prepared under sub-section (1), shall also be submitted to the Central Government, which shall, as soon as may be, cause the same to be laid before both Houses of Parliament.

30. (1) The annual accounts and balance-sheet of the University shall be prepared under the directions of the Executive Council and shall, once at least every year and at intervals of not more than fifteen months, be audited by the Comptroller and Auditor-General of India.

Annual accounts.

(2) The annual accounts when audited shall be published in the Gazette of India and a copy of the accounts together with the report of the Comptroller and Auditor-General shall be submitted to the Court and the Visitor along with the observations of the Executive Council.

(3) Any observations made by the Visitor on the annual accounts shall be brought to the notice of the Court and the observations of the Court, if any, shall, after being considered by the Executive Council, be submitted to the Visitor.

(4) A copy of the annual accounts, together with the report of the Comptroller and Auditor-General, shall also be submitted to the Central Government, which shall, as soon as may be, cause the same to be laid before both Houses of Parliament.

31. (1) Every employee shall be appointed under a written contract which shall be lodged with the University and a copy of which shall be furnished to the employee concerned.

Conditions of service of employees.

(2) Any dispute arising out of a contract between the University and any employee shall, at the request of the employee, be referred to a Tribunal of Arbitration consisting of one member appointed by the Executive Council, one member nominated by the employee concerned and an umpire appointed by the Visitor. The decision of the Tribunal shall be final, and no suit shall lie in any civil court in respect of the matters decided by the Tribunal. Every such request shall be deemed to be a submission to arbitration upon the terms of this section within the meaning of the Arbitration Act, 1940.

10 of 1940.

32. (1) Any student or candidate for an examination whose name has been removed from the rolls of the University by the orders or resolution of the Vice-Chancellor, Discipline Committee or Examination Committee, as the case may be, and who has been debarred from appearing at the examinations of the University for more than one year, may, within ten days of the date of receipt of such orders or copy of such resolution by him, appeal to the Executive Council and the Executive Council may confirm, modify or reverse the decision of the Vice-Chancellor or the Committee, as the case may be.

Procedure of appeal and arbitration in disciplinary cases against students.

(2) Any dispute arising out of any disciplinary action taken by the University against a student shall, at the request of such student, be

referred to a Tribunal of Arbitration and the provisions of sub-section (2) of section 31 shall, as far as may be, apply to a reference made under this sub-section.

Right to appeal.

33. Every employee or student of the University or of a College or Institution shall, notwithstanding anything contained in this Act, have a right to appeal within such time as may be prescribed by the Statutes, to the Executive Council against the decision of any officer or authority of the University or of the Principal or the management of any College or Institution, as the case may be, and thereupon the Executive Council may confirm, modify or reverse the decision appealed against.

Provident and pension funds.

34. (1) The University shall constitute for the benefit of its employees such pension or provident fund or provide such insurance schemes as it may deem fit in such manner and subject to such conditions as may be prescribed by the Statutes.

(2) Where such provident fund or pension fund has been so constituted, the Central Government may declare that the provision of the Provident Funds Act, 1925, shall apply to such fund, as if it were a Government provident fund.

Disputes as to constitution of University authorities and bodies.

Constitution of committees.

Filling of casual vacancies.

Proceedings of University authorities or bodies not invalidated by vacancies.

Protection of action taken in good faith.

19 of 1925.

35. If any question arises as to whether any person has been duly elected or appointed as, or is entitled to be, a member of any authority or other body of the University, the matter shall be referred to the Visitor whose decision thereon shall be final.

36. Where any authority of the University is given power by this Act or the Statutes to appoint committees, such committees shall, save as otherwise provided, consist of the members of the authority concerned and of such other person (if any) as the authority in each case may think fit.

37. All casual vacancies among the members (other than *ex officio* members) of any authority or other body of the University shall be filled, as soon as conveniently may be, by the person or body who appointed, elected or co-opted the member whose place has become vacant and the person appointed, elected or co-opted to a casual vacancy shall be a member of such authority or body for the residue of the term for which the person whose place he fills would have been a member.

38. No act or proceedings of any authority or other body of the University shall be invalid merely by reason of the existence of a **vacancy** or vacancies among its members.

39. No suit or other legal proceedings shall lie against any officer or employee of the University for anything which is in good faith done or intended to be done in pursuance of any of the provisions of this Act, the Statutes or the Ordinances,

1 of 1872.

40. A copy of any receipt, application, notice, order, proceeding, resolution of any authority or committee of the University, or other documents in possession of the University, or any entry in any register duly maintained by the University, if certified by the Registrar, shall be received as *prima facie* evidence of such receipt, application, notice, order, proceeding or resolution, documents or the existence of entry in the register and shall be admitted as evidence of the matters and transactions therein where the original thereof would, if produced, have been admissible in evidence, notwithstanding anything contained in the Indian Evidence Act, 1872 or in any other law for the time being in force.

Mode of proof of University record.

41. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by 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 removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made under this section after the expiry of three years from the commencement of this Act.

42. Notwithstanding anything contained in this Act and the Statutes,—

Transitional provisions.

(a) the first Chancellor and the first Vice-Chancellor shall be appointed by the Visitor and each of the said officers shall hold office for a term of five years;

(b) the first Registrar and the first Finance Officer shall be appointed by the Visitor and each of the said officers shall hold office for a term of three years;

(c) the first Court and the first Executive Council shall consist of not more than thirty members and eleven members, respectively, who shall be nominated by the Visitor and shall hold office for a term of three years;

(d) the first Academic Council shall be constituted on the expiry of a period of six months from the commencement of this Act and during the said period of six months, the powers of the Academic Council shall be performed by the Planning Board constituted under section 23;

(e) the first Academic Council shall consist of not more than twenty-one members, who shall be nominated by the Visitor and shall hold office for a term of three years:

Provided that if any vacancy occurs in the above offices or authorities, the same shall be filled by appointment or nomination, as the case may be, by the Visitor, and the person so appointed or nominated shall hold office for so long as the officer or member in whose place he is appointed or nominated would have held office, if such vacancy had not occurred.

Completion of courses of studies in colleges and institutions affiliated to the University.

Statutes, Ordinances and Regulations to be published in the Official Gazette and to be laid before Parliament.

The Vice-Chancellor.

43. Notwithstanding anything contained in this Act, or in the Statutes or the Ordinances, any student of a college or institution, who, immediately before the admission of such college or institution to the privileges of the Pondicherry University, was studying for a degree, diploma or certificate of the University of Madras, the University of Calicut or the Andhra University, shall be permitted by the Pondicherry University to complete his courses for that degree, diploma or certificate, as the case may be, and the Pondicherry University and such college or institution shall provide for the instructions and examination of such student in accordance with the syllabus of studies of the respective University.

44. (1) Every Statute, Ordinance or Regulation made under this Act shall be published in the Official Gazette.

(2) Every Statute, Ordinance or Regulation made under this Act 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 Statute, Ordinance or Regulation or both Houses agree that the Statute, Ordinance or Regulation should not be made, the Statute, Ordinance 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 Statute, Ordinance or Regulation.

THE SCHEDULE

[See section 26(1)]

THE STATUTES OF THE UNIVERSITY

1. (1) The Vice-Chancellor shall be a whole-time salaried officer of the University.

(2) The Vice-Chancellor shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for re-appointment for not more than another term:

Provided that notwithstanding the expiry of the said period of five years, he shall continue in office until his successor is appointed and enters upon his office:

Provided further that the Visitor may direct that a Vice-Chancellor, whose term of office has expired, shall continue in office for such period, not exceeding a total period of one year, as may be specified in the direction.

(3) Notwithstanding anything contained in clause (2), a person appointed as Vice-Chancellor shall, if he completes the age of sixty-five years during the term of his office or any extension thereof, retire from office.

(4) The emoluments and other terms and conditions of service of the Vice-Chancellor shall be as follows:—

(i) There shall be paid to the Vice-Chancellor a salary of three thousand rupees per mensem and he shall be entitled, without payment of rent, to use a furnished residence throughout his term of

office and no charge shall fall on the Vice-Chancellor personally in respect of the maintenance of such residence.

(ii) The Vice-Chancellor shall not be entitled to the benefits of the University Provident Fund:

Provided that where an employee of—

(a) the University or College or Institution maintained by, or affiliated to, it; or

(b) any other University or College or Institution maintained by, or affiliated to, that University,

is appointed as Vice-Chancellor, he shall be allowed to continue to contribute to the provident fund to which he is a subscriber, and the contribution of the University shall be limited to what he had been contributing immediately before his appointment as the Vice-Chancellor.

(iii) The Vice-Chancellor shall be entitled to travelling allowances at such rates as may be fixed by the Executive Council.

(iv) The Vice-Chancellor shall be entitled to leave on full pay for one-eleventh of the period spent by him on active service.

(v) The Vice-Chancellor shall also be entitled, on medical grounds or otherwise, to leave without pay for a period not exceeding three months during the term of his office:

Provided that such leave may be converted into leave on full pay to the extent to which he is entitled to leave under sub-clause (iv).

(5) If the office of the Vice-Chancellor becomes vacant due to death, resignation or otherwise or if he is unable to perform the duties owing to absence, illness or any other cause, the senior-most Director shall perform the duties of the Vice-Chancellor until a new Vice-Chancellor assumes office or until the existing Vice-Chancellor attends to the duties of his office, as the case may be.

2. (1) The Vice-Chancellor shall be *ex officio* Chairman of the Court, the Executive Council, the Academic Council and the Finance Committee, and shall, in the absence of the Chancellor, preside at the Convocations of the University held for conferring degrees. The Vice-Chancellor shall be entitled to be present at, and to address, any meeting of any authority or other body of the University, but shall not be entitled to vote thereat unless he is a member of such authority or body.

Powers
and
duties of
the Vice-
Chancel-
lor.

(2) It shall be the duty of the Vice-Chancellor to see that this Act, the Statutes, the Ordinances and the regulations are duly observed, and he shall have all powers necessary to ensure such observance.

(3) The Vice-Chancellor shall have the power to convene or cause to be convened meetings of the Court, the Executive Council, the Academic Council and the Finance Committee.

Directors.

(3) (a) The Director of Studies, Educational Innovations and Rural Reconstruction shall be appointed by the Executive Council on the recommendation of the Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(b) The emoluments and other conditions of service of the Director of Studies, Educational Innovations and Rural Reconstruction shall be such as may be prescribed by the Ordinances.

(c) The Director of Studies, Educational Innovations and Rural Reconstruction shall hold office for a term of five years from the date on which he enters upon his office or until he attains the age of sixty-five years, whichever is earlier.

(d) Subject to the general supervision of the Academic Council, the Director of Studies, Educational Innovations and Rural Reconstruction shall be responsible for organising studies, educational innovations and academic programmes of the University.

(e) The Director of Studies, Educational Innovations and Rural Reconstruction shall have such powers and perform such functions in his field as may be determined or delegated to him by the Academic Council and the Vice-Chancellor.

(2) (a) The Director of Culture and Cultural Relations shall be appointed by the Executive Council on the recommendation of the Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(b) The emoluments and other conditions of service of the Director of Culture and Cultural Relations shall be such as may be prescribed by the Ordinances.

(c) The Director of Culture and Cultural Relations shall hold office for a term of five years from the date on which he enters upon his office or until he attains the age of sixty-five years, whichever is earlier.

(d) Subject to the general supervision of the Vice-Chancellor, the Director of Culture and Cultural Relations shall—

(i) co-ordinate teaching and research on the Indian culture and its relations with the cultures of other countries;

(ii) organise dissemination, through various media, of the cultural treasures in the fields of art, literature and music;

(iii) be responsible for relationship with institutions and agencies of culture of India and abroad.

(3) (a) The Director of Physical Education, Sports, National Service and Student Welfare shall be appointed by the Executive Council on the recommendation of the Selection Committee constituted for the purpose and he shall be a whole-time salaried officer of the University.

(b) The emoluments and other conditions of service of the Director of Physical Education, Sports, National Service and Student Welfare shall be such as may be prescribed by the Ordinances.

(c) The Director of Physical Education, Sports, National Service and Student Welfare shall hold office for a term of five years from the date on which he enters upon his office or until he attains the age of sixty-five years, whichever is earlier.

(d) The Director of Physical Education, Sports, National Service and Student Welfare shall co-ordinate the activities of the University in respect of physical education, sports, national service and student welfare and other activities that involve student participation in community development.

(e) The Director of Physical Education, Sports, National Service and Student Welfare shall have such other powers and perform such other functions in his field as may be determined or delegated to him by the Executive Council and the Vice-Chancellor.

4. (1) The Registrar shall be a whole-time salaried officer of the University. Registrar.

(2) The emoluments and other terms and conditions of service of the Registrar shall be such as may be prescribed by the Ordinances:

Provided that the Registrar shall retire on attaining the age of sixty years:

Provided further that a Registrar shall, notwithstanding his attaining the age of sixty years, continue in office until his successor is appointed and enters upon his office or until the expiry of a period of one year, whichever is earlier.

(3) When the office of the Registrar is vacant or when the Registrar is, by reason of illness, absence, or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(4) (a) The Registrar shall have power to take disciplinary action against such of the employees, excluding teachers and academic staff, as may be specified in the orders of the Executive Council and to suspend them pending inquiry, to administer warnings to them or to impose on them the penalty of censure or the withholding of increment:

Provided that no such penalty shall be imposed unless the person concerned has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(b) An appeal shall lie to the Vice-Chancellor against any order of the Registrar imposing any of the penalties specified in sub-clause (a).

(c) In a case where the inquiry discloses that a punishment beyond the powers of the Registrar is called for, the Registrar shall, upon conclusion of the inquiry, make a report to the Vice-Chancellor along with his recommendations:

Provided that an appeal shall lie to the Executive Council against an order of the Vice-Chancellor imposing any penalty.

(5) The Registrar shall be *ex officio* Secretary of the Executive Council, the Academic Council and the Boards of Schools, but shall not be deemed to be a member of any of these authorities. He shall be *ex officio* Member-Secretary of the Court.

(6) It shall be the duty of the Registrar,—

(a) to be the custodian of the records, the common seal and such other property of the University as the Executive Council shall commit to his charge;

(b) to issue all notices convening meetings of the Court, the Executive Council, the Academic Council, the Boards of Schools, the Boards of Studies, the Boards of Examiners and of any committees appointed by the authorities of the University;

(c) to keep the minutes of all the meetings of the Court, the Executive Council, the Academic Council, the Boards of Schools and of any committees appointed by the authorities of the University;

(d) to conduct the official correspondence of the Court, the Executive Council and the Academic Council;

(e) to arrange for and superintend the examinations of the University in accordance with the manner prescribed by the Ordinances;

(f) to supply to the Visitor, copies of the agenda of the meetings of the authorities of the University as soon as they are issued; and the minutes of such meetings;

(g) to represent the University in suits or proceedings by or against the University, sign powers-of-attorney and verify pleadings or depute his representative for the purpose; and

(h) to perform such other duties as may be specified in the Statutes, the Ordinances or the Regulations or as may be required, from time to time, by the Executive Council or the Vice-Chancellor.

Finance
Officer.

5. (1) The Finance Officer shall be a whole-time salaried officer of the University.

(2) The emoluments and other terms and conditions of service of the Finance Officer shall be such as may be prescribed by the Ordinances:

Provided that a Finance Officer shall retire on attaining the age of sixty years:

Provided further that the Finance Officer shall, notwithstanding his attaining the age of sixty years, continue in office until his successor is

appointed and enters upon his office or until the expiry of a period of one year, whichever is earlier.

(3) When the office of the Finance Officer is vacant or when the Finance Officer is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(4) The Finance Officer shall be *ex officio* Secretary of the Finance Committee, but shall not be deemed to be a member of such Committee.

(5) The Finance Officer shall—

(a) exercise general supervision over the funds of the University and shall advise it as regards its financial policy; and

(b) perform such other financial functions as may be assigned to him by the Executive Council or as may be prescribed by the Statutes or the Ordinances:

Provided that the Finance Officer shall not incur any expenditure or make any investment exceeding ten thousand rupees without the previous approval of the Executive Council.

(6) Subject to the control of the Executive Council, the Finance Officer shall—

(a) hold and manage the property and investments of the University including trust and endowed property;

(b) ensure that the limits fixed by the Executive Council for recurring and non-recurring expenditure for a year are not exceeded and that all moneys are expended on the purposes for which they are granted or allotted;

(c) be responsible for the preparation of annual accounts and the budget of the University and for their presentation to the Executive Council;

(d) keep a constant watch on the state of the cash and bank balances and on the state of investments;

(e) watch the progress of the collection of revenue and advise on the methods of collection employed;

(f) ensure that the registers of buildings, land, furniture and equipment are maintained up-to-date and that stock-checking is conducted, of equipment and other consumable materials in all offices, Special Centres, specialised laboratories, Colleges and Institutions maintained by the University;

(g) call for explanation for unauthorised expenditure and for other financial irregularities and suggest disciplinary action against persons at fault; and

(h) call for from any office, Centre, Laboratory, College or Institution maintained by the University, any information or returns that he may consider necessary for the performance of his duties.

Deans of Schools of Studies.

(7) The receipt of the Finance Officer or of the person or persons duly authorised in this behalf by the Executive Council for any money payable to the University shall be sufficient discharge for payment of such money.

6. (1) Every Dean of a School of Studies shall be appointed by the Vice-Chancellor from among the Professors in the School for a period of three years and he shall be eligible for re-appointment:

Provided that a Dean on attaining the age of sixty years shall cease to hold office as such:

Provided further that if at any time there is no Professor in a School, the Vice-Chancellor, or a Director authorised by the Vice-Chancellor in this behalf, shall exercise the powers of the Dean of the School.

(2) When the office of the Dean is vacant or when the Dean is, by reason of illness, absence or any other cause, unable to perform the duties of his office, the duties of the office shall be performed by such person as the Vice-Chancellor may appoint for the purpose.

(3) The Dean shall be the Head of the School and shall be responsible for the conduct and maintenance of the standards of teaching and research in the School. The Dean shall have such other functions as may be prescribed by the Ordinances.

(4) The Dean shall have the right to be present and to speak at any meeting of the Boards of Studies or committees of the School, as the case may be, but shall not have the right to vote thereat unless he is a member thereof.

Heads of Departments.

7. (1) In the case of Departments which have more than one Professor, the Head of the Department shall be appointed by the Executive Council on the recommendation of the Vice-Chancellor from among the Professors.

(2) In the case of Departments where there is only one Professor, the Executive Council shall have the option to appoint, on the recommendation of the Vice-Chancellor, either the Professor or a Reader as the Head of the Department:

Provided that it shall be open to a Professor or Reader to decline the offer of appointment as the Head of the Department.

(3) A person appointed as the Head of the Department shall hold office as such for a period of three years and shall be eligible for re-appointment.

(4) A Head of a Department may resign his office at any time during his tenure of office.

(5) A Head of a Department shall perform such functions as may be prescribed by the Ordinances.

8. (1) Every Proctor shall be appointed by the Executive Council on the recommendation of the Vice-Chancellor and shall exercise such powers and perform such duties as may be assigned to him by the Vice-Chancellor.

(2) Every Proctor shall hold office for a term of two years and shall be eligible for re-appointment.

9. (1) Every Librarian shall be appointed by the Executive Council on the recommendation of the Selection Committee constituted for the purpose and he shall be a whole-time officer of the University.

(2) Every Librarian shall exercise such powers and perform such duties as may be assigned to him by the Executive Council.

10. (1) An annual meeting of the Court shall be held on a date to be fixed by the Executive Council unless some other date has been fixed by the Court in respect of any year.

Meetings
of the
Court.

(2) At an annual meeting of the Court, a report on the working of the University during the previous year, together with a statement of the receipts and expenditure, the balance-sheet, as audited, and the financial estimates for the next year shall be presented.

(3) A copy of the statement of receipts and expenditure, the balance-sheet and the financial estimates referred to in clause (2) shall be sent to every member of the Court at least seven days before the date of the annual meeting.

(4) Twelve members of the Court shall form a quorum for a meeting of the Court.

(5) Special meetings of the Court may be convened by the Executive Council or the Vice-Chancellor, or, if there is no Vice-Chancellor, by the senior-most Director, or if there is no Director, by the Registrar.

11. Five members of the Executive Council shall form a quorum for a meeting of the Executive Council.

Quorum
for meet-
ings of
the Exe-
cutive
Council.

12. (1) The Executive Council shall have the management and administration of the revenue and property of the University and the conduct of all administrative affairs of the University not otherwise provided for.

Powers
and func-
tions of
the Exe-
cutive
Council.

(2) Subject to the provisions of this Act, the Statutes and the Ordinances, the Executive Council shall, in addition to all other powers vested in it, have the following powers, namely:—

(i) to create teaching and academic posts, to determine the number and emoluments of such posts and to define the duties and conditions of service of Professors, Readers, Lecturers and other

academic staff and Principals of Colleges and Institutions maintained by the University:

Provided that no action shall be taken by the Executive Council in respect of the number, qualifications and the emoluments of teachers and academic staff otherwise than after consideration of the recommendations of the Academic Council;

(ii) to appoint such Professors, Readers, Lecturers and other academic staff, as may be necessary, and Principals of Colleges and Institutions maintained by the University on the recommendation of the Selection Committee constituted for the purpose and to fill up temporary vacancies therein;

(iii) to create administrative, ministerial and other necessary posts and to make appointments thereto in the manner prescribed by the Ordinances;

(iv) to grant leave of absence to any officer of the University, other than the Chancellor and the Vice-Chancellor, and to make necessary arrangements for the discharge of the functions of such officer during his absence;

(v) to regulate and enforce discipline among employees in accordance with the Statutes and the Ordinances;

(vi) to manage and regulate the finances, accounts, investments, property, business and all other administrative affairs of the University, and for that purpose, to appoint such agents as it may think fit;

(vii) to fix limits on the total recurring and the total non-recurring expenditure for a year on the recommendations of the Finance Committee;

(viii) to invest any money belonging to the University, including any unapplied income, in such stocks, funds, share or securities as it shall, from time to time, think fit or in the purchase of immovable property in India, with the like powers of varying such investments from time to time;

(ix) to transfer or accept transfers of any movable or immovable property on behalf of the University;

(x) to provide buildings, premises, furniture and apparatus and other means needed for carrying on the work of the University;

(xi) to enter into, vary, carry out and cancel contracts on behalf of the University;

(xii) to entertain, adjudicate upon, and, if thought fit, to redress any grievances of the employees and students of the University, who may, for any reason feel aggrieved;

(xiii) to appoint examiners and moderators and, if necessary, to remove them, and to fix their fees, emoluments and travelling and other allowances, after consulting the Academic Council;

(xiv) to select a common seal for the University and provide for the custody and use of such seal;

(xv) to make such special arrangements as may be necessary for the residence and discipline of women students;

(xvi) to delegate any of its powers to the Vice-Chancellor, the Directors, the Registrar or the Finance Officer or such other employee or authority of the University or to a committee appointed by it as it may deem fit;

(xvii) to institute fellowships, scholarships, studentships, medals and prizes; and

(xviii) to exercise such other powers and perform such other duties as may be conferred or imposed on it by the Act, or the Statutes.

13. Nine members of the Academic Council shall form a quorum for a meeting of the Academic Council.

Quorum
for
meetings
of the
Academic
Council.

14. Subject to the Act, the Statutes and the Ordinances, the Academic Council shall, in addition to all other powers vested in it, have the following powers, namely:—

Powers
of the
Academic
Council.

(a) to exercise general supervision over the academic policies of the University and to give directions regarding methods of instructions, co-operative teaching among Colleges and Institutions, evaluation of research or improvements in academic standards;

(b) to bring about inter-School co-ordination, to establish or appoint committees or boards, for taking up projects on an inter-school basis;

(c) to consider matters of general academic interest either on its own initiative or on a reference by a School or the Executive Council and to take appropriate action thereon; and

(d) to frame such regulations and rules consistent with the Statutes and the Ordinances regarding the academic functioning of the University; discipline, residences, admissions, award of fellowships and studentships, fees concessions, corporate life and attendance.

15. (1) The Planning Board shall consist of the following members, namely:—

The
Planning
Board.

(a) the Vice-Chancellor;

(b) all Directors;

(c) two nominees of the Chancellor;

(d) five members of the Academic Council nominated by the Vice-Chancellor;

(e) two officers of the University nominated by the Vice-Chancellor.

(2) The Vice-Chancellor shall be the Chairman of the Planning Board and the Director of Studies, Educational Innovations and Rural Reconstruction shall act as the Secretary to the Planning Board and he shall

convene the meetings of the Planning Board after consultation with the Vice-Chancellor.

(3) The Planning Board shall be the principal planning body of the University and shall be responsible for—

(a) reviewing the educational programmes offered by the University;

(b) organising the structure of education in the University so as to provide opportunities to students to offer different combinations of subjects appropriate for the development of personality and skills for useful work in society;

(c) creating an atmosphere and environment conducive to value-oriented education; and

(d) developing new teaching-learning processes which will combine the lectures, tutorials, seminars, demonstrations, self-studies and collective practical projects.

(4) The Planning Board shall have the power to advise on the development of the University and review the progress of implementation of programmes so as to ascertain whether they are on the lines recommended by it and shall also have the power to advise the Executive Council and the Academic Council on any matter in connection therewith.

(5) The Academic Council and the Executive Council shall be bound to consider the recommendations made by the Planning Board and shall implement such of the recommendations as are accepted by it.

(6) Such of those recommendations of the Planning Board as have not been accepted by the Executive Council or the Academic Council under sub-section (6) shall be submitted by the Vice-Chancellor, along with the recommendations of the Executive Council or the Academic Council, to the Visitor for advice and the advice of the Visitor shall be implemented by the Executive Council or the Academic Council, as the case may be.

Schools
of Studies
and
Depart-
ments.

16. (1) The University shall have such Schools of Studies as may be specified by the Ordinances.

(2) Every School shall have a School Board. The members of the first School Board shall be nominated by the Executive Council and shall hold office for a period of three years.

(3) The powers and functions of a School Board shall be prescribed by the Ordinances.

(4) The conduct of the meetings of a School Board and the quorum required for such meetings shall be prescribed by the Ordinances.

(5) (a) Each School shall consist of such Departments as may be assigned to it by the Ordinances.

(b) No Department shall be established or abolished except by the Statutes:

Provided that the Executive Council may, on the recommendation of the Academic Council, establish Centres of Studies to which may be assigned such teachers of the University as the Executive Council may consider necessary.

(c) Each Department shall consist of the following members, namely:—

- (i) teachers of the Department;
- (ii) persons conducting research in the Department;
- (iii) Dean of the School or Deans of the Schools;
- (iv) honorary Professors, if any, attached to the Department; and
- (v) such other persons as may be members of the Department in accordance with the provisions of the Ordinances.

17. (1) Each Department shall have two Boards of Studies, one for Post-graduate Studies and the other for Under-graduate Studies.

Boards of
Studies

(2) The constitution of a Board of Post-graduate Studies and the term of office of its members shall be prescribed by the Ordinances.

(3) The functions of a Board of Post-graduate Studies shall be to approve subjects for research for various degrees and other requirements of research degrees and to recommend to the concerned School Board in the manner prescribed by the Ordinances:—

- (a) courses of studies and appointment of examiners for post-graduate courses, but excluding research degrees;
- (b) appointment of supervisors of research; and
- (c) measures for the improvement of the standard of post-graduate teaching and research:

Provided that the above functions of a Board of Post-graduate Studies shall, during the period of three years immediately after the commencement of the Act, be performed by the Department.

(4) The constitution and functions of a Board of Under-graduate Studies and the term of office of its members shall be prescribed by the Ordinances.

18. (1) The Finance Committee shall consist of the following members, namely:—

Finance
Commit-
tee

- (i) The Vice-Chancellor;
- (ii) A Director appointed by the Executive Council;
- (iii) Three persons nominated by the Executive Council, out of whom at least one shall be a member of the Executive Council; and
- (iv) Three persons nominated by the Visitor.

(2) Five members of the Finance Committee shall form a quorum for a meeting of the Finance Committee.

(3) All the members of the Finance Committee, other than *ex officio* members, shall hold office for a term of three years.

(4) A member of the Finance Committee shall have the right to record a minute of dissent if he does not agree with any decision of the Finance Committee.

(5) The Finance Committee shall meet at least twice every year to examine the accounts and to scrutinise proposals for expenditure.

(6) The annual accounts and the financial estimates of the University prepared by the Finance Officer shall be laid before the Finance Committee for consideration and comments and thereafter submitted to the Executive Council for approval.

(7) The Finance Committee shall recommend limits for the total recurring expenditure and the total non-recurring expenditure for the year, based on the income and resources of the University (which, in the case of productive works, may include the proceeds of loans).

**Selection
Committees.**

19. (1) There shall be Selection Committees for making recommendations to the Executive Council for appointment to the posts of Director, Professor, Reader, Lecturer, Librarian and Principals of Colleges and Institutions maintained by the University.

(2) The Selection Committee for appointment to the posts specified in column 1 of the Table below shall consist of the Vice-Chancellor, a Director (if any) appointed by the Executive Council, a nominee of the Visitor and the persons specified in the corresponding entry in column 2 of the said Table:

TABLE

I	2
Director	Not less than three eminent persons, not in the service of the University or members of the Executive Council or Academic Council to be nominated by the Executive Council out of the panel of not less than six names recommended by the Academic Council for their special knowledge of, or interest in, the subjects with which the Director to be appointed will be concerned.
Professor	<ul style="list-style-type: none"> (i) The Head of the Department concerned, if he is a Professor. (ii) One Professor to be nominated by the Vice-Chancellor. (iii) Three persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic Council for their special knowledge of, or interest in, the subject with which the Professor will be concerned.
Reader/Lecturer	<ul style="list-style-type: none"> (i) The Head of the Department concerned. (ii) One Professor to be nominated by the Vice-Chancellor. (iii) Two persons not in the service of the University, nominated by the Executive Council, out of a panel of names recommended by the Academic Council for their special knowledge of, or interest in, the subject with which the Reader or Lecturer will be concerned.
Librarian	<ul style="list-style-type: none"> (i) Two persons not in the service of the University, who have special knowledge of the subject of Library Science/Library Administration to be nominated by the Executive Council. (ii) One person not in the service of the University, nominated by the Executive Council.

Principal of College or Institution maintained by the University

Three persons not in the service of the University of whom two shall be nominated by the Executive Council and one by the Academic Council for their special knowledge of, or interest in, a subject in which instruction is being provided by the College or Institution.

NOTE 1.—Where the appointment is being made for an inter-disciplinary project, the Head of the project shall be deemed to be the Head of the Department concerned.

NOTE 2.—The Professor to be nominated shall be a Professor concerned with the speciality for which the selection is being made and that the Vice-Chancellor shall consult the Head of the Department and the Dean of School before nominating the Professor.

(3) The Vice-Chancellor, or in his absence, the senior-most Director, shall preside at the meetings of a Selection Committee.

(4) The meetings of a Selection Committee shall be convened by the Vice-Chancellor or in his absence, by the senior-most Director.

(5) The procedure to be followed by a Selection Committee in making recommendations shall be laid down in the Ordinances.

(6) If the Executive Council is unable to accept the recommendations made by a Selection Committee, it shall record its reasons and submit the case to the Visitor for final orders.

(7) Appointments to temporary posts shall be made in the manner indicated below:—

(i) If the temporary vacancy is for a duration longer than one academic session, it shall be filled on the advice of the Selection Committee in accordance with the procedure indicated in the foregoing clauses:

Provided that if the Vice-Chancellor is satisfied that in the interests of work it is necessary to fill the vacancy, the appointment may be made on a purely temporary basis by a local Selection Committee referred to in sub-clause (ii) for a period not exceeding six months.

(ii) If the temporary vacancy is for a period less than a year, an appointment to such vacancy shall be made on the recommendation of a local Selection Committee consisting of the Dean of the School concerned, the Head of the Department and a nominee of the Vice-Chancellor:

Provided that if the same person holds the offices of the Dean and the Head of the Department, the Selection Committee may contain two nominees of the Vice-Chancellor:

Provided further that in case of sudden casual vacancies of teaching posts caused by death or any other reason, the Dean may,

in consultation with the Head of the Department concerned, make a temporary appointment for a month and report to the Vice-Chancellor and the Registrar about such appointment.

(iii) No teacher appointed temporarily shall, if he is not recommended by a regular Selection Committee for appointment under the Statutes, be continued in service on such temporary employment, unless he is subsequently selected by a local Selection Committee or a regular Selection Committee, for a temporary or permanent appointment, as the case may be.

Special mode of appointment.

20. (1) Notwithstanding anything contained in Statute 19, the Executive Council may invite a person of high academic distinction and professional attainments to accept a post of Professor or Reader or any other academic post in the University, as the case may be, on such terms and conditions as it deems fit, and on the person agreeing to do so, appoint him to the post.

(2) The Executive Council may appoint a teacher or any other academic staff working in any other university or organisation for undertaking a joint project in accordance with the manner laid down in the Ordinances.

Appointment for a fixed tenure.

21. The Executive Council may appoint a person selected in accordance with the procedure laid down in Statute 19 for a fixed tenure on such terms and conditions as it deems fit.

Recognised teachers.

22. (1) The qualifications of recognised teachers shall be such as may be prescribed by the Ordinances.

(2) All applications for the recognition of teachers shall be made in such manner as may be laid down in the Ordinances.

(3) No teacher shall be recognised as a teacher except on the recommendation of a selection committee constituted for the purpose in the manner laid down in the Ordinances.

(4) The period of recognition of a teacher shall be determined by Ordinances made in that behalf.

(5) The Academic Council may, by a special resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw recognition from a teacher:

Provided that no such resolution shall be passed until notice in writing has been given to the person concerned calling upon him to show cause, within such time as may be specified in the notice, why such resolution should not be passed and until his objections, if any, and any evidence he may produce in support of them, have been considered by the Academic Council.

(6) Any person aggrieved by an order of withdrawal under clause (5) may, within three months from the date of communication to him of such order, appeal to the Executive Council which may pass such orders thereon as it thinks fit.

23. Any authority of the University may appoint as many standing or special committees as it may deem fit, and may appoint to such committees persons who are not members of such authority. Any such committee may deal with any subject delegated to it subject to subsequent confirmation by the authority appointing.

Committees.

24. (1) All the teachers of the University shall, in the absence of any agreement to the contrary, be governed by the terms and conditions of service as specified in the Statutes, the Ordinances and the Regulations.

Terms and
conditions
of service
of Uni-
versity
teachers.

(2) Every teacher of the University shall be appointed on a written contract, the form of which shall be prescribed by the Ordinances. A copy of the contract shall be deposited with the Registrar.

25. (1) Whenever, in accordance with the Statutes, any person is to hold an office or be a member of an authority of the University by rotation according to seniority, such seniority shall be determined according to the length of continuous service of such person in his grade, and, in accordance with such other principles as the Executive Council may, from time to time, prescribe.

Seniority
lists.

(2) It shall be the duty of the Registrar to prepare and maintain, in respect of each class of persons to whom the provisions of the Statutes apply, a complete and up-to-date seniority list in accordance with the provisions of clause (1).

(3) If two or more persons have equal length of continuous service in a particular grade or the relative seniority of any person or persons is otherwise in doubt, the Registrar may, on his own motion and shall, at the request of any such person, submit the matter to the Executive Council whose decision thereon shall be final.

26. (1) Where there is an allegation of misconduct against a teacher, or a member of the academic staff, the Vice-Chancellor may, if he thinks fit, by order in writing, place the teacher under suspension and shall forthwith report to the Executive Council the circumstances in which the order was made:

Removal
of
teachers.

Provided that the Executive Council may, if it is of the opinion, that the circumstances of the case do not warrant the suspension of the teacher or a member of the academic staff, revoke such order.

(2) Notwithstanding anything contained in the terms of his contract of service or of his appointment, the Executive Council shall be entitled to remove a teacher or a member of the academic staff on the ground of misconduct.

(3) Save as aforesaid, the Executive Council shall not be entitled to remove a teacher or a member of the academic staff except for good cause and after giving three months' notice in writing or on payment of three months' salary in lieu of notice.

(4) No teacher or a member of the academic staff shall be removed under clause (2) or under clause (3) until he has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(5) The removal of a teacher or a member of the academic staff shall require a two-thirds majority of the members of the Executive Council present and voting.

(6) The removal of a teacher or a member of the academic staff shall take effect from the date on which the order of removal is made.

Provided that where a teacher or a member of the academic staff is under suspension at the time of his removal, the removal shall take effect from the date on which he was placed under suspension.

(7) Notwithstanding anything contained in the Statutes, a teacher or a member of the academic staff may resign by giving three months' notice in writing to the Executive Council or on payment to the University of three months' salary in lieu thereof.

Removal of employees other than teachers of the University.

27. (1) Notwithstanding anything contained in the terms of his contract of service or of his appointment, an employee, other than a teacher or a member of the academic staff, may be removed by the authority which is competent to appoint the employee—

(a) if he is of unsound mind or is a deaf-mute or suffers from contagious leprosy;

(b) if he is an undischarged insolvent;

(c) if he has been convicted by a court of law of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months;

(d) if he is otherwise guilty of misconduct:

Provided that no employee shall be removed from his office unless a resolution to that effect is passed by the Executive Council by a majority of two-thirds of its members present and voting.

(2) No employee shall be removed under clause (1) until he has been given a reasonable opportunity of showing cause against the action proposed to be taken in regard to him.

(3) Where the removal of such employee is for a reason other than that specified in sub-clause (c) or sub-clause (d) of clause (1), he shall be given three months' notice in writing or paid three months' salary in lieu of such notice.

(4) Notwithstanding anything contained in the Statutes, an employee, not being a teacher or a member of the academic staff, shall be entitled to resign,—

(i) if he is a permanent employee, only after giving three months' notice in writing to the appointing authority or paying to the University three months' salary in lieu thereof;

(ii) if he is not a permanent employee, only after giving one month's notice in writing to the appointing authority or paying to the University one months' salary in lieu thereof;

Provided that such resignation shall take effect from the date on which the resignation is accepted by the appointing authority.

28. (1) The Executive Council may, on the recommendation of the Academic Council and by a resolution passed by a majority of not less than two-thirds of the members present and voting, make proposals to the Visitor for the conferment of honorary degrees:

Honorary degrees.

Provided that in case of emergency, the Executive Council may, on its own, make such proposals.

(2) The Executive Council may, by a resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw, with the previous sanction of the Visitor, any honorary degree conferred by the University.

29. The Executive Council may, by a special resolution passed by a majority of not less than two-thirds of the members present and voting, withdraw any degree or academic distinction conferred on, or any certificate or diploma granted to, any person by the University for good and sufficient cause:

With-
drawal of
degrees,
etc.

Provided that no such resolution shall be passed until a notice in writing has been given to that person calling upon him to show cause within such time as may be specified in the notice why such a resolution should not be passed and until his objections, if any, and any evidence he may produce in support of them, have been considered by the Executive Council.

30. (1) All powers relating to discipline and disciplinary action in relation to students of the University shall vest in the Vice-Chancellor.

Mainten-
ance of
discipline
among
students
of the
Univer-
sity.

(2) The Vice-Chancellor may delegate all or any of his powers as he deems proper to a Proctor and to such other officers as he may specify in this behalf.

(3) Without prejudice to the generality of his powers relating to the maintenance of discipline and taking such action, as may seem to him appropriate for the maintenance of discipline, the Vice-Chancellor may, in the exercise of his powers, by order, direct that any student or students be expelled, or rusticated, for a specified period, or be not admitted to a course or courses of study in a College, Institution or Department of the University for a stated period, or be punished with fine for an amount to be specified in the order, or be debarred from taking an examination or examinations conducted by the University, College, Institution or a Department for one or more years, or that the results of the student or students concerned in the examination or examinations in which he or they have appeared be cancelled.

(4) The Principals of Colleges, Institutions, Heads of Special Centres, Deans of Schools of Studies and Heads of teaching Departments in the University shall have the authority to exercise all such disciplinary powers over the students in their respective Colleges, Institutions, Special Centres, Schools and teaching Departments in the University as may be necessary for the proper conduct of such Colleges, Institutions, Special Centres, Schools and teaching in the Departments.

(5) Without prejudice to the powers of the Vice-Chancellor, the Principals and other persons specified in clause (4), detailed rules of

discipline and proper conduct shall be made by the University. The Principals of Colleges, Institutions, Heads of Special Centres, Deans of Schools of Studies and Heads of teaching Departments in the University may also make the supplementary rules as they deem necessary for the aforesaid purposes. Every student shall be supplied with a copy of the rules made by the University and a copy of the supplementary rules shall be supplied to the students concerned.

(6) At the time of admission, every student shall be required to sign a declaration to the effect that he submits himself to the disciplinary jurisdiction of the Vice-Chancellor and other authorities of the University.

Mainte-
nance of
discipline
among
students
of
Colleges,
etc.

Admis-
sion of
Colleges,
etc., to the
privileges
of the
Univer-
sity.

31. All powers relating to discipline and disciplinary action in relation to students of a College or an Institution, not maintained by the University, shall vest in the Principal of the College or Institution, as the case may be, in accordance with the procedure prescribed by the Ordinances.

32. (1) Colleges and other Institutions situated within the jurisdiction of the University may be admitted to such privileges of the University as the Executive Council may decide on the following conditions, namely:—

(i) Every such College or Institution shall have a regularly constituted Governing Body, consisting of not more than fifteen persons approved by the Executive Council and including among others, two teachers of the University to be nominated by the Executive Council and three representatives of the teaching staff of whom the Principal of the College or Institution shall be one. The procedure for appointment of members of the Governing Body and other matters affecting the management of a College or an Institution shall be prescribed by the Ordinances:

Provided that the said condition shall not apply in the case of Colleges and Institutions maintained by Government which shall, however, have an Advisory Committee consisting of not more than fifteen persons which shall consist of, among others, three teachers including the Principal of the College or Institution, and two teachers of the University nominated by the Executive Council.

(ii) Every such College or Institution shall satisfy the Executive Council on the following matters, namely:—

(a) the suitability and adequacy of its accommodation and equipment for teaching;

(b) the qualifications and adequacy of its teaching staff and the conditions of their service;

(c) the arrangements for the residence, welfare, discipline and supervision of students;

(d) the adequacy of financial provision made for the continued maintenance of the College or Institution; and

(e) such other matters as are essential for the maintenance of the standards of University education.

(iii) No College or Institution shall be admitted to any privileges of the University except on the recommendation of the Academic Council made after considering the report of a Committee of Inspection appointed for the purpose by the Academic Council.

(iv) Colleges and Institutions desirous of admission to any privileges of the University shall be required to intimate their intention to do so in writing so as to reach the Registrar not later than the 15th August, preceding the year from which permission applied for is to have effect.

(v) A College or an Institution shall not, without the previous permission of the Executive Council and the Academic Council, suspend instruction in any subject or course of study which it is authorised to teach and teaches.

(2) Appointment to the teaching staff and Principals of Colleges or Institutions admitted to the privileges of the University shall be made in the manner prescribed by the Ordinances:

Provided that nothing in this clause shall apply to Colleges and Institutions maintained by Government.

(3) The service conditions of the administrative and other non-academic staff of every College or Institution referred to in clause (2) shall be such as may be laid down in the Ordinances:

Provided that nothing in this clause shall apply to Colleges and Institutions maintained by Government.

(4) Every College or Institution admitted to the privileges of the University shall be inspected at least once in every two academic years by a Committee appointed by the Academic Council, and the report of that Committee shall be submitted to the Academic Council, which shall forward the same to the Executive Council with such recommendations as it may deem fit to make. The Executive Council, after considering the report and the recommendations, if any, of the Academic Council, shall forward a copy of the report to the Governing Body of the College or Institution with such remarks, if any, as it may deem fit, for suitable action.

(5) The Executive Council may, after consulting the Academic Council, withdraw any privileges granted to a College or Institution, at any time it considers that the College or Institution does not satisfy any of the conditions on the fulfilment of which the College or Institution was admitted to such privileges:

Provided that before any privileges are so withdrawn, the Governing Body of the College or Institution concerned shall be given an opportunity to represent to the Executive Council why such action should not be taken.

(6) Subject to the conditions set forth in clause (1), the Ordinances may prescribe—

(i) such other conditions as may be considered necessary;

(ii) the procedure for the admission of Colleges and Institutions to the privileges of the University and for the withdrawal of those privileges.

Convocations:

33. Convocations of the University for the conferring of degrees or for other purposes shall be held in such manner as may be prescribed by the Ordinances.

Acting Chairman of meetings:

34. Where no provision is made for a President or Chairman to preside over a meeting of any authority of the University or any committee of such authority or when the President or Chairman so provided for is absent, the members present shall elect one from among themselves to preside at such meeting.

Resignation:

35. Any member, other than an *ex officio* member of the Court, the Executive Council, the Academic Council or any other authority of the University or any committee of such authority may resign by letter addressed to the Registrar and the resignation shall take effect as soon as such letter is received by the Registrar.

Disqualifications:

36. (1) A person shall be disqualified for being chosen as, and for being, a member of any of the authorities of the University—

(a) if he is of unsound mind or is a deaf-mute or suffers from contagious leprosy;

(b) if he is an undischarged insolvent;

(c) if he has been convicted by a court of law of an offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months.

(2) If any question arises as to whether a person is or had been subjected to any of the disqualifications mentioned in clause (1), the question shall be referred for the decision of the Visitor and his decision shall be final and no suit or other proceeding shall lie in any civil court against such decision.

Residence condition for membership and office:

37. Notwithstanding anything contained in the Statutes, no person who is not ordinarily resident in India shall be eligible to be an officer of the University or a member of any authority of the University.

Membership, of authorities by virtue of membership of other bodies:

38. Notwithstanding anything contained in the Statutes, a person who holds any post in the University or is a member of any authority or body of the University in his capacity as a member of a particular authority or body or as the holder of a particular appointment shall hold such office or membership only for so long as he continues to be a member of that particular authority or body or the holder of that particular appointment, as the case may be.

Alumni Association:

39. (1) There shall be an Alumni Association for the University.

(2) The subscription for membership of the Alumni Association shall be prescribed by the Ordinances.

(3) No member of the Alumni Association shall be entitled to vote or stand for election unless he has been a member of the Association for at least one year.

prior to the date of the election and is a graduate of the University of at least five years' standing:

Provided that the condition relating to the completion of one year's membership shall not apply in the case of the first election.

40. (1) There shall be constituted in the University, a Students' Council for every academic year, consisting of:—

Students'
Council.

(a) the Director of Physical Education, Sports, National Service and Students' Welfare who shall be the Chairman of the Students' Council;

(b) all students who have won prizes in the previous academic year in the fields of studies, fine arts, sports and extension work;

(c) twenty students to be nominated by the Academic Council on the basis of merit in studies, sports, extra-curricular activities and all-round development of personality:

Provided that any student of the University shall have the right to bring up any matter concerning the University before the Students' Council if so permitted by the Chairman, and he shall have the right to participate in the discussions at any meeting when the matter is taken up for consideration.

(2) The functions of the Students' Council shall be to make suggestions to the appropriate authorities of the University in regard to the programmes of studies, students' welfare and other matters of importance in regard to the working of the University in general and such suggestions shall be made on the basis of consensus of opinion.

(3) The Students' Council shall meet at least once in an academic year preferably in the beginning of that year.

41. (1) The first Ordinances made under sub-section (2) of section 27 may be amended, repealed or added to at one time by the Executive Council in the manner specified below.

Ordin-
ances
how
made.

(2) No Ordinance in respect of the matters enumerated in section 27, other than those enumerated in clause (n) of sub-section (1) thereof, shall be made by the Executive Council unless a draft of such Ordinance has been proposed by the Academic Council.

(3) The Executive Council shall not have power to amend any draft of any Ordinance proposed by the Academic Council under clause (2), but may reject the proposal or return the draft to the Academic Council for re-consideration, either in whole or in part, together with any amendment which the Executive Council may suggest.

(4) Where the Executive Council has rejected or returned the draft of an Ordinance proposed by the Academic Council, the Academic Council may consider the question afresh and in case the original draft is reaffirmed by a majority of not less than two-thirds of the members present and voting and more than half the total number of members of the Academic Council, the draft may be sent back to the Executive Council which shall either adopt it or refer it to the Visitor whose decision shall be final.

(5) Every Ordinance made by the Executive Council shall come into effect immediately.

(6) Every Ordinance made by the Executive Council shall be submitted to the Visitor within two weeks from the date of its adoption. The Visitor shall have the power to direct the University within four weeks of the receipt of the Ordinance to suspend the operation of any such Ordinance and he shall, as soon as possible, inform the Executive Council about his objection to the proposed Ordinance. The Visitor may, after receiving the comments of the University, either withdraw the order suspending the Ordinance or disallow the Ordinance, and his decision shall be final.

Regula-
tions.

42. (1) The authorities of the University may make Regulations consistent with the Act, and the Statutes and the Ordinances:—

(a) laying down the procedure to be observed at their meetings and the number of members required to form a quorum;

(b) providing for all matters which are required by the Act, the Statutes or the Ordinances to be prescribed by Regulations;

(c) providing for all other matters solely concerning such authorities or committees appointed by them and not provided for by the Act, the Statutes or the Ordinances.

(2) Every authority of the University shall make Regulations providing for the giving of notice to the members of such authority of the dates of meetings, and of the business to be considered at meetings and for the keeping of a record of the proceedings of meetings.

(3) The Executive Council may direct the amendment in such manner as it may specify, of any Regulation made under the Statutes or the annulment of any such Regulation.

Dele-
gation
of
powers.

43. Subject to the provisions of the Act and the Statutes, any officer or authority of the University may delegate his or its powers to any other officer or authority or person under his or its respective control and subject to the condition that overall responsibility for the exercise of the powers so delegated shall continue to vest in the officer or authority delegating such powers.

THE STANDARDS OF WEIGHTS AND MEASURES
(ENFORCEMENT) ACT, 1985

ARRANGEMENT OF SECTIONS

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THE STANDARDS OF WEIGHTS AND MEASURES
(ENFORCEMENT) ACT, 1985

NO. 54 OF 1985

[4th September, 1985.]

An Act to provide for the enforcement of the standards of weights and measures established by or under the Standards of Weights and Measures Act, 1976, and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Standards of Weights and Measures (Enforcement) Act, 1985.

Short title, extent and commencement.

(2) It extends to the whole of India.

(3) It shall come into force in a State on such date as the State Government may, by notification, appoint, and different dates may be appointed for different provisions thereof, in or in relation to, different—

(a) areas in the State; or

(b) classes of undertakings in the State; or

(c) classes of goods produced, sold, distributed, marketed or transferred in the State; or

(d) classes of services rendered in the State; or

(e) classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used in the State; or

(f) classes of users of weights and measures in the State,

and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of this Act, or, as the case may be, of that provision, in such areas or in respect of such classes of undertakings, goods, services, classes of weights and measures or classes of users of weights and measures, in relation to which, or whom, this Act has been brought into force.

Act not to apply to inter-State trade or commerce.

2. Nothing in this Act shall apply to any inter-State trade or commerce in—

(a) any weight or measure, or

(b) any other goods which are sold, delivered or distributed by weight, measure or number.

Definitions.

3. In this Act, unless the context otherwise requires,—

(a) "Additional Controller" includes a Joint Controller, Deputy Controller and an Assistant Controller appointed under section 5;

(b) "authorised seal or stamp" means a seal or stamp made under, and in accordance with, the provisions of this Act;

(c) "Controller" means the Controller of Legal Metrology appointed under section 5;

(d) "counterfeit", in relation to a seal or stamp, means a seal or stamp which is so made as to resemble an authorised seal or stamp, as the case may be, intending by that resemblance to practise deception, or knowing it to be likely that deception will thereby be practised.

Explanation I.—It is not essential that the resemblance of the counterfeit seal or stamp to the authorised seal or stamp should be exact.

Explanation II.—When a person causes a counterfeit seal or stamp to resemble an authorised seal or stamp and the resemblance is such that if a person relies on such seal or stamp, he might be deceived thereby, it shall be presumed, until the contrary is proved, that the person so causing the seal or stamp to resemble the authorised seal or stamp intended by means of that resemblance to practise deception or knew it to be likely that deception would thereby be practised;

(e) "heap" means any unit of a commodity for sale where such sale is intended to be made without any weighment or measurement or, where the sale is made by number, without counting the number;

(f) "Inspector" means a person who is appointed as such under section 5, by whatever name called;

(g) "mint" means a mint of the Central Government;

(h) "notification" means a notification published in the Official Gazette;

(i) "prescribed" means prescribed by rules made under this Act;

(j) "protection" means the utilisation of any weight or measure, or any reading obtained with the help of any weight or measure, for the purpose of determining whether or not any step is required to be taken to safeguard the well-being of any human being or animal, or to protect any commodity, vegetation or thing, whether individually or collectively;

60 of 1976.

89 of 1956.

(k) "Standards Act" means the Standards of Weights and Measures Act, 1976;

(l) "standard weight or measure" means a weight, measure or number which conforms to the standards established in relation thereto by or under the Standards Act;

(m) "State Act" means the Act enacted by the Legislature of a State for the enforcement of the standards established by or under the Standards of Weights and Measures Act, 1956;

(n) "State Government", in relation to a Union territory, means the Administrator thereof;

(o) words and expressions used in this Act and not defined but defined in the Standards Act shall have the meanings respectively assigned to them in that Act.

4. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any enactment other than this Act and the Standards Act or in any instrument having effect by virtue of any enactment other than this Act or the Standards Act.

Provisions
of this
Act to
over-
ride
the provi-
sions of
any
other
law
except the
Standards
Act.

CHAPTER II

APPOINTMENT OF CONTROLLERS, INSPECTORS AND OTHER OFFICERS

5. (1) The State Government may, by notification, appoint a Controller of Legal Metrology for the State and as many Additional, Joint, Deputy or Assistant Controllers, Inspectors, and other officers and staff as may be necessary for exercising the powers, and efficiently discharging the duties, conferred or imposed on them by or under this Act or the Standards Act.

Appoint-
ment of
Con-
trollers,
Inspectors
and other
officers
and staff.

(2) Every Additional Controller, Inspector or other officer, appointed under sub-section (1), shall exercise such powers and discharge such functions of the Controller as the State Government may, by notification, authorise in this behalf.

(3) The Controller may, by general or special order, define the local limits within which each Additional Controller, Inspector or other officer, appointed under sub-section (1), shall exercise his powers and discharge the duties conferred or imposed on him by or under this Act.

(4) Subject to the provisions of this Act, every Additional Controller, Inspector and other officer appointed under sub-section (1), shall exercise his powers and discharge the duties of his office under the general superintendence, direction and control of the Controller and shall exercise those powers and discharge those duties in the same manner and with the same effect as if they had been conferred or imposed on him directly by or under this Act and not by way of authorisation.

(5) The Controller and every Additional Controller and other officer authorised by or under this Act may also—

(a) perform all or any of the functions of, and

(b) exercise all or any of the powers conferred by this Act or any rule or order made thereunder, on,

an Inspector.

Power to authorise Inspector to adjust weights or measures.

Controller and officers appointed under this Act to be public servants.

Protection of action taken in good faith.

6. Where the Controller is of opinion that it is necessary so to do, he may, by an order in writing, authorise any officer not below the rank of an Inspector, to adjust any weight or measure in any area within the local limits of his jurisdiction.

7. (a) The Controller and every Additional Controller, and every Inspector, and

(b) every other officer authorised by or under this Act to perform any duty,

shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

8. No suit, prosecution or other legal proceeding shall lie against the Controller, any Additional Controller, Inspector or any other person authorised by or under this Act to exercise any power or to perform any duty in respect of anything which is in good faith done or intended to be done under this Act or the Standards Act or any rule or order made under either of the Acts aforesaid.

CHAPTER III

GENERAL PROVISIONS IN RELATION TO STANDARD WEIGHTS AND MEASURES

Prohibition of use of weights and measures other than standard weights and measures.

9. (1) Notwithstanding any custom, usage or method of whatever nature, no weight or measure, other than the standard weight or measure, shall be used or kept in any premises in such circumstances as to indicate that such weight or measure is intended, or is likely to be used, for any weighment or measurement.

(2) On and from the commencement of this Act, no weight, measure or number, other than the standard weight or measure shall be used in, or form the basis of, any contract or other agreement in relation to any trade, commerce, production or protection.

(3) Any contract or other agreement, which contravenes the provisions of sub-section (2), shall be void.

Use of weights only or measures only in certain cases.

10. (1) The State Government may, by rules made in this behalf, direct that in respect of the classes of goods, services or undertakings or users specified therein—

(a) no transaction, dealing or contract shall be made or had, or

(b) no industrial production shall be undertaken, or

(c) no use for protection shall be made, except by such weight, measure or number as may be specified therein.

(2) Any rule made under sub-section (1) shall take effect in such area, from such future date and subject to such conditions, if any, as may be specified therein.

11. Except where he is permitted under the Standards Act so to do, no person shall, in relation to any goods or things which are sold, transferred, distributed or delivered, or any service rendered—

(a) quote, or make announcement of, whether by word of mouth or otherwise, any price or charge, or

(b) issue or exhibit any price list, invoice, cash memo or other document, or

(c) mention any weight or measure in any advertisement, poster or other document, or

(d) indicate the weight, measure or number of the net contents of any package on the package itself or on any label, carton or other thing, or

(e) express, in relation to any transaction, industrial production or protection, any quantity or dimension,

otherwise than in accordance with the standard weight or measure.

Prohibition
of quota-
tions, etc.,
otherwise
than
in terms
of
standard
weight or
measure.

CHAPTER IV

CUSTODY AND VERIFICATION OF STANDARD EQUIPMENTS

12. Every reference standard shall be kept at such place and in such custody as may be prescribed, and no such reference standard shall be deemed to be a reference standard and shall be used as such unless it has been verified, authenticated and maintained in accordance with the rules made under the Standards Act.

Custody
and veri-
fication of
reference
standards.

13. The State Government may cause to be prepared at the metrological wing of the mint at Bombay, as many sets of secondary standards or working standards as it may think necessary:

Preparation
of sec-
ondary and
working
standards.

Provided that where the mint intimates the State Government in writing that it is unable to prepare any secondary standard or working standard, that Government may cause such secondary standard or working standard to be prepared by such organisation as the Central Government may, on a reference made to it by the State Government, by notification, specify in this behalf.

14. (1) Every secondary standard or working standard referred to in section 13, shall conform to the standards established by or under the Standards Act and shall be verified—

Verification,
stamping
and custody
of sec-
ondary or
working
standards.

(a) in the case of a secondary standard, at any one of the places where reference standards are maintained, against the appropriate reference standard;

(b) in the case of a working standard, at any one of the places where secondary standards are maintained, against the appropriate secondary standard,

in such manner and at such periodical intervals as may be specified by or under the Standards Act and shall, if found on such verification to conform to the standards established by or under that Act, be stamped.

(2) Where any secondary standard or working standard is stamped under sub-section (1), a certificate shall be separately issued showing the date on which such weight or measure was stamped.

(3) Every verification and stamping referred to in sub-section (1) shall be made by such person or authority as may be specified by or under the Standards Act.

(4) A secondary standard or working standard which is not verified and stamped in accordance with the provisions of sub-section (1) and sub-section (3) shall not be deemed to be a secondary standard or working standard, as the case may be, and shall not be used for the verification of any working standard or, as the case may be, for the verification of any weight or measure.

(5) Every verified secondary standard and every verified working standard shall be kept at such place and in such custody as may be prescribed.

Secondary
or working
standard
which may
not be
stamped.

15. (1) Where the State Government is of opinion that by reason of the size or nature of any secondary standard or working standard, it is not desirable or practicable to put a stamp thereon, it may direct that instead of putting a stamp on such secondary standard or working standard, a certificate may be issued to the effect that such secondary standard or working standard conforms to the standards established by or under the Standards Act and every secondary standard or working standard so certified shall be deemed to have been duly stamped under this Act on the date on which such certificate was issued.

(2) Every certificate referred to in sub-section (1) shall be in such form as may be prescribed and shall contain such details as to enable a clear identification of the weight or measure to which it relates.

CHAPTER V

REGISTRATION OF USERS OF WEIGHTS AND MEASURES

Persons
using weights
or measures
for transac-
tions or
industrial
production
or for pro-
tection to
get them-
selves regis-
tered.

16. No person, not being an itinerant vendor, shall use any weight or measure in any transaction or for industrial production or for protection unless he is registered in accordance with the provisions of this Chapter.

17. (1) Every person, who intends to commence, or carry on, the use of any weight or measure in any transaction or for industrial production or for protection, shall make, within such time and containing such particulars as may be prescribed, an application for the inclusion of his name in a register to be maintained for the purpose (hereinafter in this section referred to as the "Register of Users").

Procedure
of regis-
tration.

(2) The Register of Users shall be maintained in such form and in such manner as may be prescribed.

(3) The application referred to in sub-section (1) shall be made to the Controller or to such other person as the Controller may, by general or special order in writing, authorise in this behalf and every such application shall be made in such form, in such manner and on payment of such fee as may be prescribed.

(4) On receipt of the application referred to in sub-section (1), the Controller or the person authorised by him shall include the name of such person in the Register of Users and issue to the applicant a certificate to the effect that his name has been so included.

(5) A certificate issued under sub-section (4) shall be valid for the period specified therein and may be renewed from time to time for such further period and on payment of such fee as may be prescribed.

18. Whoever uses, after the expiry of the period prescribed under sub-section (1) of section 17, any weight or measure in any transaction or for industrial production or for protection shall, unless he is registered in accordance with the provisions of this Chapter, be punishable with fine which may extend to five hundred rupees, and for the second or subsequent offence, with imprisonment for a term which may extend to six months, or with fine, or with both.

Punishment
for non-
regis-
tration.

CHAPTER VI

MANUFACTURE, REPAIR OR SALE OF WEIGHTS OR MEASURES

19. (1) No person shall make, manufacture, repair or sell, or offer, expose or possess for repair or sale, any weight or measure unless he holds a valid licence issued in this behalf by the Controller authorising such person to do so:

Prohibition
on the
manufac-
ture, repair
or sale of
weights or
measures
without
licence.

Provided that a person who *bona fide* repairs any weight or measure owned and possessed by him shall not be required to take out a licence referred to in this sub-section.

(2) Every licence issued under this section—

(a) shall be—

- (i) in such form,
- (ii) issued on payment of such fees, and
- (iii) valid for such period,

as may be prescribed,

(b) may be renewed from time to time, and

(c) may contain such conditions and restrictions as may be prescribed.

(3) Every licence issued under the State Act shall, if in force immediately before the commencement of this Act, continue to be in force until the expiry of the period of its validity, or until the cancellation thereof, whichever is earlier, and may be renewed under this Act after the expiry of the period of its validity, if an application for such renewal is made in the prescribed form at least one month before the expiry of the period of validity of the licence.

(4) Every person who intends to commence business, after the commencement of this Act, as a maker, manufacturer, repairer or seller of any weight or measure, shall make an application in such form and on payment of such fees as may be prescribed, for the issue of a licence to him, and every licence so issued may be renewed if an application for its renewal, accompanied by such fee as may be prescribed, is made by such person in the prescribed form at least one month before the expiry of the period of its validity.

(5) The Controller may, if he is satisfied that the maker, manufacturer, repairer or seller, as the case may be, of any weight or measure was prevented by sufficient cause from making an application for the renewal of his licence before the expiry of the period of the validity thereof, permit him to make the application within a further period of one month from the date of expiry of the period of such validity, on payment by him of such further fee, not exceeding the fee which is payable for the issue of the licence.

(6) No application for the issue or renewal of a licence shall be rejected unless—

(a) the applicant or, as the case may be, the holder of the licence has been given a reasonable opportunity of showing cause against the proposed action, and

(b) the Controller is satisfied that—

(i) the application has not been made within the time specified in this section, or

(ii) the applicant has made any statement in, or in relation to, the application for the issue or renewal of the licence which is incorrect or false in material particulars, or

(iii) the applicant has contravened any provision of the Standards Act or of any State Act or of this Act or of any rule or order made under the Standards Act, State Act or this Act.

(7) The Controller may require every repairer licensed under this Act to furnish to the State Government security for such sum, not exceeding two hundred rupees, as may be prescribed.

(8) Nothing contained in this section shall apply to the sale by a user (who is not a maker, manufacturer, dealer or repairer) of any weight or measure:

Provided that no sale of any weight or measure of the prescribed description shall be made except with the written permission of the Controller.

(9) Every licence issued or renewed under this Act shall be displayed in a conspicuous place in the premises where the licensee carries on his business.

20. (1) The Controller may, if he has any reasonable cause to believe that the holder of any licence issued, renewed or continued under this Act has made any statement in, or in relation to, any application for the issue, renewal or continuance of the licence, which is incorrect or false in any material particular or has contravened any provision of the Standards Act or any State Act or this Act or any rule or order made thereunder, suspend such licence, pending the completion of any inquiry or trial against the holder of such licence:

Suspension and cancellation of licence.

Provided that no such licence shall be suspended unless the holder thereof has been given a reasonable opportunity of showing cause against the proposed action:

Provided further that where the inquiry or trial referred to in this sub-section is not completed within a period of three months from the date of suspension of a licence, such suspension shall, on the expiry of the period aforesaid, stand vacated.

(2) The Controller may, if he is satisfied, after making such inquiry as he may think fit, that the holder of a licence has made a false or incorrect statement of the nature referred to in sub-section (1), or has contravened any law or order referred to in that sub-section, cancel such licence:

Provided that no such licence shall be cancelled unless the holder thereof has been given a reasonable opportunity of showing cause against the proposed action.

(3) Every person whose licence has been suspended shall, immediately after such suspension, stop functioning as such licensee and shall not resume business as such licensee until the order of such suspension has been, or stands, vacated.

(4) Every licensee whose licence has been suspended or cancelled shall, after such suspension or cancellation, as the case may be, surrender such licence to the authority by which such licence was issued.

(5) Every licensee whose licence has been cancelled shall, within a period of thirty days from the date of such cancellation, or within such further period, not exceeding three months from such date, as the Controller may, on sufficient cause being shown, allow, dispose of the weights or measures which were in his possession, custody or control on the date of such cancellation, and in the event of his failure to do so, the Controller or any other officer authorised by him, in writing, in this behalf, may seize and dispose of the same and distribute the proceeds thereof in such manner as may be prescribed.

21. Save as otherwise provided in the Standards Act, no person shall—

(a) make or manufacture any weight or measure unless such weight or measure conforms to the standards established by or under the Standards Act;

Manufacture of weights or measures.

(b) make or manufacture any weight or measure with indications thereon of any weights or measures in accordance with any

unit other than the units of weight or measure specified by or under the Standards Act.

Prohibition
of sale or
use of un-
stamped
weights
or
measures.

22. No weight or measure shall be sold, or offered, exposed or possessed for sale, or used or kept for use in any transaction or for industrial production or for protection unless it has been verified and stamped:

Provided that nothing in this section shall apply to any weight or measure which has been initially verified and stamped with a special seal referred to in sub-section (3) of section 41 of the Standards Act.

Manufac-
turer, etc.,
to maintain
records
and re-
gisters.

23. (1) Every maker, manufacturer, repairer or dealer and every person using any weight or measure in any transaction or for industrial production or for protection shall maintain such records and registers as may be prescribed, and, if required so to do by an Inspector, shall produce such records and registers before the Inspector for inspection.

(2) Notwithstanding anything contained in sub-section (1), if the Controller is of opinion that having regard to the nature or volume of the business carried on by any maker, manufacturer, dealer, repairer or user of any weight or measure, it is necessary so to do, he may, by order, exempt such maker, manufacturer, dealer, repairer or user from the operation of sub-section (1).

CHAPTER VII

VERIFICATION AND STAMPING OF WEIGHTS OR MEASURES

Verifica-
tion
and
stamping
of
weights or
measures.

24. (1) Every person having any weight or measure in his possession, custody or control in circumstances indicating that such weight or measure is being, or is intended or likely to be, used by him in any transaction or for industrial production or for protection, shall, before putting such weight or measure into such use, have such weight or measure verified at such place and during such hours as the Controller may, by general or special order, specify in this behalf (hereinafter referred to as the specified place or specified time), on payment of such fees as may be prescribed.

(2) Every weight or measure referred to in sub-section (1) shall be re-verified at such periodical intervals as may be prescribed.

Explanation.—For the removal of doubts it is hereby declared that no periodical re-verification shall be necessary in relation to any weight or measure which is used exclusively for domestic purposes.

(3) Every Inspector shall, for the purpose of verification of any weight or measure, attend the specified place (within the local limits of his jurisdiction) at the specified time and verify every weight or measure which is brought to him at such place and within such time and shall, if he is satisfied that such weight or measure conforms to the standards established by or under the Standards Act, put his stamp thereon:

Provided that where any weight or measure is such that it cannot, or should not, be moved from its location, the Inspector shall take such steps for the verification of such weight or measure at the place of its location as may be prescribed.

(4) Where any verification has been made under sub-section (3), the Inspector shall grant to the person referred to in sub-section (1) a certificate in the prescribed form indicating therein the particulars of the weight or measure verified and stamped by him.

(5) Where the Controller is of opinion that by reason of the size or nature of any weight or measure, it is not desirable or practicable to put a stamp thereon, he may, by an order in writing, direct that instead of putting a stamp on such weight or measure, a certificate may be issued to the effect that such weight or measure conforms to the standards established by or under the Standards Act and every weight or measure so certified shall be deemed to have been duly verified and stamped under this Act on the date on which such certificate was issued.

(6) Every certificate referred to in sub-section (5) shall be in such form as may be prescribed and shall contain such details as to enable a clear identification of the weight or measure to which it relates.

25. Every certificate of verification granted under this Act shall be displayed in a conspicuous place in the premises where such weight or measure is being, or is intended or likely to be, used in any transaction or for industrial production or for protection.

Display of
certificate
of veri-
fication.

26. (1) A weight or measure which is, or is deemed to be, duly verified and stamped under this Act shall be deemed to conform to the standards established by or under the Standards Act at every place within the State in which it is stamped unless it is found on inspection or verification that such weight or measure has ceased to conform to the standards established by or under the Standards Act.

Validity
of weights
or measu-
res duly
stamped.

(2) No weight or measure which is, or is deemed to be, duly verified and stamped under this Act shall require to be re-stamped merely by reason of the fact that it is being used at any place within the State other than the place at which it was originally verified and stamped:

Provided that where a verified weight or measure, installed at one place, is dismantled and re-installed at a different place, such weight or measure shall not be put into use unless it has been duly re-verified and stamped, notwithstanding that periodical re-verification of such weight or measure has not become due.

(3) Where a verified weight or measure has been repaired, whether by a licensed repairer or by the person owning and possessing the same, such weight or measure shall not be put into use unless it has been duly re-verified and stamped, notwithstanding that periodical re-verification of such weight or measure has not become due.

CHAPTER VIII

INSPECTION, SEARCH, SEIZURE AND FORFEITURE

27. (1) An Inspector may, within the local limits of his jurisdiction, inspect and test at all reasonable times, any weight or measure which—

Power to
inspect.

- (i) is in the possession, custody or control of any person, or
- (ii) is in or on any premises,

in such circumstances as to indicate that such weight or measure is being, or is intended or likely to be, used in any transaction or for

industrial production or for protection, and may also verify whether such weight or measure is in conformity with the standards established by or under the Standards Act.

(2) For the purpose of ascertaining the correctness of any weight or measure used in any transaction, an Inspector may also test the weight or measure of the article sold or delivered to any person in the course of such transaction.

Power of Inspector to require production of weight or measure or records for inspection.

28. (1) An Inspector may, if he has any reasonable cause to believe that an offence punishable under this Act has been, or is likely to be, committed in respect of any weight or measure or that any weight or measure does not conform to the standards established by or under the Standards Act, require, at all reasonable times, the person having the custody or control of such weight or measure to produce before him for inspection every such weight or measure which—

- (i) is used by such person or is caused by such person to be used by any other person, or
- (ii) is in the possession, custody or control of such person for use, or
- (iii) is kept in or on any premises for use, in any transaction or for industrial production or for protection.

(2) The Inspector may also require the production of every document or other record relating to the weight or measure referred to in sub-section (1) and the person having the custody of such weight or measure shall comply with such requisition.

(3) On inspection, whether under section 27 or under this section, the Inspector shall obliterate the stamp on—

- (a) any weight or measure which, being due for verification, has not been submitted for such verification;
- (b) any weight or measure which, since the last verification and stamping, has been repaired or re-adjusted, and does not, after such repair or re-adjustment, conform to the standards established by or under the Standards Act;
- (c) any weight or measure which does not admit of proper adjustment by reason of its being broken, indented or otherwise defective;
- (d) any weight or measure other than those specified in clause (b) or clause (c) which does not, or cannot be made to, conform to the standards established by or under the Standards Act.

Provided that where the Inspector is of opinion that the defect or error in such weight or measure is not such as to require immediate obliteration of the stamp, he shall serve a notice on the user of such weight or measure informing him of the defect or error found in the weight or measure and calling upon him to remove the defect or error within such time, not exceeding eight days, as he may specify, and shall—

- (i) if the user fails to remove the defect or error within that period, obliterate the stamp, or

(ii) if the defect or error is so removed as to make the weight or measure conform to the standards established by or under the Standards Act, verify such weight or measure and put his stamp thereon.

Explanation.—The obliteration of the stamp on any weight or measure shall not take away or abridge the power of the Inspector to seize such weight or measure in accordance with the provisions of this Act.

29. An Inspector may, if he has any reason to believe, whether from any information given to him by any person and taken down by him in writing or from personal knowledge or otherwise, that an offence punishable under this Act has been, or is likely to be, committed in relation to any weight, measure or other goods which are sold, delivered or distributed by weight, measure or number, enter, at all reasonable times, into any premises—

Power of Inspector to enter premises.

(i) where such weight or measure is—

(a) made, manufactured, repaired, or sold, or

(b) used, or kept or believed to be kept for use, in any transaction or for industrial production or for protection;

(ii) where such goods are manufactured, packed, distributed or sold or kept or offered for sale in packaged form,

and inspect or verify any weight or measure or the net contents, by weight, measure or number, of any package, and may also examine any document or other record relating thereto.

30. (1) Where the Controller has reason to believe that any weight or measure, liable to be seized under this Act, or any document or thing in relation to any weight or measure, will be, in his opinion, useful for or relevant to, any proceeding under this Act, is secreted in any place, he may search or authorise any officer, not below the rank of an Inspector, to search for, and seize, such weight or measure, document or thing, and the provisions of sections 100 and 102 of the Code of Criminal Procedure, 1973, shall apply to every such search.

Power to search.

(2) Every authorisation made by the Controller under sub-section (1) shall be deemed to be a warrant referred to in section 93 of the Code of Criminal Procedure, 1973.

31. (1) An Inspector may seize and detain any weight or measure in relation to which an offence under this Act is being, or appears to have been, committed, or which is intended or likely to be used in the commission of such offence, and may also seize and detain any goods sold or delivered, or cause to be sold or delivered, by such weight or measure:

Power of Inspector to seize any weight or measure.

Provided that where any goods seized under this sub-section are subject to speedy or natural decay, the Inspector may dispose of such goods in such manner as may be prescribed.

(2) Where any weight, measure or any article is seized and detained under sub-section (1), the Inspector may also seize and detain any document or other record relating to such weight, measure or article.

(3) The provisions of section 102 of the Code of Criminal Procedure 1973, shall apply to every seizure made under this section.

Forfeiture.

32. Every false or unverified weight or measure (other than those referred to in section 30 of the Standards Act) seized under the provisions of this Act shall be liable to be forfeited to Government:

Provided that such unverified weight or measure shall not be forfeited to the Government if the person from whom such weight or measure was seized gets the same verified and stamped within such time as may be prescribed.

CHAPTER IX

PROVISIONS WITH REGARD TO THE SALE AND DISTRIBUTION OF COMMODITIES IN PACKAGED FORM WITHIN THE STATE

Provisions of the Standards Act and the rules made thereunder relating to commodities in packaged form sold or distributed within the State.

33. (1) The provisions of the Standards Act and the rules made thereunder, as in force immediately before the commencement of this Act, with regard to commodities in packaged form shall, as far as may be, apply to every commodity in packaged form which is distributed, sold, or kept, offered or exposed for sale, in the State as if the provisions aforesaid were enacted by, or made under, this Act subject to the modification that any reference therein to the "Central Government", "Standards Act" and the "Director" shall be construed as references respectively, to the "State Government", "this Act" and the "Controller".

(2) The State Government may make rules, not inconsistent with the Standards Act or any rule made thereunder, to regulate the packaging of any commodity intended to be sold or distributed, within the State, in packaged form, or to regulate the sale or distribution, within the State, of any commodity in packaged form.

Explanation.—For the purposes of this section, "commodity in packaged form" shall have the meaning assigned to it in the Standards Act, and shall include a pre-packed commodity.

CHAPTER X

PROVISIONS WITH REGARD TO ANY CUSTOM OR USAGE RELATING TO THE SALE OF ANY COMMODITY, WHETHER BY QUANTITY OR NUMBER, AND SALE OF COMMODITIES BY HEAPS

Custom or usage requiring delivery of additional quantities to cease.

34. (1) Any custom, usage, practice or method of whatever nature which permits a person to demand, receive, or cause to be demanded or received, any quantity of article, thing or service in excess of, or less than, the quantity specified by weight, measure or number in any contract or other agreement in relation to the said article, thing or service, shall be void.

(2) Where in relation to any commodity sold by number, there is a custom or usage of delivering a fixed number of such commodity in addition to the number of commodities paid for, such custom or usage shall, on and from the commencement of this Act, cease.

Sale by heaps.

35. (1) Where any commodity is sold by heaps, the approximate weight, measure or number of the commodity contained in each heap shall be conspicuously announced by the seller or his agent, if any, either by word of mouth or by a written notice placed on each heap:

Provided that no such announcement shall be necessary in the case of a heap where the total price of the commodity contained in such heap does not exceed two rupees.

(2) Where, on weighment, measurement or counting of any commodity sold by heap, it is found that the weight, measure or number, determined by such weighment, measurement or counting, is less than the approximate weight, measure or number announced by the seller or his agent and the deficiency is more than five per cent. of such announced weight, measure or number, the seller shall be deemed to have used a false weight or measure.

CHAPTER XI

OFFENCES AND PENALTIES

36. Whoever—

(a) makes or manufactures, or causes to be made or manufactured (except where he is permitted under the Standards Act so to do), any weight or measure in accordance with any standards other than the standards established by or under the Standards Act, or

(b) (i) sells or otherwise transfers, or causes to be sold or otherwise transferred, or

(ii) lets or causes to be let on hire,

any weight or measure which has been manufactured in accordance with any standards other than the standards established by or under the Standards Act, shall be punished with imprisonment for a term which may extend to one year, and, for the second or subsequent offence, with imprisonment for a term which may extend to three years and also with fine.

Penalty
for manu-
facturing,
etc., of
non-
standard
weights or
measures.

37. (1) Whoever—

(i) counterfeits any seal specified by or under this Act or the Standards Act, or

(ii) sells or otherwise disposes of any counterfeit seal, or

(iii) possesses any counterfeit seal, or

(iv) counterfeits any stamp, specified by or under this Act or the Standards Act or any rule made under either of those Acts, or

(v) removes any stamp made, whether under this Act or the Standards Act or any rule made under either of those Acts, or tampers with any stamp so made, or

(vi) removes any stamp made, whether under this Act or the Standards Act or any rule made under either of those Acts, and affixes the stamp so removed on, or inserts the same into, any other weight or measure, or

(vii) increases or diminishes or alters in any way any weight or measure with a view to deceiving any person or knowing or having reason to believe that any person is likely to be deceived thereby,

Penalty
for
counter-
feiting of
seals, etc.

shall be punished with imprisonment for a term which may extend to two years, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

1. Subs. by Art. 72 of 1986, s. 2 (w.e.f. 1.7.1987).

2. Subs. by A.B. 3, ibid. (w.e.f. 1.7.1987).

(2) Whoever obtains, by unlawful means, possession of any seal specified by or under this Act or the Standards Act and uses, or causes to be used, any such seal for making any stamp on any weight or measure with a view to representing that the stamp made by such seal is authorised by or under this Act or the Standards Act shall be punished with imprisonment for a term which may extend to two years, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

(3) Whoever, being in lawful possession of a seal specified by or under this Act or the Standards Act uses, or causes to be used, such seal without any lawful authority for such use, shall be punished with imprisonment for a term which may extend to two years and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

(4) Whoever sells, or offers or exposes for sale or otherwise disposes of any weight or measure which, he knows or has reason to believe, bears thereon a counterfeit stamp, shall be punished with imprisonment for a term which may extend to two years, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

Penalty
for sale
or deli-
very of
commodi-
ties, etc.,
by non-
standard
weight or
measure.

38. (1) Except where he is permitted under the Standards Act so to do, whoever sells, or causes to be sold, delivers, or causes to be delivered, any commodity, article or thing by any weight, measure or number other than the standard weight or measure, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

(2) Whoever renders, or causes to be rendered, any service in terms of any weight, measure or number other than the standard weight or measure, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence with imprisonment for a term which may extend to one year and also with fine.

Penalty
for keep-
ing non-
standard
weights
or mea-
sures for
use and
for other
contra-
ventions.

39. (1) Whoever keeps any weight or measure other than the standard weight or measure in any premises in such circumstances as to indicate that such weight or measure is being, or is likely to be, used for any—

(a) weighment or measurement, or

(b) transaction or for industrial production or for protection, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

(2) Whoever,—

(i) in selling any article or thing by weight, measure or number, delivers or causes to be delivered to the purchaser any quantity or number of that article or thing less than the quantity or number contracted for and paid for, or

(ii) in rendering any service by weight, measure or number, renders that service less than the service contracted for and paid for, or

1. Subs. by Art. 72 of 1986, S.3 (w.e.f. 1.7.1987).

2. Subs. by S.4, ibid. (w.e.f. 1.7.1987).

(iii) in buying any article or thing by weight, measure or number, fraudulently receives, or causes to be received any quantity or number of that article or thing in excess of the quantity or number contracted for and paid for, or

(iv) in obtaining any service by weight, measure or number, obtains that service in excess of the service contracted for and paid for,

shall be punished with fine which may extend to five thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

(3) Whoever enters, after the commencement of this Act, into any contract or other agreement (not being a contract or other agreement for export) in which any weight, measure or number is expressed in terms of any standard other than the standard weight or measure, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

40. Whoever, in relation to any specified class of goods, services, undertakings or users of weights or measures, uses in any transaction or for industrial production or for protection, any weight, measure or number, other than the weight, measure or number specified by rules made under section 10, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

Penalty
for con-
traven-
tion of
section 10.

41. Except where he is permitted under the Standards Act so to do, whoever, in relation to any goods or things which are sold, transferred, distributed or delivered, or any service rendered,—

Penalty
for con-
traven-
tion of
section
11.

(a) quotes any price or charge, or makes any announcement with regard to the price or charge, or

(b) issues or exhibits any price list, invoice, cash memo, or other document, or

(c) mentions any weight or measure in any advertisement, poster or other document, or

(d) indicates the weight, measure or number of the net contents of any package or on any label, carton or other thing, or

(e) expresses, in relation to any transaction, industrial production or protection, any quantity or dimension,

otherwise than in accordance with the standard weight or measure, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

42. Whoever, being required to obtain a licence under this Act, makes, manufactures, repairs or sells or offers, exposes or possesses for repair or sale, any weight or measure, without being in possession of a valid licence empowering him to do so, shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both; and, for the second or

Penalty
for con-
traven-
tion of
section
19.

subsequent offence, with imprisonment for a term which may extend to three years and also with fine.

Penalty
for con-
traven-
tion of
section
20.

43. A licensee who after the suspension or cancellation of the licence issued to him or renewed or continued under this Act, omits or fails to stop functioning as a licensee under this Act, shall be punished with imprisonment for a term which may extend to one year.

Penalty
for con-
traven-
tion of
section
21.

44. Except where he is permitted under the Standards Act so to do, whoever makes or manufactures any weight or measure which,—

(a) though ostensibly purports to conform to the standards established by or under that Act, does not actually conform to the said standards, or

(b) bears thereon any indication of weight or measure which is not in conformity with the standards of weight or measure established by or under that Act, whether such indication is or is not in addition to the indication of weight or measure in accordance with the said standards,

shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both, and, for the second or subsequent offence, with imprisonment for a term which may extend to three years and also with fine.

Penalty
for con-
traven-
tion of
section
22.

45. Whoever,—

(a) sells, offers, exposes or possesses for sale, any weight or measure which has not been verified and stamped under this Act, or

(b) uses, or keeps for use, any weight or measure which, being required to be verified and stamped under this Act, has not been so verified and stamped,

shall 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, and for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine:

Provided that nothing in clause (b) shall apply, in relation to any weight or measure which is used for domestic purposes.

Penalty
for con-
traven-
tion of
section
23.

46. Whoever, being required by section 23 to maintain any record or register, omits or fails to do so, or being required by an Inspector to produce any records or registers for his inspection, omits or fails to do so, shall be punished with fine which may extend to one thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

Penalty
for con-
traven-
tion of
section
24.

47. Whoever, being required by section 24 to present any weight or measure for verification or re-verification, omits or fails, without any reasonable cause to do so, shall be punished with fine which may extend to five hundred rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

48. Whoever, being required by an Inspector, or any person authorised by or under this Act to exercise the powers of an Inspector, to produce before him for inspection any weight or measure or any document or other record relating thereto, omits or fails, without any reasonable cause, to do so, shall be punished with fine which may extend to one thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

Penalty for contravention of section 28.

49. Whoever obstructs the entry of an Inspector, or any person authorised by or under this Act to exercise the powers of an Inspector, into any premises for the inspection and verification of any weight or measure or any document or other record relating thereto or the net contents of any packaged commodity or for any other prescribed purpose, shall be punished with imprisonment for a term which may extend to two years, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years.

Penalty for contravention of section 29.

50. Whoever prevents the Controller or any officer authorised by the Controller in this behalf, from searching any premises or prevents an Inspector from making any seizure of any weight, measure, packaged commodity, goods, document, record or label, shall be punished with imprisonment for a term which may extend to two years, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

Penalty for contravention of sections 30 and 31.

51. (1) Whoever manufactures, distributes, packs, sells or keeps for sale or offers or exposes for sale, or has in his possession for sale, any commodity in packaged form, shall, unless each such package conforms to the provisions of the Standards Act and the rules made thereunder, read with section 33, be punished with fine which may extend to five thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

Penalty for contravention of section 33.

(2) Whoever manufactures, packs, distributes or sells, or causes to be manufactured, packed, distributed or sold, any commodity in packaged form, knowing or having reason to believe that the commodity contained in such package is lesser in weight, measure or number than the weight, measure or number, as the case may be, stated on the package or label thereon, shall be punished with imprisonment for a term which may extend to two years, or with fine which may extend to three thousand rupees, or with both, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

Explanation.—In determining, for the purpose of this sub-section, whether the quantity contained in a package is lesser than the quantity declared on the package or label thereon, the maximum permissible error specified under the Standards Act in relation to the commodity contained in such package, shall be taken into account.

52. Whoever sells any commodity by heaps without complying with the provisions of section 35, shall be punished with fine which may extend to one thousand rupees, and, for the second or subsequent offence, 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 contravention of section 35.

**Penalty
for tam-
pering
with
licence.**

53. Whoever alters or otherwise tampers with any licence issued or renewed under this Act or any rule made thereunder, otherwise than in accordance with any authorisation made by the Controller in this behalf, shall be punished with fine which may extend to two thousand rupees, or with imprisonment for a term which may extend to one year, or with both.

**Penalty
for
selling
or de-
livering
rejected
weights
and
measures.**

54. Whoever sells, delivers or disposes of, or causes to be sold, delivered or disposed of, any weight or measure which has been rejected on verification under this Act or the Standards Act, or any rule made under either of the said Acts, shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both:

Provided that nothing in this section shall apply to the sale, as scrap, of any rejected weight or measure which has been defaced in the prescribed manner.

**Penalty
for per-
sonation
of offi-
cials.**

55. Whoever personates in any way the Controller, Additional Controller or an Inspector or any other officer authorised by the Controller, shall be punished with imprisonment for a term which may extend to three years.

**Penalty
for giv-
ing false
informa-
tion or
maintain-
ing false
records
or re-
gisters.**

56. (1) Whoever gives information to a Controller, Additional Controller or an Inspector or any other officer authorised by the Controller, which he may require or ask for in the course of his duty and which such person either knows or has reason to believe to be false or does not believe to be true, shall 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.

(2) Whoever, being required by or under this Act so to do, submits a return or maintains any record or register which is false in any material particular, shall be punished with fine which may extend to two thousand rupees, and, for the second or subsequent offence, with imprisonment for a term which may extend to one year and also with fine.

**Wilful
verifi-
cation or
disclo-
sure in
contra-
vention of
Law.**

57. (1) If any Inspector or any other officer exercising powers under this Act or any rule made thereunder wilfully verifies or stamps any weight or measure in contravention of the provisions of this Act or of any rule made thereunder, he shall, for every such offence, be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both.

(2) If any Inspector or other officer who enters into any premises in the course of his duty wilfully discloses, except in the performance of such duty, to any person any information obtained by him from such premises with regard to any trade secret or any secret in relation to any manufacturing process, he shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both.

**Vexatious
search.**

58. An Inspector or any other officer exercising powers under this Act or any rule or order made thereunder who knows that there are no reasonable grounds for so doing, and yet—

(a) searches, or causes to be searched, any house, conveyance or place, or

(b) searches any person, or

(c) seizes any weight, measure or other movable property,

shall, for every such offence, be punished with imprisonment for a term which may extend to one year or with fine which may extend to two thousand rupees, or with both.

59. Whoever contravenes any provision of this Act for the contravention of which no punishment has been separately provided for in this Act, shall be punished with fine which may extend to two thousand rupees.

Penalty
for con-
traven-
tions not
separate-
ly pro-
vided for

Presump-
tion to
be made
in
certain
cases.

60. (1) If any person—

(a) makes or manufactures, or causes to be made or manufactured, any false weight or measure, or

(b) uses, or causes to be used, any false or unverified weight or measure in any transaction or for industrial production or for protection, or

(c) sells, distributes, delivers or otherwise transfers, or causes to be sold, distributed, delivered or otherwise transferred, any false or unverified weight or measure,

it shall be presumed, until the contrary is proved, that he had done so with the knowledge that the weight or measure was a false or unverified weight or measure, as the case may be.

(2) If any person has in his possession, custody or control any false or unverified weight or measure in such circumstances as to indicate that such weight or measure is likely to be used in any transaction or for industrial production or for protection, it shall be presumed, until the contrary is proved, that such false or unverified weight or measure was possessed, held or controlled by such person with the intention of using the same in any transaction or for industrial production or for protection.

61. (1) Any employer, who knows or has reason to believe that any person employed by him has, in the course of such employment, contravened any provision of this Act or any rule made thereunder, shall be deemed to have abetted an offence against this Act:

Provided that no such abetment shall be deemed to have taken place if such employer has, before the expiry of seven days from the date on which—

When
employer
to be
deemed
to have
abetted an
offence.

(a) he comes to know of the contravention, or

(b) he has reason to believe that such contravention has been made,

intimated, in writing, to the Controller the name of the person by whom such contravention was made and the date and other particulars of such contravention.

(2) Whoever is deemed under sub-section (1) to have abetted an offence against this Act shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to two thousand rupees, or with both, and, for the second or subsequent offence, with imprisonment for a term which may extend to five years and also with fine.

Explanation.—Dismissal or termination of service of an employee after the expiry of the period specified in the proviso to sub-section (1) shall not absolve any employer of his liability under this sub-section.

Offences by companies.

62. (1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of 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 person liable to 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 offence.

(2) Notwithstanding anything contained in sub-section (1), where any 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 purposes of this section,—

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

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

Cognizance of offences.

63. Notwithstanding anything contained in the Code of Criminal Procedure, 1973,—

2 of 1974.

(a) no court shall take cognizance of an offence punishable under this Act except upon a complaint, in writing, made by the Controller or any other officer authorised in this behalf by the Controller by general or special order;

(b) no court inferior to that of a Metropolitan Magistrate or a Judicial Magistrate of the first class shall try any offence punishable under this Act.

Summary trial of certain offences.

64. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, an offence punishable under section 36, section 38, section 39, section 40, section 41, section 42, section 45, section 51, section 52 or sub-section (3) of section 72 may be tried summarily.

2 of 1974.

↑ Subs. by Act 72 of 1986, s. 5 (w.e.f. 1.7.1987).

65. (1) Any offence punishable under section 39, section 40, section 41, section 42, section 44, section 45, section 46, section 47, section 48, section 51, section 52, section 54 or section 59 or any rule made under sub-section (3) of section 72, may either before or after the institution of the prosecution, be compounded, by the Controller or such other officer as may be authorised in this behalf by the Controller, on payment, for credit to the State Government, of such sum as the Controller or such other officer may specify:

Com-
ounding
of
offences.

Provided that such sum shall not, in any case, exceed the maximum amount of the fine which may be imposed under this Act for the offence so compounded.

(2) Nothing contained in sub-section (1) shall apply to a person who commits the same or similar offence within a period of three years from the date on which the first offence, committed by him, was compounded.

Explanation.—For the purpose of this sub-section, any second or subsequent offence committed after the expiry of a period of three years from the date on which the offence was previously compounded, shall be deemed to be a first offence.

(3) Where an offence has been compounded under sub-section (1), no proceeding or further proceeding, as the case may be, shall be taken against the offender, in respect of the offence so compounded, and the offender, if in custody, shall be discharged forthwith.

(4) No offence punishable under this Act shall be compounded except as provided by this section.

45 of 1860.

66. The provisions of the Indian Penal Code, in so far as such provisions relate to offences with regard to weights or measures, shall not apply to any offence which is punishable under this Act.

Provisions
of Indian
Penal
Code not
to apply
to any
offence
under
this Act.

CHAPTER XII

MISCELLANEOUS

67. (1) Where the business of a person licensed under this Act is transmitted by succession, intestate or testamentary, the heir or legatee, as the case may be, of such person shall not carry on the business of such licensee either in his own name or in any other name, unless the heir or legatee has, before the expiry of sixty days after the date of such transmission, made to the Controller an application for the issue of a licence in accordance with the provisions of this Act:

Transfer
or trans-
mission of
business.

Provided that nothing in this section shall be deemed to prohibit the heir or legatee from carrying on business as such licensee for the aforesaid period of sixty days, and, if he has applied for such licence, until he is granted the licence or is, by a notice in writing informed by the Controller that such licence cannot be granted to him.

(2) Where the business of any person licensed under this Act is transferred by sale, gift, lease or otherwise, the transferee or leasee, as

the case may be, shall not carry on such business either in his own name or in any other name, unless he has obtained a licence to carry on such business.

Licences
neither
saleable
nor trans-
ferable.

Appeals.

68. A licence issued or renewed under this Act shall not be saleable or otherwise transferable.

69. (1) Subject to the provisions of sub-section (2), an appeal shall lie—

(a) from every decision given or order made under Chapter V, Chapter VI, Chapter VII, Chapter VIII, Chapter IX or Chapter X of this Act, by—

- (i) an Inspector, or
- (ii) an Additional Controller,

to the Controller; and

(b) from every decision given or order made by the Controller under Chapter V, Chapter VI, Chapter VII, Chapter VIII, Chapter IX or Chapter X of this Act, not being a decision made in appeal under clause (a),

to the State Government or any officer specially authorised in this behalf by that Government.

(2) Every such appeal shall be preferred within sixty days from the date of the decision or order appealed against:

Provided that the appellate authority may, if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal within the said period of sixty days, permit the appellant to prefer the appeal within a further period of sixty days.

(3) On receipt of any such appeal, the appellate authority shall, after giving the parties to the appeal, a reasonable opportunity of being heard and after making such inquiry as it deems proper, make such order, as it may think fit, confirming, modifying or reversing the decision or order appealed against, or may send back the case with such direction as it may think fit for a fresh decision or order after taking additional evidence, if necessary.

(4) Every appeal shall be preferred on payment of such fees as may be prescribed.

(5) The State Government may, on its own motion or otherwise, call for and examine the record of any proceeding (including a proceeding in appeal) in which any decision or order has been made, for the purpose of satisfying itself as to the correctness, legality or propriety of such decision or order and may pass such orders thereon as it may think fit:

Provided that no decision or order shall be varied under this sub-section so as to prejudicially affect any person unless such person has been given a reasonable opportunity of showing cause against the proposed action.

70. The State Government may, by rules made under section 72, levy such fees, not exceeding—

Levy of fees.

- (a) five hundred rupees, for the application for the issue or renewal of a licence for making or manufacturing of any weight or measure,
- (b) one hundred rupees, for the issue of a licence for repairing or selling of any weight or measure,
- (c) fifty rupees, for the alteration of any licence,
- (d) five thousand rupees, on a graded scale, for the verification of any weight or measure, having regard to the time and labour which may be involved in making such verification,
- (e) ten rupees, for the adjustment of any weight or measure,
- (f) ten rupees, for the issue of a duplicate licence or certificate of verification,
- (g) one rupee, for every one hundred words or less, for the grant of copies of any document, not being a document of a confidential nature,
- (h) twenty-five rupees, for any appeal preferred under this Act,
- (i) five rupees, for application for registration or renewal of registration under section 17.

71. (1) The State Government may, by notification, direct that any power exercisable by it under this Act or any rule made thereunder, not being a power conferred by section 69 (relating to appeal) or section 70 (power to lay down scale of fee) or section 72 (power to make rules), in relation to such matters and subject to such conditions as may be specified, may be exercised also by such officer subordinate to it as may be specified in the notification.

**Delega.
tion of
powers.**

(2) Subject to any general or special direction or condition imposed by the State Government, any person authorised by the State Government to exercise any powers may exercise those powers in the same manner and to the same extent as if they had been conferred on that person directly by this Act and not by way of delegation.

72. (1) The State Government may, by notification and after consultation with the Central Government, make rules to carry out the provisions of this Act.

**Power to
make
rules.**

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

(a) the class of goods, services, undertakings or users in relation to which no transaction, dealing or contract, or industrial production or use for protection shall be made or had or undertaken except by such weight, measure or number as required by section 10;

(b) the places at which, and the custody in which, the following standards shall be kept, namely:—

- (i) reference standards,
- (ii) secondary standards,
- (iii) working standards,

as required by section 12 and sub-section (5) of section 14;

- (c) the form and details of particulars for identification of weight or measure referred to in sub-section (2) of section 15;
- (d) the time within which an application referred to in sub-section (1) of section 17 shall be made, the particulars which such application shall contain and the form and manner in which such application shall be made;
- (e) the form and manner in which the register referred to in sub-section (2) of section 17 shall be maintained;
- (f) the form and manner in which an application shall be made under sub-section (3) of section 17;
- (g) the form in which an application shall be made for the issue or renewal of a licence to carry on business as a maker, manufacturer, repairer or dealer of any weight or measure, as required by sub-section (4) of section 19;
- (h) the form in which and the conditions, limitations and restrictions subject to which any licence may be issued and the period of validity of such licence, as required by sub-section (2) of section 19;
- (i) the sum to be furnished by a repairer as security as required by sub-section (7) of section 19;
- (j) the description of weight or measure which may not be sold by a user except with the written permission of the Controller as required by sub-section (8) of section 19;
- (k) the manner of disposal of weights or measures after cancellation of licence and the distribution of proceeds thereof as required by sub-section (5) of section 20;
- (l) the records and registers relating to weights or measures to be maintained in pursuance of the provisions of sub-section (1) of section 23;
- (m) the period within which weights or measures shall be verified or re-verified as required by sub-section (2) of section 24;
- (n) the steps to be taken for verifying any weight or measure which cannot, or should not, be moved from its location, as required by the proviso to sub-section (3) of section 24;
- (o) the form in which a certificate of verification of any weight or measure shall be granted as required by sub-section (4) of section 24 and the form in which the certificate referred to in sub-section (5) of section 24 shall be issued and the details which such certificate shall contain, as required by sub-section (6) of section 24;
- (p) the manner of disposal of seized articles which are subject to speedy or natural decay, as required by the proviso to sub-section (1) of section 31;
- (q) the time within which an unverified weight or measure seized under this Act may be permitted under the proviso to section 32 to be verified and stamped;

(r) the manner in which, and the conditions, restrictions and limitations subject to which,—

(i) any commodity intended to be sold or distributed, within the State, shall be packaged, or

(ii) the sale or distribution of any commodity in packaged form shall be made within the State,

as required by sub-section (2) of section 33;

(s) the manner of obliteration of stamps on rejected weights or measures, as required by the proviso to section 54;

(t) the form in which appeals may be preferred under section 69 and the procedure for the hearing of appeals;

(u) the amount of fees which may be levied and collected for each of the matters specified in section 70;

(v) any other matter which is required to be, or may be, prescribed.

(3) In making any rule under this section, the State Government may provide that a breach thereof shall be punishable with fine which may extend to one thousand rupees.

(4) The power to make rules under this section shall be subject to the condition of the rule being made after previous publication in the Official Gazette.

(5) Every rule made under this section shall, as soon as may be after it is made, be laid before each House of the State Legislature where there are two Houses, and where there is one House of the State Legislature, before that House.

73. (1) Where any type of weight or measure manufactured by a licensed manufacturer is such that all the weights or measures of that type manufactured by him within the State is intended to be sold, distributed or delivered therein, the State Government may, by notification, direct that the model of every such type of weight or measure shall be submitted for approval in accordance with provisions of sections 36, 37 and 38 of the Standards Act, and thereupon, the provisions of the said sections 36, 37 and 38 shall become applicable to such model, and references in those sections to the Central Government and to the Standards Act shall be construed as references, respectively, to the State Government and this Act.

(2) Where the State Government makes a direction under sub-section (1) in relation to any type of weight or measure, any contravention of the provisions of section 39, section 40 or section 41 of the Standards Act in relation to that type of weight or measure shall be an offence punishable under this Act and the punishment provided therefor in the Standards Act shall be deemed to be the punishment provided therefor in this Act as if the said provisions relating to punishments were enacted by this Act.

**Power of
State
Govern-
ment to
make
provi-
sions of
the
Standards
Act
relating
to ap-
proval of
models
applica-
ble to
models
of
weights
or
measures
intended
to be
used ex-
clusively
within
the
State.**

332 Standards of Weights and Measures (Enforcement) [ACT 54 OF 1985]

Act not
to apply
in
certain
cases.

74. The provisions of this Act, in so far as they relate to the verification and stamping of weights and measures, shall not apply to any weight or measure,—

- (a) used in any factory exclusively engaged in the manufacture of any arms, or ammunition, or both, for the use of the Armed Forces of the Union;
- (b) used for scientific investigation or for research;
- (c) manufactured exclusively for export.

Repeal
and
savings.

75. (1) On the commencement of any provision of this Act in a State, the corresponding provision of any law in force for the time being in that State shall stand repealed, and on such repeal, the provisions of section 6 of the General Clauses Act, 1897, shall apply as if the provisions so repealed were the provisions of a Central Act.

10 of 1897.

(2) Notwithstanding such repeal, any appointment, notification, rule, order, registration, licence, certificate, notice, decision, approval, authorisation or consent made, issued or given under such law shall, if in force at the commencement of this Act, continue to be in force and have effect as if it were made, issued or given under the corresponding provisions of this Act.

THE COAL MINES (CONSERVATION AND DEVELOPMENT)
AMENDMENT ACT, 1985

No. 55 OF 1985

[4th September, 1985.]

An Act further to amend the Coal Mines (Conservation and Development) Act, 1974.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Coal Mines (Conservation and Development) Amendment Act, 1985.

Short title and commencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

28 of 1974.

2. In section 4 of the Coal Mines (Conservation and Development) Act, 1974 (hereinafter referred to as the principal Act), after sub-section (2), the following sub-section shall be inserted, namely:—

Amend. ment of section 4.

“(3) The Central Government may, if it is satisfied after consideration of all the facts and circumstances that the recovery of the cost of measures, if any, undertaken by it under sub-section (1) or sub-section (2) in relation to a coal mine is justified, recover such cost from the owner, agent or manager of the coal mine, either wholly or partly, in the same manner as an arrear of land revenue.”.

3. Section 8 of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

Amend. ment of section 8.

“(2) Where any duty of excise referred to in sub-section (1) cannot be collected in the manner prescribed under that sub-section, it shall be recovered from the owner of the coal mine in the same manner as an arrear of land revenue.”.

¹ 1-1-1986 : *Vide* Notification No. S.O. 925 (E), dated 31-12-1985, Gazette of India, Extraordinary, 1985, Part II, Section 3(ii).

THE GOVERNMENT SAVINGS LAWS (AMENDMENT)
ACT, 1985

No. 56 OF 1985

[4th September, 1985.]

An Act further to amend the Government Savings Banks Act, 1873
and the Government Savings Certificates Act, 1959.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic
of India as follows:—

Short
title.

1. This Act may be called the Government Savings Laws (Amend-
ment) Act, 1985.

Amend-
ment of
Act 5 of
1873.

2. In the Government Savings Banks Act, 1873,—

(a) in sub-section (4) of section 4A,—

(i) in clause (a), for the words "five thousand rupees", the
words "such limit as may be prescribed" shall be substituted;

(ii) in clause (b), for the words "aforesaid limit of five
thousand rupees", the words, brackets and letter "limit prescri-
bed under clause (a)" shall be substituted;

(b) in sub-section (2) of section 15, after clause (h), the follow-
ing clause shall be inserted, namely:—

"(i) the limit under clause (a) of sub-section (4) of section
4A.".

Amend-
ment of
Act 46 of
1959.

3. In the Government Savings Certificates Act, 1959,—

(a) in sub-section (4) of section 7, for the words "five thousand
rupees", the words "such limit as may be prescribed" shall be
substituted;

(b) in sub-section (2) of section 12, after clause (i), the follow-
ing clause shall be inserted, namely:—

"(ia) the limit under sub-section (4) of section 7;".

THE TOBACCO BOARD (AMENDMENT) ACT, 1985

No. 57 OF 1985

[6th September, 1985.]

An Act further to amend the Tobacco Board Act, 1975.

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

1. (1) This Act may be called the Tobacco Board (Amendment) Act, 1985.

Short title and Commencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

4 of 1975.

2. In section 4 of the Tobacco Board Act, 1975 (hereinafter referred to as the principal Act),—

Amendment of section 4.

(a) in sub-section (4),—

(1) in clause (e),—

(i) for the words "eight members", the words "ten members" shall be substituted; and

(ii) the following proviso shall be inserted at the end, namely:—

"Provided that the number of members appointed under this clause from amongst the growers of tobacco shall not exceed six.";

(2) after clause (e), the following clauses shall be inserted, namely:—

"(f) the Agricultural Marketing Adviser to the Government of India, Department of Rural Development, *ex officio*;

(g) the Executive Director, *ex officio*.";

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

"(4A) It is hereby declared that the office of member of the Board shall not disqualify its holder for being chosen as, or for being, a member of either House of Parliament.";

¹ 1-12-1985 : *Vide* Notification No. S. O. 864 (E) dated 29-11-1985, Gazette of India, Extraordinary, 1985, Part II, Section 3(ii).

Amend-
ment of
section 8.

(c) in sub-section (7), for the words "The Executive Director and any such officer", the words "Any officer" shall be substituted.

3. In section 8 of the principal Act, in sub-section (2), for clause (a), the following clause shall be substituted, namely:—

"(a) regulating the production and curing of virginia tobacco having regard to the following factors, namely:—

- (i) the demand for virginia tobacco in India and abroad;
- (ii) the suitability of land for growing virginia tobacco;
- (iii) the differences in soil characteristics and agro-climatic factors in different regions of the country where virginia tobacco is grown and the effect thereof on the quality and quantity of virginia tobacco produced in those regions;
- (iv) the marketability of different types of virginia tobacco;
- (v) the need for rotation of crops; and
- (vi) the nature of the holdings of the growers of virginia tobacco whether owned or leased;".

4. After section 10 of the principal Act, the following section shall be inserted, namely:—

"10A. (1) No person shall grow virginia tobacco seedlings for commercial purposes unless he registers himself as a nursery grower with the Board in accordance with the rules made under this Act.

Explanation.—For the removal of doubts, it is hereby declared that nothing in this sub-section shall apply to the growing by a registered grower of any virginia tobacco seedlings for his own use.

(2) No registered nursery grower shall sell or cause to be sold any virginia tobacco seedlings grown by him to any person other than a registered grower."

5. After section 11 of the principal Act, the following sections shall be inserted, namely:—

Insertion
of new
sections
11A and
11B.

Registration
of
processors
and
manufacturers
of
virginia
tobacco,
etc.

'11A. No person shall process virginia tobacco or manufacture products therefrom unless he registers himself as such processor or manufacturer, as the case may be, with the Board in accordance with the rules made under this Act.

Licences
to be
obtained
for grad-
ing work
and cons-
truction
of barns
etc.

11B. No person shall—

- (i) take up grading work relating to virginia tobacco for commercial purposes; or
- (ii) take up the construction and operation of a barn, unless he obtains a licence from the Board in accordance with the rules made under this Act.

Explanation.—For the purposes of this section,—

(i) “barn” means a building or structure with a roof of zinc sheets or tiles having flue pipes, furnace and tiers used for flue curing of tobacco leaves;

(ii) “grading work” means separating tobacco leaves into specific grades on the basis of plant position, maturity, colour, body and blemish and in accordance with such specifications as may be prescribed.’

6. After section 13 of the principal Act, the following sections shall be inserted, namely:—

Insertion
of new
sections
13A and
13B.

“13A. No registered dealer or registered exporter shall purchase or cause to be purchased virginia tobacco elsewhere—

(a) than at an auction platform registered with the Board in accordance with the rules made under this Act or established by the Board under this Act; or

(b) than from any other registered dealer or a registered grower or curer:

Provided that in relation to any State in which the provisions of section 13 are not in force, the condition specified under clause (a) shall not apply.

13B. Every dealer who purchases virginia tobacco in any State in which the provisions of section 13 are not in force,—

(a) shall pay the full price for the whole quantity of virginia tobacco so purchased by him at the rate at which he agreed to purchase such tobacco and shall refrain from claiming any discount in the weight or other deductions in weight thereof or any deductions from the price as calculated in accordance with such rate;

(b) shall pay the full price for virginia tobacco so purchased by him as calculated in accordance with the provisions of clause (a) as expeditiously as possible and in any case within such reasonable time as may be specified in this behalf by the Board; and

(c) shall refrain from having recourse to any practices which the Board may, having regard to the need for protection of persons selling virginia tobacco in such State and all other relevant considerations, specify to be unfair practices.”

Duty of
registered
dealers
and ex-
porters to
purchase
at
auction
platforms,
etc.

Duty of
buyers of
virginia
tobacco
at places
other
than
auction
platforms
to refrain
from
certain
unfair
practices.

7. In section 14 of the principal Act,—

(i) for the words and figures “for registration of curers for the purposes of section 11”, the words, figures and letters “for registration of nursery growers for the purposes of section 10A, for registration of curers for the purposes of section 11, for registration of processors and manufacturers for the purposes of section 11A, for

Amend-
ment of
section
14.

obtaining licences for taking up grading work or construction and operation of barns under section 11B" shall be substituted;

(ii) for the portion beginning with the words "the registration as curers" and ending with the words "as may be prescribed", the following shall be substituted, namely:—

"the registration as nursery growers, curers, processors, exporters, packers or auctioneers of, or dealers in, virginia tobacco or as manufacturers of the products of virginia tobacco or in granting licences under section 11B, the returns to be submitted and the registers to be maintained by registered growers, nursery growers, curers, processors, exporters, packers or auctioneers of, or dealers in, virginia tobacco or the registered manufacturers of the products of virginia tobacco or the persons licensed under section 11B and the registers to be kept by the Board shall be such as may be prescribed".

Inser-
tion of
new sec-
tion 18A.

8. After section 18 of the principal Act, the following section shall be inserted, namely:—

"18A. Subject to such conditions as may be specified by the Central Government, where the Board is of opinion that any amount due to, or any loss, whether of money or of property, incurred by, the Board is irrecoverable, the Board may, with the previous approval of the Central Government, sanction the writing off finally of the said amount or loss:

Provided that no such approval of the Central Government shall be necessary where such irrecoverable amount or loss does not exceed in any individual case and in the aggregate in any year such amounts as may be prescribed."

Amend-
ment of
section
19.

9. In section 19 of the principal Act, in sub-section (1), for the words "profit and loss account", the words "income and expenditure account" shall be substituted.

Inser-
tion of
new sec-
tion 20A.

10. After section 20 of the principal Act, the following section shall be inserted, namely:—

"20A. Without prejudice to the provisions of clause (g) of sub-section (2) of section 8 and notwithstanding anything contained in any other provision of this Act, if the Central Government is satisfied that it is necessary or expedient so to do, it may, by order in writing and subject to such conditions and limitations as may be specified in the order, authorise any body or other agency to purchase virginia tobacco from the growers and dispose of the same in India or abroad."

Power of
Central
Govern-
ment to
authorise
purchase
of vir-
ginia
tabacco.

Amend-
ment of
section
25.

11. In section 25 of the principal Act,—

(a) for the words "or of any rules made thereunder", the words "or of any rules or regulations made thereunder" shall be substituted;

(b) for the words "extend to six months, or with fine which may extend to one thousand rupees, or with both", the words "extend to two years, or with fine which may extend to five thousand rupees, or with both" shall be substituted.

12. In section 32 of the principal Act, in sub-section (2),—

(a) after clause (g), the following clause shall be inserted, namely:—

"(ga) the specifications with regard to grading work referred to in section 11B;"

(b) after clause (j), the following clause shall be inserted, namely:—

"(ja) the amounts for the purposes of the proviso to section 18A;"

13. In section 33 of the principal Act,—

(a) in sub-section (2), after clause (h), the following clause shall be inserted, namely:—

"(i) the time within which full price for virginia tobacco shall be paid under clause (b), and the unfair practices for the purpose of clause (c), of section 13B.";

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

"(5) Every regulation made under this section 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 regulation or both Houses agree that the regulation should not be made, the 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 regulation."

Amend-
ment of
section
32.

Amend-
ment of
section
33.

THE INTELLIGENCE ORGANISATIONS (RESTRICTION OF RIGHTS) ACT, 1985

No. 58 OF 1985

[6th September, 1985.]

An Act to provide for the restriction of certain rights conferred by Part III of the Constitution in their application to the members of certain organisations established by the Central Government for purposes of intelligence or counter-intelligence so as to ensure the proper discharge of their duties and the maintenance of discipline among them.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title, extent and commencement.

Definitions.

Restrictions respecting right to form association, freedom of speech, etc.

1. (1) This Act may be called the Intelligence Organisations (Restriction of Rights) Act, 1985.
 - (2) It extends to the whole of India.
 - (3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.
2. In this Act, unless the context otherwise requires,—
 - (a) "Intelligence Organisation" means any organisation established by the Central Government for purposes of intelligence or counter-intelligence and specified in the Schedule;
 - (b) "member of an Intelligence Organisation" means any person appointed to, or employed in, any Intelligence Organisation;
 - (c) "prescribed" means prescribed by rules made under this Act.
3. (1) No member of an Intelligence Organisation shall,—
 - (a) be a member of, or be associated in any way with, any trade union, labour union, political association or with any class of trade unions, labour unions or political associations; or
 - (b) be a member of, or be associated in any way with, or raise funds for, or hold office in, or function in any other manner for, any other society, institution, association or organisation that is not recognised by the Central Government as part of the Intelligence Organisation of which he is a member or is not of a purely social, recreational or religious nature; or

19-12-1985: *Vide* Notification No. S.O. 885 (E), dated 9-12-1985, Gazette of India, Extra-ordinary, 1985, Part II, Section 3(ii).

(c) communicate with the press or publish or cause to be published any book, letter, pamphlet, poster or other document except with the prior permission of the head of the Intelligence Organisation; or

(d) except for purposes of official duty, contact, or communicate with any person on any matter relating to functioning, structure, personnel or organisational affairs of the Intelligence Organisation of which he is a member;

(e) use the name of the Intelligence Organisation of which he is a member for purposes not authorised by the head of the Intelligence Organisation or in any other manner except for purposes relating to the official work and functioning of the Organisation itself.

Explanation.—If any question arises as to whether any society, institution, association or organisation is of a purely social, recreational or religious nature under clause (b) of this sub-section, the decision of the Central Government thereon shall be final.

(2) No member of an Intelligence Organisation, shall participate in, or address, any meeting or take part in any demonstration organised by any body of persons for any political purposes or for such other purposes as may be prescribed.

4. Any person who contravenes any of the provisions of section 3 shall, without prejudice to any other action that may be taken against him, be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to two thousand rupees, or with both.

Penalty.

2 of 1974. 5. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, all offences punishable under section 4 shall be cognizable.

Offences
to be
cognizable.

6. (1) The Central Government may, by notification in the Official Gazette, amend the Schedule by including therein any other organisation established by the Central Government for purposes of intelligence or counter-intelligence or by omitting therefrom any organisation already specified therein and on the publication of the notification, such organisation shall be deemed to be specified in, or, as the case may be, omitted from, the Schedule.

Power to
amend
Schedule.

(2) A copy of every notification issued under sub-section (1) shall, as soon as may be after it is issued, be laid before each House of Parliament.

Power
to make
rules.

7. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) Every rule made by the Central Government under this Act 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 both Houses agree that the rule should not be made,

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the rule 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.

THE SCHEDULE

[See section 2(a) and section 6(1)]

1. The Intelligence Bureau.
2. The Research and Analysis Wing.

THE JUDGES (PROTECTION) ACT, 1985

No. 59 of 1985

[6th September, 1985.]

An Act for securing additional protection for Judges and others
acting Judicially and for matters connected therewith.

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

1. (1) This Act may be called the Judges (Protection) Act, 1985.
(2) It extends to the whole of India except the State of Jammu and Kashmir.
 2. In this Act, "Judge" means not only every person who is officially designated as a Judge, but also every person—
 - (a) who is empowered by law to give in any legal proceeding a definitive judgment, or a judgment which, if not appealed against, would be definitive, or a judgment which, if confirmed by some other authority, would be definitive; or
 - (b) who is one of a body of persons which body of persons is empowered by law to give such a judgment as is referred to in clause (a).
 3. (1) Notwithstanding anything contained in any other law for the time being in force and subject to the provisions of sub-section (2), no court shall entertain or continue any civil or criminal proceeding against any person who is or was a Judge for any act, thing or word committed or done or spoken by him when, or in the course of, acting or purporting to act in the discharge of his official or judicial duty or function.
(2) Nothing in sub-section (1) shall debar or affect in any manner the power of the Central Government or the State Government or the Supreme Court of India or any High Court or any other authority under any law for the time being in force to take such action (whether by way of civil, criminal, or departmental proceedings or otherwise) against any person who is or was a Judge.
 4. The provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force providing for protection of Judges.

**Short
title and
extent.**

Defini. tion

Additional protection to Judges.

Saving.

THE RAILWAY PROTECTION FORCE (AMENDMENT)
ACT, 1985

No. 60 OF 1985

[6th September, 1985.]

An Act to amend the Railway Protection Force Act, 1957.

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

Short title and commencement.

1. (1) This Act may be called the Railway Protection Force (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Amend-
ment of
long title.

2. In the Railway Protection Force Act, 1957 (hereinafter referred to as the principal Act), for long title, the following long title shall be substituted, namely:—

23 of 1957.

"An Act to provide for the constitution and regulation of an armed force of the Union for the better protection and security of railway property and for matters connected therewith".

Amend-
ment of
section 2.

3. Section 2 of the principal Act shall be renumbered as sub-section (1) thereof, and—

(a) in sub-section (1) as so renumbered,—

(i) for clause (b), the following clauses shall be substituted, namely:—

(b) "Director-General" means the Director-General of the Force appointed under sub-section (1) of section 4;

(ba) "enrolled member of the Force" means any subordinate officer; under officer or any other member of the Force of a rank lower than that of under officer;

(bb) "Force custody" means the arrest or confinement of a member of the Force in accordance with rules made under this Act; ;

(ii) in clause (c), the words "other than the superior officer" shall be omitted;

¹20-9-85 ; Vide Notification No. S.O. 676 (E), dated 18-9-1985 Gazette of India Extraordinary, 1985, Part II, Section 3 (ii) .

(iii) after clause (e), the following clause shall be inserted, namely:—

‘(ea) “subordinate officer” means a person appointed to the Force as an Inspector, a Sub-Inspector or an Assistant Sub-Inspector;’;

(iv) after clause (f), the following clause shall be inserted, namely:—

‘(fa) “under officer” means a person appointed to the Force as a Head Constable or Naik;’;

[(b)] (v) after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

“(2) Any reference in this Act to a law which is not in force in any area shall, in relation to that area, be construed as a reference to the corresponding law, if any, in force in that area.”.

4. In section 3 of the principal Act,—

Amend-
ment of
section 3.

(a) in sub-section (1), for the words “a Force”, the words “an armed force of the Union” shall be substituted;

(b) in sub-section (2), for the words “superior officers and members”, the words “superior officers, subordinate officers, under officers and other enrolled members” shall be substituted.

5. In section 4 of the principal Act,—

Amend-
ment of
section 4.

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Central Government may appoint a person to be the Director-General of the Force and may appoint other persons to be Inspectors-General, Additional Inspectors-General, Deputy Inspectors-General, Assistant Inspectors-General, Senior Commandants, Commandants or Assistant Commandants of the Force.”;

(b) in sub-section (2), for the expression “Inspector-General”, the expression “Director-General” shall be substituted.

6. Section 5 of the principal Act shall be omitted.

Omission
of
section 5.

7. For section 6 of the principal Act, the following section shall be substituted, namely:—

Substi-
tution of
new sec-
tion for
section 6.

Appointment
of members
of the
Force.

"6. The appointment of enrolled members of the Force shall rest with the Inspector-General, Additional Inspector-General or Deputy Inspector-General who shall exercise that power in accordance with rules made under this Act:

Provided that the power of appointment under this section may also be exercised by other superior officer as the Inspector-General, Additional Inspector-General or Deputy Inspector-General concerned may, by order, specify in this behalf."

Amend-
ment of
section 7.

8. In section 7 of the principal Act,—

(a) in sub-section (1), for the words "Chief Security Officer", at both the places where they occur, the words "Inspector-General, Additional Inspector-General or Deputy Inspector-General" shall be substituted;

(b) in sub-section (2), the words "and on his ceasing to be a member of the Force shall be forthwith surrendered by him to any superior officer empowered to receive the same" shall be omitted.

Substi-
tution of
new sec-
tion for
section 8.

9. For section 8 of the principal Act, the following section shall be substituted, namely:—

Super-
inten-
dence
and
adminis-
tration
of the
Force.

"8. (1) The superintendence of the Force shall vest in the Central Government, and subject thereto and to the provisions of this Act and of any rules made thereunder, the command, supervision and administration of the Force shall vest in the Director-General.

(2) Subject to the provisions of sub-section (1), the administration of the Force, within such local limits in relation to a railway as may be prescribed shall be carried on by an Inspector-General, an Additional Inspector-General or a Deputy Inspector-General in accordance with the provisions of this Act and of any rules made thereunder and they shall, subject to any direction that may be given by the Central Government or the Director-General in this behalf discharge his functions under the general supervision of the General Manager of the Railway."

Amend-
ment of
section 9.

10. In section 9 of the principal Act,—

(a) in sub-section (1), for the word "member", at both the places where it occurs, the words "enrolled member" shall be substituted;

(b) for sub-section (2), the following sub-sections shall be substituted, namely:—

"(2) Any enrolled member of the Force aggrieved by an order made under sub-section (1) may, within thirty days from the date on which the order is communicated to him, prefer an appeal against the order to such authority as may be prescribed:

Provided that the prescribed authority may entertain the appeal after the expiry of the said period of thirty days if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(3) In disposing of the appeal, the prescribed authority shall follow such procedure as may be prescribed:

Provided that no order imposing an enhanced penalty under sub-section (2) shall be made unless a reasonable opportunity of being heard has been given to the person affected by such order.”.

11. For section 12 of the principal Act, the following section shall be substituted, namely:—

Substitution
of new
section
for sec-
tion 12.

“12. Any member of the Force may, without an order from a Magistrate and without a warrant, arrest—

Power to
arrest
without
warrant.

(i) any person who voluntarily causes hurt to, or attempts voluntarily to cause hurt to, or wrongfully restrains or attempts wrongfully to restrain, or assaults, threatens to assault, or uses, or threatens or attempts to use, criminal force to him or any other member of the Force in the execution of his duty as such member, or with intent to prevent or to deter him from discharging his duty as such member, or in consequence of anything done or attempted to be done by him in the lawful discharge of his duty as such member; or

(ii) any person who has been concerned in, or against whom a reasonable suspicion exists of his having been concerned in, or who is found taking precautions to conceal his presence under circumstances which afford reason to believe that he is taking such precautions with a view to committing a cognizable offence which relates to railway property; or

(iii) any person found taking precautions to conceal his presence within the railway limits under circumstances which afford reason to believe that he is taking such precautions with a view to committing theft of, or damage to, railway property; or

(iv) any person who commits or attempts to commit a cognizable offence which involves or which is likely to involve imminent danger to the life of any person engaged in carrying on any work relating to railway property.”.

12. In section 15 of the principal Act,—

Amend-
ment of
section
15.

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Every member of the Force shall, for the purposes of this Act, be considered to be always on duty, and shall, at any time, be liable to be employed at any place within India.”;

(b) in sub-section (2), the words "superior officer or" shall be omitted.

13. After section 15 of the principal Act, the following section shall be inserted, namely:—

15A. (1) No member of the Force shall, without the previous sanction in writing of the Central Government or of the prescribed authority,—

(a) be a member of, or be associated in any way with, any trade union, labour union, political association or with any class of trade unions, labour unions or political associations; or

(b) be a member of, or be associated in any way with, any other society, institution, association or organisation that is not recognised as part of the Force or is not of a purely social, recreational or religious nature; or

(c) communicate with the press or publish or cause to be published any book, letter or other document except where such communication or publication is in the *bona fide* discharge of his duties or is of a purely literary, artistic or scientific character or is of a prescribed nature.

Explanation.—If any question arises as to whether any society, institution, association or organisation is of a purely social, recreational or religious nature under clause (b) of this sub-section, the decision of the Central Government thereon shall be final.

(2) No member of the Force shall participate in, or address, any meeting or take part in any demonstration organised by any body of persons for any political purposes or for such other purposes as may be prescribed.”

14. After section 16 of the principal Act, the following section shall be inserted, namely:—

16A. (1) Every person who for any reason ceases to be a member of the Force, shall forthwith surrender to any superior officer empowered to receive the same, his certificate of appointment, the arms, accoutrements, clothing and other articles which have been furnished to him for the performance of his duties as a member of the Force.

(2) Any person who wilfully neglects or refuses to surrender his certificate of appointment, the arms, accoutrements, clothing and other articles furnished to him, as required by sub-section (1), shall, on conviction, be punished with imprisonment for a term which may extend to one month, or with fine which may extend to two hundred rupees, or with both.

(3) Nothing in this section shall be deemed to apply to any article which, under the orders of the Director-General, has become the property of the person to whom the same was furnished.”

Insertion
of new
section
15A.

Restrictions respecting right to form association, etc.

Insertion of new section
16A.

Surrender of certificate, arms, etc., by persons ceasing to be members of the Force.

15. For section 17 of the principal Act, the following section shall be substituted, namely:—

Substi-
tution of
new sec-
tion for
section 17.

Penal-
ties for
neglect
of duty,
etc.

"17. (1) Without prejudice to the provisions contained in section 9, every enrolled member of the Force who shall be guilty of any violation of duty or wilful breach or neglect of any rule or lawful order made by a superior officer, or who shall withdraw from duties of his office without permission, or who, being absent on leave, fails, without reasonable cause, to report himself for duty on the expiration of the leave, or who engages himself without authority for any employment other than his duty as an enrolled member of the Force, or who shall be guilty of cowardice may be taken into Force custody and shall, on conviction, be punished with imprisonment which may extend to one year.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, an offence punishable under this section shall be cognizable and non-bailable.

(3) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, the Central Government may invest Assistant Inspector-General, Senior Commandant or Commandant with the powers of a Magistrate of any class for the purpose of inquiring into or trying any offence committed by an enrolled member of the Force and punishable under this Act, or any offence committed by an enrolled member of the Force against the person or property of another member of the Force:

Provided that—

(i) when the offender is on leave or absent from duty; or

(ii) when the offence is not connected with the offender's duties as an enrolled member of the Force; or

(iii) when it is a petty offence even if connected with the offender's duties as an enrolled member of the Force; or

(iv) when, for reasons to be recorded in writing, it is not practicable for the Commandant invested with the powers of a Magistrate to inquire into or to try the offence;

the offence may, if the prescribed authority within the limits of whose jurisdiction the offence has been committed so requires, be inquired into or tried by an ordinary criminal court having jurisdiction in the matter.

(4) Nothing contained in this section shall be construed to prevent any enrolled member of the Force from being prosecuted under any other law for any offence made punishable by that law, or for being liable under any such law to any other or higher penalty or punishment than is provided for such offence by this section:

Provided that no person shall be punished twice for the same offence."

2 of 1974.

2 of 1974.

Substitution of new section for section 19.

Certain Acts not to apply to members of the Force.

Amend-
ment of
section
21.

16. For section 19 of the principal Act, the following section shall be substituted, namely:—

"19. Nothing contained in the Payment of Wages Act, 1936, or the Industrial Disputes Act, 1947, or the Factories Act, 1948, or any corresponding law relating to investigation and settlement of industrial dispute in force in a State shall apply to members of the Force."

4 of 1936.
14 of 1947.
63 of 1948.

17. In section 21 of the principal Act,—

(a) in sub-section (2),—

(i) in clauses (a), (b) and (c), the words "superior officers and" shall be omitted;

(ii) for clauses (d) and (e), the following clauses shall be substituted, namely:—

"(d) prescribing the description and quantity of arms, accoutrements, clothing and other necessary articles to be furnished to the members of the Force;

(e) prescribing the places of residence of the member of the Force;

(f) institution, management and regulation of any fund for any purpose connected with the administration of the Force;

(g) regulating the punishments and prescribing authorities to whom appeal shall be preferred from orders of punishment, or remission of fines, or other punishments and the procedure to be followed for the disposal of such appeals;

(h) regulating matters with respect to Force custody under this Act, including the procedure to be followed for taking persons into such custody;

(i) regulating matters with respect to disposal of cases relating to offences under this Act and specifying the places in which persons convicted under this Act may be confined;

(j) any other matter which has to be, or may be, imposed, or in respect of which rules are required to be made under this Act;";

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Every rule made under this Act 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 com-

prised 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 both Houses agree that the rule should not be made, the rule 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.”.

18. The amendments directed in the Schedule (being amendments of a consequential nature) shall be made in the principal Act.

Conse-
quential
amend-
ments.

19. (1) The Force constituted under the principal Act as functioning immediately before the commencement of this Act (hereafter in this section referred to as the existing Force) shall, on such commencement, be deemed to be the Force constituted under the principal Act as amended by this Act, and every member of the existing Force holding immediately before such commencement an office mentioned in column (1) of the Table below shall, on such commencement, be deemed to have been appointed to the office mentioned in the corresponding entry in column (2) of the said Table.

Provi-
sions as
to exist-
ing
Force.

TABLE

(1)	(2)
1. Director-General	Director-General.
2. Inspector-General-cum-Chief Security Officer.	Inspector-General.
3. Additional Inspector-General-cum-Chief Security Officer.	Additional Inspector-General.
4. Additional Inspector-General	Additional Inspector-General.
5. Deputy Inspector-General-cum-Chief Security Officer.	Deputy Inspector-General.
6. Deputy Inspector-General	Deputy Inspector-General.
7. Principal, Training College	Principal, Training College.
8. Assistant Inspector-General	Assistant Inspector-General.
9. Deputy Chief Security Officer	Senior Commandant Headquarters.
10. Senior Security Officer	Senior Commandant.
11. Security Officer	Commandant.
12. Staff Officer to Chief Security Officer	Commandant-cum-Staff Officer to Chief Security Officer.
13. Security Officer (Small Arms)	Commandant (Small Arms).
14. Commandant	Commandant.
15. Assistant Security Officer	Assistant Commandant.

	(1)	(2)
16.	Personal Assistant to Chief Security Officer.	Assistant Commandant-cum-Personal Assistant to Chief Security Officer.
17.	Adjutant	Assistant Commandant Adjutant.
18.	Assistant Commandant	Assistant Commandant.
19.	Principal, Training School	Assistant Commandant-cum-Principal, Training School.
20.	Vice-Principal, R.P.F. Training College	Assistant Commandant-cum-Vice-Principal, R.P.F. Training College.
21.	Inspector	Inspector.
22.	Sub-Inspector	Sub-Inspector.
23.	Assistant Sub-Inspector	Assistant Sub-Inspector.
24.	Head Rakshak	Head Constable.
25.	Battalion Havildar Major	Head Constable.
26.	Coy. Havildar Major	Head Constable.
27.	Senior Rakshak	Naik.
28.	Rakshak	Constable.

(2) Notwithstanding anything contained in sub-section (1), any member of the existing Force may, within thirty days from the commencement of this Act, exercise his option by notice in writing to the Director-General—

(a) if such member has been on deputation to the existing Force from any other service, to revert to such other service, and

(b) in any other case, to retire from service, and an option so exercised shall be final, and a member exercising such option shall be permitted, within thirty days from the date on which he exercises such option to revert to the service from which he had been on deputation or, as the case may be, to retire from service.

Explanation.—For the purposes of this section, the expression "member" includes an officer, and the expression "Director-General" shall have the same meaning as in the principal Act as amended by this Act.

THE SCHEDULE

(See section 18)

CONSEQUENTIAL AMENDMENTS

1. Section 10—For "the Inspector-General and every other superior officer and every member of the Force", substitute "Director-General and every member of the Force".

5 of 1898.
2 of 1974.

2. Section 13—(a) in sub-section (1), omit “any superior officer or”;
- (b) in sub-section (2), for “Code of Criminal Procedure, 1898”, substitute “Code of Criminal Procedure, 1973”.
3. Section 14—Omit “superior officer or”.
4. Section 20—Omit “superior officer or”, wherever they occur.

THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES ACT, 1985

ARRANGEMENT OF SECTIONS

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PRELIMINARY

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2. Definitions.
3. Power to add to or omit from the list of psychotropic substances.

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AUTHORITIES AND OFFICERS

4. Central Government to take measures for preventing and combating abuse of and illicit traffic in narcotic drugs, etc.
5. Officers of Central Government.
6. The Narcotic Drugs and Psychotropic Substances Consultative Committee.
7. Officers of State Government.

CHAPTER III

PROHIBITION, CONTROL AND REGULATION

8. Prohibition of certain operations.
9. Power of Central Government to permit, control and regulate.
10. Power of State Government to permit, control and regulate.
11. Narcotic drugs and psychotropic substances, etc., not liable to distress or attachment.
12. Restrictions over external dealings in narcotic drugs and psychotropic substances.
13. Special provisions relating to coca plant and coca leaves for use in the preparation of flavouring agent.
14. Special provision relating to cannabis.

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OFFENCES AND PENALTIES

15. Punishment for contravention in relation to poppy straw.
16. Punishment for contravention in relation to coca plant and coca leaves.
17. Punishment for contravention in relation to prepared opium.

SECTIONS

18. Punishment for contravention in relation to opium, poppy and opium.
19. Punishment for embezzlement of opium by cultivator.
20. Punishment for contravention in relation to cannabis plant and cannabis.
21. Punishment for contravention in relation to manufactured drugs and preparations.
22. Punishment for contravention in relation to psychotropic substances.
23. Punishment for illegal import into India, export from India or transhipment of narcotic drugs and psychotropic substances.
24. Punishment for external dealings in narcotic drugs and psychotropic substances in contravention of section 12.
25. Punishment for allowing premises, etc., to be used for commission of an offence.
26. Punishment for certain acts by licensee or his servants.
27. Punishment for illegal possession in small quantity for personal consumption of any narcotic drug or psychotropic substance or consumption of such drug or substance.
28. Punishment for attempts to commit offences.
29. Punishment for abetment and criminal conspiracy.
- 30. Preparation.**
31. Enhanced punishment for certain offences after previous conviction.
32. Punishment for offence for which no punishment is provided.
33. Application of section 360 of the Code of Criminal Procedure, 1973 and of the Probation of Offenders Act, 1958.
34. Security for abstaining from commission of offence.
35. Presumption of culpable mental state.
- 36. Offences to be tried summarily.**
37. Offences to be cognizable and non-bailable.
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39. Power of court to release certain offenders on probation.
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41. Power to issue warrant and authorisation.
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43. Power of seizure and arrest in public places.

SECTIONS

44. Power of entry, search, seizure and arrest in offences relating to coca plant, opium poppy and cannabis plant.
45. Procedure where seizure of goods liable to confiscation not practicable.
46. Duty of land holder to give information of illegal cultivation.
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48. Power of attachment of crop illegally cultivated.
49. Power to stop and search conveyance.
50. Conditions under which search of persons shall be conducted.
51. Provisions of the Code of Criminal Procedure, 1973 to apply to warrants, arrests, searches and seizures.
52. Disposal of persons arrested and articles seized.
53. Power to invest officers of certain departments with powers of an officer-in-charge of a police station.
54. Presumption from possession of illicit articles.
55. Police to take charge of articles seized and delivered.
56. Obligation of officers to assist each other.
57. Report of arrest and seizure.
58. Punishment for vexatious entry, search, seizure or arrest.
59. Failure of officer in duty or his connivance at the contravention of the provisions of this Act.
60. Liability of illicit drugs, substances, plants, articles and conveyances to confiscation.
61. Confiscation of goods used for concealing illicit drugs or substances.
62. Confiscation of sale proceeds of illicit drugs or substances.
63. Procedure in making confiscations.
64. Power to tender immunity from prosecution.
65. Power to make rules regulating disposal of confiscated articles and rewards.
66. Presumption as to documents in certain cases.
67. Power to call for information, etc.
68. Information as to commission of offences.

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MISCELLANEOUS

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73. Bar of jurisdiction.
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75. Power to delegate.
76. Power of Central Government to make rules.
77. Rules and notifications to be laid before Parliament.
78. Power of State Government to make rules.
79. Application of the Customs Act, 1962.
80. Application of the Drugs and Cosmetics Act, 1940 not barred.
81. Saving of State and special laws.
82. Repeal and savings.
83. Power to remove difficulties.

THE SCHEDULE

THE NARCOTIC DRUGS AND PSYCHOTROPIC SUBSTANCES ACT, 1985

No. 61 OF 1985

[16th September, 1985.]

An Act to consolidate and amend the law relating to narcotic drugs, to make stringent provisions for the control and regulation of operations relating to narcotic drugs and psychotropic substances~~s~~ 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

Short title,
extent
and
commencement.

1. (1) This Act may be called the Narcotic Drugs and Psychotropic Substances Act, 1985.

(2) It extends to the whole of India.

(3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions of this Act and for different States and any reference in any such provision to the commencement of this Act shall be construed in relation to any State as a reference to the coming into force of that provision in that State.

Definitions.

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

(i) "addict" means a person addicted to any narcotic drug or psychotropic substance;

(ii) "Board" means the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963;

(iii) "cannabis (hemp)" means—

(a) *charas*, that is, the separated resin, in whatever form, whether crude or purified, obtained from the cannabis plant and also includes concentrated preparation and resin known as hashish oil or liquid hashish;

(b) *ganja*, that is, the flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops), by whatever name they may be known or designated; and

54 of 1985.

¹ This Act came into force in the whole of India on 14-11-1985: *Vide* Notification No.S.O.821(E) dated, 14-11-1985, Gazette of India, Extraordinary, 1985, Part II, Section-3 (ii).

2 9ns - by Adt 2 of 1989, S. 2 (w.e.f 29-5-1989)

(c) any mixture, with or without any neutral material, of any of the above forms of cannabis or any drink prepared therefrom;

(iv) "cannabis plant" means any plant of the genus *cannabis*;

(v) "coca derivative" means—

(a) crude cocaine, that is, any extract of coca leaf which can be used, directly or indirectly, for the manufacture of cocaine;

(b) ecgonine and all the derivatives of ecgonine from which it can be recovered;

(c) cocaine, that is, methyl ester of benzoyl-ecgonine and its salts; and

(d) all preparations containing more than 0.1 per cent. of cocaine;

(vi) "coca leaf" means—

(a) the leaf of the coca plant except a leaf from which all ecgonine, cocaine and any other ecgonine alkaloids have been removed;

(b) any mixture thereof with or without any neutral material,

but does not include any preparation containing not more than 0.1 per cent. of cocaine;

(vii) "coca plant" means the plant of any species of the genus *Erythroxylon*;

(viii) "conveyance" means a conveyance of any description whatsoever and includes any aircraft, vehicle or vessel;

(ix) "International Convention" means—

(a) the Single Convention on Narcotic Drugs, 1961 adopted by the United Nations Conference at New York in March, 1961;

(b) the Protocol, amending the Convention mentioned in sub-clause (a), adopted by the United Nations Conference at Geneva in March, 1972;

(c) the Convention on Psychotropic Substances, 1971 adopted by the United Nations Conference at Vienna in February, 1971; and

(d) any other international convention, or protocol or other instrument amending an international convention, relating to narcotic drugs or psychotropic substances which may be ratified or acceded to by India after the commencement of this Act;

(x) "manufacture", in relation to narcotic drugs or psychotropic substances, includes—

(1) all processes other than production by which such drugs or substances may be obtained;

(2) refining of such drugs or substances;

(3) transformation of such drugs or substances; and

(4) making of preparation (otherwise than in a pharmacy on prescription) with or containing such drugs or substances;

(xi) "manufactured drug" means—

(a) all coca derivatives, medicinal cannabis, opium derivatives and poppy straw concentrate;

(b) any other narcotic substance or preparation which the Central Government may, having regard to the available information as to its nature or to a decision, if any, under any International Convention, by notification in the Official Gazette, declare to be a manufactured drug,

but does not include any narcotic substance or preparation which the Central Government may, having regard to the available information as to its nature or to a decision, if any, under any International Convention, by notification in the Official Gazette, declare not to be a manufactured drug;

(xii) "medicinal cannabis", that is, medicinal hemp, means any extract or tincture of cannabis (hemp);

(xiii) "Narcotics Commissioner" means the Narcotics Commissioner appointed under section 5;

(xiv) "narcotic drug" means coca leaf, cannabis (hemp), opium, poppy straw and includes all manufactured drugs;

(xv) "opium" means—

(a) the coagulated juice of the opium poppy; and

(b) any mixture, with or without any neutral material, of the coagulated juice of the opium poppy,

but does not include any preparation containing not more than 0.2 per cent. of morphine;

(xvi) "opium derivative" means—

(a) medicinal opium, that is, opium which has undergone the processes necessary to adapt it for medicinal use in accordance with the requirements of the Indian Pharmacopoeia or any other pharmacopoeia notified in this behalf by the Central Government, whether in powder form or granulated or otherwise or mixed with neutral materials;

(b) prepared opium, that is, any product of opium obtained by any series of operations designed to transform opium into an extract suitable for smoking and the dross or other residue remaining after opium is smoked;

(c) phenanthrene alkaloids, namely, morphine, codeine, thebaine and their salts;

(d) diacetylmorphine, that is, the alkaloid also known as dia-morphine or heroin and its salts; and

(e) all preparations containing more than 0.2 per cent. of morphine or containing any diacetylmorphine;

(xvii) "opium poppy" means—

(a) the plant of the species *Papaver somniferum* L.; and

(b) the plant of any other species of *Papaver* from which opium or any phenanthrene alkaloid can be extracted and which the Central Government may, by notification in the Official Gazette, declare to be opium poppy for the purposes of this Act;

(xviii) "poppy straw" means all parts (except the seeds) of the opium poppy after harvesting whether in their original form or cut, crushed or powdered and whether or not juice has been extracted therefrom;

(xix) "poppy straw concentrate" means the material arising when poppy straw has entered into a process for the concentration of its alkaloids;

(xx) "preparation", in relation to a narcotic drug or psychotropic substance, means any one or more such drugs or substances in dosage form or any solution or mixture, in whatever physical state, containing one or more such drugs or substances;

(xxi) "prescribed" means prescribed by rules made under this Act;

(xxii) "production" means the separation of opium, poppy straw, coca leaves or cannabis from the plants from which they are obtained;

(xxiii) "psychotropic substance" means any substance, natural or synthetic, or any natural material or any salt or preparation of such substance or material included in the list of psychotropic substances specified in the Schedule;

(xxiv) "to import inter-State" means to bring into a State or Union territory in India from another State or Union territory in India;

(xxv) "to import into India", with its grammatical variations and cognate expressions, means to bring into India from a place outside India and includes the bringing into any port or airport or place in India of a narcotic drug or a psychotropic substance intended to be taken out of India without being removed from the vessel, aircraft, vehicle or any other conveyance in which it is being carried.

Explanation.—For the purposes of this clause and clause (xxvi), "India" includes the territorial waters of India;

(xxvi) "to export from India", with its grammatical variations and cognate expressions, means to take out of India to a place outside India;

(xxvii) "to export inter-State" means to take out of a State or Union territory in India to another State or Union territory in India;

(xxviii) "to transport" means to take from one place to another within the same State or Union territory;

(xxix) words and expressions used herein and not defined but defined in the Code of Criminal Procedure, 1973 have the meanings respectively assigned to them in that Code.

Explanation.—For the purposes of clauses (v), (vi), (xv) and (xvi) the percentages in the case of liquid preparations shall be calculated on the basis that a preparation containing one per cent. of a substance means

4. 9ns. by Act 2 of 1989, S:3 (w.e.f 29-5-1989)

a preparation in which one gram of substance, if solid, or one millilitre of substance, if liquid, is contained in every one hundred millilitre of the preparation and so on in proportion for any greater or less percentage:

Provided that the Central Government may, having regard to the developments in the field of methods of calculating percentages in liquid preparations prescribe, by rules, any other basis which it may deem appropriate for such calculation.

Power to add to or omit from the list of psychotropic substances.

3. The Central Government may, if satisfied that it is necessary or expedient so to do on the basis of—

(a) the information and evidence which has become available to it with respect to the nature and effects of, and the abuse or the scope for abuse of, any substance (natural or synthetic) or natural material or any salt or preparation of such substance or material; and

(b) the modifications or provisions (if any) which have been made to, or in, any International Convention with respect to such substance, natural material or salt or preparation of such substance or material,

by notification in the Official Gazette, add to, or, as the case may be, omit from, the list of psychotropic substances specified in the Schedule such substance or natural material or salt or preparation of such substance or material.

CHAPTER II

AUTHORITIES AND OFFICERS

Central Government to take measures for preventing and combating abuse of and illicit traffic in narcotic drugs, etc.

4. (1) Subject to the provisions of this Act, the Central Government shall take all such measures as it deems necessary or expedient for the purpose of preventing and combating abuse of narcotic drugs and psychotropic substances and the illicit traffic therein.

(2) In particular and without prejudice to the generality of the provisions of sub-section (1), the measures which the Central Government may take under that sub-section include measures with respect to all or any of the following matters, namely:—

(a) coordination of actions by various officers, State Governments and other authorities—

(i) under this Act, or

(ii) under any other law for the time being in force in connection with the enforcement of the provisions of this Act;

(b) obligations under the International Conventions;

(c) assistance to the concerned authorities in foreign countries and concerned international organisations with a view to facilitating coordination and universal action for prevention and suppression of illicit traffic in narcotic drugs and psychotropic substances;

(d) identification, treatment, education, after care, rehabilitation and social re-integration of addicts;

(e) such other matters as the Central Government deems necessary or expedient for the purpose of securing the effective implementation of the provisions of this Act and preventing and combating the abuse of narcotic drugs and psychotropic substances and illicit traffic therein.

(3) The Central Government may, if it considers it necessary or expedient so to do for the purposes of this Act, by order, published in the Official Gazette, constitute an authority or a hierarchy of authorities by such name or names as may be specified in the order for the purpose of exercising such of the powers and functions of the Central Government under this Act and for taking measures with respect to such of the matters referred to in sub-section (2) as may be mentioned in the order, and subject to the supervision and control of the Central Government and the provisions of such order, such authority or authorities may exercise the powers and take the measures so mentioned in the order as if such authority or authorities had been empowered by this Act to exercise those powers and take such measures.

5. (1) Without prejudice to the provisions of sub-section (3) of section 4, the Central Government shall appoint a Narcotics Commissioner and may also appoint such other officers with such designations as it thinks fit for the purposes of this Act.

Officers
of
Central
Govern-
ment.

(2) The Narcotics Commissioner shall, either by himself or through officers subordinate to him, exercise all powers and perform all functions relating to the superintendence of the cultivation of the opium poppy and production of opium and shall also exercise and perform such other powers and functions as may be entrusted to him by the Central Government.

(3) The officers appointed under sub-section (1) shall be subject to the general control and direction of the Central Government, or, if so directed by that Government, also of the Board or any other authority or officer.

6. (1) The Central Government may constitute, by notification in the Official Gazette, an advisory committee to be called "The Narcotic Drugs and Psychotropic Substances Consultative Committee" (hereafter in this section referred to as the Committee) to advise the Central Government on such matters relating to the administration of this Act as are referred to it by that Government from time to time.

The Nar-
cotic
Drugs
and
Psycho-
tropic
Sub-
stances
Con-
sulta-
tive
Commit-
tee.

(2) The Committee shall consist of a Chairman and such other members, not exceeding twenty, as may be appointed by the Central Government.

(3) The Committee shall meet when required to do so by the Central Government and shall have power to regulate its own procedure.

(4) The Committee may, if it deems it necessary so to do for the efficient discharge of any of its functions, constitute one or more sub-committees and may appoint to any such sub-committee, whether generally or for the consideration of any particular matter, any person (including a non-official) who is not a member of the Committee.

(5) The term of office of, the manner of filling casual vacancies in the offices of and the allowances, if any, payable to, the Chairman and

other members of the Committee, and the conditions and restrictions subject to which the Committee may appoint a person who is not a member of the Committee as a member of any of its sub-committees, shall be such as may be prescribed by rules made by the Central Government.

Officers
of State
Govern-
ment.

7. (1) The State Government may appoint such officers with such designations as it thinks fit for the purposes of this Act:
- (2) The officers appointed under sub-section (1) shall be subject to the general control and direction of the State Government, or, if so directed by that Government, also of any other authority or officer.

CHAPTER III

PROHIBITION, CONTROL AND REGULATION

Prohibi-
tion of
certain
operations.

8. No person shall—
 - (a) cultivate any coca plant or gather any portion of coca plant; or
 - (b) cultivate the opium poppy or any cannabis plant; or
 - (c) produce, manufacture, possess, sell, purchase, transport, warehouse, use, consume, import inter-State, export inter-State, import into India, export from India or tranship any narcotic drug or psychotropic substance,

except for medical or scientific purposes and in the manner and to the extent provided by the provisions of this Act or the rules or orders made thereunder and in a case where any such provision, imposes any requirement by way of licence, permit or authorisation also in accordance with the terms and conditions of such licence, permit or authorisation:

Provided that, and subject to the other provisions of this Act and the rules made thereunder, the prohibition against the cultivation of the cannabis plant for the production of *ganja* or the production, possession, use, consumption, purchase, sale, transport, warehousing, import inter-State and export inter-State of *ganja* for any purpose other than medical and scientific purpose shall take effect only from the date which the Central Government may, by notification in the Official Gazette, specify in this behalf.

Power of
Central
Govern-
ment to
permit,
control
and re-
gulate.

9. (1) Subject to the provisions of section 8, the Central Government may, by rules—
 - (a) permit and regulate—
 - (i) the cultivation, or gathering of any portion (such cultivation or gathering being only on account of the Central Government) of coca plant, or the production, possession, sale, purchase, transport, import inter-State, export inter-State, use or consumption of coca leaves;
 - (ii) the cultivation (such cultivation being only on account of Central Government) of the opium poppy;
 - (iii) the production and manufacture of opium and production of poppy straw;

4 Ins. by Act 2 of 1989, S.4 (w.e.f 29-5-1989)
2 Ins. by S.5, ibid (w.e.f 29-5-1989)

(iv) the sale of opium and opium derivatives from the Central Government factories for export from India or sale to State Government or to manufacturing chemists;

(v) the manufacture of manufactured drugs (other than prepared opium) but not including manufacture of medicinal opium or any preparation containing any manufactured drug from materials which the maker is lawfully entitled to possess;

(vi) the manufacture, possession, transport, import inter-State, export inter-State, sale, purchase, consumption or use of psychotropic substances;

(vii) the import into India and export from India and transhipment of narcotic drugs and psychotropic substances;

(b) prescribe any other matter requisite to render effective the control of the Central Government over any of the matters specified in clause (a).

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

(a) empower the Central Government to fix from time to time the limits within which licences may be given for the cultivation of the opium poppy;

(b) require that all opium, the produce of land cultivated with the opium poppy, shall be delivered by the cultivators to the officers authorised in this behalf by the Central Government;

(c) prescribe the forms and conditions of licences for cultivation of the opium poppy and for production and manufacture of opium; the fees that may be charged therefor; the authorities by which such licences may be granted, withheld, refused or cancelled and the authorities before which appeals against the orders of withholding, refusal or cancellation of licences shall lie;

(d) prescribe that opium shall be weighed, examined and classified according to its quality and consistence by the officers authorised in this behalf by the Central Government in the presence of the cultivator at the time of delivery by the cultivator;

(e) empower the Central Government to fix from time to time the price to be paid to the cultivators for the opium delivered;

(f) provide for the weighment, examination and classification, according to the quality and consistence, of the opium received at the factory and the deductions from or additions (if any) to the standard price to be made in accordance with the result of such examination; and the authorities by which the decisions with regard to the weighment, examination, classification, deductions or additions shall be made and the authorities before which appeals against such decisions shall lie;

(g) require that opium delivered by a cultivator, if found as a result of examination in the Central Government factory to be adulterated, may be confiscated by the officers authorised in this behalf;

(h) prescribe the forms and conditions of licences for the manufacture of manufactured drugs, the authorities by which such licences may be granted and the fees that may be charged therefor;

- (i) prescribe the forms and conditions of licences or permits for the manufacture, possession, transport, import inter-State, export inter-State, sale, purchase, consumption or use of psychotropic substances, the authorities by which such licences or permits may be granted and the fees that may be charged therefor;
- (j) prescribe the ports and other places at which any kind of narcotic drugs or psychotropic substances may be imported into India or exported from India or transhipped; the forms and conditions of certificates, authorisations or permits, as the case may be, for such import, export or transhipment; the authorities by which such certificates, authorisations or permits may be granted and the fees that may be charged therefor.

Power of State Government to permit, control and regulate.

10. (1) Subject to the provisions of section 8, the State Government may, by rules—

(a) permit and regulate—

- (i) the possession, transport, import inter-State, export inter-State, warehousing, sale, purchase, consumption and use of poppy straw;
- (ii) the possession, transport, import inter-State, export inter-State, sale, purchase, consumption and use of opium;
- (iii) the cultivation of any cannabis plant, production, manufacture, possession, transport, import inter-State, export inter-State, sale, purchase, consumption or use of cannabis (excluding charas);
- (iv) the manufacture of medicinal opium or any preparation containing any manufactured drug from materials which the maker is lawfully entitled to possess;
- (v) the possession, transport, purchase, sale, import inter-State, export inter-State, use or consumption of manufactured drugs other than prepared opium and of coca leaf and any preparation containing any manufactured drug;
- (vi) the manufacture and possession of prepared opium from opium lawfully possessed by an addict registered with the State Government on medical advice for his personal consumption:

Provided that save in so far as may be expressly provided in the rules made under sub-clauses (iv) and (v), nothing in section 8 shall apply to the import inter-State, export inter-State, transport, possession, purchase, sale, use or consumption of manufactured drugs which are the property and in the possession of the Government:

Provided further that such drugs as are referred to in the preceding proviso shall not be sold or otherwise delivered to any person who, under the rules made by the State Government under the aforesaid sub-clauses, is not entitled to their possession;

(b) prescribe any other matter requisite to render effective the control of the State Government over any of the matters specified in clause (a).

4 One by Act. 2 of 1989, S. 6 (w.e.f 29-5-1989)

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

- (a) empower the State Government to declare any place to be a warehouse wherein it shall be the duty of the owners to deposit all such poppy straw as is legally imported inter-State and is intended for export inter-State or export from India; to regulate the safe custody of such poppy straw warehoused and the removal of such poppy straw for sale or export inter-State or export from India; to levy fees for such warehousing and to prescribe the manner in which and the period after which the poppy straw warehoused shall be disposed of in default of payment of fees;
- (b) provide that the limits within which licences may be given for the cultivation of any cannabis plant shall be fixed from time to time by or under the orders of the State Government;
- (c) provide that only the cultivators licenced by the prescribed authority of the State Government shall be authorised to engage in cultivation of any cannabis plant;
- (d) require that all cannabis, the produce of land cultivated with cannabis plant, shall be delivered by the cultivators to the officers of the State Government authorised in this behalf;
- (e) empower the State Government to fix from time to time, the price to be paid to the cultivators for the cannabis delivered;
- (f) prescribe the forms and conditions of licences or permits for the purposes specified in sub-clauses (i) to (vi) of clause (a) of subsection (1) and the authorities by which such licences or permits may be granted and the fees that may be charged therefor.

11. Notwithstanding anything to the contrary contained in any law or contract, no narcotic drug, psychotropic substance, coca plant, the opium poppy or cannabis plant shall be liable to be distrained or attached by any person for the recovery of any money under any order or decree of any court or authority or otherwise.

Narcotic
drugs and
psycho-
tropic
substan-
ces, etc.,
not
liable to
distress
or attach-
ment.

12. No person shall engage in or control any trade whereby a narcotic drug or psychotropic substance is obtained outside India and supplied to any person outside India save with the previous authorisation of the Central Government and subject to such conditions as may be imposed by that Government in this behalf.

Restric-
tions
over
external
dealings
in narco-
tic drugs
and
psycho-
tropic
subs-
stances,

Special provisions relating to coca plant and coca leaves for use in the preparation of flavouring agent.

Special provision relating to cannabis.

Punishment for contravention in relation to poppy straw.

Punishment for contravention in relation to coca plant and coca leaves.

Punishment for contravention in relation to prepared opium.

13. Notwithstanding anything contained in section 8, the Central Government may permit, with or without conditions, and on behalf of Government, the cultivation of any coca plant or gathering of any portion thereof or the production, possession, sale, purchase, transport, import inter-State, export inter-State or import into India of coca leaves for use in the preparation of any flavouring agent which shall not contain any alkaloid and to the extent necessary for such use.

14. Notwithstanding anything contained in section 8, Government may, by general or special order and subject to such conditions as may be specified in such order, allow cultivation of any cannabis plant for industrial purposes only of obtaining fibre or seed or for horticultural purposes.

CHAPTER IV

OFFENCES AND PENALTIES

15. Whoever, in contravention of any provision of this Act or any rule or order made or condition of a licence granted thereunder, produces, possesses, transports, imports inter-State, exports inter-State, sells, purchases, uses or omits to warehouse poppy straw or removes or does any act in respect of warehoused poppy straw, shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

16. Whoever, in contravention of any provision of this Act or any rule or order made or condition of licence granted thereunder, cultivates any coca plant or gathers any portion of a coca plant or produces, possesses, sells, purchases, transports, imports inter-State, exports inter-State or uses coca leaves, shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

17. Whoever, in contravention of any provision of this Act or any rule or order made or condition of licence granted thereunder manufactures, possesses, sells, purchases, transports, imports inter-State, exports inter-State or uses prepared opium shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees;

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

18. Whoever, in contravention of any provision of this Act, or any rule or order made or condition of licence granted thereunder cultivates the opium poppy or produces, manufactures, possesses, sells, purchases, transports, imports inter-State, exports inter-State or uses opium shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
contra-
vention
in rela-
tion to
opium
poppy
and
opium.

19. Any cultivator licensed to cultivate the opium poppy on account of the Central Government who embezzles or otherwise illegally disposes of the opium produced or any part thereof, shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
embez-
zlement of
opium
by culti-
vator.

20. Whoever, in contravention of any provision of this Act or any rule or order made or condition of licence granted thereunder,—

(a) cultivates any cannabis plant; or
(b) produces, manufactures, possesses, sells, purchases, transports, imports inter-State, exports inter-State or uses cannabis, shall be punishable,—

Punish-
ment for
contra-
vention in
relation
to canna-
bis plant
and
canna-
bis.

(i) where such contravention relates to *ganja* or the cultivation of cannabis plant, with rigorous imprisonment for a term which may extend to five years and shall also be liable to fine which may extend to fifty thousand rupees;

(ii) where such contravention relates to cannabis other than *ganja*, with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees and which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

21. Whoever, in contravention of any provision of this Act, or any rule or order made or condition of licence granted thereunder manufactures, possesses, sells, purchases, transports, imports inter-State, exports inter-State or uses any manufactured drug or any preparation containing any manufactured drug shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Punish-
ment for
contra-
vention in
relation
to manu-
factured
drugs
and pre-
parations.

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
contra-
vention in
relation
to psy-
chotropic
sub-
stances.

22. Whoever, in contravention of any provision of this Act or any rule or order made or condition of licence granted thereunder, manufactures, possesses, sells, purchases, transports, imports inter-State, exports inter-State, or uses any psychotropic substance shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
illegal
import
into
India,
export
from
India or
trans-
shipment
of nar-
cotic
drugs and
psycho-
tropic
sub-
stances.

23. Whoever, in contravention of any provision of this Act or any rule or order made or condition of licence or permit granted or certificate or authorisation issued thereunder, imports into India or exports from India or transships any narcotic drug or psychotropic substance shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
extenal
dealings
in nar-
cotic
drugs
and
psycho-
tropic
substan-
ces in
contra-
vention
of sec-
tion 12.

24. Whoever engages in or controls any trade whereby a narcotic drug or a psychotropic substance is obtained outside India and supplied to any person outside India without the previous authorisation of the Central Government or otherwise than in accordance with the conditions (if any) of such authorisation granted under section 12, shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

Punish-
ment for
allowing
premi-
ses, etc.,
to be
used for
commis-
sion of
an offence.

25. Whoever, being the owner or occupier or having the control or use of any house, room, enclosure, space, place, animal or conveyance, knowingly permits it to be used for the commission by any other person of an offence punishable under any provision of this Act, shall be punishable with rigorous imprisonment for a term which shall not be less than ten years but which may extend to twenty years and shall also be liable to fine which shall not be less than one lakh rupees but which may extend to two lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose a fine exceeding two lakh rupees.

In accordance with Act 29 of 1989, S. 7 (W.e.f 29-5-1989)

26. If the holder of any licence, permit or authorisation granted under this Act or any rule or order made thereunder or any person in his employ and acting on his behalf—

- (a) omits, without any reasonable cause, to maintain accounts or to submit any return in accordance with the provisions of this Act, or any rule made thereunder;
- (b) fails to produce without any reasonable cause such licence, permit or authorisation on demand of any officer authorised by the Central Government or State Government in this behalf;
- (c) keeps any accounts or makes any statement which is false or which he knows or has reason to believe to be incorrect; or
- (d) wilfully and knowingly does any act in breach of any of the conditions of licence, permit or authorisation for which a penalty is not prescribed elsewhere in this Act,

Punish-
ment for
certain
acts by
licensee
or his
servants.

he shall be punishable with imprisonment for a term which may extend to three years or with fine or with both.

27. Whoever, in contravention of any provision of this Act, or any rule or order made or permit issued thereunder, possesses in a small quantity, any narcotic drug or psychotropic substance, which is proved to have been intended for his personal consumption and not for sale or distribution, or consumes any narcotic drug or psychotropic substance, shall, notwithstanding anything contained in this Chapter, be punishable,—

- (a) where the narcotic drug or psychotropic substance possessed or consumed is cocaine, morphine, diacetyl-morphine or any other narcotic drug or any psychotropic substance as may be specified in this behalf by the Central Government, by notification in the Official Gazette, with imprisonment for a term which may extend to one year or with fine or with both; and
- (b) where the narcotic drug or psychotropic substance possessed or consumed is other than those specified in or under clause (a), with imprisonment for a term which may extend to six months or with fine or with both.

Punish-
ment for
illegal
posses-
sion in
small
quantity
for per-
sonal
consuming
of any nar-
cotic
drug or
psycho-
tropic
subs-
tance or
consuming
of such
drug or
subs-
tance.

Explanation.—(1) For the purposes of this section “small quantity” means such quantity as may be specified by the Central Government by notification in the Official Gazette.

(2) Where a person is shown to have been in possession of a small quantity of a narcotic drug or psychotropic substance, the burden of proving that it was intended for the personal consumption of such person and not for sale or distribution, shall lie on such person.

Punish-
ment for
attempts
to com-
mit
offences.

28. Whoever attempts to commit any offence punishable under this Chapter or to cause such offence to be committed and in such attempt does any act towards the commission of the offence shall be punishable with the punishment provided for the offence.

Punish-
ment for
abet-
ment and
criminal
conspi-
racy.

29. (1) Whoever abets, or is a party to a criminal conspiracy to commit, an offence punishable under this Chapter, shall, whether such offence be or be not committed in consequence of such abetment or in pursuance of such criminal conspiracy, and notwithstanding anything contained in section 116 of the Indian Penal Code, be punishable with the punishment provided for the offence.

45 of 1860.
4. Ons. by Act 2 of 1982, S.8 (w.e.f 29-5-1982)

(2) A person abets, or is a party to a criminal conspiracy to commit, an offence, within the meaning of this section, who, in India, abets or is a party to the criminal conspiracy to the commission of any act in a place without and beyond India which—

(a) would constitute an offence if committed within India; or

(b) under the laws of such place, is an offence relating to narcotic drugs or psychotropic substances having all the legal conditions required to constitute it such an offence the same as or analogous to the legal conditions required to constitute it an offence punishable under this Chapter, if committed within India.

Preparation.

30. If any person makes preparation to do or omits to do anything which constitutes an offence punishable under any of the provisions of section 15 to section 25 (both inclusive) and from the circumstances of the case it may be reasonably inferred that he was determined to carry out his intention to commit the offence but had been prevented by circumstances independent of his will, he shall be punishable with rigorous imprisonment for a term which shall not be less than one-half of the minimum term (if any), but which may extend to one-half of the maximum term, of imprisonment with which he would have been punishable in the event of his having committed such offence, and also with fine which shall not be less than one-half of the minimum amount (if any), of fine with which he would have been punishable, but which may extend to one-half of the maximum amount of fine with which he would have ordinarily (that is to say in the absence of special reasons) been punishable, in the event aforesaid:

Provided that the court may, for reasons to be recorded in the judgment, impose a higher fine.

Enhanced punishment for certain offences after previous conviction.

31. (1) If any person who has been convicted of the commission of, or attempt to commit, or abetment of, or criminal conspiracy to commit, any of the offences punishable under section 15 to section 25 (both inclusive) is subsequently convicted of the commission of, or attempt to commit, or abetment of, or criminal conspiracy to commit, an offence punishable under—

(a) section 15 to section 19, clause (ii) of section 20 and section 21 to section 25 (both inclusive), he shall be punished for the second and every subsequent offence with rigorous imprisonment for a term which shall not be less than fifteen years but which may extend to thirty years and shall also be liable to fine which shall not be less than one lakh fifty thousand rupees but which may extend to three lakh rupees;

(b) clause (i) of section 20, he shall be punished for the second and every subsequent offence for a term which may extend to ten years and shall also be liable to fine which may extend to one lakh rupees:

Provided that the court may, for reasons to be recorded in the judgment, impose,—

(i) in a case falling under clause (a), a fine exceeding three lakh rupees; and

(ii) in a case falling under clause (b), a fine exceeding one lakh rupees.

(2) Where any person is convicted by a competent court of criminal jurisdiction outside India under any law corresponding to the provisions of section 15 to section 25 (both inclusive), section 28 and section 29, such person, in respect of such conviction, shall be dealt with for the purposes of sub-section (1) as if he had been convicted by a court in India.

32. Whoever contravenes any provision of this Act or any rule or order made, or any condition of any licence, permit or authorisation issued thereunder for which no punishment is separately provided in this Chapter, shall be punishable with imprisonment for a term which may extend to six months, or with fine, or with both.

Punish-
ment for
offence
for which
no punish-
ment is
provided.

33. Nothing contained in section 360 of the Code of Criminal Procedure, 1973 or in the Probation of Offenders Act, 1958 shall apply to a person convicted of an offence under this Act unless such person is under eighteen years of age or that the offence for which such person is convicted is punishable under section 26 or section 27.

Applica-
tion of
section
360 of
the
Code of
Criminal
Proce-
dure,
1973 and
of the
Proba-
tion of
Offen-
ders
Act,
1958.

34. (1) Whenever any person is convicted of an offence punishable under any provision of Chapter IV and the court convicting him is of opinion that it is necessary to require such person to execute a bond for abstaining from the commission of any offence under this Act, the court may, at the time of passing sentence on such person, order him to execute a bond for a sum proportionate to his means, with or without sureties, for abstaining from commission of any offence under Chapter IV during such period not exceeding three years as it thinks fit to fix.

Security
for ab-
staining
from
com-
mission
of
offence.

(2) The bond shall be in such form as may be prescribed by the Central Government and the provisions of the Code of Criminal Procedure, 1973, shall, in so far as they are applicable, apply to all matters connected with such bond as if it were a bond to keep the peace ordered to be executed under section 106 of that Code.

2 of 1974.

(3) If the conviction is set aside on appeal or otherwise, the bond so executed shall become void.

(4) An order under this section may also be made by an appellate court or by the High Court or Sessions Judge when exercising the powers of revision.

35. (1) In any prosecution for an offence under this Act which requires a culpable mental state of the accused, the court shall presume the existence of such mental state but it shall be a defence for the accused to prove the fact that he had no such mental state with respect to the act charged as an offence in that prosecution.

Pre-
sump-
tion of
culp-
able
mental
state.

Explanation.—In this section “culpable mental state” includes intention, motive, knowledge of a fact and belief in, or reason to believe, a fact.

1. Snc. by Act 2 of 1989, S.9 (w.e.f 29-5-1989)

2. Snc. by ibid (w.e.f 29-5-1989)

(2) For the purpose of this section, a fact is said to be proved only when the court believes it to exist beyond a reasonable doubt and not merely when its existence is established by a preponderance of probability.

Offences
to be
tried
Summa-
rily.

Offences
to be
cogniza-
ble

Offences
by com-
panies.

~~36. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, any offence punishable under sections 26, 27 and 32 of 2 of 1974, this Act may be tried summarily by a Magistrate of the first class.~~

~~37. Notwithstanding anything contained in the Code of Criminal Procedure, 1973, every offence punishable under this Act shall be 2 of 1974, cognizable.~~

38. (1) Where an offence under Chapter IV 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 offence.

(2) Notwithstanding anything contained in sub-section (1), where any offence under Chapter IV 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 be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

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

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

Power of
court to
release
certain
offenders
on pro-
bation.

39. (1) When any addict is found guilty of an offence punishable under section 27 and if the court by which he is found guilty is of the opinion, regard being had to the age, character, antecedents or physical or mental condition of the offender, that it is expedient so to do, then, notwithstanding anything contained in this Act or any other law for the time being in force, the court may, instead of sentencing him at once to any imprisonment, with his consent, direct that he be released for undergoing medical treatment for de-toxification or de-addiction from a hospital or an institution maintained or recognised by Government and on his entering into a bond in the form prescribed by the Central Government, with or without sureties, to appear and furnish before the court within a period not exceeding one year, a report regarding the result of his medical treatment and, in the meantime, to abstain from the commission of any offence under Chapter IV.

4 Subs by Act 2 of 1989, S. 11 (w.e.f 29-5-1989)

3 Subs by S. 12, ibid (w.e.f 29-5-1989)

(2) If it appears to the court, having regard to the report regarding the result of the medical treatment furnished under sub-section (1), that it is expedient so to do, the court may direct the release of the offender after due admonition on his entering into a bond in the form prescribed by the Central Government, with or without sureties, for abstaining from the commission of any offence under Chapter IV during such period not exceeding three years as the court may deem fit to specify or on his failure so to abstain, to appear before the court and receive sentence when called upon during such period.

40. (1) Where any person is convicted of any of the offences punishable under section 15 to section 25 (both inclusive), section 28, section 29 or section 30, it shall be competent for the court convicting the person to cause the name and place of business or residence of such person, nature of the contravention, the fact that the person has been so convicted and such other particulars as the court may consider to be appropriate in the circumstances of the case, to be published at the expense of such person in such newspapers or in such manner as the court may direct.

Power
of court
to pub-
lish
names,
place of
business,
etc., of
certain
offenders.

(2) No publication under sub-section (1) shall be made until the period for preferring an appeal against the orders of the court has expired without any appeal having been preferred, or such appeal, having been preferred, has been disposed of.

(3) The expenses of any publication under sub-section (1) shall be recoverable from the convicted person as if it were a fine imposed by the court.

CHAPTER V

PROCEDURE

41. (1) A Metropolitan Magistrate or a Magistrate of the first class or any Magistrate of the second class specially empowered by the State Government in this behalf, may issue a warrant for the arrest of any person whom he has reason to believe to have committed any offence punishable under Chapter IV, or for the search, whether by day or by night, of any building, conveyance or place in which he has reason to believe any narcotic drug or psychotropic substance in respect of which an offence punishable under Chapter IV has been committed or any document or other article which may furnish evidence of the commission of such offence is kept or concealed.

Power
to issue
warrant
and
authori-
sation.

(2) Any such officer of gazetted rank of the departments of central excise, narcotics, customs, revenue intelligence or any other department of the Central Government or of the Border Security Force as is empowered in this behalf by general or special order by the Central Government, or any such officer of the revenue, drugs control, excise, police or any other department of a State Government as is empowered in this behalf by general or special order of the State Government, if he has reason to believe from personal knowledge or information given by any person and taken in writing that any person has committed an offence punishable under Chapter IV or that any narcotic drug, or psychotropic substance in respect of which any offence punishable under Chapter IV has been committed or any document or other article which may furnish evidence of the commission of such offence has been kept or concealed in any building, conveyance or place, may authorise any officer subordinate to him but superior in rank to a peon, sepoy, or a constable, to arrest such a person or search a building, conveyance or place whether by day

or by night or himself arrest a person or search a building, conveyance or place.

(3) The officer to whom a warrant under sub-section (1) is addressed and the officer who authorised the arrest or search or the officer who is so authorised under sub-section (2) shall have all the powers of an officer acting under section 42.

Power of entry, search, seizure and arrest without warrant or authorisation.

42. (1) Any such officer (being an officer superior in rank to a peon, sepoy or constable) of the departments of central excise, narcotics, customs, revenue intelligence or any other department of the Central Government or of the Border Security Force as is empowered in this behalf by general or special order by the Central Government, or any such officer (being an officer superior in rank to a peon, sepoy or constable) of the revenue, drugs control, excise, police or any other department of a State Government as is empowered in this behalf by general or special order of the State Government, if he has reason to believe from personal knowledge or information given by any person and taken down in writing, that any narcotic drug, or psychotropic substance, in respect of which an offence punishable under Chapter IV has been committed or any document or other article which may furnish evidence of the commission of such offence is kept or concealed in any building, conveyance or enclosed place, may, between sunrise and sunset,—

(a) enter into and search any such building, conveyance or place;

(b) in case of resistance, break open any door and remove any obstacle to such entry;

(c) seize such drug or substance and all materials used in the manufacture thereof and any other article and any animal or conveyance which he has reason to believe to be liable to confiscation under this Act and any document or other article which he has reason to believe may furnish evidence of the commission of any offence punishable under Chapter IV relating to such drug or substance; and

(d) detain and search, and, if he thinks proper, arrest any person whom he has reason to believe to have committed any offence punishable under Chapter IV relating to such drug or substance:

Provided that if such officer has reason to believe that a search warrant or authorisation cannot be obtained without affording opportunity for the concealment of evidence or facility for the escape of an offender, he may enter and search such building, conveyance or enclosed place at any time between sunset and sunrise after recording the grounds of his belief.

(2) Where an officer takes down any information in writing under sub-section (1) or records grounds for his belief under the proviso thereto, he shall forthwith send a copy thereof to his immediate official superior.

43. Any officer of any of the departments mentioned in section 42 may—

(a) seize, in any public place or in transit, any narcotic drug or psychotropic substance in respect of which he has reason to believe an offence punishable under Chapter IV has been committed, and, along with such drug or substance, any animal or conveyance or article liable to confiscation under this Act, and any document or other

Power of seizure and arrest in public places.

article which he has reason to believe may furnish evidence of the commission of an offence punishable under Chapter IV relating to such drug or substance;

(b) detain and search any person whom he has reason to believe to have committed an offence punishable under Chapter IV, and if such person has any narcotic drug or psychotropic substance in his possession and such possession appears to him to be unlawful, arrest him and any other person in his company.

Explanation.—For the purposes of this section, the expression "public place" includes any public conveyance, hotel, shop, or other place intended for use by, or accessible to the public.

44. The provisions of sections 41, 42 and 43, shall so far as may be, apply in relation to the offences punishable under Chapter IV and relating to coca plant, the opium poppy or cannabis plant and for this purpose references in those sections to narcotic drugs, or psychotropic substance, shall be construed as including references to coca plant, the opium poppy and cannabis plant.

Power of entry, search, seizure and arrest in offences relating to coca plant, opium poppy and cannabis plant.

45. Where it is not practicable to seize any goods (including standing crop) which are liable to confiscation under this Act, any officer duly authorised under section 42 may serve on the owner or person in possession of the goods, an order that he shall not remove, part with or otherwise deal with the goods except with the previous permission of such officer.

Procedure where seizure of goods liable to confiscation not practicable.

46. Every holder of land shall give immediate information to any officer of the Police or of any of the departments mentioned in section 42 of all the opium poppy, cannabis plant or coca plant which may be illegally cultivated within his land and every such holder of land who knowingly neglects to give such information, shall be liable to punishment.

Duty of holder of land to give information of illegal cultivation.

47. Every officer of the Government and every panch, sarpanch and other village officer of whatever description shall give immediate information to any officer of the Police or of any of the departments mentioned in section 42 when it may come to his knowledge that any land has been illegally cultivated with the opium poppy, cannabis plant or coca plant, and every such officer of the Government, panch, sarpanch and other village officer who neglects to give such information shall be liable to punishment.

Duty of certain officers to give information of illegal cultivation.

Power
of attach-
ment of
crop
illegally
cultiva-
ted.

Power
to stop
and
search
con-
veyance.

Condi-
tions
under
which
search of
persons
shall be
con-
ducted.

Provisions
of the
code of
Criminal
Procedure,
1973, to
apply to
warrants,
arrests,
searches
and
Seizures.

Disposal
of persons
arrested
and
articles
seized.

48. Any Metropolitan Magistrate, Judicial Magistrate of the first class or any Magistrate specially empowered in this behalf by the State Government may order attachment of any opium poppy, cannabis plant or coca plant which he has reason to believe to have been illegally cultivated and while doing so may pass such order (including an order to destroy the crop) as he thinks fit.

49. Any officer authorised under section 42, may, if he has reason to suspect that any animal or conveyance is, or is about to be, used for the transport of any narcotic drug or psychotropic substance, in respect of which he suspects that any provision of this Act has been, or is being, or is about to be, contravened at any time, stop such animal or conveyance, or, in the case of an aircraft, compel it to land and—

- (a) rummage and search the conveyance or part thereof;
- (b) examine and search any goods on the animal or in the conveyance;
- (c) if it becomes necessary to stop the animal or the conveyance, he may use all lawful means for stopping it, and where such means fail, the animal or the conveyance may be fired upon.

50. (1) When any officer duly authorised under section 42 is about to search any person under the provisions of section 41, section 42 or section 43, he shall, if such person so requires, take such person without unnecessary delay to the nearest Gazetted Officer of any of the departments mentioned in section 42 or to the nearest Magistrate.

(2) If such requisition is made, the officer may detain the person until he can bring him before the Gazetted Officer or the Magistrate referred to in sub-section (1).

(3) The Gazetted Officer or the Magistrate before whom any such person is brought shall, if he sees no reasonable ground for search, forthwith discharge the person but otherwise shall direct that search be made.

(4) No female shall be searched by anyone excepting a female.

51. The provisions of the Code of Criminal Procedure, 1973 shall apply, in so far as they are not inconsistent with the provisions of this Act, to all warrants issued and arrests, searches and seizures made under this Act.

2 of 1974

52. (1) Any officer arresting a person under section 41, section 42, section 43 or section 44 shall, as soon as may be, inform him of the grounds for such arrest.

(2) Every person arrested and article seized under warrant issued under sub-section (1) of section 41 shall be forwarded without unnecessary delay to the Magistrate by whom the warrant was issued.

Insc. by Act 2 of 1989, S. 13 (W.e.f 29-5-1989)

(3) Every person arrested and article seized under sub-section (2) of section 41, section 42, section 43 or section 44 shall be forwarded without unnecessary delay to—

- (a) the officer-in-charge of the nearest police station, or
- (b) the officer empowered under section 53.

(4) The authority or officer to whom any person or article is forwarded under sub-section (2) or sub-section (3) shall, with all convenient despatch, take such measures as may be necessary for the disposal according to law of such person or article.

53. (1) The Central Government, after consultation with the State Government, may, by notification published in the Official Gazette, invest any officer of the department of central excise, narcotics, customs, revenue intelligence or Border Security Force or any class of such officers with the powers of an officer-in-charge of a police station for the investigation of the offences under this Act.

(2) The State Government may, by notification published in the Official Gazette, invest any officer of the department of drugs control, revenue or excise or any class of such officers with the powers of an officer-in-charge of a police station for the investigation of offences under this Act.

54. In trials under this Act, it may be presumed, unless and until the contrary is proved, that the accused has committed an offence under Chapter IV in respect of—

(a) any narcotic drug or psychotropic substance;

(b) any opium poppy, cannabis plant or coca plant growing on any land which he has cultivated;

(c) any apparatus specially designed or any group of utensils specially adopted for the manufacture of any narcotic drug or psychotropic substance; or

(d) any materials which have undergone any process towards the manufacture of a narcotic drug or psychotropic substance, or any residue left of the materials from which any narcotic drug or psychotropic substance has been manufactured,

for the possession of which he fails to account satisfactorily.

55. An officer-in-charge of a police station shall take charge of and keep in safe custody, pending the orders of the Magistrate, all articles seized under this Act within the local area of that police station and which may be delivered to him, and shall allow any officer who may accompany such articles to the police station or who may be deputed for the purpose, to affix his seal to such articles or to take samples of and from them and all samples so taken shall also be sealed with a seal of the officer-in-charge of the police station.

56. All officers of the several departments mentioned in section 42 shall, upon notice given or request made, be legally bound to assist each other in carrying out the provisions of this Act.

4. Ins. by Act 2 of 1989, s. 14 (w.e.f. 29-5-1989)

3. Ins. by s. 15, ibid (w.e.f. 29-5-1989)

Power to invest officers of certain departments with powers of an officer-in-charge of a police station.

Presumption from possession of illicit articles.

Police to take charge of articles seized and delivered.

Obligation of officers to assist each other.

Report of arrest and seizure.

Punishment for vexatious entry, search, seizure or arrest.

57. Whenever any person makes any arrest or seizure under this Act, he shall, within forty-eight hours next after such arrest or seizure, make a full report of all the particulars of such arrest or seizure to his immediate official superior.

58. (1) Any person empowered under section 42 or section 43 or section 44 who—

(a) without reasonable ground of suspicion enters or searches, or causes to be entered or searched, any building, conveyance or place;

(b) vexatiously and unnecessarily seizes the property of any person on the pretence of seizing or searching for any narcotic drug or psychotropic substance or other article liable to be confiscated under this Act, or of seizing any document or other article liable to be seized under section 42, section 43 or section 44; or

(c) vexatiously and unnecessarily detains, searches or arrests any person,

shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to one thousand rupees, or with both.

(2) Any person wilfully and maliciously giving false information and so causing an arrest or a search being made under this Act shall be punishable with imprisonment for a term which may extend to two years or with fine or with both.

59. (1) Any officer, on whom any duty has been imposed by or under this Act and who ceases or refuses to perform or withdraws himself from the duties of his office shall, unless he has obtained the express written permission of his official superior or has other lawful excuse for so doing, be punishable with imprisonment for a term which may extend to one year or with fine or with both.

(2) Any officer on whom any duty has been imposed by or under this Act and who wilfully aids in, or connives at, the contravention of any provision of this Act or any rule or order made thereunder, shall be punishable with imprisonment for a term which may extend to five years and shall also be liable to fine.

(3) No court shall take cognizance of any offence under sub-section (1) or sub-section (2) except on a complaint in writing made with the previous sanction of the Central Government, or as the case may be, the State Government.

60. (1) Whenever any offence punishable under Chapter IV has been committed, the narcotic drug, psychotropic substance, the opium poppy, coca plant, cannabis plant, materials, apparatus and utensils in respect of which or by means of which such offence has been committed, shall be liable to confiscation.

(2) Any narcotic drug or psychotropic substance lawfully produced, imported inter-State, exported inter-State, imported into India, transported, manufactured, possessed, used, purchased or sold along with, or in addition to, any narcotic drug or psychotropic substance which is

Subs by Act 2 of 1989, S.16 (W.e.f 29-5-1989)

Failure of officer in duty or his connivance at the contravention of the provisions of this Act.

Liability of illicit drugs, substances, plants, articles and conveyances to confiscation.

liable to confiscation under sub-section (1) and the receptacles, packages and coverings in which any narcotic drug or psychotropic substance, materials, apparatus or utensils liable to confiscation under sub-section (1) is found, and the other contents, if any, of such receptacles or packages shall likewise be liable to confiscation.

(3) Any animal or conveyance used in carrying any narcotic drug or psychotropic substance, or any article liable to confiscation under sub-section (1) or sub-section (2) shall be liable to confiscation, unless the owner of the animal or conveyance proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person-in-charge of the animal or conveyance and that each of them had taken all reasonable precautions against such use.

61. Any goods used for concealing any narcotic drug or psychotropic substance which is liable to confiscation under this Act shall also be liable to confiscation.

Explanation.—In this section “goods” does not include conveyance as a means of transport.

Confiscation of goods used for concealing illicit drugs or substances.

62. Where any narcotic drug or psychotropic substance is sold by a person having knowledge or reason to believe that the drug or substance is liable to confiscation under this Act, the sale proceeds thereof shall also be liable to confiscation.

Confiscation of sale proceeds of illicit drugs or substances.

63. (1) In the trial of offences under this Act, whether the accused is convicted or acquitted or discharged, the court shall decide whether any article or thing seized under this Act is liable to confiscation under section 60 or section 61 or section 62 and, if it decides that the article is so liable, it may order confiscation accordingly.

Procedure in making confiscations.

(2) Where any article or thing seized under this Act appears to be liable to confiscation under section 60 or section 61 or section 62, but the person who committed the offence in connection therewith is not known or cannot be found, the court may inquire into and decide such liability, and may order confiscation accordingly:

Provided that no order of confiscation of an article or thing shall be made until the expiry of one month from the date of seizure, or without hearing any person who may claim any right thereto and the evidence, if any, which he produces in respect of his claim:

Provided further that if any such article or thing, other than a narcotic drug, psychotropic substance, the opium poppy, coca plant or cannabis plant is liable to speedy and natural decay, or if the court is of opinion that its sale would be for the benefit of its owner, it may at any time direct it to be sold; and the provisions of this sub-section shall, as nearly as may be practicable, apply to the net proceeds of the sale.

(3) Any person not convicted who claims any right to property which has been confiscated under this section may appeal to the Court of Session against the order of confiscation.

Power to
tender
immunity
from
prosecu-
tion.

64. (1) The Central Government or the State Government may, if it is of opinion (the reasons for such opinion being recorded in writing) that with a view to obtaining the evidence of any person appearing to have been directly or indirectly concerned in or privy to the contravention of any of the provisions of this Act or of any rule or order made thereunder it is necessary or expedient so to do, tender to such person immunity from prosecution for any offence under this Act or under the Indian Penal Code or under any other Central Act or State Act, as the case may be, for the time being in force, on condition of his making a full and true disclosure of the whole circumstances relating to such contravention.

45 of 1860

(2) A tender of immunity made to, and accepted by, the person concerned, shall, to the extent to which the immunity extends, render him immune from prosecution for any offence in respect of which the tender was made.

(3) If it appears to the Central Government or, as the case may be, the State Government, that any person to whom immunity has been tendered under this section has not complied with the conditions on which the tender was made or is wilfully concealing anything or is giving false evidence, the Central Government or, as the case may be, the State Government, may record a finding to that effect and thereupon the immunity shall be deemed to have been withdrawn and such person may be tried for the offence in respect of which the tender of immunity was made or for any other offence of which he appears to have been guilty in connection with the same matter.

Power to
make
rules
regulat-
ing dis-
posal of
confiscated
articles
and
rewards.

65. In connection with offences against rules which under this Act fall to be made by the State Government, the State Government, and in connection with other offences, the Central Government, may make rules to regulate—

- (a) the disposal of all articles or things confiscated under this Act; and
- (b) the rewards to be paid to the officers, informers and other persons out of the proceeds of fines and confiscations under this Act.

Presump-
tion as to
documents
in cer-
tain cases.

66. Where any document—

(i) is produced or furnished by any person or has been seized from the custody or control of any person, in either case, under this Act or under any other law, or

(ii) has been received from any place outside India (duly authenticated by such authority or person and in such manner as may be prescribed by the Central Government) in the course of investigation of any offence under this Act alleged to have been committed by a person,

and such document is tendered in any prosecution under this Act in evidence against him, or against him and any other person who is tried jointly with him, the court shall—

(a) presume, unless the contrary is proved, that the signature and every other part of such document which purports to be in the handwriting of any particular person or which the court may reasonably

¹ Ins. by Act 2 of 1989, S.17 (w.e.f 29-5-1989)

² Omitted by S.18, ibid (w.e.f 29-5-1989)

ably assume to have been signed by, or to be in the handwriting of, any particular person, is in that person's handwriting; and in the case of a document executed or attested, that it was executed or attested by the person by whom it purports to have been so executed or attested;

(b) admit the document in evidence, notwithstanding that it is not duly stamped, if such document is otherwise admissible in evidence;

(c) examine any person acquainted with the facts and circumstances contrary is proved, the truth of the contents of such document.

67. Any officer referred to in section 42 who is authorised in this behalf by the Central Government or a State Government may, during the course of any enquiry in connection with the contravention of any provision of this Act,—

(a) call for information from any person for the purpose of satisfying himself whether there has been any contravention of the provisions of this Act or any rule or order made thereunder;

(b) require any person to produce or deliver any document or thing useful or relevant to the enquiry;

(c) examine any person acquainted with the facts and circumstances of the case.

68. No officer acting in exercise of powers vested in him under any provision of this Act or any rule or order made thereunder shall be compelled to say whence he got any information as to the commission of any offence.

Power to call for information, etc.

Information as to commission of offences.

CHAPTER VI

MISCELLANEOUS

69. No suit, prosecution or other legal proceeding shall lie against the Central Government or a State Government or any officer of the Central Government or of the State Government or any other person exercising any powers or discharging any functions or performing any duties under this Act, for anything in good faith done or intended to be done under this Act or any rule or order made thereunder.

Protection of action taken in good faith.

70. Wherever under this Act the Central Government or the State Government has been empowered to make rules, the Central Government or the State Government, as the case may be, subject to other provisions of this Act, may while making the rules have regard to the provisions of the Single Convention on Narcotic Drugs, 1961, the Protocol of 1972 amending the said Convention and of the Convention on Psychotropic Substances, 1971 to which India is a party and to the provisions of any other international convention relating to narcotic drugs or psychotropic substances to which India may become a party.

Central Government and State Government to have regard to international conventions while making rules.

↑ Ins. by Act 29 of 1989, S.19, (w.e.f 29-5-1989)

Power of Government to establish centres for identification, treatment, etc., of addicts and for supply of narcotic drug and psycho-tropic substances.

Recovery of sums due to Government.

Bar of jurisdiction.

Transitional provisions.

71. (1) The Government may, in its discretion, establish as many centres as it thinks fit for identification, treatment, education, after-care, rehabilitation, social re-integration of addicts and for supply, subject to such conditions and in such manner as may be prescribed, by the concerned Government of any narcotic drugs and psychotropic substances to the addicts registered with the Government and to others where such supply is a medical necessity.

(2) The Government may make rules consistent with this Act providing for the establishment, appointment, maintenance, management and superintendence of, and for supply of narcotic drugs and psychotropic substances from, the centres referred to in sub-section (1) and for the appointment, training, powers, duties and persons employed in such centres.

72. (1) In respect of any licence fee or other sum of any kind payable to the Central Government or to the State Government under any of the provisions of this Act or of any rule or order made thereunder, the officer of the Central Government or the State Government, as the case may be, who is empowered to require the payment of such sum, may deduct the amount of such sum from any money owing to the person from whom such sum may be recoverable or due or may recover such amount or sum by attachment and sale of the goods belonging to such persons and if the amount of the same is not so recovered, the same may be recovered from the person or from his surety (if any) as if it were an arrear of land revenue.

(2) When any person, in compliance with any rule made under this Act, gives a bond (other than a bond under section 34 and section 39) for the performance of any act, or for his abstention from any act, such performance or abstention shall be deemed to be a public duty within the meaning of section 74 of the Indian Contract Act, 1872; and upon breach of the conditions of such bond by him, the whole sum named therein as the amount to be paid in case of such breach may be recovered from him or from his surety (if any) as if it were an arrear of land revenue.

73. No civil court shall entertain any suit or proceeding against any decision made or order passed by any officer or authority under this Act or under any rule made thereunder on any of the following matters, namely:—

- (a) withholding, refusal or cancellation of any licence for the cultivation of the opium poppy;
- (b) weightment, examination and classification according to the quality and consistence of opium and any deductions from, or addition to, the standard price made in accordance with such examination;
- (c) confiscation of opium found to be adulterated with any foreign substance.

74. Every officer or other employee of the Government exercising or performing, immediately before the commencement of this Act, any powers or duties with respect to any matters provided for in this Act, shall, on such commencement, be deemed to have been appointed under

the relevant provisions of this Act to the same post and with the same designation as he was holding immediately before such commencement.

74A. The Central Government may give such directions as it may deem necessary to a State Government regarding the carrying into execution of the provisions of this Act, and the State Government shall comply with such directions.]

Power of
Central
Govern-
ment to
give
direc-
tions.

(2) The State Government may, by notification in the Official Gazette, delegate, subject to such conditions and limitations as may be specified in the notification, such of its powers and functions under this Act (except the power to make rules) as it may deem necessary or expedient, to any authority or officer of that Government.

76. (1) Subject to the other provisions of this Act, the Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

Power
of
Central
Govern-
ment to
make
rules.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the method by which percentages in the case of liquid preparations shall be calculated for the purposes of clauses (v), (vi) (xiv) and (xv) of section 2;

(b) the form of bond to keep the peace to be executed under section 34;

(c) the form of bond to be executed for release of an addict convict for medical treatment under sub-section (1) of section 39 and the bond to be executed by such convict before his release after due admonition under sub-section (2) of that section;

(d) the authority or the person by whom and the manner in which a document received from any place outside India shall be authenticated under clause (ii) of section 66;

(e) the conditions and the manner in which narcotic drugs and psychotropic substances may be supplied for medical necessity to the addicts registered with the Central Government and to others under sub-section (1) of section 71;

(f) the establishment, appointment, maintenance, management and superintendence of centres established by the Central Government under sub-section (1) of section 71 and appointment, training, powers and duties of persons employed in such centres;

(g) the term of office of, the manner of filling casual vacancies of, and the allowances payable to, the Chairman and members of the Narcotic Drugs and Psychotropic Substances Consultative Committee and the conditions and restrictions subject to which a non-member may be appointed to a sub-committee under sub-section (5) of section 6;

(h) any other matter which is to be, or may be, prescribed.

55 Law 49.

1. 9ns. by Act 2 of 1989, s. 20 (w.e.f 29-5-1989)

2. 9ns. by s. 21, ibid (w.e.f 29-5-1989)

Rules
and
notifi-
cations to
be laid
before
Parlia-
ment.

77. Every rule made under this Act by the Central Government and every notification issued under clause (xi) of section 2, section 3 and clause (a) of, and *Explanation (1)* to, section 27 shall be laid, as soon as may be, after it is made or issued, 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 notification or both Houses agree that the rule or notification should not be made or issued, the rule or the notification 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 notification.

Power of
State
Govern-
ment to
make
rules.

78. (1) Subject to the other provisions of this Act, the State Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the conditions and the manner in which narcotic drugs and psychotropic substances shall be supplied for medical necessity to the addicts registered with the State Government and others under sub-section (1) of section 71;

(b) the establishment, appointment, maintenance, management, superintendence of centres established under sub-section (1) of section 71 and appointment, training, powers and duties of persons employed in such centres;

(c) any other matter which is to be, or may be, prescribed.

(3) Every rule made by a State Government under this Act shall be laid, as soon as may be after it is made, before the Legislature of that State.

Applica-
tion of
the
Customs
Act,
1962.

79. All prohibitions and restrictions imposed by or under this Act on the import into India, the export from India and transhipment of narcotic drugs and psychotropic substances shall be deemed to be prohibitions and restrictions imposed by or under the Customs Act, 1962 and the provisions of that Act shall apply accordingly:

52 of 1962

Provided that, where the doing of anything is an offence punishable under that Act and under this Act, nothing in that Act or in this section shall prevent the offender from being punished under this Act.

Applica-
tion of
the Drugs
and
Cosmetics
Act,
1940 not
barred.

80. The provisions of this Act or the rules made thereunder shall be in addition to, and not in derogation of, the Drugs and Cosmetics Act, 1940 or the rules made thereunder.

23 of 1940.

81. Nothing in this Act or in the rules made thereunder shall affect the validity of any Provincial Act or an Act of any State Legislature for the time being in force, or of any rule made thereunder which imposes any restriction or provides for a punishment not imposed by or provided for under this Act or imposes a restriction or provides for a punishment greater in degree than a corresponding restriction imposed by or a corresponding punishment provided for by or under this Act for the cultivation of cannabis plant or consumption of, or traffic in, any narcotic drug or psychotropic substance within India.

13 of 1857,
1 of 1878.
2 of 1930.

Saving of
State
and
special
laws.

82. (1) The Opium Act, 1857, the Opium Act, 1878 and the Dangerous Drugs Act, 1930 are hereby repealed.

Repeal
and
savings.

(2) Notwithstanding such repeal, anything done or any action taken or purported to have been done or taken under any of the enactments repealed by sub-section (1) shall, in so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provisions of this Act.

83. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by 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 removing the difficulty:

Power to
remove
difficul-
ties.

Provided that no such order shall be made after the expiry of a period of three years from the date on which this Act receives the assent of the President.

(2) Every order made under this section shall, as soon as may be after it is made, be laid before the Houses of Parliament.

THE SCHEDULE

[See clause (xxiii) of section 2]

LIST OF PSYCHOTROPIC SUBSTANCES

Sl. No.	International non-proprietary names	Other non-proprietary names	Chemical name
1		DET	N, N-Diethyltryptamine
2		DMHP	3-(1,2-Dimethylheptyl)-1-hydroxy-7,8,9,10-tetrahydro-6,6,9-trimethyl-6H-dibenzo [b, d] pyran
3		DMT	N, N-Dimethyltryptamine
4	(+)-LYSERGIDE	LSD, LSD-25	(+)-N,N-Diethyllysergamide (d-lysergic acid diethylamide)
5		mescaline	3,4,5-Trimethoxyphenethylamine
6		parahexyl	3-Hexyl-1-hydroxy-7,8,9,10-tetrahydro-6,6,9-trimethyl-6H-dibenzo[b, d] pyran
7	ETICYCLIDINE	PCE	N-Ethyl-1-phenylcyclohexylamine
8	ROLICYCLIDINE	PHP, PCPV	1-(1-Phenylcyclohexyl) pyrrolidine
9		psilocine, psilotsin	3-(2-Dimethylaminoethyl)-4-hydroxyindole
10	PSILOCYBINE		3-(2-Dimethylaminoethyl)-indol-4-yl dihydrogen phosphate
11		STP, DOM	2-Amino-1-(2,5-dimethoxy-4-methyl) phenylpropane
12	TENOCYCLIDINE	TCP	1-[1-(2-Thienyl) cyclohexyl] piperidine
13		THC	Tetrahydrocannabinols, the following isomers: $\Delta 6a(10a)$, $\Delta 6a(7)$, $\Delta 7$, $\Delta 8$, $\Delta 9$, $\Delta 10$, $\Delta 9(11)$ and their stereochemical variants
14		DOB	2, 5-dimethoxy-4-bromoamphetamine
15		MDA	3, 4-methylenedioxymethamphetamine
16	AMPHETAMINE		(\pm)-2-Amino-1-phenylpropane
17	DEXAMPHEMATINE		(+)-2-Amino-1-phenylpropane
18	MECLOQUALONE		3-(o-Chlorophenyl)-2-methyl-4(3H)-quinazolinone
19	METHAMPHETAMINE		(+)-2-Methylamino-1-phenylpropane
20	METHAQUALONE		2-Methyl-3-o-tolyl-4(3H)-quinazolinone
21	METHYLPHENIDATE		2-Phenyl-2-(2-piperidyl)acetic acid, methyl ester
22	PHENCYCLIDINE	PCP	1-(1-Phenylcyclohexyl) piperidine
23	PHENMETRAZINE		3-Methyl-2-phenylmorpholine
24	AMOBARBITAL		5-Ethyl-5-(3-methylbutyl)barbituric acid
25	CYCLOBARBITAL		5-(1-Cyclohexen-1-yl)-5-ethylbarbituric acid
26	GLUTETHIMIDE		2-Ethyl-2-phenylglutarimide
27	PENTAZOCINE		1,2,3,4,5,6-Hexahydro-6, 11-dimethyl-3-(3-methyl-2-but enyl)-2, 6-methano-3-benzazocin-8-ol
28	PENTOBARBITAL		5-Ethyl-5-(1-methylbutyl)barbituric acid
29	SECOBARBITAL		5-Allyl-5-(1-methylbutyl)barbituric acid

S. No.	International non-proprietary names	Other non-proprietary names	Chemical name
30	ALPRAZOLAM		8-Chloro-1-methyl-6-phenyl-4H-s-triazolo [4,3-a] [1, 4] benzodiazepine
31	AMFEPRAMONE		2-(Diethylamino) propiophenone
32	BARBITAL		5,5-Diethylbarbituric acid
33	BENZPHETAMINE		N-Benzyl-N, α -dimethylphenethylamine
34	BROMAZEPAM		7-Bromo-1, 3-dihydro-5-(2-pyridyl)-2H-1, 4-benzodiazepin-2-one
35	CAMAZEPAM		7-Chloro-1, 3-dihydro-3-hydroxy-1-methyl-5-phenyl-2H-1, 4-benzodiazepin-2-one dimethylcarbamate (ester)
36	CHLORDIAZEPoxide		7-Chloro-2-(methylamino)-5-phenyl-3H-1, 4-benzodiazepine-4-oxide
37	GLOBAZAM		7-Chloro-1-methyl-5-phenyl-1H-1, 5-benzodiazepine-2, 4(3H, 5H)-dione
38	CLONAZEPAM		5-(o-Chlorophenyl)-1, 3-dihydro-7-nitro-2H-1, 4-benzodiazepin-2-one
39	CLORAZEPATE		7-Chloro-2, 3-dihydro-2-oxo-5-phenyl-1H, 4-benzodiazepine-3-carboxylic acid
40	CLOTIAZEPAM		5-(o-Chlorophenyl)-7-ethyl-1, 3-dihydro-1-methyl-2H-thieno [2, 3-e]-1, 4-diazepin-2-one
41	CLOXAZOLAM		10-Chloro-11b-(o-chlorophenyl)-2, 3, 7, 11b-tetrahydro-oxazolo [3, 2-d] [1, 4] benzodiazepin-6(5H)-one
42	DELORAZEPAM		7-Chloro-5-(o-chlorophenyl)-1, 3-dihydro-2H-1, 4-benzodiazepin-2-one
43	DIAZEPAM		7-Chloro-1, 3-dihydro-1-methyl-5-phenyl-2H-1, 4-benzodiazepin-2-one
44	ESTAZOLAM		8-Chloro-6-phenyl-4H-s-triazolo [4, 3-a] [1, 4] benzodiazepine
45	ETHCHLORVYNOL		Ethyl-2-chlorovinylethyne carbino
46	ETHINAMATE		1-Ethynylcyclohexanolcarbamate
47	ETHYLLOFLAZEPATE		Ethyl 7-chloro-5-(o-fluorophenyl)-2, 3-dihydro-2-oxo-1H-1, 4-benzodiazepine-3-carboxylate
48	FLUDIAZEPAM		7-Chloro-5-(o-fluorophenyl)-1, 3-dihydro-1-methyl-2H-1, 4-benzodiazepin-2-one
49	FLUNITRAZEPAM		5-(o-Fluorophenyl)-1, 3-dihydro-1-methyl-7-nitro-2H-1, 4-benzodiazepin-2-one
50	FLURAZEPAM		7-Chloro-1-[2-(diethylamino) ethyl]-5-(o-fluorophenyl)-1, 3-dihydro-2H-1, 4-benzodiazepin-2-one
51	HALAZEPAM		7-Chloro-1, 3-dihydro-5-phenyl-1-(2, 2, 2-trifluoroethyl)-2H-1, 4-benzodiazepin-2-one
52	HALOXAZOLAM		10-Bromo-11b-(o-fluorophenyl)-2, 3, 7, 11b-tetrahydro-oxazolo [3, 2-d] [1, 4] benzodiazepin-6 (5H)-one
53	KETAZOLAM		11-Chloro-8, 12b-dihydro-2, 8-dimethyl-12b-phenyl-4H-[1, 3]-oxazino [3, 2-d] [1, 4] benzodiazepine-4, 7(6H)-dione
54	LEFETAMINE	SPA	(--)-1-Dimethylamino-1, 2-diphenylethane
55	LOPRAZOLAM		6-(o-Chlorophenyl)-2, 4-dihydro-2-[(4-methyl-1-piperazinyl)methylene]-8-nitro-1H-imidazo [1, 2-o] [1, 4] benzodiazepin-1-one
56	LORAZEPAM		7-Chloro-5-(o-chlorophenyl)-1, 3-dihydro-3-hydroxy-2H-1, 4-benzodiazepin-2-one

Sl. No	International non-proprietary names	Other non-proprietary names	Chemical name
57	LORMETAZEPAM		7-Chloro-5-(o-chlorophenyl)-1, 3-dihydro-3-hydroxy-1-methyl-2H-1, 4-benzodiazepin-2-one
58	MAZINDOL		5-(P-Chlorophenyl)-2, 5-dihydro-3-H-imidazo(2, 1-x)isoindol-5-01
59	MEDAZEPAM		7-Chloro-2, 3-dihydro-1-methyl-5-phenyl-1 H-1, 4-benzodiazepine
60	MEPROBAMATE		2-Methyl-2-propyl-1, 3-propanediol dicarbamate
61	METHYLPHENOBARBITAL		5-Ethyl-1-methyl-5-phenylbarbituric acid
62	METHYPRYLON		3, 3-Diethyl-5-methyl-2, 4-piperidine-dione
63	NIMETAZEPAM		1, 3-Dihydro-1-methyl-7-nitro-5-phenyl-2H-1, 4-benzodiazepin-2-one
64	NITRAZEPAM		1, 3-Dihydro-7-nitro-5-phenyl-2H-1, 4-benzodiazepin-2-one
65	NORDAZEPAM		7-Chloro-1, 3-dihydro-5-phenyl-1 (2H)-1, 4-benzodiazepin-2-one
66	OXAZEPAM		7-Chloro-1, 3-dihydro-3-hydroxy-5-phenyl-2H-1, 4-benzodiazepin-2-one
67	OXAZOLAM		10-Chloro-2,3,7, 11b-tetrahydro-2-methyl-11b-phenyl-oxazolo [3, 2-d] [1,4] benzodiazepin-6(5H)-one
68	PHENDIMETRAZINE		(+)-3, 4-Dimethyl-2-phenylmorpholine
69	PHENOBARBITAL		5-Ethyl-5-phenylbarbituric acid
70	PHENTERMINE		α , α -Dimethylphenethylamine
71	PINAZEPAM		7-Chloro-1, 3-dihydro-5-phenyl-1-(2-propynyl)-2H-1, 4-benzodiazepin-2-one
72	PIPRADROL		1,1-Diphenyl-1-(2-piperidyl)-methanol
73	PRAZEPAM		7-Chloro-1-(cyclopropylmethyl)-1,-3 -dihydro-5-phenyl-2H-1, 4-benzodiazepin-2-one
74	TEMAZEPAM		7-Chloro-1, 3-dihydro-3-hydroxy-1-methyl-5-phenyl-2H-1, 4-benzodiazepin-2-one
75	TETRAZEPAM		7-Chloro-5-(cycloexen-1-yl) 1,-3-dihydro-1-methyl-2H-1, 4-benzodiazepin-2-one
76	TRIAZOLAM		8-Chloro-6-(o-chlorophenyl)-1-methyl-4H-s-triazolo[4, 3-a] [1,4] benzodiazepine.
77	Salts and Preparations of above.		

THE EMPLOYMENT OF CHILDREN (AMENDMENT)
ACT, 1985

No. 62 OF 1985

[4th December, 1985.]

An Act further to amend the Employment of Children Act, 1938.

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

1. (1) This Act may be called the Employment of Children (Amendment) Act, 1985.

Short title
and com-
mence-
ment.

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

26 of 1938.
2. Section 4 of the Employment of Children Act, 1938 shall be re-numbered as sub-section (3) thereof and—

Amend-
ment of
section 4.

(a) before sub-section (3) as so re-numbered, the following sub-sections shall be inserted, namely:—

“(1) Whoever employs any child or permits any child to work in contravention of the provisions of section 3 shall be punishable with imprisonment for a term which shall not be less than three months but which may extend to one year or with fine which shall not be less than five hundred rupees but which may extend to two thousand rupees or with both.

(2) Whoever having been convicted of an offence under section 3 for employing any child or permitting any child to work in contravention of the provisions of section 3 commits a like offence afterwards, he shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to two years:

Provided that the court may, for any adequate and special reasons to be recorded in the judgment, impose a sentence of imprisonment for a term of less than six months.”;

(b) in sub-section (3) as so re-numbered, clause (a) shall be omitted.

* 28-8-1986 : vide Notification No. S. O. 505 (E), dated 28-8-1986, Gazette of India, Extra-ordinary, 1986, Part II, section 3 (ii).

THE UNIT TRUST OF INDIA (AMENDMENT) ACT, 1985

No. 63 of 1985

[7th December, 1985.]

An Act further to amend the Unit Trust of India Act, 1963.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title and commencement.

Amendment of section 2.

1. (1) This Act may be called the Unit Trust of India (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. In section 2 of the Unit Trust of India Act, 1963 (hereinafter referred to as the principal Act),—

(a) after clause (cb), the following clause shall be inserted, namely:—

‘(cc) “General Insurance Corporation” means the General Insurance Corporation of India formed under section 9 of the General Insurance Business (Nationalisation) Act, 1972;’

(b) after clause (f), the following clause shall be inserted, namely:—

‘(fa) “public financial institution” means every financial institution, other than the Trust, specified by or under section 4A of the Companies Act, 1956;’

(c) for clause (i), the following clause shall be substituted, namely:—

‘(i) “security” means—

(a) any share, stock, bond, debenture or debenture stock, of any body corporate;

(b) any unit or sub-unit issued by, or other participation in a unit scheme framed by, any body or authority (not being the Trust) outside India or a mutual fund established outside India;

and includes—

(i) a government security as defined in section 2 of the Public Debt Act, 1944;

52 of 1963.

57 of 1972.

1 of 1956.

18 of 1944.

¹ 23-4-1986 vide Notification No. S.O. 202 (E), dated 23-4-1986 Gazette of India Extraordinary, 1986, Part II, Sec. 3 (ii)

46 of 1959.

46 of 1973.

(ii) a savings certificate to which the Government Savings Certificates Act, 1959 applies;

(iii) any security issued by any local authority in India, or by the Government of, or a local authority in, any such country outside India as may be approved by the Reserve Bank; and

(iv) any foreign security as defined in section 2 of the Foreign Exchange Regulation Act, 1973, as may be approved by the Reserve Bank;

3. In section 4 of the principal Act, in sub-section (5), for the words "it may refund the whole or any part of such capital", the words "the Board may, and if the Central Government being of like opinion so directs, the Board shall, refund the whole or as the case may be so much of such capital as is in excess of its requirements" shall be substituted.

4. After section 14 of the principal Act, the following section shall be inserted, namely:—

"14A. If the Chairman, whose appointment is whole-time, is of opinion that circumstances exist which render it necessary for him to take immediate action in respect of any matter which is within the competence of the Board and that the interests of the Trust may be prejudicially affected if such action is deferred until after the next meeting of the Board, then, notwithstanding anything contained in clause (c) of sub-section (2) of section 14, the Chairman may take such action in respect of that matter as he deems necessary and for such purpose, he may exercise all powers and do all acts and things which may be exercised or done by the Board, but in every such case, he shall, as soon as may be after the action is taken, make a written report to the Board containing a statement of the action taken and the circumstances under which it was taken."

5. For section 19 of the principal Act, the following section shall be substituted, namely:—

19. (1) Subject to the provisions of this Act and the regulations made under section 43, the Trust may carry on and transact any of the following kinds of business in India, namely:—

(1) selling and purchasing units;

(2) investing in, and acquiring, holding or disposing of, securities and exercising and enforcing, all powers and rights incidental thereto including protection or realisation of such investment and the taking over of the administration of any property offered as security for such investment;

(3) granting of loans and advances upon the security of any movable or immovable property or otherwise;

(4) accepting, collecting, discounting, rediscounting, purchasing, selling or negotiating or otherwise dealing with, any bills of exchange, hundies, promissory notes, coupons, drafts, bills of

Amend-
ment of
section 4.Inser-
tion of
new sec-
tion 14A.Emer-
gency
powers
of the
whole-
time
Chair-
man.Substitu-
tion of
new sec-
tion for
section 19.Business
of Trust.

lading, railway receipts, warehouse receipts, documents of title to goods, warrants, certificates, scrips and other mercantile instruments;

(5) purchasing, selling or issuing participation certificates in relation to any loan or advance granted by any public financial institution or scheduled bank or such other institution as may be prescribed;

(6) keeping money on deposit with companies or other bodies corporate, scheduled banks or such other institutions as may be prescribed;

(7) investing in any special paper or security floated by the Central Government or the Reserve Bank or by any such foreign government or foreign bank as may be prescribed;

(8) formulating in relation to any unit scheme,—

(a) savings and life insurance plan or plans under which a person may acquire an interest in units in association with or as the agent of, the Life Insurance Corporation or the Central Government, but not including the life insurance business;

(b) savings and insurance plan or plans under which a person may acquire an interest in units in association with or as the agent of, the General Insurance Corporation but not including the general insurance business; or

(c) any other plan or plans, under which a person may acquire an interest in units;

(9) acquiring immovable property or any interest therein, the development (including construction) and sale of such property and the rendering of financial and other assistance to any person for the acquisition of any immovable property or any interest therein and for the development (including construction) of such property;

(10) providing leasing and hire purchase finance to persons, companies, and other bodies corporate;

(11) providing merchant banking and investment advisory services;

(12) extending investment or fund or portfolio management services to persons resident outside India;

(13) opening of an account or the making of an agency arrangement with a bank incorporated outside India;

(14) buying or selling of, or entering into such other dealings in, foreign exchange, as may be necessary for the discharge of its functions;

(15) doing any other kind of business connected with mobilisation of savings or investments which the Central Government may authorise;

(16) generally, doing all such acts and things as may be incidental to or consequential upon the discharge of its functions under this Act.

46 of 1973.

Explanation.—For the purposes of clause (12) and clause (14), the expressions "persons resident outside India" and "foreign exchange" shall have the meanings respectively assigned to them in section 2 of the Foreign Exchange Regulation Act, 1973.

(2) Subject to the provisions of this Act and the regulations made under section 43, the Trust may carry on outside India also any of the kinds of business mentioned in clauses (1), (2), (4), (6), (7), sub-clause (c) of clause (8) and clauses (11), (12), (13) and (15) of sub-section (1).

6. After section 19A of the principal Act, the following section shall be inserted, namely:—

'19B. (1) Where a company or other body corporate, in breach of any agreement, makes any default in repayment of any loan or advance or any instalment thereof, or in meeting its obligations or otherwise fails to comply with the terms of its agreement with the Trust, then, without prejudice to the provisions of section 69 of the Transfer of Property Act, 1882, any officer of the Trust generally or specially authorised by the Trust in this behalf may apply to the Court for one or more of the following reliefs, namely:—

(a) for an order for the sale of the property pledged, mortgaged, hypothecated or assigned to the Trust as security for the loan or advance, or

(b) for transferring the management of the company or other body corporate to the Trust, or

(c) for an *ad interim* injunction where there is apprehension of the machinery or the equipment being removed from the premises of the company or other body corporate without the permission of the Trust.

(2) An application under sub-section (1) shall state the nature and extent of the liability of the company or other body corporate to the Trust, the grounds on which it is made and such other particulars as may be prescribed.

(3) When the application is for the reliefs mentioned in sub-clauses (a) and (c) of sub-section (1) the Court shall pass an *ad interim* order attaching the security or so much of the property of the company or other body corporate as would on being sold realise in its estimation an amount equivalent in value to the outstanding liability of the company or other body corporate to the Trust together with the costs of the proceedings taken under this section with or without an *ad interim* injunction restraining the company or other body corporate from transferring or removing its machinery or equipment.

(4) Where the application is for the relief mentioned in sub-clause (b) of sub-section (1) the Court shall grant an *ad interim* injunction restraining the company or other body corporate from transferring or removing its machinery or equipment and issue a notice calling upon the company or other body corporate to show cause on a date to be specified in the notice why the management of the company or other body corporate should not be transferred to the Trust.

Insertion of new section 19B.

Special provision for enforcement of claim by the Trust.

4 of 1882.

(5) Before passing any order under sub-section (3) or sub-section (4), the Court may, if it thinks fit, examine the officer making the application.

(6) At the same time as it passes an order under sub-section (3), the Court shall issue to the company or other body corporate a notice accompanied by copies of the order, the application and the evidence, if any, recorded by it calling upon the company or other body corporate to show cause on a date to be specified in the notice why the *ad interim* order of attachment should not be made absolute or the injunction confirmed.

(7) If no cause is shown on or before the date specified in the notice under sub-sections (4) and (6), the Court shall forthwith make the *ad interim* order absolute and direct the sale of the attached property or transfer the management of the company or other body corporate to the Trust or confirm the injunction.

(8) If cause is shown the Court shall proceed to investigate the claim of the Trust and the provisions of the Code of Civil Procedure, 1908, shall as far as practicable apply to such proceedings.

5 of 1908.

(9) On an investigation made under sub-section (8) the Court shall pass an order—

(a) confirming the order of attachment and directing the sale of the attached property; or

(b) varying the order of attachment so as to release a portion of the property from attachment and directing the sale of the remainder of the attached property; or

(c) releasing the property from attachment, if it is satisfied that it is not necessary in the interests of the Trust; or

(d) confirming or vacating the injunction; or

(e) transferring the management of the company or other body corporate to the Trust or rejecting the claim made in this behalf:

Provided that when making any order under clause (c), the Court may make such further orders as it thinks necessary to protect the interests of the Trust, and may apportion the costs of the proceedings in such manner as it thinks fit:

Provided further that unless the Trust intimates to the Court that it will not appeal against any order releasing any property from attachment, such order shall not be given effect to until the expiry of the period fixed under sub-section (12) within which an appeal may be preferred, or if an appeal is preferred, unless the Court empowered to hear appeals from the decisions of the said Court otherwise directs until the appeal is disposed of.

(10) An order of attachment or sale of property under this section shall be carried into effect as far as may be practicable in the manner provided in the Code of Civil Procedure, 1908, for the attachment or sale of property in execution of a decree, as if the Trust were the decree-holder.

5 of 1908.

(11) An order under this section transferring the management of a company or other body corporate to the Trust shall be carried into effect, as far as may be practicable, in the manner provided in the

S. of 1908.

Code of Civil Procedure, 1908, for the possession of immovable property or the delivery of movable property in execution of a decree, as if the Trust were the decree-holder.

(12) Any party aggrieved by an order under sub-section (7) or sub-section (9) may, within thirty days from the date of the order, appeal to the Court empowered to hear appeals from the decisions of the Court which passed the order and the appellate court may after hearing the parties pass such orders as it thinks proper.

(13) Nothing in this section shall be construed, where proceedings for liquidation in respect of the company or other body corporate have commenced before an application is made under sub-section (1) as giving to the Trust any preference over the other creditors of the company or other body corporate not conferred on it by any other law.

(14) For the removal of doubts, it is hereby declared that any Court competent to grant an *ad interim* injunction under this section shall also have the power to appoint a receiver and to exercise all other powers incidental thereto.

(15) For the purpose of this section "Court" means the High Court within the local limits of whose jurisdiction,—

(i) the defendant or respondent, or where there is more than one defendant or respondent any one of them—

(1) has his registered office; or

(2) carries on the whole or part of his business,

at the time of the commencement of any legal proceedings, against him under this Act; or

(ii) the cause of action for such legal proceedings, wholly or in part, arises.

(16) The provisions of this section shall not apply to or in relation to any proceedings (whether by way of suits or appeals or other proceedings) under this Act pending before a District Judge or an Additional District Judge or a High Court at the commencement of the Unit Trust of India (Amendment) Act, 1985.

7. In section 20 of the principal Act, in sub-section (1), for the words "The Trust may borrow", the words "The Trust may borrow, whether in India or outside India," shall be substituted.

8. After section 20B of the principal Act, the following section shall be inserted, namely:—

"20C. The rights and interests of the Trust (including any other rights incidental thereto) in relation to any loan or advance granted, or any amount recoverable, by it may be transferred by the Trust, either in whole or in part, by the execution or issue of any instrument, or by the transfer of any instrument by endorsement or in any other manner in which the rights and interests in relation to such loan or advance may be lawfully transferred, and the Trust may, notwithstanding such transfer, act as the trustee within the meaning of section 3 of the Indian Trusts Act, 1882, for the transferee."

Amend-
ment of
section 20.Insertion
of new
section
20C.Power to
transfer
rights.

Amend-
ment of
section
21.

9. In section 21 of the principal Act,—

(a) in sub-section (1), for the words "unit schemes.", the words "unit schemes, including one or more unit schemes for issuing units to persons resident outside India in such foreign currencies, as the Trust may deem fit." shall be substituted;

(b) in sub-section (2), for clause (a), the following clause shall be substituted, namely:—

"(a) the issue of units and the face value of each unit:

Provided that the face value of each unit shall, where such value is in Indian currency, be not less than ten rupees or more than one hundred rupees and where such value is in any foreign currency, be in multiples of ten;"

10. In section 25A of the principal Act, to sub-section (2), the following proviso shall be added, namely:—

"Provided that in relation to any year in which the Trust has declared a dividend of not less than ten per cent. on the unit capital the requirement as to distribution of not less than ninety per cent. of such income in such year as so reduced shall not apply."

Amend-
ment of
section
25A.

Amend-
ment of
section 43.

11. In section 43 of the principal Act,—

(a) in sub-section (1), for the words "The Board may, with the previous approval of the Development Bank," the words "The Board, with the previous approval of the Development Bank, may, by notification in the Official Gazette," shall be substituted;

(b) in sub-section (2), for clause (i), the following clauses shall be substituted, namely:—

"(i) the institutions to which loans or advances may be granted or with which money may be kept in deposit;

(ia) special papers or securities floated by governments or banks in which investment may be made;

(ib) the particulars which may be included in an application under section 19B;"

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) Every regulation made under this Act 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 regulation or both Houses agree that the regulation should not be made, the 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 regulation."

Repealed by Act 55 of 1994, S. 46.

THE NATIONAL AIRPORTS AUTHORITY ACT, 1985

ARRANGEMENT OF SECTIONS

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PRELIMINARY

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Repealed

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Arrangement of Sections

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34. Power of the Central Government to temporarily divest the Authority of the management of any aerodrome.
35. Power of the Central Government to supersede the Authority.
36. Power of the Central Government to issue directions.
37. Power to make rules.
38. Power to make regulations.
39. Supplementary provisions respecting regulations.
40. Rules and regulations to be laid before Parliament.
41. Power to remove difficulties.
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Repealed by Act 55 of 1994, S.46

THE NATIONAL AIRPORTS AUTHORITY ACT, 1985

No. 64 OF 1985

[7th December, 1985.]

An Act 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. (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.

Short title, commencement and application.

43 of 1971.

2. 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;

Definitions.

* 21-5-1986 vide Notification No. S.O. 301 (E), dated 21-5-1986, Gazette of India, Extraordinary, 1986, Part II, Sec. 3 (ii).

Repealed

(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.

22 of 1934.

CHAPTER II

THE NATIONAL AIRPORTS AUTHORITY

Constitution
and incorporation
of the
Authority.

3. (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 (e) 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 of representing organisations of workers and consumers.

Repealed

or 1985]

National Airports Authority

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4. 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. (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. 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

Disquali-
fication
for office
of
member.

Term of
office
and con-
ditions of
service of
members.

Vacation
of office
of
member.

Repealed

- (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.

Eligibility
of mem-
ber for
reap-
point-
ment.

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

Meetings.

8. (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.

Vacancies,
etc., not
to invalidate
proceedings
of the
Authority.

9. 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.

Appoint-
ment of
officers
and other
em-
ployees
of the
Autho^rty

10. (1) 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 it 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.

Repealed

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

Authority to
act on
business
principles.

CHAPTER III

FUNCTIONS OF THE AUTHORITY

12. (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.

Func-
tions of
the Au-
thority.

(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, instal 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 for 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;

Repealed

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National Airports Authority

ACT 64

(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) form 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; 1 of 1956.

(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. 43 of 1971.

(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

Transfer of assets and liabilities of the Central Government to the Authority

13. (1) As from such date¹ 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 aeronautical 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 Services Training School, Calcutta and administered by the Director-General of Civil Aviation immediately before such date shall vest in the Authority;

¹ 1-6-1986 *vide* Notification No. S.O. 311 (E), dated 27-5 1986, Gazette of India, Extraordinary, 1986, Part-II, Section. 3(ii).

Repealed

(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 Services 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 regular 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 towards his leave,

Repealed

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.

Compulsory acquisition of land for the Authority.

Contracts by the Authority.

Mode of executing contracts on behalf of the Authority.

14. 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.

14 of 1947.

1 of 1894.

15. 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. (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.

Power of the Authority to charge fees, rent, etc.

17. (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.

Repealed

of 1985]

National Airports Authority

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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. 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. (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.

Additional capital and grant to the Authority by the Central Government.

Fund of the Authority.

43 of 1971.

2 of 1934.

Repealed

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National Airports Authority

[ACT 64]

Allocation
of
surplus
funds.

20. (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.

Submission
of pro-
gramme of
activities
and finan-
cial esti-
mates.

21. (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.

Invest-
ment of
funds.

22. 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.

Borrowing
powers
of the
Authority

23. (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 amounts as it may require for discharging its functions under this Act.

Repealed

24. (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.

Accounts
and
audit.

(2) The accounts of the Authority shall be audited annually by the Comptroller and Auditor-General of India and any expenditure incurred by him in connection with such audit shall be payable by the Authority to 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. (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 Authority during the next financial year.

Submission
of
annual
report.

(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. 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 of its powers and functions under this Act (except the powers under section 38) as it may deem necessary.

Delega-
tion.

27. 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.

Authenti-
cation
of orders
and other
instru-
ments
of the
Authority.

28. 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.

Officers
and em-
ployees
of the
Authority
to be
public
servants.

Repealed

Protection
of action
taken
in good
faith.

Custody
and
disposal
of lost
property.

Provisions
relating
to income.
tax.

Power of
the Autho-
rity to
undertake
certain
works.

Power
to issue
direc-
tions.

Power of
the
Central
Govern-
ment to
tempora-
rily divest
the Autho-
rity of
the man-
agement
of any
aero-
drome.

29. 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. 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. For the purposes 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 Act, 1961 and shall be liable to tax accordingly on its income, profits and gains.

32. 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. (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), (qq) 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. (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

43 of 1961.

22 of 1934.

Repealed

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 periods 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 cessation 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 Authority 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 cessation 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. (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

Power of
the Central
Govern-
ment to
supersede
the Autho-
rity.

Repealed

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National Airports Authority

ACT 64

(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,—

(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.

Repealed

36. (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.

Power of
the
Central
Govern-
ment
to issue
direc-
tions.

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

Power
to
make
rules.

(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. (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.

Power to
make regu-
lations.

Repealed

(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.

Repealed

(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. 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. Every rule and every regulation made under this Act 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, both Houses agree that 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. (1) 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 may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that order.

42. 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.

Supplementary provisions respecting regulations.

Rules and regulations to be laid before Parliament.

Power to remove difficulties.

Amendment of Act 22 of 1934.

THE CITIZENSHIP (AMENDMENT) ACT, 1985

No. 65 OF 1985

[7th December, 1985.]

An Act further to amend the Citizenship Act, 1955.

WHEREAS for the purpose of giving effect to certain provisions of the Memorandum of Settlement relating to the foreigners' issue in Assam (Assam Accord) which was laid before the Houses of Parliament on the 16th day of August, 1985 it is necessary to amend the Citizenship Act, 1955;

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

Short title and commencement. 1. (1) This Act may be called the Citizenship (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Inception of new section 6A. 2. In the Citizenship Act, 1955 (hereinafter referred to as the principal Act), after section 6, the following section shall be inserted, namely:—

6A. (1) For the purposes of this section—

(a) "Assam" means the territories included in the State of Assam immediately before the commencement of the Citizenship (Amendment) Act, 1985;

(b) "detected to be a foreigner" means detected to be a foreigner in accordance with the provisions of the Foreigners Act, 1946 and the Foreigners (Tribunals) Order, 1964 by a Tribunal constituted under the said Order;

(c) "specified territory" means the territories included in Bangladesh immediately before the commencement of the Citizenship (Amendment) Act, 1985;

(d) a person shall be deemed to be of Indian origin, if he or either of his parents or any of his grandparents was born in undivided India;

¹ 7-12-1985: vide Notification No. S.O. 882(E), dated 7-12-1985, Gazette of India, Extraordinary, 1985, Part II, section 3 (ii).

(e) a person shall be deemed to have been detected to be a foreigner on the date on which a Tribunal constituted under the Foreigners (Tribunals) Order, 1964 submits its opinion to the effect that he is a foreigner to the officer or authority concerned.

(2) Subject to the provisions of sub-sections (6) and (7), all persons of Indian origin who came before the 1st day of January, 1966 to Assam from the specified territory (including such of those whose names were included in the electoral rolls used for the purposes of the General Election to the House of the People held in 1967) and who have been ordinarily resident in Assam since the dates of their entry into Assam shall be deemed to be citizens of India as from the 1st day of January, 1966.

(3) Subject to the provisions of sub-sections (6) and (7), every person of Indian origin who—

(a) came to Assam on or after the 1st day of January, 1966 but before the 25th day of March, 1971 from the specified territory; and

(b) has, since the date of his entry into Assam, been ordinarily resident in Assam; and

(c) has been detected to be a foreigner;

shall register himself in accordance with the rules made by the Central Government in this behalf under section 18 with such authority (hereafter in this sub-section referred to as the registering authority) as may be specified in such rules and if his name is included in any electoral roll for any Assembly or Parliamentary constituency in force on the date of such detection, his name shall be deleted therefrom.

Explanation.—In the case of every person seeking registration under this sub-section, the opinion of the Tribunal constituted under the Foreigners (Tribunals) Order, 1964 holding such person to be a foreigner, shall be deemed to be sufficient proof of the requirement under clause (c) of this sub-section and if any question arises as to whether such person complies with any other requirement under this sub-section, the registering authority shall,—

(i) if such opinion contains a finding with respect to such other requirement, decide the question in conformity with such finding;

(ii) if such opinion does not contain a finding with respect to such other requirement, refer the question to a Tribunal constituted under the said Order having jurisdiction in accordance with such rules as the Central Government may make in this behalf under section 18 and decide the question in conformity with the opinion received on such reference.

(4) A person registered under sub-section (3) shall have, as from the date on which he has been detected to be a foreigner and till the expiry of a period of ten years from that date, the same rights and obligations as a citizen of India (including the right to

obtain a passport under the Passports Act, 1967 and the obligations connected therewith), but shall not be entitled to have his name included in any electoral roll for any Assembly or Parliamentary constituency at any time before the expiry of the said period of ten years.

15 of 1967.

(5) A person registered under sub-section (3) shall be deemed to be a citizen of India for all purposes as from the date of expiry of a period of ten years from the date on which he has been detected to be a foreigner:

(6) Without prejudice to the provisions of section 8,—

(a) if any person referred to in sub-section (2) submits in the prescribed manner and form and to the prescribed authority within sixty days from the date of commencement of the Citizenship (Amendment) Act, 1985, a declaration that he does not wish to be a citizen of India, such person shall not be deemed to have become a citizen of India under that sub-section;

(b) if any person referred to in sub-section (3) submits in the prescribed manner and form and to the prescribed authority within sixty days from the date of commencement of the Citizenship (Amendment) Act, 1985 or from the date on which he has been detected to be a foreigner, whichever is later, a declaration that he does not wish to be governed by the provisions of that sub-section and sub-sections (4) and (5), it shall not be necessary for such person to register himself under sub-section (3).

Explanation.—Where a person required to file a declaration under this sub-section does not have the capacity to enter into a contract, such declaration may be filed on his behalf by any person competent under the law for the time being in force to act on his behalf.

(7) Nothing in sub-sections (2) to (6) shall apply in relation to any person—

(a) who, immediately before the commencement of the Citizenship (Amendment) Act, 1985, is a citizen of India;

(b) who was expelled from India before the commencement of the Citizenship (Amendment) Act, 1985, under the Foreigners Act, 1946.

31 of 1946.

(8) Save as otherwise expressly provided in this section, the provisions of this section shall have effect notwithstanding anything contained in any other law for the time being in force.

Amend-
ment
of sec-
tion 18.

3. In section 18 of the principal Act, in sub-section (2), after clause (e), the following clause shall be inserted, namely:—

"(ee) the manner and form in which and the authority to whom declarations referred to in clauses (a) and (b) of sub-section (6) of section 6A shall be submitted and other matters connected with such declarations;"

THE LIGHTHOUSE (AMENDMENT) ACT, 1985

No. 66 OF 1985

[7th December, 1985.]

An Act further to amend the Lighthouse Act, 1927.

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

1. (1) This Act may be called the Lighthouse (Amendment) Act, 1985.

Short title
and Com-
mencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

17 of 1927.

2. In section 2 of the Lighthouse Act, 1927 (hereinafter referred to as the principal Act), after clause (hh), the following clause shall be inserted, namely:—

Amend-
ment of
section 2.

"(hha) "ship" includes a sailing vessel;".

3. In section 3 of the principal Act, for clauses (b), (c) and (d), the following clauses shall be substituted, namely:—

"(b) appoint a person to be the Director of Lighthouses and Lightships in each district;

(c) appoint persons to be Deputy Directors-General of Lighthouses and Lightships; and

(d) appoint a person to be the Director-General of Lighthouses and Lightships.".

4. In section 4 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) No act or proceeding of the Advisory Committee shall be invalidated merely by reason of—

(a) any vacancy in, or any defect in constitution of, the Advisory Committee;

(b) any defect in appointment of a person acting as a member of the Advisory Committee; or

(c) any irregularity in the procedure of the Advisory Committee not affecting the merits of the case.".

¹ 1-2-1986 : vide Notification No. S. O. 29 (E), dated 27-1-1986, 'Gazette of India, Extraordinary, 1986, Part II, Section 3 (ii).

Amend-
ment of
section 6.

Insert-
tion of
new sec-
tion 8A.

Power of
Central
Govern-
ment to
prohibit
lights
and
regulate
heights
of build-
ings, struc-
tures and
trees

5. In section 6 of the principal Act, in sub-section (1), for the expressions "Chief Inspector of Lighthouses" and "Superintendent or Inspector of Lighthouses", the expressions "Director-General of Lighthouses and Lightships" and "Director or Deputy Director-General of Lighthouses and Lightships" shall respectively be substituted.

6. After section 8 of the principal Act, and before the heading "LIGHT-DUES", the following section shall be inserted, namely:—

"8A. (1) If the Central Government is of opinion that it is necessary or expedient so to do for unobstructed functioning of any lighthouse, it may, by notification in the Official Gazette, direct that,—

(i) no light shall be established without the prior permission of the Central Government in case of general lighthouse and without the prior permission of the local lighthouse authority in case of local lighthouse on any land within such radius, not exceeding one kilometre from the lighthouse, as may be specified in the notification; and

(ii) no building or structure higher than such height as may be specified in the notification shall be constructed or erected, or no tree, which is likely to grow or ordinarily grows higher than such height as may be specified in the notification, shall be planted, on any land within such radius, not exceeding one kilometre from the lighthouse, as may be specified in the notification.

(2) Where any light has been established without or contrary to the permission referred to in clause (i) of sub-section (1), the Central Government or the local lighthouse authority, as the case may be, may, in addition to any other action that may be taken under this Act, make an order directing that such light shall be removed by the owner or the person having control of the light, within such period as may be specified in such order.

(3) Where any building or structure has been constructed or erected or any tree has been planted in contravention of the directions contained in clause (ii) of sub-section (1), the Central Government or the local lighthouse authority, as the case may be, may, in addition to any other action that may be taken under this Act make an order directing that the height of such building, structure or tree shall be reduced to the extent specified in such notification, by the owner or the person having control of the building or structure or the tree, as the case may be, within such period as may be specified in such order.

(4) No order under sub-section (2) or sub-section (3) shall be made unless the owner or the person has been given, by means of a notice, a reasonable opportunity of showing cause why such order shall not be made.

(5) If any person fails to remove the light in pursuance of direction contained in the order issued under sub-section (2) or reduce the height of the building, structure or tree in pursuance of any

direction contained in the order issued under sub-section (3), within the period specified in such order, then, subject to such rules as the Central Government may make in this behalf, it shall be competent for any officer authorised by the Central Government or the local lighthouse authority, as the case may be, in this behalf to remove such light or to reduce the height of such building, structure or tree and the expenses of such removal or reduction shall be recoverable from such person as a land revenue.

(6) The orders referred to in sub-sections (2) and (3) and the notice referred to in sub-section (4) shall be served on the owner or the person having the control of the light, building, structure or tree, as the case may be,—

(i) by delivering or tendering it to such owner or person; or

(ii) if it cannot be so delivered or tendered, by delivering or tendering it to any officer of such owner or person or any adult male member of the family of such owner or person or by affixing a copy thereof on some conspicuous part of the premises in which such owner or person is known to have last resided or carried on business or personally worked for gain, or failing service by these means;

(iii) by post.

(7) If any person wilfully fails to comply with any direction contained in any notification issued under sub-section (1), he shall be punishable with imprisonment for a term which may extend to six months or with fine which may extend to one thousand rupees or with both.

(8) Every notification issued by the Central Government under sub-section (1) shall be laid, as soon as may be after it is published in the Official Gazette, 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 notification or both Houses agree that the notification should not be made, the notification 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 the notification.”

7. In section 10 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Central Government may, by notification in the Official Gazette, prescribe such rates, as it may deem necessary to provide for the purpose mentioned in section 9, at which dues shall be payable, and may prescribe different rates for different classes of ships or sailing vessels, or for ships or sailing vessels of the same class when in use for different purposes or in different circumstances.”

Amend-
ment of
section
10.

(b) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Every notification issued by the Central Government under sub-section (1) shall be laid, as soon as may be after it is published in the Official Gazette, 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 notification or both Houses agree that the notification should not be made, the notification 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 the notification.”

8. In section 12 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) For the purposes of levy of light-dues, the tonnage of a ship or sailing vessel shall be reckoned as under the Merchant Shipping Act, 1958 for dues payable on a ship's tonnage including the tonnage of any space added under the said Act to the tonnage of ships by reason of such space being utilised for carrying cargo.”

44 of 1958.

9. In section 21 of the principal Act, in sub-section (2),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) the powers and duties of the Director-General of Lighthouses and Lightships and Directors and Deputy Directors-General of Lighthouses and Lightships;”;

(ii) after clause (b), the following clause shall be inserted, namely:—

“(bb) the manner in which the light may be removed and the height of the building, structure or tree may be reduced under sub-section (5) of section 8A;”.

Amend
ment of
section
12.Amend-
ment of
section
21.

THE PAYMENT OF BONUS (SECOND AMENDMENT)
ACT, 1985

No. 67 OF 1985

[18th December, 1985.]

An Act further to amend the Payment of Bonus Act, 1965.

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

1. (1) This Act may be called the Payment of Bonus (Second Amendment) Act, 1985.

(2) It shall be deemed to have come into force on the 7th day of November, 1985.

(3) The amendments made by this Act in the Payment of Bonus Act, 1965 (hereinafter referred to as the principal Act) shall, in relation to a factory or other establishment to which the principal Act applies, have effect and be deemed always to have had effect in respect of the accounting year commencing on any day in the year 1984 and in respect of every subsequent accounting year.

Explanation.—The words and expressions which are used in this sub-section and which are defined in the principal Act shall have the meanings respectively assigned to them in the principal Act.

2. In section 2 of the principal Act, in clause (13), for the words "one thousand and six hundred rupees", the words "two thousand and five hundred rupees" shall be substituted.

Short title,
commencement
and applica-
tion.

Amend-
ment of
section 2.

3. In the principal Act, after section 11, the following section shall be inserted, namely:—

Inser-
tion of new
section 12.

"12. Where the salary or wage of an employee exceeds one thousand and six hundred rupees per mensem, the bonus payable to such employee under section 10 or, as the case may be, under section 11, shall be calculated as if his salary or wage were one thousand and six hundred rupees per mensem.".

Calcula-
tion of
bonus with
respect to
certain
employees.

6 of 1985.
8 of 1985.

4. (1) The Payment of Bonus (Amendment) Ordinance, 1985, and the Payment of Bonus (Second Amendment) Ordinance, 1985 are hereby repealed.

Repeal
and
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinances, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

THE APPROPRIATION (No. 6) ACT, 1985

No. 68 OF 1985

[18th December, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1985-86.

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

Short title.

Issue of
Rs. 1824,
65,70,000
out of the
Consolidated
Fund of
India for
the year
1985-86.

Approp-
riation.

1. This Act may be called the Appropriation (No. 6) Act, 1985.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand, eight hundred and twenty-four crores, sixty-five lakhs and seventy thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86, in respect of the services specified in column 2 of the Schedule.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consoli- dated Fund	Rs.	
5	Co-operation . . . Capital	1,000	1,000
8	Department of Rural Development . . . Revenue	194,71,31,000	194,71,31,000
9	Ministry of Chemicals and Fertilizers . . . Revenue	250,00,00,000	250,00,00,000
14	Ministry of Communications . . . Revenue	2,00,00,000	2,00,00,000
17	Telecommunication Services . . . Capital	2,000	2,000
28	Ministry of External Affairs . . . Capital	10,00,00,000	10,00,00,000
35	Currency, Coinage and Mint . . . Revenue	..	15,72,000	..	15,72,000
38	Transfers to State Governments . . . Revenue	139,00,00,000	139,00,00,000
	Capital	..	601,00,00,000	..	601,00,00,000
39	Other Expenditure of the Ministry of Finance . . . Revenue	1,000	1,000
41	Department of Food . . . Revenue	300,00,00,000	300,00,00,000
44	Medical and Public Health . . . Revenue	1,000	1,000
49	Other Administrative and General Services . . . Revenue	5,06,00,000	13,50,000	..	5,19,50,000
	Capital	7,05,00,000	7,05,00,000
50	Rehabilitation . . . Capital	1,75,00,000	1,75,00,000
58	Industries . . . Revenue	25,00,00,000	25,00,00,000
59	Village and Small Industries . . . Revenue	50,00,00,000	50,00,00,000
61	Information and Publicity . . . Revenue	32,95,000	32,95,000
	Capital	61,23,000	61,23,000
64	Department of Power . . . Capital	1,000	1,000
69	Ministry of Parliamentary Affairs . . . Revenue	6,92,000	6,92,000
70	Ministry of Petroleum . . . Capital	130,00,00,000	130,00,00,000
73	Department of Science and Technology . . . Revenue	2,000	2,000
77	Department of Non-Conventional Energy Sources . . . Revenue	25,00,00,000	25,00,00,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
80	Ports, Lighthouses and Shipping	Capital	9,00,00,000	9,00,00,000
81	Road and Inland Water Transport	Capital	40,00,00,000	40,00,00,000
87	Aviation	Revenue	3,51,43,000	3,51,43,000
90	Public Works	Capital	1,000	1,000
91	Water Supply and Sewerage	Revenue	1,000	1,000
92	Housing and Urban Development	Capital	1,000	1,000
95	Atomic Energy, Research, Development and Industrial Projects	Revenue	..	13,000
97	Department of Culture	Revenue	2,60,00,000	2,60,00,000
101	Department of Personnel and Administrative Reforms	Revenue	3,22,86,000	3,22,86,000
102	Department of Space	Capital	24,28,98,000	24,28,98,000
106	Secretariat of the Vice-President	Revenue	14,56,000	14,56,000
TOTAL		1223,36,35,000	601,29,35,000	1824,65,70,000

THE AIRCRAFT (AMENDMENT) ACT, 1985

No. 69 OF 1985

[20th December, 1985.]

An Act further to amend the Aircraft Act, 1934.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Aircraft (Amendment) Act, 1985.
Short title and commencement.
- (2) It shall be deemed to have come into force on the 16th day of October, 1985.
Amendment of Act 22 of Rules—1934.
2. In the Aircraft Act, 1934, for section 14, the following section shall be substituted, namely:—
Rules to be made after publication.

"14. Any power to make rules conferred by this Act is subject to the condition of the rules being made after previous publication:

Provided that the Central Government may, in the public interest, by order in writing, dispense with the condition of previous publication in any case."

3. (1) The Aircraft (Amendment) Ordinance, 1985, is hereby repealed.
Repeat and saving.
- (2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

7 of 1985.

THE UNIVERSITY GRANTS COMMISSION (AMENDMENT)
ACT, 1985

No. 70 OF 1985

[20th December, 1985.]

An Act further to amend the University Grants Commission Act, 1956.

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

- Short title.** 1. This Act may be called the University Grants Commission (Amendment) Act, 1985.
- Amendment of section 6.** 2. In the University Grants Commission Act, 1956, in section 6, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) A person appointed as Chairman, Vice-Chairman or other member after the commencement of the University Grants Commission (Amendment) Act, 1985 shall, unless he sooner becomes disqualified for continuing as such under the rules that may be made under this Act,—

(a) in the case of Chairman, hold office for a term of five years or until he attains the age of sixty-five years, whichever is earlier;

(b) in the case of Vice-Chairman, hold office for a term of three years or until he attains the age of sixty-five years, whichever is earlier;

(c) in the case of any other member, hold office for a term of three years:

Provided that—

(i) a person who has held office as Chairman or Vice-Chairman shall be eligible for further appointment as Chairman, Vice-Chairman or other member, and

(ii) a person who has held office as any other member shall be eligible for further appointment as Chairman, Vice-Chairman or other member:

Provided further that a person who has held office for two terms, in any capacity, whether as Chairman, Vice-Chairman or other member [excluding a member referred to in clause (a) of sub-section (3) of section 5], shall not be eligible for any further appointment as Chairman, Vice-Chairman or other member.”.

THE APPROPRIATION (RAILWAYS) No. 5 ACT, 1985

No. 71 OF 1985

[20th December, 1985.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1985-86 for the purposes of Railways.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

- | | |
|---|---|
| 1. This Act may be called the Appropriation (Railways) No. 5 Act, 1985. | Short title. |
| 2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of four hundred thirty-three crore rupees towards defraying the several charges which will come in course of payment during the financial year 1985-86, in respect of the services relating to Railways specified in column 2 of the Schedule. | Issue of
Rs. 433,
00,00,000
out of the
Consolidated
Fund
of India
for the
financial
year
1985-86. |
| 3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. | Appropriation. |

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
16	Assets—Acquisition, Construction and Replacement—			
	Other Expenditure	433,00,00,000	..	433,00,00,000
	Total	433,00,00,000	..	433,00,00,000

THE INTERNATIONAL AIRPORTS AUTHORITY
(AMENDMENT) ACT, 1985

No. 72 OF 1985

[20th December, 1985.]

An Act to amend the International Airports Authority Act, 1971.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

1. This Act may be called the International Airports Authority (Amendment) Act, 1985.

Short title.

43 of 1971.
2. In section 36 of the International Airports Authority Act, 1971 (hereinafter referred to as the principal Act),—

Amend-
ment of
section 36.

(a) after sub-section (2), the following sub-section shall be inserted and shall be deemed always to have been inserted, namely:—

“(2A) The power to make rules conferred by clauses (a) and (c) of sub-section (2) shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Act, to such rules or any of them but no retrospective effect shall be given to any rule so as to prejudicially affect the interests of any person to whom such rule may be applicable.”;

(b) in sub-section (3), for the words “in two successive sessions and if before the expiry of the session in which it is so laid or the session immediately following”, the words “in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid” shall be substituted.

3. In section 37 of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

Amend-
ment of
section 37.

“(3) The power to make regulations conferred by clause (b) of sub-section (2) shall include the power to give retrospective effect, from a date not earlier than the date of commencement of this Act, to such regulations or any of them but no retrospective effect shall be given to any regulation so as to prejudicially affect

the interests of any person to whom such regulation may be applicable.

(4) The Central Government shall cause every regulation made under this section to 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 regulation, or both Houses agree that the regulation should not be made, the 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 regulation.”.

Validation.

4. (1) The International Airports Authority of India (Conditions of Service of the Chairman and other whole-time Members) Rules, 1973 (hereafter in this section referred to as the 1973 Rules) published with the notification of the Government of India in the then Ministry of Tourism and Civil Aviation No. S.O. 717(E), dated the 29th November, 1973, shall be deemed to be, and to have always been, made under section 36 of the principal Act as amended by clause (a) of section 2 of this Act, and accordingly, the 1973 Rules shall not be deemed to be invalid or ever to have become invalid merely on the ground that they were made with retrospective effect.

(2) Every order made or purporting to have been made by the Central Government under rule 7 of the 1973 Rules before the date of commencement of this Act and any action or thing taken or done under such order shall be and shall be deemed always to have been as valid and effective as if such order had been included in and formed part of that rule.

THE BONDED LABOUR SYSTEM (ABOLITION)
AMENDMENT ACT, 1985

No. 73 OF 1985

[24th December, 1985.]

An Act to amend the Bonded Labour System (Abolition) Act, 1976.

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

- 19 of 1976.
37 of 1970.
30 of 1979.

1. This Act may be called the Bonded Labour System (Abolition) Amendment Act, 1985.

2. In the Bonded Labour System (Abolition) Act, 1976, in section 2, in clause (g), the following *Explanation* shall be added at the end, namely:—

'*Explanation.*—For the removal of doubts, it is hereby declared that any system of forced, or partly forced labour under which any workman being contract labour as defined in clause (b) of sub-section (1) of section 2 of the Contract Labour (Regulation and Abolition) Act, 1970, or an inter-State migrant workman as defined in clause (e) of sub-section (1) of section 2 of the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, is required to render labour or service in circumstances of the nature mentioned in sub-clause (1) of this clause or is subjected to all or any of the disabilities referred to in sub-clauses (2) to (4), is "bonded labour system" within the meaning of this clause.'

Short title.

Amendment of section 2.

THE SALARY, ALLOWANCES AND PENSION OF MEMBERS
OF PARLIAMENT (AMENDMENT) ACT, 1985

No. 74 OF 1985

[26th December, 1985.]

An Act further to amend the Salary, Allowances and Pension of Members of Parliament Act, 1954.

BE it enacted by Parliament in the Thirty-sixth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 1985.

**Amend-
ment of
section 3.** 2. In section 3 of the Salary, Allowances and Pension of Members of Parliament Act, 1954 (hereinafter referred to as the principal Act), for the words "seven hundred and fifty rupees", the words "one thousand rupees" shall be substituted.

30 of 1954.

**Amend-
ment of
section 5.** 3. In section 5 of the principal Act,—

(a) in sub-section (1),—

(i) in clause (b), for the words "if the journey", the words "if the journey, being a journey during a sitting of the Committee," shall be substituted;

(ii) for the second proviso and the *Explanation*, the following proviso shall be substituted, namely:—

"Provided further that nothing in the first proviso shall apply, if the member performs the journey by air for visiting any place in India not more than once during a sitting of the Committee.";

(b) for sub-section (2), the following sub-section and *Explanations* shall be substituted, namely:—

'(2) Every member shall be entitled to an amount equal to the fare by air for each single journey by air (other than a journey referred to in section 4 or the second proviso to sub-section (1) of this section or section 6C) performed by him from any place in India to any other place in India during his term of office as such member:

Provided that no member shall be entitled to any payment under this sub-section in respect of any journeys in excess of sixteen performed by him during any year.

Explanation I.—The provisions of clause (c) of sub-section (1) and of sub-section (2) of section 4 shall, so far as may be, apply to travelling allowances payable under this section as they apply to travelling allowances payable under that section.

Explanation II.—For the purposes of this section, “year” means,—

(i) in the case of a person who is a member at the commencement of the *Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 1985*, the year beginning with such commencement and each of the subsequent years;

(ii) in the case of a person who becomes a member after such commencement, the year beginning with the date on which his term of office as such member commences and each of the subsequent years.’

4. In section 6D of the principal Act, for the words, brackets and figures “sub-section (1) of section 5”, the words, brackets and figures “sub-section (1) or sub-section (2) of section 5” shall be substituted.

Amend-
ment of
section 6D.

5. For section 8 of the principal Act, the following section shall be substituted, namely:—

Substi-
tution of
new sec-
tion for
section 8.

“8. A member shall be entitled to such constituency allowance and to such medical facilities for himself and for members of his family and to such housing, telephone, water, electricity facilities or such amount in cash in lieu of all or any of such facilities, as may be prescribed by rules under section 9.”

Constit-
uency
allowance
and
amenities.

6. In section 8A of the principal Act, in sub-section (1),—

Amend-
ment of
sec-
tion 8A.

(a) for the words “three hundred rupees”, at both the places where they occur, the words “five hundred rupees” shall be substituted;

(b) in the second proviso, the words “so, however, that in no case the pension payable to such person shall exceed five hundred rupees per mensem” shall be omitted;

(c) after the second proviso, the following proviso shall be added, namely:—

“Provided also that every person, who has served for any period as a member of the Provisional Parliament and who is not entitled to any pension under the foregoing provisions of this sub-section, shall, with effect from the commencement of the *Salary, Allowances and Pension of Members of Parliament (Amendment) Act, 1985*, be entitled to a pension of five hundred rupees per mensem.”;

(d) the *Explanation* shall be renumbered as *Explanation 1* and in the *Explanation* as so renumbered, for the words, brackets and figures "clauses (iv) and (v) of sub-section (1)", the words "this sub-section" shall be substituted;

(e) after *Explanation 1* as so renumbered, the following *Explanation* shall be inserted, namely:—

"*Explanation 2.*—Where in any General Election held for the purpose of constituting a new House of the People, poll could not be taken in any Parliamentary constituency or any part thereof on the date originally fixed under clause (d) of section 30 of the Representation of the People Act, 1951 on account of snow-falls or other weather conditions of an extreme nature in such constituency or part thereof or on account of such constituency or part thereof being inaccessible for any reason, the member elected to such House from such constituency shall be deemed, for the purposes of this sub-section, to have served as a member of such House from the date of publication, under section 73 of the said Act, of the notification relating to such House."

43 of 1951.

7. After section 8A, the following section shall be inserted, namely:—

"8B. There may be paid to a member by way of a repayable advance such sum of money not exceeding twenty thousand rupees as may be determined by rules made in this behalf under section 9 for the purchase of a conveyance.".

8. In section 9 of the principal Act, in sub-section (3), for clause (f), the following clauses shall be substituted, namely:—

"(f) the constituency allowance and medical and other facilities mentioned in section 8 and the amount to be paid in cash in lieu of such facilities;

(ff) the amount which may be paid by way of repayable advance for the purchase of conveyance; the rate of interest thereon and the mode of recovery of such amount and interest thereon; and".

Inser-
tion of
new sec-
tion 8B.

Advances
for pur-
chase of
con-
veyance

Amend-
ment of
section 9.

THE SALARIES AND ALLOWANCES OF OFFICERS OF PARLIAMENT (AMENDMENT) ACT, 1985

No. 75 OF 1985

[26th December, 1985.]

An Act further to amend the Salaries and Allowances of Officers of Parliament Act, 1953.

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

1. (1) This Act may be called the Salaries and Allowances of Officers of Parliament (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. For section 3 of the Salaries and Allowances of Officers of Parliament Act, 1953 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—

“3. (1) There shall be paid to the Chairman of the Council of States a salary of seven thousand five hundred rupees per mensem.

(2) Each officer of Parliament, other than the Chairman of the Council of States, shall be entitled to receive a salary per mensem and an allowance for each day during the whole of his term as such officer at the same rates as are specified in section 3 of the Salaries, Allowances and Pension of Members of Parliament Act, 1954 with respect to members of Parliament.

(3) Each officer of Parliament, other than the Chairman of the Council of States, shall be entitled to receive a constituency allowance at the same rate as is specified under section 8 of the said Act with respect to members of Parliament.”

3. For section 5 of the principal Act, the following section shall be substituted, namely:—

“5. There shall be paid to the Chairman of the Council of States and the Speaker of the House of the People a sumptuary allowance

Short title and commencement.

Substitution of new section for section 3.

Salaries, etc., of officers of Parliament.

Substitution of new section for section 5.
Sumptuary allowance.

20 of 1953.

30 of 1954.

¹26-12-1985 : vide Notification No. GSR 939(E), dated 26-12-1985, Gazette of India, Extraordinary, 1985, Part II, section 3 (i).

of one thousand rupees per mensem and to the Deputy Chairman and the Deputy Speaker a sumptuary allowance of five hundred rupees per mensem.”.

Amend-
ment of
section 6.

4. In section 6 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

‘(1A) An officer of Parliament and any one member of his family accompanying him shall be entitled to travelling allowances in respect of not more than six return journeys performed, during each year, within India, at the same rates at which travelling allowances are payable to such officer under clause (b) of sub-section (1) in respect of tours referred to in that clause.

Explanation.—For the purposes of this sub-section, “return journey” means a journey from one place to another place and the return journey from such other place to the first mentioned place.’

Insertion
of new
section
10A.

5. In the principal Act, after section 10, the following section shall be inserted, namely:—

Exem-
ption from
liability to
pay
income-
tax on cer-
tain per-
quisites
received
by an
officer of
Parlia-
ment.

‘10A. Notwithstanding anything contained in the Income-tax Act, 1961, the value of rent free furnished residence (including maintenance thereof) provided to an officer of Parliament under sub-section (1) of section 4 shall not be included in the computation of his income chargeable under the head “Salaries” under section 15 of the Income-tax Act, 1961.’

43 of 1961.

**THE SALARIES AND ALLOWANCES OF MINISTERS
(AMENDMENT) ACT, 1985**

No. 76 OF 1985

[26th December, 1985.]

An Act further to amend the Salaries and Allowances of Ministers
Act, 1952.

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

1. (1) This Act may be called the Salaries and Allowances of Ministers (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

58 of 1952

2. For section 3 of the Salaries and Allowances of Ministers Act, 1952 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—

Short title
and com-
mence-
ment

Substitution of
new section
for section
3.

Salaries,
and daily
constitu-
ency
allow-
ances

30 of 1954.

"3. (1) Each Minister shall be entitled to receive a salary per mensem, and an allowance for each day during the whole of his term as such Minister at the same rates as are specified in section 3 of the Salaries, Allowances and Pension of Members of Parliament Act, 1954 with respect to members of Parliament.

(2) Each Minister shall be entitled to receive a constituency allowance at the same rate as is specified under section 8 of the said Act with respect to members of Parliament.”.

3. For section 5 of the principal Act, the following section shall be substituted, namely:—

"5. There shall be paid a sumptuary allowance to each Minister at the following rates, namely:—

(a) the Prime Minister

Rupees one thousand
five hundred per
mensem:

Substitution of new section for section 5.

Sump-
tuary
allowan-
ce to
Ministers.

¹ 26-12-1985; vide Notification No. G.S.R. 937 (E) dated 26-12-1985, Gazette of India, Extraordinary, 1985, Part II, section 3 (ii).

- | | |
|---|-----------------------------------|
| (b) every other Minister who is a member of the Cabinet | Rupees one thousand per mensem; |
| (c) a Minister of State | Rupees five hundred per mensem; |
| (d) a Deputy Minister | Rupees three hundred per mensem." |

Amendment
of section 6.

4. In section 6 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely:—

'(1A) A Minister and any one member of his family accompanying him shall be entitled to travelling allowances in respect of not more than six return journeys performed, during each year, within India, at the same rates at which travelling allowances are payable to such Minister under clause (b) of sub-section (1) in respect of tours referred to in that clause.'

Explanation.—For the purposes of this sub-section, "return journey" means a journey from one place to another place and the return journey from such other place to the first mentioned place.'

5. In the principal Act, after section 10, the following section shall be inserted, namely:—

Insertion
of new
section
10A.

Exemption
from lia-
bility to
pay
income-
tax on
certain
per-
quisites
received
by a
Minister.

'10A. Notwithstanding anything contained in the Income-tax Act, 1961, the value of rent free furnished residence (including maintenance thereof) provided to a Minister under sub-section (1) of section 4 shall not be included in the computation of his income chargeable under the head "Salaries" under section 15 of the Income-tax Act, 1961.'

THE PRESIDENT'S PENSION (AMENDMENT) ACT, 1985

No. 77 OF 1985

An Act further to amend the President's Pension Act, 1951

[26th December, 1985.]

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

- 30 of 1951 1. (1) This Act may be called the President's Pension (Amendment) Act, 1985. Short title and commencement.
- (2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.
2. In the long title to the President's Pension Act, 1951 (hereinafter referred to as the principal Act), for the words "for the payment of", the words "for the emoluments of the President and for" shall be substituted. Amendment of long title.
3. In section 1 of the principal Act, for the word "Pension", the words "Emoluments and Pension" shall be substituted. Amendment of section 1.
4. In the principal Act, after section 1, the following section shall be inserted, namely:—
- "1A. There shall be paid to the President by way of emoluments fifteen thousand rupees per mensem." Insertion of new section 1A.
5. In section 2 of the principal Act, in sub-section (1), for the words "fifteen thousand rupees", the words "thirty thousand rupees" shall be substituted. Emoluments of the President. Amendment of section 2.

¹26-12-1985 i.e. Notification No. G.S.R. 938(E), dated 26-12-1985, Gazette of India Extraordinary, Pt. II, section 3(i).

THE SALARY AND ALLOWANCES OF LEADERS OF
OPPOSITION IN PARLIAMENT (AMENDMENT) ACT, 1985

No. 78 OF 1985

[26th December, 1985.]

An Act to amend the Salary and Allowances of Leaders of Opposition in Parliament Act, 1977.

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

Short title and commencement.

1. (1) This Act may be called the Salary and Allowances of Leaders of Opposition in Parliament (Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. For section 3 of the Salary and Allowances of Leaders of Opposition in Parliament Act, 1977 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:—

Substitution of new section for section 3.

Salary, and daily, constituency and sump-tuary allowances.

“3. (1) Each Leader of the Opposition shall, so long as he continues as such Leader, be entitled to receive a salary per mensem and allowance for each day at the same rates as are specified in section 3 of the Salary, Allowances and Pension of Members of Parliament Act, 1954 with respect to members of Parliament.

33 of 1977.

(2) Each Leader of the Opposition shall also be entitled to receive a constituency allowance at the same rate as is for the time being specified under section 8 of the said Act with respect to members of Parliament.

30 of 1954.

(3) There shall be paid to each Leader of the Opposition a sumptuary allowance of one thousand rupees per mensem.”

Amendment of section 5.

3. Section 5 of the principal Act shall be renumbered as sub-section (1) thereof, and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

(2) A Leader of the Opposition and any one member of his family accompanying him shall be entitled to travelling allowances in respect of not more than six return journeys performed, during

¹26-12-1985; vide Notification No. GSR 940(E), dated 26-12-1985, Gazette of India, Extraordinary, 1985 Part II, section 3 (i).

each year, within India at the same rates at which travelling allowances are payable to such Leader under clause (b) of sub-section (1) in respect of tours referred to in that clause.

Explanation.—For the purposes of this sub-section, “return journey” means a journey from one place to another place and the return journey from such other place to the first mentioned place.”

4. In the principal Act, after section 9, the following section shall be inserted, namely:—

‘9A. Notwithstanding anything contained in the Income-tax Act, 1961, the value of rent free furnished residence (including maintenance thereof) provided to a Leader of the Opposition under sub-section (1) of section 4 shall not be included in the computation of his income chargeable under the heading “Salaries” under section 15 of the Income-tax Act, 1961.’

43 of 1961.

Insertion of
new section
9A.

Exemption from
liability
to pay
income-tax
on certain
perquisites
received by
a Leader
of the Op-
position

THE CENTRAL EXCISES AND SALT (AMENDMENT)
ACT, 1985

No. 79 OF 1985

[27th December, 1985.]

An Act further to amend the Central Excises and Salt Act, 1944.

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

Short title.

Insertion of new section 9AA.

Offences by companies.

1. This Act may be called the Central Excises and Salt (Amendment) Act, 1985.

2. In the Central Excises and Salt Act, 1944 (hereinafter referred to as the principal Act), after section 9A, the following section shall be inserted, namely:—

9AA. (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 provided in this Act, 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 offence.

(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 purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

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

3. In section 11A of the principal Act,—

(a) in sub-section (1), in the proviso, for the words "as if", the words 'as if for the words "Central Excise Officer", the words "Collector of Central Excise", and' shall be substituted;

(b) in sub-section (2), for the words "The Assistant Collector of Central Excise", the words "The Assistant Collector of Central Excise or, as the case may be, the Collector of Central Excise" shall be substituted.

4. In Chapter III of the principal Act, before section 13, the following section shall be inserted, namely:—

"12A. (1) A Central Excise Officer may exercise the powers and discharge the duties conferred or imposed under this Act on any other Central Excise Officer who is subordinate to him.

(2) Notwithstanding anything contained in sub-section (1), the Collector of Central Excise (Appeals) shall not exercise the powers and discharge the duties conferred or imposed on a Central Excise Officer other than those specified in section 14 or Chapter VIA."

5. In section 35D of the principal Act, in sub-section (2), for the words "three members", the words "two members" shall be substituted.

6. In section 37 of the principal Act, in sub-section (2), after clause (xxi), the following clause shall be inserted, namely:—

"(xxii) provide for the charging of fees for the examination of excisable goods intended for export out of India and for rendering any other service by a Central Excise Officer under this Act or the rules made thereunder".

7. After section 37A of the principal Act, the following sections shall be inserted, namely:—

"37B. The Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 may, if it considers it necessary or expedient so to do for the purpose of uniformity in the classification of excisable goods or with respect to levy of duties of excise on such goods, issue such orders, instructions and directions to the Central Excise Officers as it may deem fit, and such officers and all other persons employer in the execution of this Act shall observe and follow such orders, instructions and directions of the said Board:

Provided that no such orders, instructions or directions shall be issued—

(a) so as to require any Central Excise Officer to make a particular assessment or to dispose of a particular case in a particular manner; or

Amend-
ment of
section
11A.

Insertion
of new
section
12A.

Powers of
Central
Excise
Officers.

Amendment
of section
35D.

Amendment
of section
37.

Insertion
of new
sections
37B and
37C.

Instructions
to Central
Excise
Officers.

(b) so as to interfere with the discretion of the Collector of Central Excise (Appeals) in the exercise of his appellate functions.

Service of decisions,
orders,
summons,
etc.

37C. (1) Any decision or order passed or any summons or notices issued under this Act or the rules made thereunder, shall be served,—

(a) by tendering the decision, order, summons or notice, or sending it by registered post with acknowledgment due, to the person for whom it is intended or his authorised agent, if any;

(b) if the decision, order, summons or notice cannot be served in the manner provided in clause (a), by affixing a copy thereof to some conspicuous part of the factory or warehouse or other place of business or usual place of residence of the person for whom such decision, order, summons or notice, as the case may be, is intended;

(c) if the decision, order, summons or notice cannot be served in the manner provided in clauses (a) and (b), by affixing a copy thereof on the notice board of the officer or authority who or which passed such decision or order or issued such summons or notice.

(2) Every decision or order passed or any summons or notice issued under this Act or the rules made thereunder, shall be deemed to have been served on the date on which the decision, order, summons or notice is tendered or delivered by post or a copy thereof is affixed in the manner provided in sub-section (1)."

Transfer
of
certain
pending
proceed-
ings.

8. Every proceeding under the proviso to sub-section (1) of section 11A of the principal Act, which is pending immediately before the commencement of this Act before an Assistant Collector of Central Excise and any matter arising out of, or connected with, such proceeding and which is so pending shall stand transferred on such commencement to the Collector of Central Excise who may proceed with such proceeding or matter from the stage at which it was on such commencement or from any earlier stage as he may deem fit:

Provided that any party to the proceeding or matter may demand that before proceeding further with the proceeding or matter, he may be re-heard.

THE CUSTOMS (AMENDMENT) ACT, 1985

No. 80 OF 1985

[27th December, 1985.]

An Act further to amend the Customs Act, 1962.

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

52 of 1962.

1. This Act may be called the Customs (Amendment) Act, 1985.
2. In section 20 of the Customs Act, 1962 (hereinafter referred to as the principal Act), in sub-section (1), after the proviso, the following proviso shall be inserted, namely:—

“Provided further that if the Central Government is satisfied that it is necessary in the public interest so to do, it may, by order in each case, extend the aforesaid period of three years for such further period as it may deem fit.”

Short title.

Amend-
ment of
section 20.

3. In section 28 of the principal Act,—

(a) in sub-section (1), in the proviso, for the words “as if”, the words ‘as if for the words “proper officer”, the words “Collector of Customs”, and’ shall be substituted;

(b) in sub-section (2), after the words “Assistant Collector of Customs”, the words “or the Collector of Customs, as the case may be” shall be inserted.

Amend-
ment of
section 28.

4. In section 48 of the principal Act, for the words “within two months”, the words “within forty-five days” shall be substituted.

Amend-
ment of
section 48.

5. In section 61 of the principal Act, in sub-section (1), for clause (a), the following shall be substituted, namely:—

Amend-
ment of
section 61.

(a) in the case of—

- (i) non-consumable stores; or
- (ii) goods intended for supply to a foreign diplomatic mission; or
- (iii) goods intended for use in any manufacturing process or other operations in accordance with the provisions of section 65; or

(iv) goods intended for use in any hundred per cent. export-oriented undertaking; or

(v) goods which the Central Government may, if it is satisfied that it is necessary or expedient so to do, by notification in the Official Gazette, specify for the purposes of this clause,

till the expiry of one year.

Explanation.—For the purposes of sub-clause (iv), “hundred per cent. export-oriented undertaking” has the same meaning as in *Explanation 2* to sub-section (1) of section 3 of the Central Excises and Salt Act, 1944;.

1 of 1944.

Amend-
ment of
section 74.

6. In section 74 of the principal Act, in sub-section (1), in the opening paragraph, for the portion beginning with the words “any duty has been paid” and ending with the words “be re-paid as drawback, if—”, the following shall be substituted, namely:—

“any duty has been paid on importation,—

(i) are entered for export and the proper officer makes an order permitting clearance and loading of the goods for exportation under section 51; or

(ii) are to be exported as baggage and the owner of such baggage, for the purpose of clearing it, makes a declaration of its contents to the proper officer under section 77 (which declaration shall be deemed to be an entry for export for the purposes of this section) and such officer makes an order permitting clearance of the goods for exportation; or

(iii) are entered for export by post under section 82 and the proper officer makes an order permitting clearance of the goods for exportation,

ninety-eight per cent. of such duty shall, except as otherwise hereinafter provided, be re-paid as drawback, if—”.

Amend-
ment of
section 75.

7. In section 75 of the principal Act, in sub-section (1), after the words “proper officer”, the words “or being goods entered for export by post under section 82 and in respect of which an order permitting clearance for exportation has been made by the proper officer” shall be inserted and shall be deemed to have been inserted with effect from the 13th day of May, 1983.

Amend-
ment of
section
110.

8. In section 110 of the principal Act, after sub-section (1), the following sub-sections shall be inserted, namely:—

“(1A) The Central Government may, having regard to the perishable or hazardous nature of any goods, depreciation in the value of the goods with the passage of time, constraints of storage space for the goods or any other relevant considerations, by notification in the Official Gazette, specify the goods or class of goods which shall, as soon as may be after its seizure under sub-section (1), be disposed of by the proper officer in such manner as the Central Government may, from time to time, determine after following the procedure hereinafter specified.

(1B) Where any goods, being goods specified under sub-section (1A), have been seized by a proper officer under sub-section (1), he shall prepare an inventory of such goods containing such details relating to their description, quality, quantity, mark, numbers, country of origin and other particulars as the proper officer may consider relevant to the identity of the goods in any proceeding under this Act and shall make an application to a Magistrate for the purpose of—

(a) certifying the correctness of the inventory so prepared; or

(b) taking, in the presence of the Magistrate, photographs of such goods, and certifying such photographs as true; or

(c) allowing to draw representative samples of such goods, in the presence of the Magistrate, and certifying the correctness of any list of samples so drawn.

(1C) Where an application is made under sub-section (1B), the Magistrate shall, as soon as may be, allow the application.”.

9. In section 125 of the principal Act,—

Amendment
of section
125.

(a) in sub-section (1), after the words “the owner of the goods”, the words “or, where such owner is not known, the person from whose possession or custody such goods have been seized,” shall be inserted;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1) shall, in addition, be liable to any duty and charges payable in respect of such goods.”.

10. In section 129C of the principal Act,—

Amendment
of section
129C.

(a) in sub-section (3), for the words “three members”, the words “two members” shall be substituted;

(b) to sub-section (5), the following proviso shall be added, namely:—

“Provided that where the members of a Special Bench are equally divided, the point or points on which they differ shall be decided by the President.”.

11. In section 139 of the principal Act, the following *Explanation* shall be inserted at the end, namely:—

Amend-
ment of
section
139.

Explanation.—For the purposes of this section, “document” includes inventories, photographs and lists certified by a Magistrate under sub-section (1C) of section 110.”,

Inser-
tion of
new
section
151A.

Instructions to
officers
of cus-
toms.

12. After section 151 of the principal Act, the following section shall be inserted, namely:—

"151A. The Board may, if it considers it necessary or expedient so to do for the purpose of uniformity in the classification of goods or with respect to the levy of duty thereon, issue such orders, instructions and directions to officers of customs as it may deem fit and such officers of customs and all other persons employed in the execution of this Act shall observe and follow such orders, instructions and directions of the Board:

Provided that no such orders, instructions or directions shall be issued—

(a) so as to require any such officer of customs to make a particular assessment or to dispose of a particular case in a particular manner; or

(b) so as to interfere with the discretion of the Collector of Customs (Appeals) in the exercise of his appellate functions.”

13. Every proceeding under the proviso to sub-section (1) of section 28 of the principal Act, which is pending immediately before the commencement of this Act before an Assistant Collector of Customs and any matter arising out of, or connected with, such proceeding and which is so pending, shall stand transferred on such commencement to the Collector of Customs who may proceed with such proceeding or matter from the stage at which it was on such commencement or from any earlier stage as he may deem fit:

Provided that any party to the proceeding or matter may demand that before proceeding further with the proceeding or matter, he may be re-heard.

Validation.

14. (1) Any drawback allowed under section 75 of the principal Act on goods exported by post during the period commencing on and from the 13th day of May, 1983 and ending with the date of commencement of this Act shall be deemed to have been validly allowed as if the provisions of the said section, as amended by section 7 of this Act, had been in force at all material times.

(2) Any person whose claim for drawback on goods exported by post under section 75 of the principal Act during the period commencing on and from the 13th day of May, 1983 and ending with the date of commencement of this Act was disallowed on the ground that the principal Act did not provide for any such allowance, may, within ninety days from such commencement, apply to the proper officer for reconsideration of the matter and such proper officer shall decide such claim as if the provisions of section 75 of the principal Act, as amended by section 7 of this Act, had been in force on the date on which such goods were so exported.

THE BANKING LAWS (AMENDMENT) ACT, 1985

No. 81 OF 1985

[27th December, 1985.]

An Act further to amend the Reserve Bank of India Act, 1934, the State Bank of India Act, 1955, the State Bank of India (Subsidiary Banks) Act, 1959, the Deposit Insurance and Credit Guarantee Corporation Act, 1961, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Regional Rural Banks Act, 1976, the Deposit Insurance Corporation (Amendment and Miscellaneous Provisions) Act, 1978, the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, the Export-Import Bank of India Act, 1981 and the National Bank for Agriculture and Rural Development Act, 1981.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Banking Laws (Amendment) Act, 1985.

Short title and commencement.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act.

CHAPTER II

AMENDMENT TO THE RESERVE BANK OF INDIA ACT, 1934

2. In section 17 of the Reserve Bank of India Act, 1934, in clause (4A), in the proviso, for the words "ninety per cent. of the paid-up share capital", the words "twice the paid-up share capital" shall be substituted.

Amendment of Act 2 of 1934.

CHAPTER III

AMENDMENT TO THE STATE BANK OF INDIA ACT, 1955

3. In section 40 of the State Bank of India Act, 1955, in sub-section (4), the words "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" shall be omitted.

Amendment of Act 23 of 1955.

¹ 30-12-1985 *Vide* Notification No. S.O. 921(E) dated 30-12-1985, (in respect of Sec. 7, 8, 10, 13, and 14) Gazette of India, Extraordinary Part II, Sec. 3 (ii). The remaining provisions of the Act came into force on 1-5-1986 *Vide* Notification No. S.O. 220 (E), dated 1-5-1986, Gazette of India, Extraordinary, 1986 Part-II, Sec. 3 (ii).

CHAPTER IV

AMENDMENT TO THE STATE BANK OF INDIA (SUBSIDIARY BANKS) Act, 1959

Amend-
ment of
Act 38 of
1959.

4. In section 43 of the State Bank of India (Subsidiary Banks) Act, 1959, in sub-section (3), the words "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" shall be omitted.

CHAPTER V

AMENDMENTS TO THE DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION ACT, 1961

Amend-
ment of
section 2.

5. In section 2 of the Deposit Insurance and Credit Guarantee Corporation Act, 1961 (hereafter in this Chapter referred to as the Deposit Insurance Corporation Act), in clause (g), after sub-clause (i), the following sub-clause shall be inserted, namely:—

47 of 1961.

“(ia) any amount due on account of any deposit with any insured bank which has been specially exempted in this behalf by the Corporation with the previous approval of the Reserve Bank; or”.

Amend-
ment of
section 32.

6. In section 32 of the Deposit Insurance Corporation Act, in sub-section (2), the words "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" shall be omitted.

CHAPTER VI

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970

Amend-
ment of
section 3.

7. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (hereafter in this Chapter referred to as the Bank Nationalisation Act), after sub-section (2), the following sub-section shall be inserted, namely:—

5 of 1970.

“(2A) Notwithstanding anything contained in sub-section (2), the paid-up capital of every corresponding new bank constituted under sub-section (1) may from time to time be increased by—

(a) such amounts as the Board of Directors of the corresponding new bank may, after consultation with the Reserve Bank and with the previous sanction of the Central Government, transfer from the reserve fund established by such bank to such paid-up capital;

(b) such amounts as the Central Government may, in consultation with the Reserve Bank, contribute to such paid-up capital:

Provided that the paid-up capital of any such bank shall in no case be in excess of rupees one hundred crores.”

Amend-
ment of
section 9.

8. In section 9 of the Bank Nationalisation Act, in sub-section (2), in clause (a), for the words “fifteen crores”, the words “one hundred crores” shall be substituted.

9. In section 10 of the Bank Nationalisation Act, in sub-section (8), the words "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" shall be omitted.

Amend-
ment of
section 10.

10. (1) The corresponding new bank known as the "United Commercial Bank" constituted under section 3 of the Bank Nationalisation Act shall be renamed as "UCO Bank", and accordingly in the First Schedule to the said Act, in column 2, for the words "United Commercial Bank", the letters and word "UCO Bank" shall be substituted.

Change of
name of
United
Commercial
Bank and
consequen-
tial amend-
ment of
the First
Schedule,
etc.

(2) The change of name of United Commercial Bank by sub-section (1) shall not affect any rights and obligations of that bank or render defective any legal proceedings by or against it, and any legal proceedings which might have been continued or commenced by or against that bank by its former name may be continued or commenced by or against it by its new name.

CHAPTER VII

AMENDMENT TO THE REGIONAL RURAL BANKS ACT, 1976

11. Section 20 of the Regional Rural Banks Act, 1976 shall be renumbered as sub-section (1) thereof and after sub-section (1) as so renumbered, the following sub-section shall be inserted, namely:—

Amend-
ment of
Act 21 of
1976.

"(2) The Central Government shall cause every auditor's report and report on the working and activities of each Regional Rural Bank to be laid, as soon as may be after they are received, before each House of Parliament".

CHAPTER VIII

AMENDMENT TO THE DEPOSIT INSURANCE CORPORATION (AMENDMENT AND MISCELLANEOUS PROVISIONS) ACT, 1978

12. In the Deposit Insurance Corporation (Amendment and Miscellaneous Provisions) Act, 1987, Chapter IV shall be omitted.

Amend-
ment of
Act 21 of
1978.

CHAPTER IX

AMENDMENTS TO THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1980

40 of 1980.

13. In section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980 [hereafter in this Chapter referred to as the Bank (Second) Nationalisation Act], after sub-section (2), the following sub-section shall be inserted, namely:—

Amend-
ment of
section 3.

"(2A) Notwithstanding anything contained in sub-section (2), the paid-up capital of every corresponding new bank constituted under sub-section (1) may from time to time be increased by—

(a) such amounts as the Board of Directors of the corresponding new bank may, after consultation with the Reserve Bank and with the previous sanction of the Central Government, transfer from the reserve fund established by such bank to such paid-up capital;

(b) such amounts as the Central Government may, in consultation with the Reserve Bank, contribute to such paid-up capital:

Provided that the paid-up capital of any such bank shall in no case be in excess of rupees one hundred crores.”.

Amend-
ment of
section 9.

14. In section 9 of the Bank (Second) Nationalisation Act, in sub-section (2), in clause (a), for the words “fifteen crores”, the words “one hundred crores” shall be substituted.

Amend-
ment of
section 10.

15. In section 10 of the Bank (Second) Nationalisation Act, in sub-section (8), the words “, 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” shall be omitted.

CHAPTER X

AMENDMENT TO THE EXPORT-IMPORT BANK OF INDIA ACT, 1981

Amend-
ment of
Act 28 of
1981.

16. In section 6 of the Export-Import Bank of India Act, 1981, in sub-section (2), for the words “three years”, the words “five years” shall be substituted.

CHAPTER XI

AMENDMENTS TO THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT ACT, 1981

Amend-
ment of
section 6.

17. In section 6 of the National Bank for Agriculture and Rural Development Act, 1981 (hereafter in this Chapter referred to as the National Bank Act),— 61 of 1981.

(a) in sub-section (2), the proviso shall be omitted;

(b) in sub-section (3),—

(i) in the opening portion, the words “and the Board” shall be omitted;

(ii) the proviso shall be omitted.

Amend-
ment of
section 7.

18. In section 7 of the National Bank Act,—

(a) in sub-section (1), the proviso shall be omitted;

(b) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in sub-section (1), the Central Government shall have the right to terminate the term of office of the Chairman at any time before the expiry of the term specified under that sub-section by giving him a notice of not less than three months in writing or three months’ salary and allowances in lieu of such notice.”.

THE INLAND WATERWAYS AUTHORITY OF INDIA
ACT, 1985

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title and commencement.
2. Definitions.

CHAPTER II

INLAND WATERWAYS AUTHORITY OF INDIA

3. Constitution and incorporation of the Inland Waterways Authority of India.
4. Conditions of service of members.
5. Powers of Chairman and Vice-Chairman.
6. Removal, etc., of members.
7. Vacancy, etc., not to invalidate proceedings of the Authority.
8. Secretary and other officers.
9. Advisory Committees.
10. Authority to act on business principles.

CHAPTER III

PROPERTY AND CONTRACTS

11. Transfer of assets and liabilities of the Central Government to the Authority.
12. Contracts by the Authority.
13. Mode of executing contracts on behalf of the Authority.

CHAPTER IV

FUNCTIONS AND POWERS OF THE AUTHORITY

14. Functions of the Authority.
15. Amendment of schemes.
16. Power to fix maximum and minimum rates for passenger fares and freight for goods.

CHAPTER V**FINANCE, ACCOUNTS AND AUDIT****SECTIONS**

17. Levy and collection of fees and charges.
18. Grants and loans by the Central Government.
19. Constitution of the Fund.
20. Budget.
21. Investment of funds.
22. Annual report.
23. Accounts and audit.
24. Annual report and auditors' report to be laid before Parliament.

CHAPTER VI**MISCELLANEOUS**

25. Power of Central Government to issue directions.
26. Compulsory acquisition of land for the Authority.
27. Application, etc., of certain laws.
28. Power to enter.
29. Delegation.
30. Authentication of orders and other instruments of the Authority.
31. Members, officers and employees of the Authority to be public servants.
32. Protection of action taken in good faith.
33. Power of Central Government to supersede the Authority.
34. Power to make rules.
35. Power to make regulations.
36. Rules and regulations to be laid before Parliament.
37. Power to remove difficulties.
38. Amendment of Act 49 of 1982.

THE INLAND WATERWAYS AUTHORITY OF INDIA
ACT, 1985

No. 82 OF 1985

[30th December, 1985.]

An Act to provide for the constitution of an Authority for the regulation and development of inland waterways for purposes of shipping and navigation and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Inland Waterways Authority of India Act, 1985.

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

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

(a) "appurtenant land" means all lands appurtenant to a national waterway, whether demarcated or not;

(b) "Authority" means the Inland Waterways Authority of India constituted under section 3;

(c) "channel" means any waterway, whether natural or artificial;

(d) "conservancy" includes dredging, training, closure, diversion or abandoning channels;

(e) "conservancy measures" means measures for purposes of conservancy, but does not include measures for protection of banks against floods or for restricting banks which have become eroded mainly on account of reasons not connected with shipping and navigation;

(f) "infrastructure" includes structures such as docks, wharves, jetties, landing stages, locks, buoys, inland ports, cargo handling equipment, road and rail access and cargo storage spaces, and the expression "infrastructural facilities" shall be construed accordingly;

¹27-10-1986 : Vide Notification No. S.O. 763 (E), dated 27-10-1986, Gazette of India, Extraordinary, 1986, Part II; section 3 (ii).

Short title and commencement.

Definitions.

(g) "member" means a member of the Authority appointed under sub-section (3) of section 3;

(h) "national waterway" means the inland waterway declared by section 2 of the National Waterway (Allahabad-Haldia Stretch of the Ganga-Bhagirathi-Hooghly River) Act, 1982, to be a national waterway.

49 of 1982.

Explanation.—If Parliament declares by law any other waterway to be a national waterway, then from the date on which such declaration takes effect, such other waterway—

(i) shall be deemed also to be a national waterway within the meaning of this clause; and

(ii) the provisions of this Act shall, with necessary modifications (including modification for construing any reference to the commencement of this Act as a reference to the date aforesaid), apply to such national waterway;

(i) "navigable channel" means a channel navigable during the whole or a part of the year;

(j) "prescribed" means prescribed by rules made under this Act;

(k) "regulations" means regulations made by the Authority under this Act; and

(l) "rules" means rules made by the Central Government under this Act

CHAPTER II

INLAND WATERWAYS AUTHORITY OF INDIA

Constitution and incorporation of the Inland Waterways Authority of India.

3. (1) With effect from such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf, there shall be constituted for the purposes of this Act an Authority, to be called the Inland Waterways Authority of India.

(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 the following members, namely:—

(a) a Chairman;

(b) a Vice-Chairman; and

(c) such number of persons, not exceeding five, to be appointed by the Central Government.

(4) The Authority may associate with itself, in such manner and for such purposes as may be determined by regulations, any person whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part

*27-10-1986 : Vide Notification No. S.O. 764 (E), dated 27-10-1986, Gazette of India, Extraordinary, 1986, Part II, section 3 (ii).

in the discussions of the Authority relevant to the purpose for which he has been associated, but shall not be entitled to vote.

4. The term of office and other conditions of service of the members shall be such as may be prescribed.

Conditions of service of members.

5. (1) The Chairman of the Authority shall, in addition to presiding over the meetings of the Authority, exercise and discharge such powers and duties of the Authority as may be delegated to him by the Authority and such other powers and duties as may be prescribed.

Powers of Chairman and Vice-Chairman.

(2) The Vice-Chairman of the Authority shall exercise and discharge such of the powers and duties of the Chairman as may be prescribed or as may be delegated to him by the Authority.

Removal, etc., of members.

6. (1) The Central Government may remove from the Authority any member who, in its opinion,—

- (a) refuses to act,
- (b) has become incapable to act,
- (c) has so abused his office as to render his continuance in office detrimental to the public interest, or
- (d) is otherwise unsuitable to continue as a member.

(2) The Central Government may suspend any member pending an inquiry against him.

(3) No order of removal under this section shall be made unless the member concerned has been given an opportunity to submit his explanation to the Central Government and when such order is passed, the seat of the member removed shall be declared vacant.

(4) A member who has been removed under this section shall not be eligible for re-appointment as a member or in any capacity under the Authority.

7. No act or proceeding of the Authority shall be invalidated 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.

8. (1) The Authority may appoint the Secretary and such other officers and employees as it considers necessary for the efficient discharge of its functions under this Act.

(2) The terms and conditions of service of the Secretary and other officers and employees of the Authority shall be such as may be determined by regulations.

Vacancy, etc., not to invalidate proceedings of the Authority.

Secretary and other officers.

Advisory
Com-
mittees.

9. (1) Subject to any rules made in this behalf, the Authority may from time to time constitute such Advisory Committees as may be necessary for the efficient discharge of its functions.

(2) Every Advisory Committee shall consist of such number of persons connected with shipping and navigation and allied aspects as the Authority may deem fit.

Autho-
rity to
act on
business
princi-
ples.

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

Transfer
of assets
and lia-
bilities
of the
Central
Govern-
ment to
the Au-
thority.

CHAPTER III

PROPERTY AND CONTRACTS

11. (1) As from such day¹ as the Central Government may, appoint by notification in the Official Gazette,

(a) all properties and other assets vested in the Central Government for the purposes of Inland Water Transport Directorate, and administered by the Chief Engineer-cum-Administrator, Inland Water Transport Directorate, immediately before such day shall vest in the Authority;

(b) all debts, obligations and liabilities incurred, all contracts entered into and all matters and things engaged to be done by, with, or for the Central Government immediately before such day for or in connection with the purposes of Inland Water Transport Directorate shall be deemed to have been incurred; entered into and engaged to be done by, with, or for the Authority;

(c) all non-recurring expenditure incurred by the Central Government for or in connection with the purposes of Inland Water Transport Directorate up to such day and declared to be capital expenditure by the Central Government shall, subject to such terms and conditions as may be determined by the Central Government, be treated as capital provided by the Central Government to the Authority;

(d) all sums of money due to the Central Government in relation to Inland Water Transport Directorate immediately before such day shall be deemed to be due to the Authority;

(e) all suits and other legal proceedings with respect to any matter in relation to Inland Water Transport Directorate which having been instituted by or against the Central Government are pending, or which could have been so instituted, immediately before such date shall on and after such date be continued or instituted by or against the Authority; and

(f) every employee holding any office under the Central Government immediately before such day solely or mainly for or in connection with such affairs of Inland Water Transport Directorate as are relevant to the functions of the Authority under this

¹27-10-1986 : Vide Notification No. S.O. 767 (E), dated 27-10-1986, Extraordinary, 1986, Part II, section 3 (ii).

Act 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 Central Government, either on its own motion or at the request of the Authority, recalls such employee to its service or until the Authority, with the concurrence of the Central Government, duly absorbs such employee in its regular service, whichever is earlier:

Provided that during the period of deputation of any such employee with the Authority, the Authority shall pay to the Central Government in respect of every such employee, such contribution towards 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 its 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 in its regular service.

(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 Central Government 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) 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.

12. Subject to the provisions of section 13, the Authority shall be competent to enter into and perform any contract necessary for the discharge of its functions under this Act.

Contracts by
the
Autho-
rity.

13. (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:

Mode of
execut-
ing con-
tracts
on be-
half of
the Au-
thority.

Provided further that no contract for the acquisition or sale of immoveable 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 prescribed 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 IV

FUNCTIONS AND POWERS OF THE AUTHORITY

Functions
of the
Authority.

14. (1) The Authority may—

(a) carry out surveys and investigations for the development, maintenance and better utilisation of the national waterways and the appurtenant land for shipping and navigation and prepare schemes in this behalf;

(b) provide or permit setting up of infrastructural facilities for national waterways;

(c) carry out conservancy measures and training works and do all other acts necessary for the safety and convenience of shipping and navigation and improvement of the national waterways;

(d) control activities such as throwing rubbish, dumping or removal of material, in or from the bed of the national waterways and appurtenant land, in so far as they may affect safe and efficient, shipping and navigation, maintenance of navigable channels, river training and conservancy measures;

(e) remove or alter any obstruction or impediment in the national waterways and the appurtenant land which may impede the safe navigation or endanger safety of infrastructural facilities or conservancy measures where such obstruction or impediment has been lawfully made or has become lawful by reason of long continuance of such obstruction or impediment or otherwise, after making compensation to person suffering damage by such removal or alteration;

(f) provide for the regulation of navigation and traffic (including the rule of the road) on national waterways;

(g) regulate the construction or alteration of structures on, across or under the national waterways;

(h) disseminate navigational meteorological information about national waterways;

(i) ensure co-ordination of inland water transport on national waterways with other modes of transport; and

(j) establish and maintain pilotage on national waterways.

(2) The Authority may also—

- (a) advise the Central Government on matters relating to inland water transport;
- (b) study the transport requirement with a view to co-ordinating inland water transport with other modes of transport;
- (c) carry out hydrographic surveys and publish river charts;
- (d) assist, on such terms and conditions as may be mutually agreed upon, any State Government in formulation and implementation of scheme for inland water transport development;
- (e) develop consultancy services and provide such services, on such terms and conditions as may be mutually agreed upon, in India and abroad in relation to planning and development of waterways for shipping and navigation or any facility thereat;
- (f) conduct research in matters relating to inland water transport including development of craft design, mechanisation of country crafts, technique of towage, landing and terminal facilities, port installations and survey techniques;
- (g) lay down standards for classification of inland waterways;
- (h) arrange programme of technical training for inland water transport personnel within and outside the country; and
- (i) perform such other functions as may be necessary to carry out the provisions of this Act.

(3) Any dispute arising out of or concerning the compensation referred to in clause (e) of sub-section (1) shall be determined according to the law relating to like disputes in the case of land required for public purposes.

(4) Every scheme, prepared by the Authority to carry out functions under sub-sections (1) and (2), involving capital expenditure exceeding the amount as may be prescribed, shall be submitted to the Central Government for approval.

(5) The Central Government may either approve the scheme submitted to it under sub-section (4) without modification or with such modifications as it may consider necessary or reject the scheme with directions to the Authority to prepare a fresh scheme according to such directions.

13. The Authority shall not make any material change in the scheme approved under sub-section (5) of section 1⁴ without the prior approval of the Central Government.

Explanation.—For the purposes of this section, “material change” means an increase in the cost of the scheme by more than twenty per cent. of its cost or a change in the benefit and cost ratio which either makes the cost component in the ratio exceeds the benefit or reduces the benefit component by more than twenty per cent.

LXXX

Power to fix maximum and minimum rates for passenger fares and freight for goods.

16. The Authority may, with the previous approval of the Central Government and by notification in the Official Gazette, in respect of any system of national waterways or of any stretch of any national waterway, or of run between any two stations on a national waterway,—

- (a) fix the maximum or minimum rate per kilometre which may be charged for passenger fares for passengers of any class travelling on inland mechanically propelled vessel;
- (b) fix the maximum or minimum rates or both such rates per kilometre which may be charged for freight on goods of any description carried in inland mechanically propelled vessels; and
- (c) declare what shall be deemed to be the distance between any two stations on a national waterway for the purpose of calculating passengers' fares or freight on goods where maximum or minimum rates or both such rates have been fixed under this section.

CHAPTER V

FINANCE, ACCOUNTS AND AUDIT

Levy and collection of fees and charges.

17. (1) The Authority may, with the previous approval of the Central Government, levy fees and charges at such rates as may be laid down by regulations made in this behalf for services or benefits rendered in relation to the use of the national waterways for the purposes of shipping, navigation, infrastructural facilities, including facilities for passengers and facilities relating to the berthing of vessels, handling of cargoes and storage of cargoes.

(2) The fees and charges levied under sub-section (1) shall be collected in such manner as may be determined by regulations.

Grants and loans by the Central Government.

Constitution of the Fund.

18. The Central Government may, after due appropriation made by Parliament by law in this behalf, make to the Authority grants and loans of such sums of money as that Government may consider necessary.

19. (1) There shall be constituted a Fund to be called the Inland Waterways Authority of India Fund and there shall be credited thereto—

- (a) any grants and loans made to the Authority by the Central Government under section 18;
- (b) all fees and charges received by the Authority under this Act; and
- (c) all sums received by the Authority from such other sources as may be decided upon by the Central Government.

(2) The Fund shall be applied for meeting—

- (a) salary, allowances and other remuneration of the members, officers and other employees of the Authority;

Omitted by Act 8 of 1994, S.2.

(b) expenses of the Authority in the discharge of its functions under section 14; and

(c) expenses on objects and for purposes authorised by this Act.

20. The Authority shall prepare, in such form and at such time each financial year as may be prescribed, its budget for the next financial year, showing the estimated receipts and expenditure of the Authority and forward the same to the Central Government.

Budget.

21. 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.

Invest-
ment of
funds.

22. The Authority shall prepare, in such form and at such time each financial year as may be prescribed, its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

Annual
report.

23. The accounts of the Authority shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed and the Authority shall furnish, to the Central Government, before such date as may be prescribed, its audited copy of accounts together with the auditors' report thereon.

Accounts
and
audit.

24. The Central Government shall cause the annual report and auditors' report to be laid, as soon as may be after they are received, before each House of Parliament.

Annual
report
and
auditors'
report
to be
laid
before
Parlia-
ment.

CHAPTER VI

MISCELLANEOUS

25. (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:

Power of
Central
Govern-
ment to
issue
direc-
tions.

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.

26. 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.

Compul-
sory
acquisi-
tion of
land
for the
Authority.

Application,
etc.,
of
certain
laws.

27. (1) The provisions of this Act shall be in addition to the provisions of the Indian Ports Act, 1908 and the Major Port Trusts Act, 1963 and in particular nothing in this Act shall affect any jurisdiction, functions, powers or duties required to be exercised, performed or discharged by—

15 of 1908.
38 of 1963.

(a) the conservator of any port or by any officer or authority under the Indian Ports Act, 1908, or

15 of 1908.

(b) the Board of Trustees for any major port or by any officer or authority under the Major Port Trusts Act, 1963,

38 of 1963.

in or in relation to any portion of an inland waterway (including the national waterway) falling within the limits of such port or major port.

(2) Nothing in this Act shall affect the operation of the Inland Vessels Act, 1917 or any other Central Act (other than the Indian Ports Act, 1908 and the Major Port Trusts Act, 1963) or any State or provincial Act in force immediately before the commencement of this Act with respect to shipping and navigation on any national waterway but any jurisdiction, functions, powers or duties required to be exercised, performed or discharged by the State Government or any officer or authority subordinate to the State Government under any such Act in so far as such jurisdiction, functions, powers or duties relates or relate to shipping and navigation or such national waterway or any matter incidental thereto or otherwise connected therewith shall, after such commencement, be exercised, performed or discharged by the Authority.

1 of 1917.
15 of 1908.
38 of 1963.

Power to enter.

28. Subject to any rules made in this behalf, any person, generally or specially authorised by the Authority in this behalf, may, whenever it is necessary so to do for any of the purposes of this Act, at all reasonable times, enter upon any land or premises and—

- (a) make any inspection, survey, measurement, valuation or inquiry;
- (b) take levels;
- (c) dig or bore into sub-soil;
- (d) set out boundaries and intended lines of work;
- (e) mark such level boundaries and lines by placing marks and cutting trenches; or
- (f) do such other acts or things as may be prescribed:

Provided that no such person shall enter any building or any enclosed court or garden attached to a dwelling-house (unless with the consent of the occupier thereof) without previously giving such occupier at least twenty-four hours' notice in writing of his intention to do so.

Delega-
tion.

29. 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 of its powers and functions under this Act (except the powers under section 35) as it may deem necessary.

omitted by Act 8 of 1994, § 3.

30. 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 the Authority in this behalf.

Authenti-
cation of
orders
and
other
instru-
ments of
the
Authority.

31. All members, officers and other employees of the Authority shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act, to be public servants within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

Members,
officers
and
employees
of the
Authority
to be
public
servants.

32. (1) No suit, prosecution or other legal proceedings shall lie against the Government or any officer of the Government or any member, officer or employee of the Authority for anything which is in good faith done or intended to be done under this Act or the rules or regulations made thereunder.

Protec-
tion of
action
taken in
good
faith.

(2) No suit or other legal proceedings shall lie against the Authority for any damage caused or likely to be caused by anything in good faith done or purported to be done under this Act or the rules or regulations, and in particular, it shall not be the responsibility of the Authority to provide for relief measures necessitated by floods or by breaches and failures of works.

33. (1) If, at any time, the Central Government is of opinion—

Power of
Central
Govern-
ment
to super-
sede the
Authority.

(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 national waterway 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 objection, if any, of the Authority.

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

(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 reconstituted 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 reconstituted 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) reconstitute 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 such House of Parliament at the earliest opportunity.

Power to make rules.

34. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the purposes of this Act.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the term of office and other conditions of service of the members of the Authority under section 4;

(b) the powers and duties of the Chairman and Vice-Chairman under section 5;

(c) the matters with respect to the Advisory Committee referred to in sub-section (1) of section 9;

(d) the amount required to be prescribed under sub-section (4) of section 14;

(e) the form in which, and the time at which, the Authority shall prepare its budget under section 20 and its annual report under section 22;

- (f) the manner in which the Authority may invest its funds under section 21;
- (g) the manner in which the accounts of the Authority shall be maintained and audited under section 23;
- (h) the conditions and restrictions with respect to exercise of the power to enter under section 28 and the matters referred to in clause (f) of that section; and
- (i) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by rules.

35. (1) The Authority may, with the previous approval of the Central Government, by notification in the Official Gazette, make regulations consistent with this Act and the rules generally to carry out the purposes of this Act.

Power to make regulations.

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

- (a) the manner in which and the purposes for which, the Authority may associate with itself any person under sub-section (4) of section 3;
- (b) the terms and conditions of service of the Secretary and other officers and employees of the Authority under sub-section (2) of section 8;
- (c) 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;
- (d) the manner in which, and the conditions subject to which, any functions in relation to the matters referred to in sub-sections (1) and (2) of section 14 may be performed;
- (e) the rule of the road on a national waterway;
- (f) the safe, efficient and convenient use, management and control of the infrastructures and infrastructural facilities;
- (g) the reception, portage, storage and removal of goods brought on a national waterway, and the procedure to be followed for taking charge of goods which may have been damaged before landing, or may be alleged to have been so damaged;
- (h) regulating, declaring and defining the docks, wharfs, jetties, landing stages on which goods shall be landed from vessels and shipped on board vessels;
- (i) regulating the manner in which and the conditions under which the loading and unloading of vessels on a national waterway shall be carried out; and
- (j) the exclusion from a national waterway of disorderly or other undesirable persons and of trespassers,

(3) Any regulation made under any of the clauses (c) to (j) of subsection (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.

Rules
and
regula-
tions to
be laid
before
Parlia-
ment.

36. Every rule and every regulation made under this Act 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 or both Houses agree that the rule or regulation 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.

Power to
remove
difficul-
ties.

37. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided that no order shall be made under this section after the expiry of five years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Amend-
ment of
Act 49 of
1982.

38. In the National Waterway (Allahabad-Haldia Stretch of the Ganga-Bhagirathi-Hooghly River) Act, 1982,—

(a) in section 3, for the words "Central Government", the word "Union" shall be substituted, and for the words "to the extent hereinafter provided", the words and figures "to the extent provided in the Inland Waterways Authority of India Act, 1985" shall be substituted;

(b) sections 4 to 15 shall be omitted.

THE FUTWAH-ISLAMPUR LIGHT RAILWAY LINE
(NATIONALISATION) ACT, 1985

No. 83 OF 1985

[30th December, 1985.]

An Act to provide for the acquisition, in the public interest, of the undertakings of the Futwah-Islampur Light Railway Company Limited in relation to the Futwah-Islampur Light Railway Line and for matters connected therewith or incidental thereto.

WHEREAS the track and rolling stock of the Futwah-Islampur Light Railway Line owned by the Futwah-Islampur Light Railway Company Limited are in a dilapidated condition;

AND WHEREAS the running of trains on the aforesaid line besides being hazardous and uneconomical, is also resulting in heavy loss to the Central Government;

AND WHEREAS the aforesaid Company is not in a position to make the assets serviceable for public use;

AND WHEREAS it is necessary in the public interest to acquire the undertakings of the said Company in relation to the said railway line;

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

CHAPTER I

PRELIMINARY

1. This Act may be called the Futwah-Islampur Light Railway Line (Nationalisation) Act, 1985.

Short title.

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

Definitions.

(a) "appointed day" means the day on which this Act comes into force;

(b) "Company" means the Futwah-Islampur Light Railway Company Limited, being a company as defined in the Companies Act, 1956 and having its registered office at 12, Mission Row, Calcutta;

(c) "notification" means a notification published in the Official Gazette;

(d) "undertakings", in relation to the Company, means the Futwah-Islampur Light Railway Line and all other undertakings of that Company relating to that Railway Line;

(e) words and expressions used herein and not defined but defined in the Companies Act, 1956 shall have the meanings respectively assigned to them in that Act.

1 of 1956.

CHAPTER II

ACQUISITION OF THE UNDERTAKINGS OF THE COMPANY

**Transfer
to,
and vest-
ing in,
the Cen-
tral Gov-
ernment
of the
under-
takings
of the
Company.**

**General
effect of
vesting.**

3. On the appointed day, the undertakings of the Company and the right, title and interest of the Company in relation to such undertakings shall, by virtue of this Act, stand transferred to, and vest in, the Central Government.

4. (1) The undertakings of the Company shall be deemed to include all assets, rights, lease-holds, powers, authorities and privileges, and all property, movable and immovable, including lands, buildings, workshops, stores, instruments, machinery and equipment, cash balances, cash on hand, cheques, demand drafts, reserve funds, investments, book debts and all other rights and interests in, or arising out of, such property as were immediately before the appointed day in the ownership, possession, power or control of the Company, whether within or outside India, and all books of account, registers and all other documents of whatever nature relating thereto.

(2) All properties as aforesaid which have vested in the Central Government under section 3 shall, by force of such vesting, be freed and discharged from any trust, obligation, mortgage, charge, lien and all other encumbrances affecting them, and any attachment, injunction, decree or order of any court, tribunal or other authority restricting the use of such properties in any manner or appointing any receiver in respect of the whole or any part of such properties shall be deemed to have been withdrawn.

(3) For the removal of doubts, it is hereby declared that the mortgagee of any property referred to in sub-section (2), or any other person holding any charge, lien or other interest in, or in relation to, any such property shall be entitled to claim, in accordance with his rights and interests, payment of the mortgage money or other dues, in whole or in part, out of the amounts payable under sections 6 and 7 to the Company, but no such mortgage, charge, lien or other interest shall be enforceable against any property which has vested in the Central Government.

(4) Any licence or other instrument granted to the Company in relation to any undertaking which has vested in the Central Government under section 3 at any time before the appointed day and in force immediately before that day shall continue to be in force on and after such

day in accordance with its tenor in relation to and for the purposes of such undertaking, and, on and from the date of vesting of such undertaking under section 3 in the Central Government, that Government shall be deemed to be substituted in such licence or other instrument as if such licence or other instrument had been granted to that Government and that Government shall hold it for the remainder of the period for which the Company would have held it under the terms thereof.

5. (1) Every liability of the Company in respect of any period prior to the appointed day, shall be the liability of the Company and shall be enforceable against it and not against the Central Government.

(2) For the removal of doubts, it is hereby declared that,—

(a) no liability of the Company in relation to its undertakings in respect of any period prior to the appointed day, shall be enforceable against the Central Government;

(b) no award, decree or order of any court, tribunal or other authority in relation to the undertakings of the Company passed on or after the appointed day, in respect of any matter, claim or dispute, which arose before that day, shall be enforceable against the Central Government;

(c) no liability incurred by the Company before the appointed day, for the contravention of any provision of any law for the time being in force, shall be enforceable against the Central Government.

Owners
of the
Company
to be
liable for
certain
prior
liabili-
ties.

CHAPTER III

PAYMENT OF AMOUNT

6. (1) For the transfer to, and vesting in, the Central Government, under section 3, of the right, title and interest of the Company in relation to its undertakings, there shall be paid in cash by the Central Government, before the expiry of a period of three months from the appointed day to the Company, an amount equal to a sum of nineteen lakhs twenty-nine thousand five hundred and forty-two rupees.

Payment
of amount.

(2) Notwithstanding anything contained in sub-section (1), out of the amount referred to in that sub-section, the Central Government shall deduct, in the first instance, any amount due from the Company to that Government and the State Bank of Travancore constituted under section 3 of the State Bank of India (Subsidiary Banks) Act, 1959 and the liability of that Company shall, to the extent of such deductions, stand discharged and such deductions shall have priority over all other debts, secured or unsecured.

38 of 1959.

7. The amount referred to in sub-section (1) of section 6 as reduced by the deductions under sub-section (2) of that section, shall, if not paid to the Company before the expiry of the period specified in the said sub-section (1), carry simple interest at the rate of four per cent, per annum for the period commencing on the appointed day and ending on the date on which payment of such amount as so reduced is made by the Central Government to the Company.

Interest.

Provided that if the amount as so reduced is tendered to the Company but not accepted by it, no interest shall run from the date of such tender.

CHAPTER IV

DUTY OF PERSONS IN CHARGE OF MANAGEMENT OF THE UNDERTAKINGS OF THE COMPANY TO DELIVER ALL ASSETS, ETC.

Duty of persons in charge of management of the undertakings of the Company to deliver all assets, etc.

Duty of persons to account for assets, etc., in their possession.

8. On the vesting of the undertakings of the Company in the Central Government, all persons in charge of the management of the undertakings immediately before such vesting, shall be bound to deliver to the Central Government all assets, books of account, registers or other documents in their custody relating to the undertakings.

9. (1) Any person who has, on the appointed day, in his possession or under his control, any assets, books, documents or other papers relating to the undertakings owned by the Company which have vested in the Central Government and which belong to the Company, or would have so belonged, if the undertakings owned by the Company had not vested in the Central Government, shall be liable to account for the said assets, books, documents and other papers to the Central Government and shall deliver them up to the Central Government or to such person or persons as the Central Government may specify in this behalf.

(2) The Central Government may take or cause to be taken all necessary steps for securing possession of the undertakings of the Company which have vested in the Central Government under this Act.

(3) The Company shall, within such period as the Central Government may allow in this behalf, furnish to that Government a complete inventory of all its properties and assets, as on the appointed day, pertaining to the undertakings which have vested in the Central Government under section 3 and, for this purpose, the Central Government shall afford to the Company all reasonable facilities.

CHAPTER V

PROVISIONS RELATING TO EMPLOYEES OF THE UNDERTAKINGS OF THE COMPANY

Employment of certain employees to continue.

10. (1) Every person who has been, immediately before the appointed day, employed in any of the undertakings of the Company shall become, on and from the appointed day, an employee of the Central Government and shall hold office or service under the Central Government with the same rights and privileges as to pension, gratuity and other matters as would have been admissible to him if there had been no such vesting and shall continue to do so unless and until his employment under the Central Government is duly terminated or until his remuneration and other conditions of service are duly altered by the Central Government:

Provided that unless any extension of service is granted to such person after the appointed day in accordance with the rules in that behalf in

force for the time being, such person shall retire compulsorily from the service of the Central Government,—

(a) where he has attained or attains the age of fifty-eight years before, or on, or within a period of three months from, the appointed day, on the date of expiry of the said period of three months, or on the date on which he shall retire compulsorily from service in accordance with the conditions of service applicable to him immediately before the appointed day, whichever date is earlier;

(b) in any other case, on his attaining the age of fifty-eight years.

14 of 1947.

(2) Notwithstanding anything contained in the Industrial Disputes Act, 1947, or in any other law for the time being in force, the transfer of the service of any officer or other person employed in any undertaking of the Company to the Central Government shall not entitle such officer or other employee to any compensation under this Act or under any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

11. (1) Where the Company has established a provident fund, superannuation fund, welfare fund or any other fund for the benefit of the persons employed in any of the undertakings of the Company, the monies relatable to the officers or other employees whose services have become transferred, by or under this Act, to the Central Government, shall, out of the monies standing, on the appointed day, to the credit of such provident fund, superannuation fund, welfare fund or other fund, stand transferred to, and shall vest in, the Central Government.

Provident
fund
and other
funds.

(2) The monies which stand transferred under sub-section (1) to the Central Government shall be dealt with by that Government in such manner as may be prescribed by rules.

CHAPTER VI

MISCELLANEOUS

12. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law for the time being in force or any instrument having effect by virtue of any law, other than this Act, or in any decree or order of any court, tribunal or other authority.

Act to
have
over-
riding
effect.

13. Any person who,—

(a) having in his possession, custody or control any property forming part of the undertakings of the Company, wrongfully withholds such property from the Central Government; or

(b) wrongfully obtains possession of, or retains, any property forming part of the undertakings of the Company; or

(c) wilfully withholds or fails to furnish to the Central Government or any person or persons specified by that Government any document relating to such undertakings, which may be in his possession, custody or control; or

(d) fails to deliver to the Central Government or any person or persons specified by that Government, any assets, books of account,

Penal-
ties.

registers or other documents in his possession, custody or control, relating to the undertakings of the Company; or

(e) wrongfully removes or destroys any property forming part of the undertakings of the Company or prefers any claim which he knows or has reason to believe to be false or grossly inaccurate, shall be punishable with imprisonment for a term which may extend to two years, or with fine which may extend to ten thousand rupees, or with both.

Offences by Companies.

14. (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 offence.

(2) Notwithstanding anything contained in sub-section (1), where any 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 be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) “company” means any body corporate and includes a firm or other association of individuals; and

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

Protection of action taken in good faith.

15. (1) No suit, prosecution or other legal proceeding shall lie against the Central Government or any officer or other employee of that Government or any officer or other person authorised by that Government for anything which is in good faith done or intended to be done under this Act.

(2) No suit or other legal proceeding shall lie against the Central Government or any officer or other employee of that Government or any officer or other person authorised by that Government for any damage caused or likely to be caused by anything which is in good faith done or intended to be done under this Act.

Delegation of powers.

16. (1) The Central Government may, by notification, direct that all or any of the powers exercisable by it under this Act, other than the powers conferred by this section and sections 17 and 18, may also be exercised by such person or persons as may be specified in the said notification.

(2) Whenever any delegation of power is made under sub-section (1), the person to whom such power has been delegated shall act under the direction, control and supervision of the Central Government.

17. (1) The Central Government may, by notification, make rules for carrying out the provisions of this Act.

Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power such rules may provide the manner in which the monies in any provident fund or other fund under section 11 shall be dealt with.

(3) Every rule made by the Central Government under this Act 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 both Houses agree that the rule should not be made, the rule 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.

18. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, not inconsistent with the provisions of this Act, remove the difficulty:

Power to remove difficulties.

Provided that no such order shall be made after the expiry of a period of two years from the appointed day.

THE CONSTITUTION (FIFTY-FIRST AMENDMENT)
ACT, 1984

[29th April, 1985]

An Act further to amend the Constitution of India.

BE it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

Short title
and
commencement.

1. (1) This Act may be called the Constitution (Fifty-first Amendment) Act, 1984.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Amend-
ment of
article
330.

2. (1) In article 330 of the Constitution, in clause (1), for sub-clause (b), the following sub-clause shall be substituted, namely:—

“(b) the Scheduled Tribes except the Scheduled Tribes in the autonomous districts of Assam; and”.

(2) The amendment made to article 330 of the Constitution by sub-section (1) shall not affect any representation in the House of the People until the dissolution of the House of the People existing at the commencement of this Act.

Amend-
ment of
article
332.

3. (1) In article 332 of the Constitution, in clause (1), for the words “except the Scheduled Tribes in the tribal areas of Assam, in Nagaland and in Meghalaya”, the words “except the Scheduled Tribes in the autonomous districts of Assam” shall be substituted.

(2) The amendment made to article 332 of the Constitution by sub-section (1) shall not affect any representation in the Legislative Assembly of the State of Nagaland or the Legislative Assembly of the State of Meghalaya until the dissolution of the Legislative Assembly of the State of Nagaland or the Legislative Assembly of the State of Meghalaya existing at the commencement of this Act.

¹ 16-6-1986 : Vide Notification No. G.S.R. 871 (E), dated 16-6-1986, Gazette of India, Extraordinary, 1986, Part II, section 3 (i).

THE CONSTITUTION (FIFTY-SECOND AMENDMENT)
ACT, 1985

[15th February, 1985.]

An Act further to amend the Constitution of India.

BE it enacted by Parliament in the Thirty-fifth Year of the Republic of India as follows:—

1. (1) This Act may be called the Constitution (Fifty-second Amendment) Act, 1985.

(2) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. In article 101 of the Constitution, in sub-clause (a) of clause (3), for the words, brackets and figures "clause (1) of article 102", the words, brackets and figures "clause (1) or clause (2) of article 102" shall be substituted.

3. In article 102 of the Constitution,—

(a) for the brackets, figure and words "(2) For the purposes of this article", the words "Explanation.—For the purposes of this clause" shall be substituted:

(b) the following clause shall be inserted at the end, namely:—

"(2) A person shall be disqualified for being a member of either House of Parliament if he is so disqualified under the Tenth Schedule.".

4. In article 190 of the Constitution, in sub-clause (a) of clause (3), for the words, brackets and figures "clause (1) of article 191", the words, brackets and figures "clause (1) or clause (2) of article 191" shall be substituted.

5. In article 191 of the Constitution,—

(a) for the brackets, figure and words "(2) For the purposes of this article", the words "Explanation.—For the purposes of this clause" shall be substituted;

(b) the following clause shall be inserted at the end, namely:—

"(2) A person shall be disqualified for being a member of the Legislative Assembly or Legislative Council of a State if he is so disqualified under the Tenth Schedule.".

Short title
and commence-
ment.

Amend-
ment of
article 101.

Amend-
ment of
article 102.

Amend-
ment of
article 190.

Amend-
ment of
article 191.

¹1-3-1985 : *Vide* Notification No. G.S.R. 131 (E), dated 1-3-1985, Gazette of India, Extraordinary, 1985, Part II, section 3 (i).

Addition of Tenth Schedule. 6. After the Ninth Schedule to the Constitution, the following Schedule shall be added, namely:—

'TENTH SCHEDULE'

[Articles 102(2) and 191(2)]

Provisions as to disqualification on ground of defection

1. Interpretation.—In this Schedule, unless the context otherwise requires,—

(a) "House" means either House of Parliament or the Legislative Assembly or, as the case may be, either House of the Legislature of a State;

(b) "legislature party", in relation to a member of a House belonging to any political party in accordance with the provisions of paragraph 2 or paragraph 3 or, as the case may be, paragraph 4, means the group consisting of all the members of that House for the time being belonging to that political party in accordance with the said provisions;

(c) "original political party", in relation to a member of a House, means the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 2;

(d) "paragraph" means a paragraph of this Schedule.

2. Disqualification on ground of defection.—(1) Subject to the provisions of paragraphs 3, 4 and 5, a member of a House belonging to any political party shall be disqualified for being a member of the House—

(a) if he has voluntarily given up his membership of such political party; or

(b) if he votes or abstains from voting in such House contrary to any direction issued by the political party to which he belongs or by any person or authority authorised by it in this behalf, without obtaining, in either case, the prior permission of such political party, person or authority and such voting or abstention has not been condoned by such political party, person or authority within fifteen days from the date of such voting or abstention.

Explanation.—For the purposes of this sub-paragraph,—

(a) an elected member of a House shall be deemed to belong to the political party, if any, by which he was set up as a candidate for election as such member;

(b) a nominated member of a House shall,—

(i) where he is a member of any political party on the date of his nomination as such member, be deemed to belong to such political party;

(ii) in any other case, be deemed to belong to the political party of which he becomes; or, as the case may be, first becomes, a member before the expiry of six months from the date on which he takes his seat after complying with the requirements of article 99 or, as the case may be, article 188.

(2) An elected member of a House who has been elected as such otherwise than as a candidate set up by any political party shall be disqualified for being a member of the House if he joins any political party after such election.

(3) A nominated member of a House shall be disqualified for being a member of the House if he joins any political party after the expiry of six months from the date on which he takes his seat after complying with the requirements of article 99 or, as the case may be, article 188.

(4) Notwithstanding anything contained in the foregoing provisions of this paragraph, a person who, on the commencement of the Constitution (Fifty-second Amendment) Act, 1985, is a member of a House (whether elected or nominated as such) shall,—

(i) where he was a member of a political party immediately before such commencement, be deemed, for the purposes of sub-paragraph (1) of this paragraph, to have been elected as a member of such House as a candidate set up by such political party;

(ii) in any other case, be deemed to be an elected member of the House who has been elected as such otherwise than as a candidate set up by any political party for the purposes of sub-paragraph (2) of this paragraph or, as the case may be, be deemed to be a nominated member of the House for the purposes of sub-paragraph (3) of this paragraph.

3. Disqualification on ground of defection not to apply in case of split.—Where a member of a House makes a claim that he and any other members of his legislature party constitute the group representing a faction which has arisen as a result of a split in his original political party and such group consists of not less than one-third of the members of such legislature party,—

(a) he shall not be disqualified under sub-paragraph (1) of paragraph 2 on the ground—

(i) that he has voluntarily given up his membership of his original political party; or

(ii) that he has voted or abstained from voting in such House contrary to any direction issued by such party or by any person or authority authorised by it in that behalf without obtaining the prior permission of such party, person or authority and such voting or abstention has not been condoned by such party, person or authority within fifteen days from the date of such voting or abstention; and

(b) from the time of such split, such faction shall be deemed to be the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 2 and to be his original political party for the purposes of this paragraph.

4. Disqualification on ground of defection not to apply in case of merger.—(1) A member of a House shall not be disqualified under sub-paragraph (1) of paragraph 2 where his original political party merges with another political party and he claims that he and any other members of his original political party—

(a) have become members of such other political party or, as the case may be, of a new political party formed by such merger; or

(b) have not accepted the merger and opted to function as a separate group;

and from the time of such merger, such other political party or new political party or group, as the case may be, shall be deemed to be the political party to which he belongs for the purposes of sub-paragraph (1) of paragraph 2, and to be his original political party for the purpose of this sub-paragraph.

(2) For the purposes of sub-paragraph (1) of this paragraph, the merger of the original political party of a member of a House shall be deemed to have taken place if, and only if, not less than two-thirds of the members of the legislature party concerned have agreed to such merger.

5. Exemption.—Notwithstanding anything contained in this Schedule, a person who has been elected to the office of the Speaker or the Deputy Speaker of the House of the People or the Deputy Chairman of the Council of States or the Chairman or the Deputy Chairman of the Legislative Council of a State or the Speaker or the Deputy Speaker of the Legislative Assembly of a State, shall not be disqualified under this Schedule,—

(a) if he, by reason of his election to such office, voluntarily gives up the membership of the political party to which he belonged immediately before such election and does not, so long as he continues to hold such office thereafter, rejoin that political party or become a member of another political party; or

(b) if he, having given up by reason of his election to such office his membership of the political party to which he belonged immediately before such election, rejoins such political party after he ceases to hold such office.

6. Decision on questions as to disqualification on ground of defection.—

(1) If any question arises as to whether a member of a House has become subject to disqualification under this Schedule, the question shall be referred for the decision of the Chairman or, as the case may be, the Speaker of such House and his decision shall be final:

Provided that where the question which has arisen is as to whether the Chairman or the Speaker of a House has become subject to such disqualification, the question shall be referred for the decision of such member of the House as the House may elect in this behalf and his decision shall be final.

(2) All proceedings under sub-paragraph (1) of this paragraph in relation to any question as to disqualification of a member of a House under this Schedule shall be deemed to be proceedings in Parliament within the meaning of article 122 or, as the case may be, proceedings in the Legislature of a State within the meaning of article 212.

7. Bar of jurisdiction of courts.—Notwithstanding anything in this Constitution, no court shall have any jurisdiction in respect of any matter connected with the disqualification of a member of a House under this Schedule.

8. Rules.—(1) Subject to the provisions of sub-paragraph (2) of this paragraph, the Chairman or the Speaker of a House may make rules for giving effect to the provisions of this Schedule, and in particular, and without prejudice to the generality of the foregoing, such rules may provide for—

- (a) the maintenance of registers or other records as to the political parties, if any, to which different members of the House belong;
- (b) the report which the leader of a legislature party in relation to a member of a House shall furnish with regard to any condonation of the nature referred to in clause (b) of sub-paragraph (1) of paragraph 2 in respect of such member, the time within which and the authority to whom such report shall be furnished;
- (c) the reports which a political party shall furnish with regard to admission to such political party of any members of the House and the officer of the House to whom such reports shall be furnished; and
- (d) the procedure for deciding any question referred to in sub-paragraph (1) of paragraph 6 including the procedure for any inquiry which may be made for the purpose of deciding such question.

(2) The rules made by the Chairman or the Speaker of a House under sub-paragraph (1) of this paragraph shall be laid as soon as may be after they are made before the House for a total period of thirty days which may be comprised in one session or in two or more successive sessions and shall take effect upon the expiry of the said period of thirty days unless they are sooner approved with or without modifications or disapproved by the House and where they are so approved, they shall take effect on such approval in the form in which they were laid or in such modified form, as the case may be, and where they are so disapproved, they shall be of no effect.

(3) The Chairman or the Speaker of a House may, without prejudice to the provisions of article 105 or, as the case may be, article 194, and to any other power which he may have under this Constitution direct that any wilful contravention by any person of the rules made under this paragraph may be dealt with in the same manner as a breach of privilege of the House.'

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