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TABLE SHOWING EFFECT OF PARLIAMENTARY LEGISLATION
OF 1964

Part I.—Central Acts amended, repealed or otherwise affected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 1964 Act by which affected
1	2	3	4	5
1860	45	Indian Penal Code, 1860	Ss. 21, 161, 162 and 163 amended.	40, s. 2.
1890	9	Indian Railways Act, 1890	S. 66 amended. Ss. 70 and 114 substituted. <i>Ibid.</i> , ss. 3 and 4.	12, s. 2.
1898	5	Code of Criminal Procedure, 1898.	Ss. 198B, 222, 492 and 495 amended.	40, s. 3.
1906	3	Indian Coinage Act, 1906	Ss. 13 and 14 amended (w.e.f. 1-6-1964).	17, ss. 2 and 3.
1913	2	Official Trustees Act, 1913	Preamble omitted. Ss. 2, 4, 5, 10, 12, 13, 15, 17, 19, 25 and 30 amended. S. 3 inserted.	48, s. 2. <i>Ibid.</i> , ss. 3 and 5 to 14. <i>Ibid.</i> , s. 4.
1925	26	Indian Carriage of Goods by Sea Act, 1925.	Preamble amended. S. 7 amended.	52, s. 3 and Sch. II. <i>Ibid.</i> , s. 3 and Sch. II.
1925	39	Indian Succession Act, 1925.	S. 213 amended.	52, s. 3 and Sch. II.
1926	16	Indian Trade Unions Act, 1926	Throughout the Act, except in sub-section (4) of section 28, for the words "officer" and "officers", the words "office-bearer" and "office-bearers" respectively substituted (w.e.f. 1-4-1965). Ss. 1, 21 and 28 amended (w.e.f. 1-4-1965). S. 21A inserted (w.e.f. 1-4-1965).	38, s. 2. <i>Ibid.</i> , ss. 3, 4 and 6. <i>Ibid.</i> , s. 5.
1931	16	Provisional Collection of Taxes Act, 1931.	Ss. 4 and 5 amended (w.e.f. 1-2-1965).	45, s. 2.
1934	2	Reserve Bank of India Act, 1934.	Ss. 2, 8, 13 and 17 amended (w.e.f. 1-7-1964). S. 46C inserted (w.e.f. 1-7-1964).	18, s. 38 and Sch. II. <i>Ibid.</i> , s. 38 and Sch. II.

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1	2	3	4	5
1934	32	Indian Tariff Act, 1934 <i>First Schedule amended</i>	First Schedule amended. (partly w.e.f. 28-12-1964 and partly w.e.f. 1-1-1965).	5, s. 56 and Sch. III. 51, s. 2.
1936	4	Payment of Wages Act, 1936	Ss. 1 to 3, 5, 7, 10, 12, 14, 15 to 17, 17A, 20, 21, 24 and 26 amended (w.e.f. 1-2-1965). Ss. 12A, 13A, 14A and 22A inserted (w.e.f. 1-2-1965).	53, ss. 2 to 8, 11, 13 to 16, 18, 19, 21 and 22. <i>Ibid.</i> , ss. 9, 10, 12 and 20.
1940	23	Drugs and Cosmetics Act, 1940	Ss. 3 to 6, 8, 10, 12, 16, 18, 19, 23, 25, 30, 31, 33, 33A and 36 amended (w.e.f. 15-9-1964). Ss. 7A, 9B, 17B, 18A, 31A and 32A (w.e.f. 15-9-1964); s. 33A and Chapter IVA (ss. 33B to 33O) (w.e.f. the date to be notified), ss. 34A and 38 (w.e.f. 15-9-1964) inserted. Ss. 27 and 28 (w.e.f. 15-9-1964), and Schedule (w.e.f. the date to be notified) substituted.	13, ss. 2 to 5, 7, 9 to 11, 13, 15 to 17, 20, 21, 24, 27 and 29. <i>Ibid.</i> , ss. 6, 8, 12, 14, 22, 23, 25, 26, 28 and 30. <i>Ibid.</i> , ss. 18, 19 and 31
1944	1	Central Excises and Salt Act, 1944.	S. 2 and First Schedule amended.	5, s. 60.
1946	25	Delhi Special Police Establishment Act, 1946.	S. 5 amended.	40, s. 5.
1947	2	Prevention of Corruption Act, 1947.	Ss. 4, 5, 6, 7 and 8 amended. S. 5A substituted. Ss. 6A and 7A inserted.	40, s. 6. <i>Ibid.</i> , s. 6. <i>Ibid.</i> , s. 6.
1947	7	Foreign Exchange Regulation Act, 1947.	Ss. 1, 2, 4, 5, 8, 10, 12, 13, 17, 18, 19, 22, 23, 23A, 23E, 23F, 24A and 27 amended (w.e.f. 1-4-1965). Ss. 2A, 2B, 18A, 18B, 19A to 19F, 19I, 19J, 23EE, 23EEE and 25A inserted (w.e.f. 1-4-1965). Ss. 19A and 19B renumbered and amended (w.e.f. 1-4-1965).	55, ss. 2, 3, 5 to 12, 14, 16 to 19, 21, 22 and 24. <i>Ibid.</i> , ss. 4, 13, 15, 20 and 23. <i>Ibid.</i> , s. 15.

		1	2	3	4	5
1947	14	Industrial Disputes Act, 1947.	S. 2 amended (w.e.f. 1-7-1964).	S. 2 amended (w.e.f. 18, s. 38 and Sch. II. 1-7-1964).	18, s. 38 and Sch. II. 1-7-1964).	
				Ss. 2, 7, 7A, 10, 10A, 11, 36, ss. 2 to 12, 14 to 12, 18, 19, 23, 24, 25F, 18, 20, 22 and 23. 25FFF, 25H, 25J, 33, 38, First Schedule and Fourth Schedule amended (w.e.f. 19-12-1964).	Ss. 2, 7, 7A, 10, 10A, 11, 36, ss. 2 to 12, 14 to 12, 18, 19, 23, 24, 25F, 18, 20, 22 and 23. 25FFF, 25H, 25J, 33, 38, First Schedule and Fourth Schedule amended (w.e.f. 19-12-1964).	
				Ss. 25B, 33C and 40 substituted (w.e.f. 19-12-1964).	Ibid. ss. 13, 19 and 21.	
1948	15	Industrial Finance Corpora- tion Act, 1948.	S. 2 amended (w.e.f. 1-7-1964); ss. 4, 6, 10, 10A, 11, 13, 13A, 17, 18, 21, 23, 24, 34, 35, 36, 42 and 43 amended (w.e.f. 1-8-1964).	S. 2 amended (w.e.f. 1-7-1964) Ibid., s. 38 and Sch. II. 1-8-1964) inserted.	S. 2 amended (w.e.f. 1-7-1964) Ibid., s. 38 and Sch. II. 1-8-1964).	S. 4A (w.e.f. 1-7-1964) Ibid., s. 38 and Sch. II. 1-8-1964) inserted.
				S. 32A substituted (w.e.f. Ibid., s. 38 and Sch. II. 1-8-1964).		
1949	1	Indian Tariff (Amendment) Act, 1949.	Ss. 4 and 5 amended.		5, s. 59.	
1949	10	Banking Companies Act, 1949.	S. 34A amended (w.e.f. 1-7-1964).		5, s. 59.	
1949	24	Delhi Hotels (Control of Accommodation) Act, 1949.	S. 1 amended.		52, s. 3 and Sch. II.	
1949	38	Chartered Accountants Act, 1949.	First Schedule amended.		52, s. 3 and Sch. II.	
1950	43	Representation of the People Act, 1950.	S. 20 amended.		33, s. 2.	
1951	43	Representation of the People Act, 1951.	S. 60 amended.		33, s. 3.	
1952	46	Criminal Law Amendment Act, 1952.	S. 6 amended.		40, s. 7.	
			S. 8A inserted temporarily (w.e.f. 5-11-1964 to 31-12-1966).		47, s. 3.	
1953	34	Estate Duty Act, 1953	S. 5A (w.e.f. 23-9-1963); and ss. 33, 34, 50, 78 and Second Schedule (w.e.f. 1-4-1964) amended.		5, s. 49.	
			S. 80 substituted (w.e.f. 1-4-1964).		Ibid., s. 49.	
			S. 50B inserted (w.e.f. 1-4-1964).		31, s. 19.	
			S. 52 substituted.		Ibid., s. 19.	

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			1	2	3	4	5
1953	45	Coir Industry Act, 1953			Long title substituted. Ss. 10, 15 and 26 amended. <i>Ibid.</i> , ss. 3, 5 and 7. S. 14A inserted. <i>Ibid.</i> , s. 4. S. 17 substituted. <i>Ibid.</i> , s. 6.	25, s. 2.	
1954	14	Barsi Light Railway Company (Transferred Liabilities) Act, 1954.			Repealed.	52, s. 2 and Sch. I.	
1954	28	High Court Judges (Conditions of Service) Act, 1954.			S. 14 amended. S. 23C inserted (retros- pectively).	27, s. 2. <i>Ibid.</i> , s. 3.	
1954	29	Wakf Act, 1954			Ss. 3, 7, 9, 11, 15, 22, 23, 32, 4 ^t , 43, 45, 46, 48, 62, 67 and 69 amended. Chapter II A (ss. 8A to 8D), 36A, 36B, 43A, 66C, 70 and Schedule inserted. S. 54 omitted. S. 55 substituted.	34, ss. 2, 3, 5 to 10, 12, 13, 15 to 17, 20, 22 and 23. <i>Ibid.</i> , ss. 4, 11, 14, 21 and 24. <i>Ibid.</i> , s. 18. <i>Ibid.</i> , s. 19.	
1954	30	Salaries and Allowances of Members of Parliament Act, 1954			Ss. 3 and 5 amended (w.e.f. 1-6-1964).	26, ss. 2 and 3.	
1954	37	Prevention of Food Adultera- tion Act, 1954.			Ss. 2, 3, 7, 10, 15, 16, 19, 20, 23 and 24 amended (w.e.f. 1-3-1965). Ss. 8, 9 and 14 substituted (w.e.f. 1-3-1965). S. 20A inserted (w.e.f. 1-3-1965).	49, ss. 2 to 4, 6, 8 to 11, 13 and 14. <i>Ibid.</i> , ss. 5 and 7. <i>Ibid.</i> , s. 12.	
1955	10	Essential Commodities Act, 1955.			S. 12A inserted tempo- rarily (w.e.f. 5-II-1964 to 31-12-1966).	47, s. 2.	
1955	16	Medicinal and Toilet Prepara- tions (Excise Duties) Act, 1955.			S. 2 amended. Schedule substituted.	5, s. 64. <i>Ibid.</i> , s. 64.	
1955	23	State Bank of India Act, 1955			Ss. 2, 19, 20, 22, 24, 25, 33, 36, 41, 43 and 50 amended (w.e.f. 1-12- 1964). S. 21 substituted (w.e.f. 1-12-1964). Ss. 21A, 21B, 21C and 31A inserted (w.e.f. 1-12- 1964). S. 48 omitted (w.e.f. 1-12-1964).	35, ss. 2 to 4, 7 to 9, 11 to 14 and 16. <i>Ibid.</i> , ss. 6 and 10. <i>Ibid.</i> , s. 5.	
1955	25	Hindu Marriage Act, 1955			S. 13 amended.	44, s. 2.	
1955	36	Durgah Khawaja Saheb Act, 1955.			S. 14 amended (w.e.f. 1-6-1964).	20, s. 2.	

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1	2	3	4	5
1956	1	Companies Act, 1956 .	S. 635B inserted. S. 3, as extended to the Union territory of Goa, Daman and Diu, amended. Ss. 56 and 620 amended. <i>Ibid.</i> , s. 3 and Sch. II.	32, s. 2. 52, s. 3 and Sch. II.
1956	89	Standards of Weights and Measures Act, 1956.	Ss. 2, 3 and 5 amended. S. 15A inserted.	54, ss. 2 to 4. <i>Ibid.</i> , s. 5.
1956	96	Slum Areas (Improvement and Clearance) Act, 1956.	Ss. 2, 4, 5, 10, 13, 15, 21, 27, 28, 32, 33, 36 and 40 amended (w.e.f. 27-2-1965). Ss. 6A, 20A, 20B and 37A inserted (w.e.f. 27-2-1965). Ss. 11, 19 and 20 substituted (w.e.f. 27-2-1965).	43, ss. 2 to 4, 6, 8, 9, 13 to 18 and 20. <i>Ibid.</i> , ss. 5, 12 and 19. <i>Ibid.</i> , ss. 7, 10 and 11.
1956	102	Indian Medical Council Act, 1956.	Ss. 1, 2, 12 to 15, 17, 18, 24, ss. 2 to 10, 13, 14, 19, 22, 24, 33 and Second Schedule amended. Ss. 19A and 20A inserted. <i>Ibid.</i> , ss. II and 12. S. 25 substituted. <i>Ibid.</i> , s. 15.	16 and 17.
1957	27	Wealth-tax Act, 1957 .	Ss. 5, 43 and Schedule 5, s. 50. amended (w.e.f. 1-4-1964). S. 42 omitted (w.e.f. <i>Ibid.</i> , s. 50. 1-4-1964). Ss. 42A and 42B substituted (w.e.f. 1-4-1964). Ss. 2 to 8, 13, 14, 16, 17, 21 to 27, 36, 39, 41, 46 and Schedule amended (w.e.f. 1-4-1965). Ss. 8A, 10A, 13A, 15A, 15B, 15C, 19A, 29A, 29B, Chapter VIIA (s. 34A), ss. 34B, 36A and 37A inserted (w.e.f. 1-4-1965). Ss. 12, 18, 30, 31, 32, 35, 37 and 44 substituted (w.e.f. 1-4-1965). S. 34 omitted (w.e.f. <i>Ibid.</i> , s. 29. 1-4-1965).	46, ss. 2 to 8, 12, 14, 16, 17, 20 to 26, 33, 37, 38, 40 and 41. <i>Ibid.</i> , ss. 9, 10, 13, 15, 19, 27, 30, 31, 34, and 36.
1957	29	Expenditure-tax Act, 1957 .	Ss. 3, 5, 6 and 39 amended (w.e.f. 1-4-1964). S. 38 omitted (w.e.f. <i>Ibid.</i> , s. 51. 1-4-1964). Ss. 38A, 38B and Schedule substituted (w.e.f. 1-4-1964). S. 5 amended (w.e.f. 31, s. 20. 1-4-1964).	5, s. 51. <i>Ibid.</i> , ss. 11, 18, 28, 32, 35 and 39. <i>Ibid.</i> , s. 51.

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1	2	3	4	5
1957	44	Public Employment (Requirement as to Residence) Act, 1957.	S. 4 substituted. S. 5 amended (retrospectively).	10, s. 2. <i>Ibid.</i> , s. 3.
1957	61	Delhi Development Act, 1957	S. 3 amended.	52, s. 3 and Sch. II.
1957	66	Delhi Municipal Corporation Act, 1957.	Ss. 184 and 397 amended.	52, s. 3 and Sch. II.
1958	18	Gift-tax Act, 1958	S. 5 (w.e.f. 1-4-1964), ss. 32 and 34 (retrospectively) and s. 42 (w.e.f. 1-4-1964) amended. S. 6A inserted (w.e.f. <i>Ibid.</i> , s. 52, 1-4-1964). S. 41 omitted (w.e.f. <i>Ibid.</i> , s. 52, 1-4-1964). Ss. 41A, 41B and Schedule substituted (w.e.f. 1-4-1964).	5, s. 52. <i>Ibid.</i> , s. 52.
1958	27	Mineral Oils (Additional Duties of Excise and Customs) Act, 1958.	Long title amended. Ss. 1, 3 and 5 amended.	41, s. 2. <i>Ibid.</i> , ss. 3 to 5.
1959	3	Cinematograph (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	4	Delhi Land Reforms (Amendment) Act, 1959.	Ss. 2 to 19 omitted. S. 20 amended.	52, s. 2 and Sch. I. <i>Ibid.</i> , s. 2 and Sch. I.
1959	8	Workmen's Compensation (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	9	Delhi Panchayat Raj (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	13	Indian Railways (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	14	Reserve Bank of India (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	15	Chartered Accountants (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	16	Indian Lighthouse (Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	20	Bengal Finance (Sales Tax) (Delhi Amendment) Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	21	Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1959.	Repealed.	52, s. 2 and Sch. I.
1959	22	Census (Amendment) Act, 1959	Repealed.	52, s. 2 and Sch. I.
1959	24	Pharmacy (Amendment) Act, 1959.	Ss. 2 to 17 omitted.	52, s. 2 and Sch. I.

I	2	3	4	5
1959	25	International Monetary Fund Repealed. and Bank (Amendment) Act, 1959.		52, s. 2 and Sch. I.
1959	26	State Bank of India (Amend- ment) Act, 1959. Repealed.		52, s. 2 and Sch. I.
1959	28	Road Transport Corporations Repealed. (Amendment) Act, 1959.		52, s. 2 and Sch. I.
1959	30	Wakf (Amendment) Act, 1959. Repealed.		52, s. 2 and Sch. I.
1959	32	Indian Electricity (Amendment) Repealed. Act, 1959.		52, s. 2 and Sch. I.
1959	33	Banking Companies (Amend- ment) Act, 1959. Repealed.		52, s. 2 and Sch. I.
1959	37	Central Excises and Salt S. 2 omitted. (Amendment) Act, 1959.		52, s. 2 and Sch. I.
1959	38	State Bank of India (Subsidiary S. 64 and Third Schedule Banks) Act, 1959. omitted.	52, s. 2 and Sch. I.	
1959	41	Criminal Law (Amendment) S. 2 omitted. Act, 1959.		52, s. 2 and Sch. I.
1959	43	Oil and Natural Gas Commis- S. 24 substituted. sion Act, 1959.		19, s. 2.
1959	44	Public Debt (Amendment) Act; Repealed. 1959.		52, s. 2 and Sch. I.
1959	45	Government Savings Banks Repealed. (Amendment) Act, 1959.		52, s. 2 and Sch. I.
1959	47	Rajasthan and Madhya Pradesh First Schedule amended. (Transfer of Territories) Act, 1959.	52, s. 3 and Sch. II.	
1959	49	Securities Contracts (Regula- Repealed. tion) Amendment Act, 1959.		52, s. 2 and Sch. I.
1959	50	Kerala State Legislature (De- Repealed. legation of Powers) Act, 1959.		52, s. 2 and Sch. I.
1959	52	Indian Penal Code (Amend- Repealed. ment) Act, 1959.		52, s. 2 and Sch. I.
1959	59	Mineral Oils (Additional Duties Ss. 2 and 3 omitted. of Excise and Customs) Amendment Act, 1959.		52, s. 2 and Sch. I.
1959	60	Indian Tariff (Amendment) Repealed. Act, 1959.		52, s. 2 and Sch. I.
1959	62	Mines (Amendment) Act, 1959 Repealed.		52, s. 2 and Sch. I.
1960	1	Administration of Evacuee Repealed. Property (Amendment) Act, 1960.		52, s. 2 and Sch. I.
1960	2	Displaced Persons (Compen- Ss. 2 to 10 omitted. sation and Rehabilitation) Amendment Act, 1960.		52, s. 2 and Sch. I.

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1	2	3	4	5
1960	4	Imports and Exports (Control) Repealed. Amendment Act, 1960.		52, s. 2 and Sch. I.
1960	5	Motor Vehicles (Amendment) S. 2 omitted. Act, 1960.		52, s. 2 and Sch. I.
1960	11	Bombay Reorganisation Act, Eighth Schedule amended. 1960.	52, s. 3 and Sch. II.	
1960	14	Reserve Bank of India (Amend- ment) Act, 1960. Repealed.	52, s. 2 and Sch. I.	
1960	16	Estate Duty (Amendment) Ss. 2 and 3 omitted. Act, 1960.	52, s. 2 and Sch. I.	
1960	17	Supreme Court (Number of Judges) Amendment Act, 1960. Repealed.	52, s. 2 and Sch. I.	
1960	18	Indian Boilers (Amendment) Ss. 2 to 20 omitted. Act, 1960.	52, s. 2 and Sch. I.	
1960	20	Representation of the People Repealed. (Amendment) Act, 1960.	52, s. 2 and Sch. I.	
1960	21	Rubber (Amendment) Act, Repealed. 1960.	52, s. 2 and Sch. I.	
60	22	Cotton Transport (Amend- ment) Act, 1960. Ss. 2 and 3 omitted.	52, s. 2 and Sch. I.	
1960	23	Banking Companies (Amend- ment) Act, 1960. Repealed.	52, s. 2 and Sch. I.	
1960	24	Delhi Land Holdings (Ceiling) S. 28 omitted. Act, 1960.	52, s. 2 and Sch. I.	
1960	25	Agricultural Produce (Grading and Marking) Amendment Repealed. Act, 1960.	52, s. 2 and Sch. I.	
1960	26	Press and Registration of Books Repealed. (Amendment) Act, 1960.	52, s. 2 and Sch. I.	
1960	27	Evacuee Interest (Separation) Repealed. Amendment Act, 1960.	52, s. 2 and Sch. I.	
1960	34	Plantations Labour (Amend- ment) Act, 1960. Repealed.	52, s. 2 and Sch. I.	
1960	35	Drugs (Amendment) Act, 1960 Repealed.	52, s. 2 and Sch. I.	
1960	37	Banking Companies (Second Amendment) Act, 1960. Ss. 2 to 9 omitted.	52, s. 2 and Sch. I.	
1960	38	Central Excises (Conversion to Metric Units) Act, 1960. Ss. 2 to 8, First Schedule and Second Schedule omitted.	52, s. 2 and Sch. I.	
1960	40	Customs Duties and Cesses (Conversion to Metric Units) Act, 1960. Ss. 2 to 9 and Schedule omitted.	52, s. 2 and Sch. I.	
1960	41	Standards of Weights and Mea- sures (Amendment) Act, 1960. Repealed.	52, s. 2 and Sch. I.	

1	2	3	4	5
1960	42	Indian Trade Unions (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	44	Indian Aircraft (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	45	Indian Museum (Amendment) Act, 1960.	Ss. 2 to 12 omitted.	52, s. 2 and Sch. I.
1960	46	Employees' Provident Funds (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	51	Motor Vehicles (Second Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	52	Indian Post Office (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	55	Indian Tariff (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	56	Code of Criminal Procedure (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	61	Preventive Detention (Continuance) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	62	Forward Contracts (Regulation) Amendment Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1960	65	Companies (Amendment) Act, 1960.	Ss. 2 to 207 and 209 to 218 omitted.	52, s. 2 and Sch. I.
1960	66	Industrial Finance Corporation (Amendment) Act, 1960.	Repealed.	52, s. 2 and Sch. I.
1961	7	Banking Companies (Amendment) Act, 1961.	Ss. 2 to 5 omitted.	52, s. 2 and Sch. I.
1961	8	Railway Passenger Fares (Repeal) Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	11	Insurance (Amendment) Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	13	Orissa State Legislature (Delegation of Powers) Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	15	Telegraph Laws (Amendment) Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	16	Industrial Employment (Standing Orders) Amendment Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	17	Essential Commodities (Amendment) Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	19	Medicinal and Toilet Preparations (Excise Duties) Amendment Act, 1961.	Repealed.	52, s. 2 and Sch. I.
1961	21	Delhi Shops and Establishments (Amendment) Act, 1961.	Repealed.	52, s. 2 and Sch. I.

X
Effect of Parliamentary Legislation of 1964.

		I	2	3	4	5
1961	24	Coal Mines (Conservation and Safety) Amendment Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	25	Advocates Act, 1961		Ss. 3, 4, 8, 15, 16, 17, 18, 20, 24, 26, 28, 35, 37, 49, 54 (retrospectively) 55 and 58 amended.	21, ss. 2 to 4, 7 to 11, 13, 14, 16 to 18, 20 and 22 to 24.	
				Ss. 9 and 22 substituted.		<i>Ibid.</i> , ss. 5 and 12.
				Ss. 10A, 26A, 48A, 48B, 49A, 58A and 58B inserted.		<i>Ibid.</i> , ss. 6, 15, 19, 21 and 25.
				S. 49A amended.		52, s. 3 and Sch. II.
1961	29	Marking of Heavy Packages (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	31	Minimum Wages (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	32	Khadi and Village Industries Commission (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	34	Salt Cess (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	39	Indian Railways (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	40	Representation of the People (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	41	Indian Penal Code (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	42	Delhi Municipal Corporation (Amendment) Act, 1961.		Repealed.		52, s. 2 and Sch. I.
1961	43	Income-tax Act, 1961		Ss. 2, 9, 10, 28, 33, 37, 40, 45, 52, 55, 66, 86, 87, 91, 99, 104, 106, 107, 109, 114, 115 and 156 (w.e.f. 1-4-1964); s. 209 (w.e.f. 1-4-1963); and ss. 246, 254, 271, 277, 278, 280, 293 and 295 (w.e.f. 1-4-1964) amended.	5, ss. 4 to 10, 12 to 15, 17, 18, 20, 21, 23 to 25, 27 to 29, 36 to 43, 46 and 47.	
				Ss. 44A, 69A, 87A, 99A, 99B, 107A, 133A, 140A, and Chapter XXIIA (ss. 280A to 280X) inserted (w.e.f. 1-4-1964).		<i>Ibid.</i> , ss. 11, 16, 19, 22, 26, 31, 34 and 44.
				Ss. 132, 138 and 287 substituted (w.e.f. 1-4-1964).		<i>Ibid.</i> , ss. 30, 33 and 45.
				Ss. 137, 141A and Schedule V omitted (w.e.f. 1-4-1964).		<i>Ibid.</i> , ss. 32, 35 and 48.

			3	4	5
Sch. I.			Ss. 2 (retrospectively), 10, 31, ss. 2 to 9, 12 to 15 17, 88, 153, 154, 209, and 17, 216, 233, 280B, 280E, 280F and 280U (w.e.f. 1-4-1964) amended.		
7 to II, to 18, to 24.	d 12.	, 19, 21	Ss. 230A, 236A (w.e.f. <i>Ibid.</i> ss. 10, 11 and 1-4-1964) and 285A 18. inserted.		
h. II.	1961 44	Indian Standards Institution Repealed. (Certification Marks) Amendment Act, 1961.		52, s. 2 and Sch. I.	
i. I.	1961 47	Deposit Insurance Corpora- S. 51 and Second Schedule 52, s. 2 and Sch. I. tion Act, 1961. omitted.			
i. I.	1961 48	Coffee (Amendment) Act, 1961 Repealed.		52, s. 2 and Sch. I.	
i. I.	1961 50	High Court Judges (Conditions Repealed. of Service) Amendment 52, s. 2 and Sch. I. Act, 1961.			
i. I.	1961 51	Industries (Development and Repealed. Regulation) Amendment 52, s. 2 and Sch. I. Act, 1961.			
i. I.	1961 52	Apprentices Act, 1961 S. 38 omitted. 52, s. 2 and Sch. I.			
i. I.	1961 56	Indian Tariff (Amendment) Repealed. 52, s. 2 and Sch. I. Act, 1961.			
i. I.	1961 60	Visva-Bharati (Amendment) Repealed. 52, s. 2 and Sch. I. Act, 1961.			
2 to , 21, 29, 147.	1961 61	Delhi University (Amendment) Repealed. 52, s. 2 and Sch. I. Act, 1961.			
22,	1962 1	Goa, Daman and Diu (Ad- S. 7 omitted (w.e.f. ministration) Act, 1962. 16-12-1963).		16, s. 8.	
45.	1962 51	Defence of India Act, 1962 S. 25 amended. 52, s. 3 and Sch. II.			
18.	1962 55	Manipur (Sales of Motor S. 15 amended. 52, s. 3 and Sch. II. Spirit and Lubricants) Taxation Act, 1962.			
	1963 13	Finance Act, 1963 Schedule I amended (re- 5, s. 54			
	1963 21	Compulsory Deposit Scheme S. 4 amended. 5, 6, 65.			
	1963 36	Limitation Act, 1963 Schedule amended. 52, s. 3 and Sch. II.			
	1963 47	Specific Relief Act, 1963 Ss. 12 and 22 amended. 52, s. 3 and Sch. II.			

*Effect of Parliamentary Legislation of 1964**Part II.—Central Ordinances repealed or amended*

Year of Ordi- nance	No. of Ordi- nance	Short title of Ordinance	How affected	No. and section of 1964 Act by which affected
1	2	3	4	5
1942	59	Legal Tender (Inscribed Notes) Ordinance, 1942.	Repealed.	28, s. 3.
1944	38	Criminal Law Amendment Schedule	amended. Ordinance, 1944.	40, s. 4.
1964	1	Armed Forces (Special Powers) Continuance Ordinance, 1964.	Repealed.	9, s. 5.
1964	2	Companies (Amendment) Or- dinance, 1964.	Repealed.	32, s. 3.
1964	3	Essential Commodities (Amend- ment) Ordinance, 1964.	Repealed (w.e.f. 5-II- 1964).	47, s. 4.

Part III.—Central Regulation amended

Year of Regula- tion	No. of Regula- tion	Short title of Regulation	How affected	No. and section of 1964 Act by which amended
1	2	3	4	5
1958	2	Armed Forces (Special Powers) Regulation, 1958.	Throughout the Regulation, except in s. 7, for the expression "Naga Hills Tuensang Area", the expression "State of Nagaland" substituted. Ss. 1 and 3 amended.	9, s. 2. <i>Ibid.</i> , ss. 3 and 4.

Part IV.—State Ordinances repealed

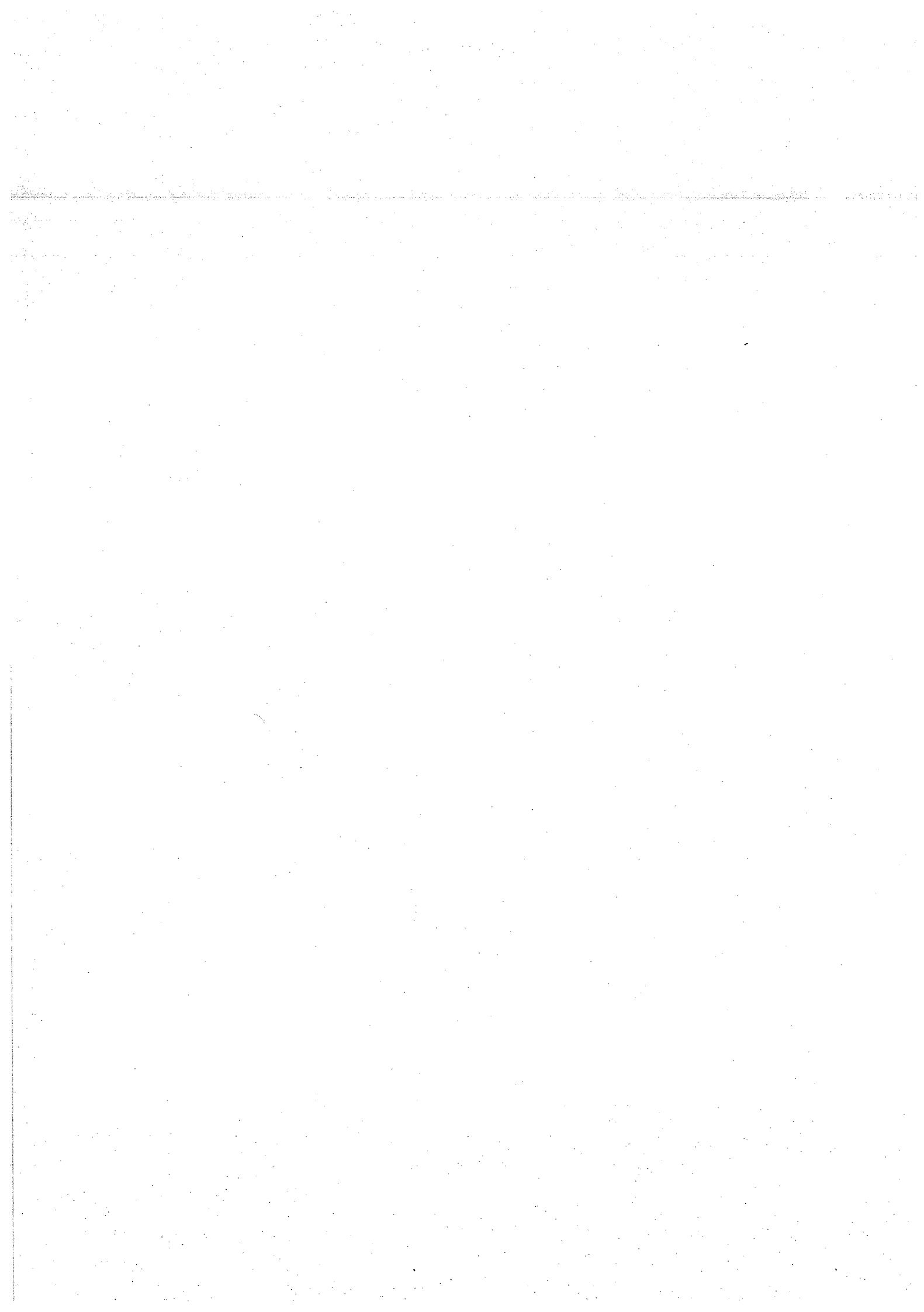
Year of Ordi- nance	No. of Ordi- nance	Short title of Ordinance	How affected	No. and section of 1964 Act by which repealed
1	2	3	4	5
1944	18	Patiala State Penal Deductions Ordinance, 2000BK.	Repealed.	52, s. 2 and Sch. I.
1948	2	Patiala Armed Bands (Arrest and Detention) Ordinance, 2005BK.	Repealed.	52, s. 2 and Sch. I.

Part V.—State Acts in force in the Union territory of Delhi amended

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1964 Act by which affected
				1 2 3 4 5
1911	Pun. 3	Punjab Municipal Act, 1911	S. 151 omitted.	52, s. 3 and Sch. II.
1916	U.P. 2	United Provinces Municipalities Act, 1916.	S. 248 omitted,	52, s. 3 and Sch. II.
1949	E.P. 14	East Punjab Ayurvedic and Unani Practitioners Act, 1949.	Throughout the Act for the word "State", the words "Union territory" substituted (w.e.f. the date to be notified). Ss. 2, 3, 21, 29, 30 and Schedule amended (w.e.f. the date to be notified).	15, s. 2. <i>Ibid.</i> , ss. 3 to 7 and 9.
			S. 31A inserted (w.e.f. the date to be notified).	<i>Ibid.</i> , s. 8.

Part VI.—Constitution of India amended

How affected	No. and section of 1964 Act by which affected
1	2
Article 31A amended (partly w.e.f. 20-6-1964 and partly retrospectively).	Constitution (Seventeenth Amendment) Act, 1964, s. 2.
Ninth Schedule amended,	<i>Ibid.</i> , s. 3.



THE APPROPRIATION (RAILWAYS) ACT, 1964

No. 1 OF 1964

[14th March, 1964]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1964-65 for the purposes of Railways.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Appropriation (Railways) Act, short title. 1964.
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, three hundred and thirty-four crores, forty-five lakhs and ninety-seven thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65, in respect of the services relating to Railways specified in column 2 of the Schedule.
Issue of Rs. 1,334,45,97,000 out of the Consolidated Fund of India for the financial year 1964-65.
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.

Appropriation (Railways)

[ACT 1]

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board . . .	1,09,50,000	..	1,09,50,000
2	Miscellaneous Expenditure . . .	3,01,52,000	3,02,000	3,04,54,000
3	Payments to Worked Lines and Others . . .	33,53,000	..	33,53,000
4	Working Expenses—Adminis- tration . . .	47,60,44,000	1,00,000	47,61,44,000
5	Working Expenses—Repairs and Maintenance . . .	151,58,21,000	1,00,000	151,59,21,000
6	Working Expenses—Oper- ating Staff . . .	92,79,16,000	1,00,000	92,80,16,000
7	Working Expenses—Opera- tion (Fuel) . . .	104,19,59,000	1,00,000	104,20,59,000
8	Working Expenses—Opera- tion Other than Staff and Fuel . . .	31,12,02,000	87,23,000	31,99,25,000
9	Working Expenses—Miscella- neous Expenses . . .	29,61,25,000	9,72,000	29,70,97,000
10	Working Expenses—Labour Welfare . . .	15,68,09,000	..	15,68,09,000
II	Working Expenses—Appropria- tion to Depreciation Reserve Fund . . .	83,00,00,000	..	83,00,00,000
II-A	Working Expenses—Appropria- tion to Pension Fund . . .	19,00,00,000	..	19,00,00,000
II-B	Withdrawal from Pension Fund	3,99,02,000	98,000	4,00,00,000
12	Payments to General Revenues	103,23,45,000	..	103,23,45,000
13	Open Line Works (Revenue) . . .	12,99,96,000	4,000	13,00,00,000
14	Construction of New Lines	80,84,00,000	10,18,000	80,94,18,000
15	Open Line Works—Additions and Replacements . . .	489,23,52,000	9,41,000	489,32,93,000

No. of Vote	Services and purposes	Sums no exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
16	Open Line Works—Development Fund.	Rs. 33,00,94,000	Rs. 77,000	Rs. 33,01,71,000
18	Appropriation to Development Fund	Rs. 30,86,42,000	..	Rs. 30,86,42,000
	TOTAL . . .	Rs. 1,333,20,62,000	Rs. 1,25,35,000	Rs. 1,334,45,97,000

THE APPROPRIATION (VOTE ON ACCOUNT) ACT, 1964

No. 2 OF 1964

[18th March, 1964]

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 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Appropriation (Vote on Account) Act, 1964.

**Withdrawal
of Rs.
13,03,52,27,000
from and
out of the
Consolidated
Fund of
India for
the finan-
cial year
1964-65.**
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 one thousand three hundred and three crores, fifty-two lakhs and twenty-seven thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65.

**Appropria-
tion.**
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.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Community Development and Co-operation .	2,40,000	..	2,40,000
2	Community Development Projects, National Extension Service and Co-operation .	47,54,000	..	47,54,000
3	Ministry of Defence . . .	5,04,000	..	5,04,000
4	Defence Services—Effective—Army . . .	48,57,37,000	84,000	48,58,21,000
5	Defence Services—Effective—Navy . . .	1,92,88,000	4,000	1,92,92,000
6	Defence Services—Effective—Air Force . . .	10,38,42,000	8,000	10,38,50,000
7	Defence Services—on-Effective . . .	1,82,50,000	4,000	1,82,54,000
8	Ministry of Education . . .	7,19,000	..	7,19,000
9	Education	3,04,81,000	..	3,04,81,000
10	Archaeology	10,69,000	..	10,69,000
11	Survey of India	34,67,000	..	34,67,000
12	Botanical Survey	2,36,000	..	2,36,000
13	Zoological Survey	2,16,000	..	2,16,000
14	Other Revenue Expenditure of the Ministry of Education .	98,42,000	..	98,42,000
15	Tribal Areas	1,32,18,000	..	1,32,18,000
16	External Affairs	1,54,54,000	..	1,54,54,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
17	Dadra and Nagar Haveli Area .	1,56,000	..	1,56,000
18	Other Revenue Expenditure of the Ministry of External Affairs	65,10,000	..	65,10,000
19	Ministry of Finance . .	18,52,000	..	18,52,000
20	Customs	38,64,000	4,000	38,68,000
21	Union Excise Duties . .	92,86,000	4,000	92,90,000
22	Taxes on Income including Corporation Tax, etc. . .	65,64,000	12,000	65,76,000
23	Stamps	26,54,000	..	26,54,000
24	Audit	1,16,32,000	1,94,000	1,18,26,000
25	Currency and Coinage . .	80,99,000	..	80,99,000
26	Mint	22,06,000	..	22,06,000
27	Kolar Gold Mines . . .	42,95,000	..	42,95,000
28	Pensions and other Retirement benefits . . .	98,09,000	2,56,000	1,00,65,000
29	Territorial and Political Pensions .	1,82,000	..	1,82,000
30	Opium	2,36,39,000	..	2,36,39,000
31	Other Revenue Expenditure of the Ministry of Finance .	13,48,33,000	..	13,48,33,000
32	Planning Commission . .	9,22,000	..	9,22,000
33	Grants-in-aid to State and Union territory Governments .	18,24,24,000	19,21,45,000	37,45,69,000
34	Miscellaneous Adjustments between the Central and State and Union territory Governments .	2,35,000	..	2,35,000
35	Pre-partition Payments . .	1,24,000	50,000	1,74,000
	CHARGED.—Interest on Debt and Other Obligations and Reduction or avoidance of Debt	..	26,12,13,000	26,12,13,000
36	Ministry of Food and Agriculture	7,07,000	..	7,07,000
37	Agriculture	36,37,000	..	36,37,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
38	Agricultural Research . . .	56,20,000	..	56,20,000
39	Animal Husbandry . . .	9,41,000	..	9,41,000
40	Forest	10,41,000	..	10,41,000
41	Other Revenue Expenditure of the Ministry of Food and Agriculture . . .	1,55,32,000	1,28,000	1,56,60,000
42	Ministry of Health . . .	1,90,000	..	1,90,000
43	Medical and Public Health .	1,03,93,000	..	1,03,93,000
44	Other Revenue Expenditure of the Ministry of Health .	7,93,000	..	7,93,000
45	Ministry of Home Affairs .	37,78,000	..	37,78,000
46	Cabinet	3,82,000	..	3,82,000
47	Zonal Councils	11,000	..	11,000
48	Administration of Justice . .	26,000	1,72,000	1,98,000
49	Police	1,21,99,000	..	1,21,99,000
50	Census	11,38,000	..	11,38,000
51	Statistics	19,17,000	..	19,17,000
52	Privy Purses and Allowances of Indian Rulers . . .	28,000	1,27,01,000	1,27,29,000
53	Delhi	1,78,72,000	2,000	1,78,74,000
54	Andaman and Nicobar Islands .	27,19,000	..	27,19,000
55	Laccadive, Minicoy and Amin- divi Islands . . .	3,96,000	..	3,96,000
56	Other Revenue Expenditure of the Ministry of Home Affairs	22,95,000	..	22,95,000
57	Ministry of Industry . . .	3,12,000	..	3,12,000
58	Industries	1,54,36,000	42,000	1,54,78,000
59	Salt	4,67,000	..	4,67,000
60	Other Revenue Expenditure of the Ministry of Industry .	2,59,000	..	2,59,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
61	Ministry of Information and Broadcasting . . .	1,30,000	..	1,30,000
62	Broadcasting . . .	49,26,000	..	49,26,000
63	Other Revenue Expenditure of the Ministry of Information and Broadcasting . . .	38,38,000	..	38,38,000
64	Ministry of International Trade . . .	2,77,000	..	2,77,000
65	Foreign Trade . . .	77,78,000	1,000	77,79,000
66	Other Revenue Expenditure of the Ministry of International Trade . . .	26,63,000	..	26,63,000
67	Ministry of Irrigation and Power . . .	2,15,000	..	2,15,000
68	Multi-purpose River Schemes . . .	16,00,000	..	16,00,000
69	Other Revenue Expenditure of the Ministry of Irrigation and Power . . .	75,11,000	..	75,11,000
70	Ministry of Labour and Employment . . .	2,46,000	..	2,46,000
71	Chief Inspector of Mines . . .	2,90,000	..	2,90,000
72	Labour and Employment . . .	94,00,000	..	94,00,000
73	Other Revenue Expenditure of the Ministry of Labour and Employment . . .	1,24,000	..	1,24,000
74	Ministry of Law . . .	3,84,000	..	3,84,000
75	Elections . . .	7,16,000	..	7,16,000
76	Other Revenue Expenditure of the Ministry of Law . . .	18,000	..	18,000
77	Ministry of Petroleum and Chemicals . . .	1,47,000	..	1,47,000
78	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals . . .	7,92,000	..	7,92,000
79	Ministry of Steel, Mines and Heavy Engineering . . .	3,43,000	..	3,43,000

of 1964] Appropriation (Vote on Account)

9

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
80	Geological Survey . . .	29,53,000	..	29,53,000
81	Other Revenue Expenditure of the Ministry of Steel, Mines and Heavy Engineering . . .	3,19,40,000	..	3,19,40,000
82	Ministry of Transport . . .	8,85,000	..	8,85,000
83	Meteorology . . .	22,34,000	..	22,34,000
84	Central Road Fund . . .	36,71,000	..	36,71,000
85	Communications (including National Highways) . . .	63,86,000	..	63,86,000
86	Mercantile Marine . . .	10,79,000	..	10,79,000
87	Lighthouses and Lightships . . .	9,11,000	..	9,11,000
88	Aviation . . .	58,68,000	..	58,68,000
89	Other Revenue Expenditure of the Ministry of Transport . . .	25,61,000	..	25,61,000
90	Ministry of Works, Housing and Rehabilitation . . .	3,89,000	..	3,89,000
91	Public Works . . .	2,81,68,000	2,76,000	2,84,44,000
92	Stationery and Printing . . .	96,22,000	..	96,22,000
93	Expenditure on Displaced Persons . . .	70,44,000	6,000	70,50,000
94	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation . . .	7,55,000	..	7,55,000
95	Department of Atomic Energy . . .	1,61,000	..	1,61,000
96	Atomic Energy Research . . .	83,11,000	..	83,11,000
97	Department of Parliamentary Affairs . . .	30,000	..	30,000
98	Department of Posts and Telegraphs . . .	82,000	..	82,000
99	Overseas Communications Service . . .	13,23,000	..	13,23,000
100	Posts and Telegraphs (Working Expenses) . . .	10,31,43,000	2,000	10,31,45,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
101	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds . . .	1,00,90,000		1,00,90,000
102	Other Revenue Expenditure of the Department of Posts and Telegraphs . . .	2,21,000	..	2,21,000
103	Department of Supply . . .	4,29,000	..	4,29,000
104	Supplies and Disposals . . .	29,48,000	..	29,48,000
105	Other Revenue Expenditure of the Department of Supply . . .	87,000	..	87,000
106	Department of Technical Development . . .	26,000	..	26,000
107	Other Revenue Expenditure of the Department of Technical Development . . .	3,71,000	..	3,71,000
108	Lok Sabha . . .	8,84,000	6,000	8,90,000
109	Other Revenue Expenditure of Lok Sabha . . .	45,000	..	45,000
110	Rajya Sabha . . .	3,77,000	6,000	3,83,000
	CHARGED.— <i>Staff, Household and Allowances of the President</i>	2,45,000	2,45,000
111	Secretariat of the Vice-President . . .	18,000	..	18,000
	CHARGED.— <i>Union Public Service Commission</i>	4,27,000	4,27,000
112	Capital Outlay of the Ministry of Community Development and Co-operation . . .	1,17,000	..	1,17,000
113	Defence Capital Outlay . . .	11,74,58,000	1,25,000	11,75,83,000
114	Capital Outlay of the Ministry of Education . . .	46,67,000	..	46,67,000
115	Capital Outlay of the Ministry of External Affairs . . .	13,75,000	..	13,75,000
116	Capital Outlay on the India Security Press . . .	1,63,000	..	1,63,000

OF 1964] *Appropriation (Vote on Account)* 11

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
117	Capital Outlay on Currency and Coinage . . .	96,73,000	..	96,73,000
118	Capital Outlay on Mints . . .	2,76,000	..	2,76,000
119	Capital Outlay on Kolar Gold Mines . . .	6,71,000	..	6,71,000
120	Commututed Value of Pensions . . .	10,32,000	10,000	10,42,000
121	Other Capital Outlay of the Ministry of Finance . . .	14,85,62,000	..	14,85,62,000
122	Capital Outlay on Grants to State and Union territory Governments for Development . . .	2,35,17,000	..	2,35,17,000
123	Loans and Advances by the Central Government . . .	26,17,73,000	55,48,36,000	81,66,09,000
	CHARGED.— <i>Repayment of Debt.</i>	..	9,24,03,75,000	9,24,03,75,000
124	Capital Outlay on Forests . . .	16,000	..	16,000
125	Purchase of Foodgrains . . .	31,34,00,000	8,000	31,34,08,000
126	Other Capital Outlay of the Ministry of Food and Agriculture . . .	6,14,00,000	1,000	6,14,01,000
127	Capital Outlay of the Ministry of Health . . .	90,30,000	..	90,30,000
128	Capital Outlay of the Ministry of Home Affairs . . .	6,31,000	..	6,31,000
129	Capital Outlay of the Ministry of Industry . . .	26,03,000	..	26,03,000
130	Capital Outlay of the Ministry of Information and Broadcasting . . .	17,56,000	2,000	17,58,000
131	Capital Outlay of the Ministry of International Trade . . .	5,00,000	..	5,00,000
132	Capital Outlay on Multi-purpose River Schemes . . .	87,89,000	..	87,89,000
133	Other Capital Outlay of the Ministry of Irrigation and Power . . .	77,89,000	..	77,89,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
I34	Capital Outlay of the Ministry of Labour and Employment	31,000	..	31,000
I	Capital Outlay of the Ministry of Petroleum and Chemicals	4,29,45,000	..	4,29,45,000
I36	Capital Outlay of the Ministry of Steel, Mines and Heavy Engineering	11,48,90,000	..	11,48,90,000
I37	Capital Outlay on Roads	4,97,58,000	..	4,97,58,000
I38	Capital Outlay on Ports	22,20,000	..	22,20,000
I39	Capital Outlay on Civil Aviation	41,21,000	2,000	41,23,000
I40	Other Capital Outlay of the Ministry of Transport	57,34,000	..	57,34,000
41	Capital Outlay on Public Works	78,77,000	43,000	79,20,000
I42	Delhi Capital Outlay	2,05,76,000	2,66,000	2,08,42,000
I43	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	71,83,000	2,000	71,85,000
I44	Capital Outlay of the Department of Atomic Energy	1,65,14,000	..	1,65,14,000

OF 1964]

Appropriation (Vote on Account)

13

1 No. of Vote	2 Services and purpose	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
145	Capital Outlay on Posts and Telegraphs (not met from Revenue)	Rs. 3,50,33,000	Rs. ..	Rs. 3,50,33,000
146	Other Capital Outlay of the Department of Posts and Telegraphs	Rs. 3,83,000	Rs. ..	Rs. 3,83,000
	GRAND TOTAL	Rs. 2,77,15,65,000	Rs. 10,26,36,62,000	Rs. 13,03,52,27,000

THE APPROPRIATION ACT, 1964

No. 3 OF 1964

[19th March, 1964]

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 1963-64.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Appropriation Act, 1964.

Issue of Rs.
1,79,11,48,000
out of
the Consoli-
dated Fund
of India for
the year
1963-64.

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 hundred and seventy-nine crores, eleven lakhs and forty-eight thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64, 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 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		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
2	Industries	1,28,000	1,28,000
8	Ministry of Defence	1,18,000	..	1,18,000
12	Supplies and Disposals	12,21,000	..	12,21,000
14	Ministry of Education	2,00,000	..	2,00,000
15	Education	76,00,000	..	76,00,000
17	Tribal Areas	65,00,000	..	65,00,000
21	Dadra and Nagar Haveli Area	2,25,000	..	2,25,000
26	Union Excise Duties	10,00,000	..	10,00,000
27	Taxes on Income including Corpora- tion Tax, etc.	15,00,000	..	15,00,000
33	Pensions and Other Retirement Benefits	63,89,000	..	63,89,000
35	Opium	46,00,000	..	46,00,000
36	Other Revenue Expenditure of the Ministry of Finance	52,00,000	..	52,00,000
38	Grants-in-aid to States	3,50,00,000	75,00,000	4,25,00,000
39	Miscellaneous Adjustments between the Central and State Governments	5,00,000	..	5,00,000
CHARGED.—Interest on Debt and other Obligations and Reduction or Avoid- ance of Debt				
		..	1,91,00,000	1,91,00,000
CHARGED.—Payments of States' Share of Union Excise Duties				
		..	7,91,56,000	7,91,56,000
43	Agricultural Research	4,91,000	..	4,91,000
55	Census	5,53,000	..	5,53,000
57	Privy Purses and Allowances of Indian Rulers	2,33,000	2,33,000
59	Himachal Pradesh	52,000	52,000
60	Andaman and Nicobar Islands	37,27,000	..	37,27,000
63	Laccadive, Minicoy and Amindivi- nds	18,63,000	..	18,63,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
67	Other Revenue Expenditure of the Ministry of Information and Broadcasting	9,72,000	..	9,72,000
69	Multi-purpose River Schemes	18,00,000	..	18,00,000
70	Other Revenue Expenditure of the Ministry of Irrigation and Power	79,00,000	80,000	79,80,000
73	Labour and Employment	83,95,000	..	83,95,000
86	Scientific Research and Cultural Affairs	1,30,00,000	..	1,30,00,000
95	Lighthouses and Lightships	3,80,000	..	3,80,000
99	Indian Posts and Telegraphs Department	3,55,00,000	..	3,55,00,000
100	Posts and Telegraphs—Dividend to General Revenues and Appropriations to Reserve Funds	3,73,86,000	..	3,73,86,000
102	Public Works	2,50,00,000	..	2,50,00,000
103	Stationery and Printing	3,14,00,000	..	3,14,00,000
104	Expenditure on Displaced Persons	35,29,000	8,000	35,37,000
112	Secretariat of the Vice-President	25,000	..	25,000
117	Capital Outlay of the Ministry of Education	83,00,000	..	83,00,000
118	Capital Outlay of the Ministry of External Affairs	27,00,000	..	27,00,000
	Capital Outlay on Currency and Coinage	1,95,48,000	..	1,95,48,000
	Value of Pensions	24,72,000	20 24,92,	24,92,
	Ministry	6,04,00,000	0 6,04,00,000	6,04,00,000

OF 1964]

Appropriation

17

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
134	Other Capital Outlay of the Ministry of Irrigation and Power	1,01,000	1,01,000
135	Capital Outlay of the Ministry of Labour and Employment . . .	4,60,000	..	4,60,000
137	Capital Outlay of the Ministry of Scientific Research and Cultural Affairs	1,50,00,000	..	1,50,00,000
139	Capital Outlay on Roads	2,77,68,000	57,000	2,78,25,000
142	Other Capital Outlay of the Ministry of Transport and Communications . . .	1,000	..	1,000
143	Capital Outlay on Posts and Telegraphs (Not Met from Revenue) . . .	4,26,69,000	..	4,26,69,000
144	Capital Outlay on Public Works . . .	50,00,000	..	50,00,000
145	Delhi Capital Outlay	10,90,64,000	..	10,90,64,000
146	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	93,00,000	3,000	93,03,000
	TOTAL	83,46,57,000	95,64,91,000	1,79,11,48,000

THE APPROPRIATION (RAILWAYS) NO. 2 ACT, 1964

No. 4 OF 1964

[19th March, 1964.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1963-64 for the purposes of Railways.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Appropriation (Railways) No. 2 Act, 1964.

**Issue of Rs.
54,99,65,000
out of
the Consoli-
dated Fund
of India
for the
financial
year 1963-64.**

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 fifty-four crores, ninety-nine lakhs and sixty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1963-64, in respect of the services relating to Railways 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 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		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
4	Working Expenses—Administration	1,83,64,000	..	1,83,64,000
5	Working Expenses—Repairs and Maintenance	4,78,54,000	..	4,78,54,000
6	Working Expenses—Operating Staff	2,33,33,000	..	2,33,33,000
7	Working Expenses—Operation (Fuel)	3,64,58,000	..	3,64,58,000
8	Working Expenses—Operation Other than Staff and Fuel	45,73,000	1,51,000	47,24,000
9	Working Expenses—Miscellaneous Expenses	2,48,55,000	..	2,48,55,000
10	Working Expenses—Labour Welfare	41,45,000	..	41,45,000
12	Payments to General Revenues	1,91,79,000	..	1,91,79,000
15	Open Line Works—Additions and Replacements	26,58,71,000	..	26,58,71,000
16	Open Line Works—Development Fund	3,76,82,000	..	3,76,82,000
18	Appropriation to Development Fund	6,75,00,000	..	6,75,00,000
	TOTAL	54,98,14,000	1,51,000	54,99,65,000

THE FINANCE ACT, 1964

No. 5 OF 1964

[28th April, 1964.]

An Act to give effect to the financial proposals of the Central Government for the financial year 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title and commencement.

1. (1) This Act may be called the Finance Act, 1964.

(2) Save as otherwise provided in this Act, sections 3 to 55 shall be deemed to have come into force on the 1st day of April, 1964.

Income-tax and super-tax.

2. (1) Subject to the provisions of sub-sections (2), (3), (4) and (5), for the assessment year commencing on the 1st day of April, 1964,—

(a) income-tax shall be charged at the rates specified in Part I of the First Schedule and, in the cases to which Paragraphs A, B, C and E of that Part apply, shall be increased by a surcharge for purposes of the Union calculated in either case in the manner provided therein;

(b) super-tax shall, for the purposes of section 95 of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act, 1961), be charged at the rates specified in Part II of the First Schedule, and, in the cases to which Paragraphs A, B and C of that Part apply, shall be increased by a surcharge for purposes of the Union calculated in the manner provided therein.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1964,—

(a) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries", the income-tax payable by the assessee on that part of his total income which consists of such inclusion shall be an amount bearing to the total amount of income-tax payable

13 of 1963.

according to the rates applicable under the operation of the Finance Act, 1963, on his total income the same proportion as the amount of such inclusion bears to his total income;

13 of 1963.

(b) where the total income of an assessee, not being a company, includes any income chargeable under the head "Salaries" on which super-tax has been or might have been deducted under the provisions of sub-section (1) of section 192 of the Income-tax Act, the super-tax payable by the assessee on that portion of his total income which consists of such inclusion shall be an amount bearing to the total amount of super-tax payable according to the rates applicable under the operation of the Finance Act, 1963, on his total income the same proportion as the amount of such inclusion bears to his total income.

31 of 1956.

(3) In making any assessment for the assessment year commencing on the 1st day of April, 1964, where the total income of a company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, includes any profits and gains from life insurance business, the super-tax payable by it shall be the aggregate of the tax calculated—

(i) on the amount of profits and gains from life insurance business so included, at the rate applicable to the Life Insurance Corporation of India in accordance with Paragraph E of Part II of the First Schedule; and

(ii) on the remaining part of its total income, at the rate applicable to the company on its total income.

(4) In cases to which Chapter XII of the Income-tax Act applies, the tax chargeable shall be determined as provided in that Chapter, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter, as the case may be.

(5) (a) In respect of any assessment for the assessment year commencing on the 1st day of April, 1964—

(i) an assessee being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India or an assessee (other than a company) whose total income includes any profits and gains derived from the export of any goods or merchandise out of India, shall be entitled to a deduction, from the amount of income-tax and super-tax with which he is chargeable, of an amount equal to one-tenth of the average rate of income-tax and of the average rate of super-tax on the amount of such profits and gains included in the total income;

(ii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in an industry specified in the First Schedule to the Industries (Development

and Regulation) Act, 1951 has exported after the 28th day of ~~65 of 1951~~
February, 1963, such articles out of India, he shall be entitled, in addition to the deduction of tax referred to in sub-clause (i), to a further deduction, from the amount of tax with which he is chargeable for the assessment year, of an amount equal to the income-tax and super-tax calculated respectively at the average rate of income-tax and the average rate of super-tax on an amount equal to two per cent. of the sale proceeds receivable by him in respect of such export;

(iii) where an assessee of the type referred to in sub-clause (i) engaged in the manufacture of any articles in an industry specified in the said First Schedule has sold after the 28th day of February, 1963, such articles to any other person in India who himself has exported them out of India and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction from the amount of income-tax and super-tax with which he is chargeable for the assessment year of an amount equal to the income-tax and super-tax calculated respectively at the average rate of income-tax and the average rate of super-tax on a sum equal to two per cent. of the sale proceeds receivable by him in respect of such articles from the exporter.

(b) The total of the deductions under this sub-section shall in no case exceed the amount of income-tax and super-tax otherwise payable by the assessee.

(c) Nothing contained in sub-clause (ii) and sub-clause (iii) of clause (a) shall apply.—

(i) in relation to—

- (1) fuels,
- (2) fertilisers,
- (3) photographic raw film and paper,
- (4) textiles (including those dyed, printed or otherwise processed) made wholly or in part of jute, including jute twine and rope,
- (5) newsprint,
- (6) pulp—wood pulp, mechanical, chemical, including dissolving pulp,
- (7) sugar,
- (8) vegetable oils and vanaspathi,
- (9) cement and gypsum products,

- (10) arms and ammunition, and
 (11) cigarettes,

respectively specified in items 2, 18, 20, 23(2), 24(2), 24(5), 25, 28, 35, 37 and 38 of the First Schedule to the Industries (Development and Regulation) Act, 1951; or

63 of 1951.

- (ii) in relation to textiles specified in items 23(1), 23(3), 23(4) and 23(5) of that Schedule where such textiles have been exported before the 1st day of March, 1964.

(d) The amount of any profits and gains derived from the export of any goods or merchandise out of India in respect of which deduction of income-tax and super-tax is admissible under sub-clause (i) of clause (a) shall be computed in accordance with the rules made by the Central Board of Direct Taxes in this behalf.

(6) In cases in which tax has to be deducted under sub-section (2) of section 192 and sections 193 to 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part III of the First Schedule.

(7) For the purposes of this section, and of the rates of tax imposed thereby, and of section 3—

(i) the expressions "assessment year", "average rate of income-tax", "average rate of super-tax", "partner", "tax" and "total income" have, unless the context otherwise requires, the meanings respectively assigned to them under clauses (9), (10), (11), (23), (43) and (45) of section 2 of the Income-tax Act;

20 of 1962. (ii) the expression "earned income" has the same meaning as in section 2 of the Finance (No. 2) Act, 1962.

3. (1) Save as otherwise provided in Chapter XXIIA of the Annuity Income-tax Act, annuity deposit for the assessment year commencing deposit. on the 1st day of April, 1964 shall be made by every person to whom the provisions of that Chapter apply at the rates specified in the Second Schedule.

(2) For the purposes of this section and the Second Schedule, the expressions "adjusted total income", "annuity deposit" and "depositor" have the meanings respectively assigned to them under clauses (1), (5) and (6) of section 280B of the Income-tax Act.

4. In section 2 of the Income-tax Act,—

(a) in clause (18),—

(i) for sub-clause (a), the following sub-clause shall be substituted, namely:—

"(a) if it is a company owned by the Government or the Reserve Bank of India or in which not less than forty

Amend-
ment of
section 2.

per cent. of the shares are held (whether singly or taken together) by the Government or the Reserve Bank of India or a corporation owned by that bank; or";

(ii) in *Explanation 2*, for the words, brackets and figures "any such company as is referred to in sub-clause (2) of clause (iii) of section 109", the words "an Indian company whose business consists wholly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power" shall be substituted;

(b) after clause (22), the following clause shall be inserted, namely:—

'(22A) "fair market value", in relation to a capital asset, means—

(i) the price that the capital asset would ordinarily fetch on sale in the open market on the relevant date; and

(ii) where the price referred to in sub-clause (i) is not ascertainable, such price as may be determined in accordance with the rules made under this Act,';

(c) in clause (24)—

(i) after sub-clause (v), the following sub-clause shall be inserted, namely:—

"(va) the value of any benefit or perquisite taxable under clause (iv) of section 28;";

(ii) after sub-clause (vii), the following sub-clause shall be inserted, namely:—

"(viii) any annuity due, or commuted value of any annuity paid, under the provisions of section 280D;".

**Amend-
ment of
section 9.**

5. In section 9 of the Income-tax Act, in the *Explanation* to clause (i) of sub-section (1), the proviso to clause (b) shall be omitted.

**Amend-
ment of
section 10.**

6. In section 10 of the Income-tax Act,—

(i) in clause (4), after the words "in the case of a non-resident", the following words shall be inserted, namely:—

"any income from interest on such securities as the Central Government may, by notification in the Official Gazette, specify in this behalf, or";

(ii) in clause (6),—

(a) in sub-clause (vii) (a), for the words "was approved by the Central Government before the commencement of his service", the words "is approved by the Central Government before the commencement of his service or within one year of such commencement" shall be substituted;

(b) after sub-clause (viii), the following sub-clauses shall be inserted, namely:—

(ix) any income chargeable under the head "Salaries" received by or due to him during the thirty-six months commencing from the date of his arrival in India for service rendered as a professor or other teacher in a University or other educational institution, and where any such individual continues to remain in employment in India after the expiry of the thirty-six months aforesaid and the tax on his income chargeable under the head "Salaries" is paid by the University or other educational institution concerned to the Central Government, the tax so paid for a period not exceeding twenty-four months following the expiry of the thirty-six months aforesaid, provided in either case the following conditions are fulfilled, namely:—

(i) such individual was not resident in any of the four financial years immediately preceding the financial year in which he arrived in India; and

(ii) his contract of service is approved by the Central Government—

(a) on or before the 1st day of October, 1964, in the case of a professor or other teacher whose service commenced before the 1st day of April, 1964;

(b) before the commencement of his service or within one year of such commencement, in any other case;

(x) any sum due to or received by him, during the twenty-four months commencing from the date of his arrival in India, for undertaking any research work in India, provided the following conditions are fulfilled, namely:—

(a) the research work is undertaken in connection with a research scheme approved in this behalf

by the Central Government on or before the 1st day of October of the relevant assessment year; and

(b) such sum is payable or paid directly or indirectly by the Government of a foreign State or any institution or association or other body established outside India;—

(iii) in sub-clause (iv) (c) of clause (15), for the words beginning with “in any case” and ending with “its repayment”, the following shall be substituted, namely:—

“to the extent to which such interest does not exceed the amount of interest calculated at the rate approved by the Central Government in this behalf, having regard to the terms of the loan or debt and its repayment”;

(iv) after clause (26), the following clause shall be inserted, namely:—

“(27) any income derived from a business of livestock breeding, or poultry or dairy farming, which is assessable for the assessment year commencing on the 1st day of April, 1965, 1966 or 1967.”.

Amend-
ment of
section 28.

7. In section 28 of the Income-tax Act, after clause (iii) and before *Explanation 1*, the following clause shall be inserted, namely:—

“(iv) the value of any benefit or perquisite, whether convertible into money or not, arising from business or the exercise of a profession.”.

Amend-
ment of
section 33.

8. In section 33 of the Income-tax Act,—

(i) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) (a) An assessee who, after the 31st day of March, 1964, acquires any ship which before the date of acquisition by him was used by any other person shall, subject to the provisions of section 34, also be allowed as a deduction a sum by way of development rebate at such rate or rates as may be prescribed, provided that the following conditions are fulfilled, namely:—

(i) such ship was not previous to the date of such acquisition owned at any time by any person resident in India;

(ii) such ship is wholly used for the purposes of the business carried on by the assessee; and

(iii) such other conditions as may be prescribed.

(b) An assessee who installs any machinery or plant (other than office appliances or road transport vehicles)

which before such installation by the assessee was used outside India by any other person shall, subject to the provisions of section 34, also be allowed as a deduction a sum by way of development rebate at such rate or rates as may be prescribed, provided that the following conditions are fulfilled, namely:—

(i) such machinery or plant was not used in India at any time previous to the date of such installation by the assessee;

(ii) it is imported in India by the assessee from any country outside India;

(iii) no deduction on account of depreciation or development rebate in respect of such machinery or plant has been allowed or is allowable under the provisions of the Indian Income-tax Act, 1922 or this Act in computing the total income of any person for any period prior to the date of the installation of the machinery or plant by the assessee;

(iv) such machinery or plant is wholly used for the purposes of the business carried on by the assessee; and

(v) such other conditions as may be prescribed.

(c) The development rebate under this sub-section shall be allowed as a deduction in respect of the previous year in which the ship was acquired or the machinery or plant was installed or, if the ship, machinery or plant is first put to use in the immediately succeeding previous year, then, in respect of that previous year.”;

(ii) for the words, brackets and figure “under sub-section (1)” wherever they occur, the words, brackets, figures and letter “under sub-section (1) or sub-section (1A)” shall be substituted;

(iii) in sub-section (2), for the words “at the rate applicable thereto under that sub-section”, the words, brackets, figures and letter “at the rate applicable thereto under sub-section (1) or sub-section (1A), as the case may be” shall be substituted;

(iv) in clause (b) of sub-section (3), for the words and figures “section 33 and section 34”, the words and figures “this section and section 34” shall be substituted;

(v) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) The Central Government, if it considers necessary or expedient so to do, may, by notification in the Official

Gazette, direct that the deduction allowable under this section shall not be allowed in respect of a ship acquired or machinery or plant installed after such date, not being earlier than three years from the date of such notification, as may be specified therein.”.

**Amend-
ment of
section 37.**

9. In section 37 of the Income-tax Act, after sub-section (2), the following sub-section shall be inserted, namely:—

“(3) Notwithstanding anything contained in sub-section (1) any expenditure incurred by an assessee after the 31st day of March, 1964 on advertisement or on maintenance of any residential accommodation including any accommodation in the nature of a guest house or in connection with travelling by an employee or any other person (including hotel expenses for allowances paid in connection with such travelling) shall be allowed only to the extent, and subject to such conditions, if any, as may be prescribed.”.

**Amend-
ment of
section 40.**

10. In section 40 of the Income-tax Act, in clause (c),—

(1) for sub-clause (iii), the following sub-clause shall be substituted, namely :—

“(iii) any expenditure incurred after the 29th day of February, 1964 which results directly or indirectly in the provision of any benefit or amenity or perquisite, whether convertible into money or not, to an employee (including any sum paid by the company in respect of any obligation which but for such payment would have been payable by such employee), to the extent such expenditure exceeds one-fifth of the amount of salary payable to the employee for any period of his employment after the aforesaid date:

Provided that in computing the aforesaid expenditure any payment by way of gratuity or the value of any travel concession or assistance referred to in clause (5) of section 10 or passage moneys or the value of any free or concessional passage referred to in sub-clause (i) of clause (6) of that section or any sum referred to in clause (vii) of sub-section (1) of section 17 or in clause (v) of sub-section (2) of that section or the amount of any compensation referred to in clause (i) or any payment referred to in clause (ii) of sub-section (3) of that section or any payment referred to in clause (iv) or clause (v) of sub-section (1) of section 36 shall not be taken into account.”;

(2) the existing *Explanation* shall be re-numbered as *Explanation 1* and after *Explanation 1* as so re-numbered, the following *Explanation* shall be inserted, namely:—

'Explanation 2.—In sub-clause (iii), the word "salary" shall have the meaning assigned to it in clause (h) of rule 2 of Part A of the Fourth Schedule.'

11. In Chapter IV-D of the Income-tax Act, after section 44, the following section shall be inserted, namely:—

Insertion of
new section
44A.

Special Pro-
vision for
deduction in
the case of
trade, Pro-
fessional or
similar asso-
ciation.

'44A. (1) Notwithstanding anything to the contrary contained in this Act, where the amount received during a previous year by any trade, professional or similar association from its members, whether by way of subscription or otherwise (not being remuneration received for rendering any specific services to such members) falls short of the expenditure incurred by such association during that previous year (not being expenditure deductible in computing the income under any other provision of this Act and not being in the nature of capital expenditure) solely for the purposes of protection or advancement of the common interests of its members, the amount so fallen short (hereinafter referred to as deficiency) shall, subject to the provisions of this section, be allowed as a deduction in computing the income of the association assessable for the relevant assessment year under the head "Profits and gains of business or profession" and if there is no income assessable under that head or the deficiency allowable exceeds such income, the whole or the balance of the deficiency, as the case may be, shall be allowed as a deduction in computing the income of the association assessable for the relevant assessment year under any other head.

(2) In computing the income of the association for the relevant assessment year under sub-section (1), effect shall first be given to any other provision of this Act under which any allowance or loss in respect of any earlier assessment year is carried forward and set off against the income for the relevant assessment year.

(3) The amount of deficiency to be allowed as a deduction under this section shall in no case exceed one-half of the total income of the association as computed before making any allowance under this section.

(4) This section applies only to that trade, professional or similar association the income of which or any part thereof is not distributed to its members except as grants to any association or institution affiliated to it.'

Amend-
ment of
section 45.

12. In the Income-tax Act section 45 shall be re-numbered as sub-section (1) thereof and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:—

‘(2) Notwithstanding anything contained in sub-section (1), every equity shareholder to whom any shares are allotted by the company by way of bonus shall, unless such shares are issued wholly out of the share premium account, be chargeable to income-tax under the head “Capital gains” in respect of such shares on an amount equal to the fair market value of such shares on the date next following the expiry of the period of thirty days from the date of such allotment and such amount shall be deemed to be the income of the previous year in which the date next following the aforesaid period of thirty days falls:

Provided that income-tax shall not be chargeable under this sub-section if such shares are included in the stock-in-trade of the assessee or if such shares were allotted before the 1st day of April, 1964:

Provided further that nothing contained in section 48 shall apply to the income chargeable under the head “Capital gains” under this sub-section.

Explanation.—For the removal of doubts, it is hereby declared that income chargeable under the head “Capital gains” under this sub-section shall, for the purposes of this Act, be treated as capital gains relating to capital assets other than short-term capital assets.

(3) Where any shares in respect of which an assessee is chargeable to income-tax under the head “Capital gains” under sub-section (2) are transferred by him before the expiry of the period of thirty days referred to in that sub-section, any profits or gains arising from such transfer shall not be included in his total income.

(4) Save as otherwise provided in sub-section (3), nothing contained in sub-section (2) shall be deemed to preclude the inclusion of any profits and gains arising from the transfer of any shares referred to in that sub-section in the total income of the assessee for any previous year in which such shares are transferred by him.’

13. In the Income-tax Act, section 52 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:—

“(2) Without prejudice to the provisions of sub-section (1), if in the opinion of the Income-tax Officer the fair market value

Amend-
ment of
section 52.

of a capital asset transferred by an assessee as on the date of the transfer exceeds the full value of the consideration declared by the assessee in respect of the transfer of such capital asset by an amount of not less than fifteen per cent. of the value so declared, the full value of the consideration for such capital asset shall, with the previous approval of the Inspecting Assistant Commissioner, be taken to be its fair market value on the date of its transfer.”.

14. In section 55 of the Income-tax Act, in sub-section (2), after clause (iii), the following clauses shall be inserted, namely:—

Amend-
ment of
section 55.

(iv) where the capital asset, being a share of a company, was allotted to the assessee by way of bonus and the assessee is chargeable to income-tax under the head “Capital gains” in respect of such share under sub-section (2) of section 45 and such asset is transferred after the expiry of thirty days referred to in that sub-section, means the fair market value of the asset on the date next following the expiry of the said thirty days;

(v) where the capital asset, being a share or a stock of a company, became the property of the assessee on—

(a) the consolidation and division of all or any of the share capital of the company into shares of larger amount than its existing shares,

(b) the conversion of any shares of the company into stock,

(c) the reconversion of any stock of the company into shares,

(d) the sub-division of any of the shares of the company into shares of smaller amount, or

(e) the conversion of one kind of shares of the company into another kind,

means the cost of acquisition of the asset calculated with reference to the cost of acquisition of the shares or stock from which such asset is derived.’.

15. In section 66 of the Income-tax Act, for the words and figures “sections 87 and 88”, the words, figures and letter “sections 87, 87A and 88” shall be substituted.

Amend-
ment of
section 66.

16. After section 69 of the Income-tax Act, the following section shall be inserted, namely:—

“69A. Where in any financial year the assessee is found to be the owner of any money, bullion, jewellery or other valuable article and such money, bullion, jewellery or valuable etc. Un- explained money, etc.

Insertion
of new
section
69A.

article is not recorded in the books of account, if any, maintained by him for any source of income, and the assessee offers no explanation about the nature and source of acquisition of the money, bullion, jewellery or other valuable article, or the explanation offered by him is not, in the opinion of the Income-tax Officer, satisfactory, the money and the value of the bullion, jewellery or other valuable article may be deemed to be the income of the assessee for such financial year.”.

**Amend-
ment of
section 86.** 17. In section 86 of the Income-tax Act, in clause (iii), for the words “income-tax has already been paid by the firm”, the words “income-tax is payable by the firm” shall be substituted.

**Amend-
ment of
section 87.** 18. In section 87 of the Income-tax Act,—
(i) in sub-section (3),—
(a) to clause (i), the following proviso shall be added, namely:—

“Provided that such individual has effected an insurance referred to in sub-clause (i) of clause (a) of sub-section (1) prior to the first day of March, 1964 and has paid any sum in the previous year to keep in force such insurance;”;

(b) in clause (ii), after the words “any other individual”, the brackets, words and figure “[including an author, playwright, artist, musician or actor to whom the provisions of clause (i) do not apply]” shall be inserted;

(ii) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) The amount of income-tax deductible under this section, together with the amount of super-tax deductible under section 99A, shall not in any case exceed half the aggregate of the sums in respect of which the deduction is allowed under this section.”.

19. After section 87 of the Income-tax Act, the following section shall be inserted, namely:—

“87A. Where an individual, being a resident, who is not a citizen of India has expended any sum in the previous year out of his income chargeable to tax for the full-time education of his child wholly or mainly dependent on him and who is not more than twenty-one years of age at any University, college, school or other educational institution situate in a country outside

Insertion
of new
section
87A.

Rebate on
educa-
tional
expenses
in certain
cases.

India, he shall be entitled to a deduction, from the amount of income-tax on his total income with which he is chargeable for any assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on a sum—

(i) which, in the case of an individual who has one such child, shall not exceed two thousand rupees or twenty-five per cent. of his total income, whichever is less; and

(ii) which, in the case of an individual who has more than one such child, shall not exceed four thousand rupees or twenty-five per cent. of his total income, whichever is less.”.

20. In section 91 of the Income-tax Act, in clause (ii) of the *Explanation*, for the words “any relief due under this section”, the words “any relief due under this Chapter” shall be substituted. Amendment of section 91.

21. In section 99 of the Income-tax Act, in sub-section (1),— Amendment of section 99.

(i) in clause (i), for the words “super-tax has already been paid by the firm”, the words “super-tax is payable by the firm” shall be substituted;

(ii) for clause (iv), the following clause shall be substituted, namely:—

“(iv) if the assessee is a company, any dividend received by it from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends (including dividends on preference shares) within India.”.

22. In Chapter XI-C of the Income-tax Act, before section 100, the following sections shall be inserted, namely:— Insertion of new sections 99A and 99B.

“99A. Where under the provisions of section 87, an assessee is entitled to a deduction of income-tax in respect of any sum referred to in sub-section (1) of that section, he shall also be entitled, subject to the provisions of sub-section (4) of that section, to a deduction, from the amount of super-tax with which he is chargeable on his total income, of an amount equal to the super-tax calculated at the average rate of super-tax on such sum. Rebate on life insurance premia, annuities and contributions to provident funds, etc.

99B. Where under the provisions of section 87A, an individual, being a resident, who is not a citizen of India is referred to in that section, he shall also be entitled to a deduction, in certain cases, of income-tax in respect of any sum,

from the amount of super-tax with which he is chargeable on his total income, of an amount equal to the super-tax calculated at the average rate of super-tax on such sum.”

**Amend-
ment of
section
104.**

23. In section 104 of the Income-tax Act,—

(i) in sub-section (1), for the words, brackets and figures “sub-section (2) and of sections 105, 106 and 107”, the words, figures and letter “this section and of sections 105, 106, 107 and 107A” shall be substituted;

(ii) after sub-section (2), the following sub-sections shall be inserted, namely :—

“(3) If the Central Government is of opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette and subject to such conditions as may be specified therein, exempt any class of companies to which the provisions of this section apply from the operation of this section.

(4) Without prejudice to the provisions of section 108, nothing contained in this section shall apply to—

(a) an Indian company whose business consists wholly or mainly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power;

(b) an Indian company, the value of whose capital assets, being machinery or plant (other than office appliances or road transport vehicles), as shown in its books on the last date of the relevant previous year is fifty lakhs of rupees or more.

*Explanation.—*For the purposes of clause (a) of this sub-section, the business of a company shall be deemed to consist mainly in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power, if the income attributable to any of the aforesaid activities included in its total income for the relevant previous year is not less than fifty-one per cent. of such total income.”

**Amend-
ment of
section
106:**

24. To section 106 of the Income-tax Act, the following proviso shall be added, namely:—

“Provided that the period of limitation prescribed by this section shall not apply in a case where the company has made an application to the Board under section 107A.”

25. In section 107 of the Income-tax Act, for the words "No order shall be made", the words, brackets, figures and letter "Except in cases where a decision is given by the Board under sub-section (4) of section 107A, no order shall be made" shall be substituted.

26. After section 107 of the Income-tax Act, the following section shall be inserted, namely:—

"107A. (1) If any company to which the provisions of section 104 apply (not being an investment company) considers that, having regard to the current requirements for the development of its business, it would not be possible or advisable for it to declare or pay a dividend of an amount larger than that already declared or paid or proposed to be declared or paid by it, it may make an application to the Board for reduction of the amount of the minimum distribution required under this Chapter.

(2) Every application under sub-section (1) shall be in the prescribed form and shall be verified in the prescribed manner and shall be made within the period of twelve months referred to in sub-section (1) of section 104 or, where the Income-tax Officer has served on the company a notice under sub-section (1) of section 105 of his intention to make an order under section 104, within thirty days of the receipt of such notice.

(3) Every application under sub-section (1) shall be accompanied by a fee of one hundred rupees.

(4) If the Board is satisfied that a distribution equal to the statutory percentage of the distributable income of the company concerned would be unreasonable, it may reduce the amount of minimum distribution required of the company under this Chapter by such amount, not exceeding twenty per cent. of the statutory percentage of its distributable income, as it may consider fit and further determine the period within which such distribution shall be made.

(5) The Board shall not reject an application made under sub-section (1) without giving the company concerned an opportunity of being heard and its decision shall be final as respects matters concluded by it.

(6) Where an application is made by the company after receipt of a notice from the Income-tax Officer under sub-section (1) of section 105 and a further distribution is made in accordance with the decision thereon of the Board, such further distribution shall not be taken into account in deciding whether the provisions of section 104 apply in respect of the previous year in which the further distribution is made.

(7) Where an application is made by a company under this section, the Income-tax Officer shall not make any order under section 104 until the decision is given by the Board on that application:

Provided that where a company is required to make a distribution or further distribution of its profits and gains in accordance with the decision of the Board and fails to make such distribution or further distribution within the period determined thereunder, the Income-tax Officer shall make an order under section 104 as if no reduction of the amount of minimum distribution had been made by the Board under this section.

(8) If the Central Government is of opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette, declare that the provisions of this section shall not apply to any class of companies or in regard to the whole or any part of the profits and gains of any class of companies.

(9) Notwithstanding anything contained in section 246, no appeal shall lie to the Appellate Assistant Commissioner against an order of the Income-tax Officer under section 104 in a case where a decision has been given by the Board.

(10) The Board may, by notification in the Official Gazette, direct that, subject to such conditions, if any, as may be specified in the notification, the powers exercisable by it under this section shall also be exercisable by any Commissioner in respect of such companies or classes of companies as may be specified therein and thereupon in respect of such companies or classes of companies the provisions of this section and sections 106 and 107 shall have effect as if references in the said sections to the Board were references to such Commissioner.”.

27. In section 109 of the Income-tax Act,—

(a) for the words and figures “For the purposes of sections 104 and 105”, the words, figures and letter “For the purposes of sections 104, 105 and 107A” shall be substituted;

(b) in clause (iii)—

(i) sub-clause (2) shall be omitted;

(ii) in sub-clause (3), for the words “in any of the activities specified in the preceding clause”, the words “in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power” shall be substituted.

28. In section 114 of the Income-tax Act, in clause (b), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

Amend-
ment of
section
114.

“(ii) the amount of income-tax and super-tax calculated on such part of the net capital gains, if any, relating to capital assets other than short-term capital assets, as exceeds the sum of five thousand rupees—

(1) in the case of capital gains relating to buildings or lands, or any rights in buildings or lands, at three-fourths of the average rate of income-tax and three-fourths of the average rate of super-tax respectively, and

(2) in any other case, at one-half of the average rate of income-tax and one-half of the average rate of super-tax respectively,

average rate of income-tax and average rate of super-tax being computed for the purpose of this sub-clause in the same manner as for the purpose of sub-clause (i) of this clause:

Provided that where the amount payable under sub-clause (ii) of clause (b) is less than the amount equal to fifteen per cent. of the net capital gains in respect of which tax is payable under that sub-clause, then the amount payable thereunder shall be fifteen per cent. of such net capital gains :

Provided further that where the total income does not exceed the sum of ten thousand rupees, the amount payable under the said sub-clause shall be nil;

plus”.

29. In section 115 of the Income-tax Act,—

Amend-
ment of
section
115.

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) the amount of income-tax equal to the aggregate of—

(1) the amount of income-tax calculated at the rate of twelve and a half per cent. on the amount of capital gains, if any, chargeable under sub-section (2) of section 45; and

(2) the amount of income-tax with which it would have been chargeable had its total income been reduced by the amount of capital gains referred to in sub-clause (1);”;

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

“(b) the amount of super-tax equal to the aggregate of—

(1) the amount of super-tax calculated on the amount of capital gains relating to capital assets other than short-term capital assets included in its total income—

(i) at the rate of fifteen per cent. on so much of the amount of such capital gains as relate to buildings or lands or any rights in buildings or lands; and

(ii) at the rate of five per cent. on the balance of such capital gains, if any [excluding capital gains, if any, referred to in sub-clause (1) of clause (a)]; and

(2) the amount of super-tax with which it would have been chargeable had its total income been reduced by the amount of capital gains relating to capital assets other than short-term capital assets included in its total income.”.

Substitu-
tion of new
section for
section 132.

30. For section 132 of the Income-tax Act, the following section shall be substituted, namely:—

Powers of
search and
seizure.

“132. (1) Where the Commissioner, in consequence of information in his possession, has reason to believe that—

(a) any person to whom a summons under sub-section (1) of section 37 of the Indian Income-tax Act, 1922 or 11 of 1922, under sub-section (1) of section 131 of this Act, or a notice under sub-section (4) of section 22 of the Indian Income-tax Act, 1922 or under sub-section (1) of section 142 of this Act was issued to produce, or cause to be produced, any books of account or other documents has omitted or failed to produce, or cause to be produced, such books of account or other documents as required by such summons or notice, or

(b) any person to whom a summons or notice as aforesaid has been or might be issued will not, or would not, produce or cause to be produced any books of account or other documents which will be useful for, or relevant to, any proceeding under the Indian Income-tax Act, 1922 or 11 of 1922, under this Act or

s in possession of any articles or things
holly disproportionate to his known
particulars of which will be useful for,
proceeding under the Indian Income-tax
Act,

ly Inspecting Assistant Commissioner or
r to enter and search any building or
n to suspect that such books of account,
s or things including money are kept
and if as a result of the search such books of account, other
documents, articles or things including money are found, the
Inspecting Assistant Commissioner or the Income-tax Officer, as
the case may be, may—

- (i) seize any such books of account or other documents;
- (ii) place marks of identification on any such books of account or other documents or make or cause to be made extracts or copies therefrom;
- (iii) make a note or an inventory of any articles or things including money found which, in his opinion, will be useful for, or relevant to, any proceeding under the Indian Income-tax Act, 1922, or this Act.

(2) The books of account or other documents seized under sub-section (1) shall not be retained by the Inspecting Assistant Commissioner or the Income-tax Officer for a period exceeding one hundred and eighty days from the date of the seizure unless the reasons for retaining the same are recorded by him in writing and the approval of the Commissioner for such retention is obtained:

11 of 1922.

Provided that the Commissioner shall not authorise the retention of the books of account and other documents for a period exceeding thirty days after all the proceedings under the Indian Income-tax Act, 1922, or this Act in respect of the years for which the books of account or other documents are relevant are completed.

(3) The person from whose custody any books of account or other documents are seized under sub-section (1) may make copies thereof, or take extracts therefrom, in the presence of the Income-tax Officer or any other person authorised by him, at such place and time as the Income-tax Officer may appoint in this behalf.

(4) If a person legally entitled to the books of account or other documents seized under sub-section (1) objects for any

reason to the approval given by section (2), he may make an application therein the reasons for such object return of the books of account or

(5) On receipt of the application Board may, after giving the applicant heard, pass such orders as it thinks fit.

(6) The provisions of the Code relating to searches shall apply, so far as may be, to searches under sub-section (1) of this section.

(7) The Board may make rules in relation to searches under this section."

**Insertion
of new
section
133A.**

**Power of
survey.**

31. After section 133 of the Income-tax Act, the following section shall be inserted, namely:—

"133A. (1) Notwithstanding anything in any other provision, an Income-tax Officer or any Inspector of Income-tax authorised by him in this behalf may enter—

(a) any place within the limits of the area assigned to him, or

(b) any place occupied by any person in respect of whom the Income-tax Officer exercises jurisdiction,

at which a business or profession is carried on, whether such place be the principal place or not of such business or profession, and require any proprietor, employee or any other person who may at that time and place be attending in any manner to, or helping in the carrying on of, such business or profession to afford him the necessary facility to inspect such books of account or other documents as he may require and which may be available at such place, and on the inspection of such accounts or documents he may, if he so deems necessary, place marks of identification thereon or cause to be made extracts therefrom:

Provided that the Income-tax Officer or such Inspector of Income-tax may enter any place referred to in this section only during such hours as the place is open for the conduct of the business or profession:

Provided further that while acting under this section the Income-tax Officer or such Inspector of Income-tax shall not remove or cause to be removed from the place which he has entered any books of account or other documents.

(2) If a person who under sub-section (1) is required to afford facility to the Income-tax Officer or the Inspector of

Income-tax to inspect books of account or other documents either refuses or evades to do so, the Income-tax Officer shall have all the powers under sub-sections (1) and (2) of section 131 for enforcing compliance of the requirement made.”.

32. Section 137 of the Income-tax Act shall be omitted.

33. For section 138 of the Income-tax Act, the following section shall be substituted, namely:—

“138. (1) Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made either under this Act or the Indian Income-tax Act, 1922, on or after the 1st day of April, 1960, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.

(2) Notwithstanding anything contained in sub-section (1) or any other law for the time being in force, the Central Government may, having regard to the practices and usages customary or any other relevant factors, by order notified in the Official Gazette, direct that no information or document shall be furnished or produced by a public servant in respect of such matters relating to such class of assessees or except to such authorities as may be specified in the order.”.

34. After section 140 of the Income-tax Act, the following section shall be inserted, namely:—

“140A. (1) Where a return has been furnished under section 139 and the tax payable on the basis of that return as reduced by any tax already paid under any provision of this Act exceeds five hundred rupees, the assessee shall pay the tax so payable within thirty days of furnishing the return.

(2) After a provisional assessment under section 141 or a regular assessment under section 143 or section 144 has been made, any amount paid under sub-section (1) shall be deemed to have been paid towards the provisional assessment or regular assessment, as the case may be.

(3) If any assessee fails to pay the tax or any part thereof in accordance with the provisions of sub-section (1), he shall,

11 of 1922.

mission
section
13.
Substitu-
tion of
new sec-
tion for
section
138.

Disclosure
of infor-
mation
respecting
assessee.

Insertion
of new
section
140A.
Self-
assess-
ment.

unless a provisional assessment under section 141 or a regular assessment under section 143 or section 144 has been made before the expiry of thirty days referred to in that sub-section, be liable, by way of penalty, to pay such amount as the Income-tax Officer may direct, so however, that the amount of penalty does not exceed fifty per cent. of the amount of such tax or part, as the case may be :

Provided that before levying any such penalty, the assessee shall be given a reasonable opportunity of being heard.”.

**Omission
of section**

141A.

**Amend-
ment of
section
156.**

**Amend-
ment of
section
209.**

**Amend-
ment of
section
246.**

**Amend-
ment of
section
254**

35. Section 141A of the Income-tax Act shall be omitted.

36. In section 156 of the Income-tax Act, after the words “any other sum”, the brackets, words, figures and letter “(including annuity deposit referred to in Chapter XXIIA)” shall be inserted.

37. In section 209 of the Income-tax Act, in sub-clause (iv) of clause (a), for the words, brackets and letters “clauses (b) and (c)”, the words, brackets and letters “clauses (b), (c) and (d)” shall be, and shall be deemed to have been, substituted, with effect from the first day of April, 1963.

38. In section 246 of the Income-tax Act, in clause (o),—

(i) for sub-clause (i), the following sub-clauses shall be substituted, namely :—

“(i) section 140A, or
(ia) section 221, or”;

(ii) for sub-clause (v), the following sub-clauses shall be substituted, namely :—

“(v) section 273, or
(vi) section 280R.”.

39. In section 254 of the Income-tax Act, after sub-section (1), the following sub-section shall be inserted, namely :—

‘(1A) (a) Where the appellant objects to the fair market value of a capital asset adopted under section 52, the Appellate Tribunal may, and if the appellant so requires, shall, refer the question of the disputed value to the arbitration of two valuers. one of whom shall be nominated by the appellant and the other by the respondent and the Appellate Tribunal shall, so far as that question is concerned, pass its orders under sub-section (1) conformably to the decision of the valuers :

Provided that where the appellant or the respondent does not nominate any valuer within the time specified by the Appellate Tribunal or within such further time as the Appellate Tribunal may allow, the Appellate Tribunal may nominate a valuer on his behalf:

Provided further that if there is a difference of opinion between the two valuers, the matter shall be referred to a third valuer nominated by agreement, or failing agreement, by the Appellate Tribunal and the decision of that valuer on the question of valuation shall be final.

(b) The valuers to whom a reference under this sub-section has been made by the Appellate Tribunal shall communicate their decision to the Appellate Tribunal within six months of the date of such reference or within such further time as that Tribunal may allow:

Provided that if the decision of the valuers is not communicated within the period aforesaid, the Appellate Tribunal may order that the reference made under this sub-section shall be deemed to be withdrawn and proceed to dispose of the case on the evidence before it, including the report of either of the valuers if any such report has been submitted.

(c) The extent to which the costs of arbitration proceedings (including a case where a reference is deemed to be withdrawn) shall be borne by the appellant or the respondent shall be at the discretion of the Appellate Tribunal.

(d) The valuers may, in disposing of any matter referred to them for arbitration under this sub-section, hold or cause to be held such enquiry as they think fit and after giving the appellant and the respondent an opportunity of being heard, make such decision as they think fit and shall communicate such decision in writing to the Appellate Tribunal.

5 of 1908.

(e) The valuers appointed under this sub-section, while acting as such, shall have all powers of a Civil Court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

- (i) summoning and enforcing the attendance of any person and examining him on oath;
- (ii) requiring the discovery and production of documents;
- (iii) receiving evidence on affidavit; and
- (iv) issuing commission for examination of witnesses or documents.

10 of 1940.

(f) Nothing in the Arbitration Act, 1940 shall apply to arbitrations under this sub-section.

Explanation.—In this sub-section, "valuer" means a valuer appointed under section 4 of the Estate Duty Act, 1953.'

34 of 1953.

**Amend-
ment of
section
271.**

40. In section 271 of the Income-tax Act, in sub-section (1),—

- (i) in clause (c), the word "deliberately" shall be omitted;
- (ii) the following *Explanation* shall be inserted at the end, namely:—

*"Explanation.—Where the total income returned by any person is less than eighty per cent. of the total income (hereinafter in this *Explanation* referred to as the correct income) as assessed under section 143 or section 144 or section 147 (reduced by the expenditure incurred bona fide by him for the purpose of making or earning any income included in the total income but which has been disallowed as a deduction), such person shall, unless he proves that the failure to return the correct income did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of his income or furnished inaccurate particulars of such income for the purposes of clause (c) of this sub-section."*

**Amend-
ment of
section
277.**

41. In section 277 of the Income-tax Act, for the words "punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.", the following shall be substituted, namely:—

"punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months."

**Amend-
ment of
section
278.**

42. In section 278 of the Income-tax Act, in sub-section (1), for the words "punishable with simple imprisonment which may extend to six months or with fine which may extend to one thousand rupees, or with both.", the following shall be substituted, namely:—

"punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months."

**Amend-
ment of
section
280.**

43. In section 280 of the Income-tax Act, in sub-section (1), for the words and figures "discloses any particulars, the disclosure of which is prohibited by section 137;", the words, brackets and figures "furnishes any information or produces any document in contravention of the provisions of sub-section (2) of section 138," shall be substituted.

44. In the Income-tax Act, after section 280, the following Chapter Insertion of new Chapter
and sections shall be inserted, namely:—

XXIIA.

'CHAPTER XXIIA

ANNUITY DEPOSITS

280A. The provisions of this Chapter shall apply to every person, being—

Persons to whom this Chapter applies.

(i) an individual, who is a citizen of India,

(ii) a Hindu undivided family,

(iii) an unregistered firm,

(iv) an association of persons or a body of individuals, whether incorporated or not (other than a company or a co-operative society), and

(v) an artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 (other than a corporation established by a Central, State or Provincial Act):

Provided that such person is a resident.

280B. In this Chapter, unless the context otherwise requires,—

Definitions.

(1) "adjusted total income"—

(a) in relation to the assessment year commencing on the 1st day of April, 1964, means the amount of total income computed without making any allowance under section 280 and reduced by the aggregate of the following amounts, if any, included therein, namely:—

(i) any income chargeable under the head "Salaries";

(ii) if the depositor is a partner of an unregistered firm which is liable to make an annuity deposit for the relevant assessment year, the amount of his share in the profits and gains of the firm computed in the manner laid down in section 67;

(iii) if the depositor is a member of an association of persons or a body of individuals (other than a Hindu undivided family or a firm which is liable to make an annuity deposit for the relevant assessment year, the amount which he is entitled to receive from the association or body;

(iv) any compensation or other payment referred to in clause (ii) of section 28; and

(v) any income chargeable under the head "Capital gains";

(b) in relation to the assessment year commencing on the 1st day of April, 1965, or any subsequent assessment

year, means the amount of total income computed without making any allowance under section 280O and reduced by the aggregate of the following amounts, if any, included therein, namely:—

(i) any sum which under the provisions of sub-clause (vii) of clause (1) of section 17 is included in salary;

(ii) any income chargeable under the head "Salaries" in respect of which the assessee can make an application for the grant of relief under sub-section (1) of section 89;

(iii) the amount referred to in sub-clause (a)(ii) or sub-clause (a)(iii) of this clause;

(iv) any compensation or other payment referred to in clause (ii) of section 28; and

(v) any income chargeable under the head "Capital gains";

(2) "advance deposit" means the annuity deposit required to be made in advance in accordance with the provisions of sections 280E to 280I;

(3) "advance tax" shall have the same meaning as in section 207;

(4) "annuity" means any annual instalment of principal and interest thereon payable by the Central Government under the provisions of section 280D;

(5) "annuity deposit" means a deposit of money required to be made under the provisions of this Chapter;

(6) "depositor" means a person to whom the provisions of this Chapter apply.

Requirement as to
annuity
deposit.

280C. (1) Where any Central Act enacts that any person to whom the provisions of this Chapter apply shall make for any assessment year an annuity deposit with the Central Government at any rate or rates, such person shall make such deposit at that rate or those rates in accordance with, and subject to the provisions of, this Chapter in respect of the adjusted total income of the previous year or previous years, as the case may be.

(2) In respect of the adjusted total income in relation to which an annuity deposit is to be made under sub-section (1), such deposit shall be made in advance in accordance with the provisions of sections 280E to 280I.

280D. Subject to the provisions of this Chapter and any scheme framed thereunder, the Central Government shall repay to the depositor the annuity deposit made or recovered in any year in ten annual equated instalments of principal and interest at such rate as may be notified by the Central Government in the Official Gazette:

Provided that nothing in this section shall prevent the payment of any annuity at such commuted value thereof as may be provided in a scheme framed under section 280W, in any case in which the authority empowered to make such payment is satisfied that genuine hardship will be caused unless such payment is made.

280E. The amount of advance deposit to be made by a depositor in the financial year shall be computed as follows:—

(a)(i) his total income for the latest previous year in respect of which he has been assessed by way of regular assessment shall first be ascertained;

(ii) the amount of income of the nature referred to in sub-clause (b)(i) or sub-clause (b)(ii) or sub-clause (b)(iii) or sub-clause (b)(iv) or sub-clause (b)(v) of clause (1) of section 280B, if any, included in such income shall be deducted therefrom, and on the balance annuity deposit shall be calculated at the rates in force in the financial year;

(iii) the amount of annuity deposit calculated in accordance with sub-clause (ii) shall, subject to the provisions of clauses (b) and (c), be the advance deposit to be made;

(b) in cases where an estimate of the adjusted total income is sent by the depositor under sub-section (1) or sub-section (2) or sub-section (3) of section 280H, the total income on the basis of which such adjusted total income is so estimated shall, for the purposes of calculation of advance deposit under this section, be substituted for the total income referred to in clause (a).

(c) in cases where the Income-tax Officer makes an amended order referred to in sub-section (3) of section 280F on the basis of a provisional assessment, the total income on the basis of which the relevant provisional assessment had been made shall be substituted for the total income referred to in clause (a).

Explanation.—In this section and in sections 280F and 280H, the expression “total income” means the total income computed without making any allowance under section 280O.

**Order by
Income-
tax Officer.**

280F. (1) Where a depositor has been previously assessed by way of regular assessment under this Act or under the Indian Income-tax Act, 1922, the Income-tax Officer may, on or after the 1st day of 11 of 1922. April in the financial year, by order in writing, require him to make an advance deposit computed in accordance with the provisions of section 280E.

(2) The notice of demand issued under section 156 in pursuance of such order shall specify the instalments in which the advance deposit is to be made under section 280G.

(3) If, after the making of an order by the Income-tax Officer under this section and before the 15th day of February of the financial year, a regular assessment or a provisional assessment under section 141 of the depositor (or of the registered firm of which he is a partner) is made in respect of a previous year later than that referred to in the order of the Income-tax Officer, the Income-tax Officer may make an amended order requiring such depositor to make in one instalment on the specified date, or in equal instalments on the specified dates, if more than one, falling after the date of the amended order, the advance deposit computed on the basis of the adjusted total income calculated with reference to the total income determined under the regular assessment or the provisional assessment aforesaid as reduced by the deposit, if any, made in accordance with the original order.

**Instal-
ments of
advance
deposit.**

280G. Subject to the provisions of section 280H, the provisions of section 211 shall, so far as may be, apply in relation to advance deposit to be made by a depositor as they apply in relation to advance tax payable by an assessee with the modification that reference therein to section 210 shall be construed as reference to section 280F.

**Estimate
by
depositor**

280H. (1) If a depositor, who is required to make advance deposit by an order under section 280F, estimates at any time before the last instalment is due that his adjusted total income for the period which would be the previous year for the immediately following assessment year, is less than the income in respect of which he is required to make such deposit, and accordingly wishes to make a deposit of an amount less than the amount which he is so required to deposit, he may send to the Income-tax Officer—

(i) an estimate of the adjusted total income of the said previous year;

(ii) an estimate of the advance deposit to be made by him calculated in the manner laid down in section 280E;

and shall make such deposit as accords with his estimate in equal instalments on such of the dates specified in section 211 as applied to advance deposit by section 280G as have not expired or in one sum if only the last of such dates has not expired.

(2) The depositor may send a revised estimate of the advance deposit to be made by him and adjust any excess or deficiency in respect of any instalment already paid in a subsequent instalment or in subsequent instalments.

(3) A depositor who has not previously been assessed by way of regular assessment under this Act, or under the Indian Income-tax Act, 1922, shall, before the 1st day of March in each financial year, if his total income of the period which would be the previous year for the immediately following assessment year is likely to exceed the minimum amount in relation to which annuity deposit is required to be made under the provisions of the Finance Act of that year, send to the Income-tax Officer—

(i) an estimate of the adjusted total income of the said previous year;

(ii) an estimate of the advance deposit to be made by him calculated in the manner laid down in section 280E;

and shall make such deposit as accords with his estimate, on such of the dates specified under section 211 as applied to advance deposit by section 280G as have not expired, by instalments which may be revised according to sub-section (2).

(4) Every estimate under this section shall be sent in the prescribed form and verified in the prescribed manner.

280I. Where part of the adjusted total income consists of any income of the nature of commission which is receivable periodically and is not received or adjusted by the payer in the depositor's account before any of the quarterly instalments of advance deposit become due, he may defer the making of advance deposit in respect of that part of his income to the date on which such income would be normally received or adjusted, and, if he does so, he shall communicate to the Income-tax Officer the date to which the making of such deposit is deferred.

Commission
receipts.

Annuity deposit on the basis of self-assessment.

280J. Where in respect of any assessment year, income-tax is payable on the basis of self-assessment under section 140A, the depositor shall, on or before the date on which tax under such assessment is payable, make an annuity deposit equal to the amount, if any, by which the amount of annuity deposit required to be made on the basis of income returned exceeds the amount, if any, of the annuity deposit already made by him in respect of that assessment year.

Annuity deposit on the basis of provisional or regular assessment.

280K. At the time of making a provisional assessment under section 141 or a regular assessment, or as soon thereafter as may be, the Income-tax Officer shall, by order in writing, determine the amount of annuity deposit, if any, required to be made by the depositor on the basis of the income so assessed after taking into account the amount of annuity deposit, if any, already made by him in respect of that assessment year.

Special provisions for the assessment year 1964-65.

280L. (1) If the total income of a depositor for the previous year relevant to the assessment year commencing on the 1st day of April, 1964 (such total income being computed without making any allowance under section 280O) exceeds fifteen thousand rupees and he does not furnish a return under section 139 before the 1st day of March, 1965 and no regular assessment under section 144 is made before the said 1st day of March, he shall send to the Income-tax Officer—

(i) an estimate of the adjusted total income of the said previous year;

(ii) an estimate of annuity deposit to be made by him calculated in the manner laid down in section 280E;

and shall make such deposit as accords with his estimate on or before the 31st day of March, 1965.

(2) An estimate under this section shall be sent in the prescribed form and verified in the prescribed manner.

Recomputation of annuity deposit and adjustment of excess or deficiency.

280M. (1) Where as a result of an order of re-assessment or recomputation under section 147 or as a result of an order under section 154 or section 155 or section 186 or section 250 or section 254 or section 260 or section 262 or section 263 or section 264, the total income of a depositor is enhanced or reduced, or the status under which he is assessed is altered, or in the case of a firm, registration is granted or cancelled, the Income-tax Officer shall compute or recompute the amount of annuity deposit to be made by such depositor.

(2) Where any depositor has deposited any amount for any assessment year which is—

- (a) in excess of the amount, or
- (b) less than the amount,

required to be deposited under the provisions of this Chapter for that year and in the case referred to in clause (b), an additional amount has been recovered to make up the deficiency, then such excess amount or additional amount, as the case may be, may be adjusted or otherwise dealt with in such manner as may be provided in a scheme framed under section 280W.

280N. Where any unregistered firm is assessed under clause (b) of section 183 for any assessment year, such firm shall not be liable to make an annuity deposit for that assessment year and annuity deposit made by it for that assessment year, if any, shall be adjusted or otherwise dealt with in such manner as may be provided in a scheme framed under section 280W.

Refund of
annuity
deposit
made by
a firm
assessed
under
clause (b)
of section
183.

280O. (1) Notwithstanding anything to the contrary contained in the provisions of this Act relating to the computation of income chargeable under any head of income, the annuity deposit required to be made under this Chapter shall, subject to the provisions of sub-section (2), be allowed as a deduction in computing the total income assessable for the assessment year in respect of which the annuity deposit is required to be made.

Annuity
deposit
allowed
as deduc-
tion in
computing
total in-
come.

(2) If the adjusted total income of the depositor includes any income chargeable under the head "Salaries", the allowance under sub-section (1) shall be made in computing the income under that head, and if there is no income chargeable under that head or the annuity deposit required to be made exceeds such income, the whole or the balance of the annuity deposit required to be made shall be allowed as a deduction in computing earned income chargeable under any other head, and if there is no earned income chargeable under any other head or the whole or the balance of the annuity deposit required to be made exceeds such earned income, the whole or balance of the annuity deposit required to be made shall be allowed as a deduction in computing any other income under any head.

*Explanation.—*In this sub-section, the expression "earned income" has the meaning assigned to it in the Finance Act of the relevant year.

Annuity deposit deductible in computing income under the head "Salaries" for purposes of section 192.

Rounding off.

Penalty for failure to make deposit.

280P. Any person responsible for paying any income chargeable under the head "Salaries" to a resident shall, at the time of payment, deduct income-tax and super-tax under section 192 as if the estimated income referred to in sub-section (1) of that section had been reduced by the amount of advance deposit, if any, to be made by the assessee at the rates in force in the financial year concerned in respect of such income, whether such advance deposit has or has not been made.

280Q. The amount of any deposit to be made under this Chapter shall be rounded off to the nearest multiple of five rupees and where such amount contains a part of five rupees, then, if such part is two rupees and fifty naye paise or more, it shall be increased to five rupees and if such part is less than two rupees and fifty naye paise, it shall be ignored.

280R. (1) If any person who is liable to make an annuity deposit under this Chapter fails to make such deposit within the time specified therefor, the Income-tax Officer may direct that the depositor shall pay by way of penalty an amount not exceeding one-half of the annuity deposit which he is liable to make.

(2) If the Income-tax Officer, in the course of any proceedings in connection with the regular assessment is satisfied that any depositor—

(a) has furnished under section 280H an estimate of advance deposit to be made by him which he knew or had reason to believe to be untrue, or

(b) has without reasonable cause failed to furnish an estimate of advance deposit to be made by him in accordance with the provisions of sub-section (3) of section 280H,

he may direct that such depositor shall pay by way of penalty a sum—

(i) which, in the case referred to in clause (a), shall not exceed half the amount by which the advance deposit actually made during the financial year immediately preceding the assessment year under the provisions of sections 280E to 280I falls short of—

(1) seventy-five per cent. of the annuity deposit required to be made on the basis of income assessed by way of regular assessment (such deposit being calculated at the rates in force in the financial year immediately preceding the assessment year), or

(2) where a notice under section 280F was issued to the depositor, the deposit required to be made thereunder, whichever is less; and

"(ii) which, in the case referred to in clause (b), shall not exceed half the amount equal to the seventy-five per cent. referred to in clause (i) (1).

(3) No order imposing a penalty under this section shall be made unless the assessee has been heard, or has been given a reasonable opportunity of being heard.

280S. Notwithstanding anything to the contrary contained in this Other Act, the provisions of this Act, other than those contained in this Chapter or any scheme framed thereunder, relating to interest payable by the Central Government on refunds and interest payable by the assessee in default or those relating to imposition of penalty shall not apply in relation to any sum due under this Chapter.

280T. For the removal of doubts, it is hereby declared that any arrear of annuity deposit and any penalty imposed under this Chapter shall be recoverable in the manner provided in Chapter XVII-D for the recovery of arrears of tax.

280U. Any individual, being an author, playwright, artist, musician or actor, may, in addition to the amount of annuity deposit required to be made by him in respect of any assessment year, make a further deposit of an amount not exceeding twenty-five per cent. of his adjusted total income assessable for that assessment year, and if he does so, the further deposit made by him, shall, for the purposes of this Chapter, be included in the annuity deposit required to be made by him.

280V. Where the total income of a depositor assessable for any assessment year includes any gratuity chargeable under the head "Salaries", he may, in addition to the amount of annuity deposit required to be made by him in respect of that assessment year, make a further deposit of an amount not exceeding fifty per cent. of the amount of such gratuity, and if he does so, the further deposit made by him, shall, for the purposes of this Chapter, be included in the annuity deposit required to be made by him.

280W. (1) The Central Government shall, by notification in the Official Gazette, frame one or more scheme or schemes to be called Annuity Deposit Scheme or Schemes in relation to deposits under this Chapter.

(2) A scheme under sub-section (1) may provide for—

- (a) the manner in which the annuity deposits shall be made;
- (b) the manner in which, and intervals at which, annuities shall be paid; and the manner in which the excess or deficiency of annuity deposit may be adjusted or otherwise dealt with;
- (c) the authority or authorities by or through whom such deposits may be collected or by whom annuities may be issued;
- (d) the documents to be issued to persons by whom deposits have been made as evidence of such deposits;
- (e) the accounts to be maintained with respect to such deposits and annuities and the officers by whom such accounts shall be maintained;
- (f) the nomination of any person to receive the annuity or any other sum due under this Chapter to any depositor in the event of his death and the cancellation or change of such nomination;
- (g) the issue of duplicate of any document issued as evidence of any such deposit in the event of loss or destruction of the original and the fee on the payment of which such duplicate may be issued; and
- (h) any other matter which may be necessary or proper for the effective implementation of the scheme.

(3) The Central Government may, by notification in the Official Gazette, add to, amend, vary or rescind any scheme framed under this Chapter.

(4) Any scheme framed under this Chapter 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 successive sessions, and, if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in any provision of the scheme or both Houses agree that any provision in the scheme should not be made, that provision of 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 provision.

280X. (1) Notwithstanding anything contained in this Chapter, any depositor may, on or before the 30th day of June of the assessment year in which he first becomes liable to make an annuity deposit, by notice in writing to the Income-tax Officer, declare (such declaration being final for that assessment year and all assessment years thereafter) that the provisions of this Chapter shall not apply to him and if he does so, the provisions of this Chapter [other than sub-section (2)] shall not apply to him for any assessment year in relation to which such option has effect :

Option
in
certain
cases.

Provided that in relation to the assessment year commencing on the 1st day of April, 1964, this sub-section shall have effect as if for the words, figures and letters "the 30th day of June", the words, figures and letters "the 30th day of September" were substituted:

Provided further that where any such depositor satisfies the Income-tax Officer that he was prevented by sufficient cause from making such declaration within the period allowed therefor, the Income-tax Officer may, with the previous approval of the Inspecting Assistant Commissioner, allow such depositor to make the declaration at any time after the expiry of the aforesaid period.

(2) If a person has exercised the option under sub-section (1), then the amount of income-tax (but not super-tax) payable by him in respect of any assessment year in relation to which such option has effect shall be increased by a sum equal to fifty per cent. of the amount by which the amount of annuity deposit which would have been otherwise required to be made in respect of that assessment year exceeds the difference between the tax payable by him on his total income and the tax that would have been payable had his total income been reduced by the amount of annuity deposit:

Provided that if such person is more than seventy years of age on the last day of the previous year relevant to the assessment year, he shall not be liable to pay the additional income-tax under this sub-section.

45. For section 287 of the Income-tax Act, the following section shall be substituted, namely:—

Substitu-
tion of
new sec-
tion for
section
287.

"287. (1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

Publica-
tion of
informa-
tion res-
pecting
assessees.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

Explanation.—In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it.”

Amendment of section 293.

Amendment of section 295.

Omission of the Fifth Schedule.

Amendment of Act 34 of 1953.

46. In section 293 of the Income-tax Act, after the words “lie against”, the words “the Government or” shall be inserted.

47. In section 295 of the Income-tax Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

“(dd) the extent to which, and the conditions subject to which, any expenditure referred to in sub-section (3) of section 37 may be allowed;”;

48. In the Income-tax Act, the Fifth Schedule shall be omitted.

49. In the Estate Duty Act, 1953,—

(a) in section 5A, the following amendments shall be made and shall be deemed to have been made with effect from the 23rd day of September, 1963, namely:—

(i) in sub-section (2), the word “Orissa,” shall be omitted;

(ii) in sub-section (3), the words “in the State of Orissa and” shall be omitted;

(b) in section 33, in sub-section (1), after clause (m), the following clause shall be inserted, namely:—

“(n) one house or part thereof exclusively used by the deceased for his residence, to the extent the principal value thereof does not exceed rupees one lakh if such house is situate in a place with a population exceeding ten thousand, and the full principal value thereof in any other case.”;

(c) in section 34, in clause (a) of sub-section (1), for the brackets, letters and word "(l) and (m)", the brackets, letters and word "(l), (m) and (n)" shall be substituted;

(d) in section 50, the words "one-half of" shall be omitted;

(e) in section 78, after the words "lie against", the words "the Government or" shall be inserted;

(f) for section 80, the following sections shall be substituted, namely:—

"80. Where a person makes an application to the Controller in the prescribed form for any information in respect of any assessment made under this Act, the Controller may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.

80A. (1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any accountable persons and any other particulars relating to any proceedings under this Act in respect of such persons, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed under this Act until the time for presenting an appeal to the Appellate Controller has expired without an appeal having been presented or the appeal, if presented, has been disposed of.";

(g) in the Second Schedule, for Part I, the following Part shall be substituted, namely:—

"PART I

In the case of any property which passes or is deemed to pass on the death of the deceased—

	Rate of duty
(1) On the first Rs. 50,000 of the principal value of the estate	Nil
(2) On the next Rs. 50,000 of the principal value of the estate	4%
(3) On the next Rs. 1,00,000 of the principal value of the estate.	8%

- | | |
|--|-------|
| (4) On the next Rs. 3,00,000 of the principal value
of the estate | 15% |
| (5) On the next Rs. 5,00,000 of the principal value
of the estate | 25% |
| (6) On the next Rs. 5,00,000 of the principal value
of the estate | 40% |
| (7) On the next Rs. 5,00,000 of the principal value
of the estate | 50% |
| (8) On the balance of the principal value of the
estate | 85%". |

**Amendment
of Act 27
of 1957.**

50. In the Wealth-tax Act, 1957,—

(a) in section 5, in sub-section (1), for clause (iv), the following clause shall be substituted, namely:—

"(iv) one house or part of a house belonging to the assessee exclusively used by him for residential purposes:

Provided that where the value of such house or part, situate in a place with a population exceeding ten thousand, exceeds one lakh of rupees, the amount that shall not be included in the net wealth of an assessee under this section shall be one lakh of rupees.";

(b) section 42 shall be omitted;

(c) for sections 42A and 42B, the following sections shall be substituted, namely:—

42A. (1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessees and any other particulars relating to any proceedings under this Act in respect of such assessees, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

42B. Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.”;

(d) in section 43, after the words “lie against”, the words “the Government or” shall be inserted;

(e) in the Schedule, for Part I, the following Part shall be substituted, namely:—

“PART I

(a) In the case of every individual:—

	<i>Rate of tax</i>
(i) on the first rupees one lakh of net wealth	Nil
(ii) on the next rupees four lakhs of net wealth	0.5%
(iii) on the next rupees five lakhs of net wealth	1.0%
(iv) on the next rupees ten lakhs of net wealth	2.0%
(v) on the balance of net wealth	2.5%

(b) In the case of every Hindu undivided family:—

(i) on the first rupees two lakhs of net wealth	Nil
(ii) on the next rupees three lakhs of net wealth	0.5%
(iii) on the next rupees five lakhs of net wealth	1.0%
(iv) on the next rupees ten lakhs of net wealth	2.0%
(v) on the balance of net wealth	2.5%”.

51. In the Expenditure-tax Act, 1957,—

(i) in section 3, in sub-section (1), the proviso and the *Explanation* shall be omitted;

(ii) in section 5,—

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

“(g) any expenditure incurred by the assessee in the purchase of books;”;

(2) to clause (j), the following proviso shall be added, namely:—

“Provided that the assessee is either chargeable to gift-tax under the Gift-tax Act, 1958 in respect of such gift, donation or settlement, as the case may be, or has deposited to the credit of the Central Government before the completion of his assessment for the relevant assessment year under this Act, a sum of four per cent. of the moneys or the value of the property comprised in such gift or donation or settlement, as the case may be, by way of payment of expenditure-tax for the relevant assessment year, such payment being in addition to the amount of expenditure-tax with which he is otherwise chargeable under the provisions of this Act;”;

(3) clauses (l) and (n) shall be omitted;

(iii) in section 6—

(a) in sub-section (1)—

(1) clause (c) shall be omitted;

(2) for clause (d), the following clause shall be substituted, namely:—

“(d) four-fifths of any expenditure incurred by way of capital expenditure on the purchase of bullion, precious stones, jewellery, motor-cars and other conveyances for the personal use of the assessee or any of his dependants:

Provided that where a deduction as aforesaid is made, one-fifth of the said capital expenditure shall be deemed to be incurred by the assessee in each of the four years succeeding the previous year in which the expenditure was incurred and no deduction shall be made under this clause in the assessment for any succeeding year in respect of expenditure so deemed to have been incurred in any earlier year;”;

(3) clauses (e), (f), (g) and (h) shall be omitted;

(4) in clause (i), the words, brackets and letters "to the extent to which such expenditure is not admissible under clause (c) or clause (e) or clause (f) or clause (g)," shall be omitted;

(5) clause (j) shall be omitted;

(b) sub-section (2) and sub-section (3) shall be omitted;

(iv) section 38 shall be omitted;

(v) for sections 38A and 38B, the following sections shall be substituted, namely:—

"38A. (1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessee and any other particulars relating to any proceedings under this Act in respect of such assessee, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

38B. Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.";

Disclosure
of infor-
mation
respecting
assessee.

(vi) in section 39, after the words "lie against", the words "the Government or" shall be inserted;

(vii) for the Schedule, the following Schedule shall be substituted, namely :—

THE SCHEDULE
(See section 3)
RATES OF EXPENDITURE-TAX

In the case of every individual and Hindu undivided family, on that portion of the taxable expenditure—

(i) which does not exceed Rs. 36,000	Nil
(ii) which exceeds Rs. 36,000 but does not exceed Rs. 48,000	5%
(iii) which exceeds Rs. 48,000 but does not exceed Rs. 60,000	7·5%
(iv) which exceeds Rs. 60,000 but does not exceed Rs. 72,000	10%
(v) which exceeds Rs. 72,000 but does not exceed Rs. 84,000	15%
(vi) which exceeds Rs. 84,000	20% :

Provided that in respect of any assessment for the financial year commencing on the 1st day of April, 1964 or 1965, this Schedule shall have effect as if for items (v) and (vi), the following item had been substituted, namely :—

“(v) which exceeds Rs. 72,000 15%.”

Amend-
ment of
Act 18 of
1958.

52. In the Gift-tax Act, 1958,—

(a) in section 5,—

(i) in clause (viii) of sub-section (1), for the words “rupees one lakh”, the words “rupees fifty thousand” shall be substituted;

(ii) in sub-section (2), for the words “ten thousand”, the words “five thousand” shall be substituted;

(b) after section 6, the following section shall be inserted, namely :—

Aggrega-
tion of
gifts made
to the
same
donee
during
a certain
period.

6A. (1) Notwithstanding anything to the contrary contained in this Act, where an assessee has made taxable gifts to the same donee during a previous year and during any one or more of the four previous years immediately preceding such previous year, the gift-tax payable by him for the relevant assessment year shall, subject to the provisions

of sub-section (2), be determined in the following manner, namely :—

(a) the value of the taxable gifts made to such a donee during any one or more of the four previous years immediately preceding the previous year relevant to an assessment year shall be aggregated with the value of the taxable gifts made by the assessee during the relevant previous year and gift-tax shall be calculated on the aggregate value at the rate or rates specified in the Schedule;

(b) from the amount of gift-tax calculated under clause (a), there shall be deducted the aggregate of—

(i) an amount which bears to the amount of gift-tax calculated under clause (a) the same proportion as the value of any taxable gift made to such donee prior to the 1st day of April, 1963 included in the aggregate value referred to in clause (a) bears to such aggregate value;

(ii) the amount of any gift-tax payable by the assessee for each of the four assessment years immediately preceding the relevant assessment year in respect of the value of the taxable gifts made by him to the said donee after the 31st day of March, 1963, included in the aggregate value referred to in clause (a),

and the balance shall be the amount of gift-tax payable by the assessee.

Explanation.—For the purposes of sub-clause (ii) of clause (b), the amount of gift-tax payable by an assessee in respect of the value of taxable gifts made by him to the same donee for each of the four assessment years immediately preceding the relevant assessment year means such proportion of the total amount of gift-tax payable by the assessee for that assessment year as the value of any taxable gifts made by him after the 31st day of March, 1963, to such donee during the relevant previous year bears to the total value of the taxable gifts made by the assessee during that previous year.

(2) The gift-tax payable by an assessee shall in no case be less than the amount of the gift-tax which would be payable by him without giving effect to the provisions of sub-section (1).";

(c) in section 32, to sub-section (2), the following proviso shall be, and shall be deemed always to have been, added, namely :—

"Provided that where as a result of an order under section 22, or section 23, or section 24, or section 25, or section 26, or section 28, or section 34, the amount on which interest was payable under this section had been reduced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded.";

(d) in section 34, in sub-section (5), for the word and figures "section 33", the word, figures and letter "section 33A" shall be, and shall be deemed always to have been, substituted;

(e) section 41 shall be omitted;

(f) for sections 41A and 41B, the following sections shall be substituted, namely :—

"41A. (1) If the Central Government is of opinion that it is necessary or expedient in the public interest to publish the names of any assessees and any other particulars relating to any proceedings under this Act in respect of such assessees, it may cause to be published such names and particulars in such manner as it thinks fit.

(2) No publication under this section shall be made in relation to any penalty imposed, or any conviction for any offence connected with any proceedings, under this Act until the time for presenting an appeal to the Appellate Assistant Commissioner or to the first Appellate Court, as the case may be, has expired without an appeal having been presented or the appeal, if presented, has been disposed of.

*Explanation.—*In the case of a firm, company or other association of persons, the names of the partners of the firm, directors, managing agents, secretaries and treasurers, or managers of the company, or the members of the association, as the case may be, may also be published if, in the opinion of the Central Government, the circumstances of the case justify it.

41B. Where a person makes an application to the Commissioner in the prescribed form for any information relating to any assessee in respect of any assessment made under this Act, the Commissioner may, if he is satisfied that it is in the public interest so to do, furnish or cause to be furnished the information asked for in respect of that assessment only and his decision in this behalf shall be final and shall not be called in question in any court of law.”;

(g) in section 42, after the words “lie against”, the words “the Government or” shall be inserted;

(h) for the Schedule, the following Schedule shall be substituted, namely :—

“THE SCHEDULE

[See section 3]

RATES OF GIFT-TAX

	Rate of gift-tax
(1) On the first Rs. 5,000 of the value of all taxable gifts ..	4%
(2) On the next Rs. 15,000 of the value of all taxable gifts ..	8%
(3) On the next Rs. 25,000 of the value of all taxable gifts ..	15%
(4) On the next Rs. 1,00,000 of the value of all taxable gifts ..	25%
(5) On the next Rs. 2,00,000 of the value of all taxable gifts ..	40%
(6) On the balance of the value of all taxable gifts ..	50%”.

53. Notwithstanding anything contained in section 13 of the Finance (No. 2) Act, 1962, expenditure-tax shall be charged under the Expenditure-tax to be levied from 1st April, 1964.
20 of 1962. Finance (No. 2) Act, 1962, expenditure-tax shall be charged under the 29 of 1957. Expenditure-tax Act, 1957 for every financial year commencing on or after the 1st day of April, 1964, in respect of the expenditure incurred by an individual or Hindu undivided family.

54. In Paragraph A of Part I of the First Schedule to the Finance Act, 1963, for clause (ii) of the proviso to clause (c) under the heading “Surcharges on income-tax”, the following clause shall be, and shall be deemed always to have been, substituted, namely:—

“(ii) the additional surcharge shall in no case exceed one-half of the amount by which the residual income exceeds the limit specified below.”.

Super profits tax not to be levied from 1st April, 1964.

Amend-
ment of
Act 32
of 1934.

Surcharge
on duties
of cus-
toms.

Regula-
tory duty
of cus-
toms.

55. Notwithstanding anything contained in the Super Profits Tax Act, 1963, super profits tax shall not be charged for any assessment year commencing on or after the 1st day of April, 1964, in respect of the chargeable profits of any company. 14 of 1963.

56. The Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act) shall be amended in the manner specified in the Third Schedule.

57. (1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, or in that Schedule read with any notification of the Central Government for the time being in force, there shall be levied and collected as an addition to, and in the same manner as, the total amount so chargeable, a sum equal to 10 per cent. of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 58 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1965 except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 10 of 1897. shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

58. (1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Tariff Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of customs which shall be—

(a) 25 per cent. of the rate, if any, specified in the said First Schedule read with any notification issued under section 3A or sub-section (1) of section 4 of the Tariff Act; or

(b) 10 per cent. of the value of the goods as determined in accordance with the provisions of section 14 of the Customs Act, 1962. 52 of 1962.

whichever is higher:

Provided that different dates may be specified by the Central Government for different kinds of goods.

10 of 1897. (2) Sub-section (1) shall cease to have effect after the 30th day of April, 1965 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.

52 of 1962. (3) The duty of customs leviable under this section in respect of any goods referred to in sub-section (1) shall be in addition to any other duty of customs chargeable on such goods under the Customs Act, 1962.

52 of 1962 (4) The provisions of the Customs Act, 1962 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 regulatory duty 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.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

59. In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5 for the figures "1964", the figures "1965" shall be substituted.

Amend-
ment of
Act 1 of
1949.

60. In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act),—

Amend-
ment of
Act 1 of
1944.

(1) in section 2, in clause (f),—

(i) the words beginning with "and the word 'manufacturer'" and ending with "are intended for sale;" shall be omitted;

(ii) after sub-clause (iii), the following shall be inserted, namely:—

"(iv) in relation to goods comprised in Item No. 18A of the First Schedule, includes sizing, beaming, warping, wrapping, winding or reeling, or any one or more of these processes, or the conversion of any form of the said goods into another form of such goods;

and the word 'manufacturer' shall be construed accordingly and shall include not only a person who employs hired labour in the production or manufacture of excisable goods, but also any person who engages in their production or manufacture on his own account;"

(2) in the First Schedule,—

(a) in Item No. 4, under "II—Manufactured tobacco—", for the entries in the third column against sub-items 2(iii) and 2(iv), the entries "Seven rupees and fifty naye paise" and "Four rupees and forty naye paise" shall, respectively, be substituted;

(b) in Item No. 14, under "I", after sub-item (4), the following sub-item shall be inserted, namely:—

"4(A) Dispersed Organic pigments ordinarily used for the printing of textiles, whether in the form of powder, paste, or in emulsion. Two rupees and fifty naye paise per kilogram.";

(c) after Item No. 14B, the following Item shall be inserted, namely:—

"14 BB. SODIUM SILICATE . . . Eight rupees per quintal.";

(d) in Item No. 14F, in the second column,—

(i) for sub-items (i), (ii) and (iii), the following sub-item shall be substituted, namely:—

"(i) Preparations for the care of the skin including beauty creams, vanishing creams, cold creams, make-up creams, cleansing creams, skin foods and tonics, face powders, baby powders, toilet powders and talcum powders.";

(ii) sub-item (iv) shall be re-numbered as sub-item (ii);

(e) in Item No. 15, under "I", for sub-items (1), (2) and (3), the following sub-items shall be substituted, namely:—

"(1) Soap, household and laundry . . . Eighteen rupees per quintal.
(2) Other sorts . . . Thirty-eight rupees per quintal.";

(f) for Item No. 15A, the following Item shall be substituted, namely:—

"15A. ARTIFICIAL OR SYNTHETIC RESINS AND PLASTIC MATERIALS AND ARTICLES THEREOF. Twenty per cent. *ad valorem.*

(1) Artificial or synthetic resins and plastic materials in any form, whether solid, liquid or pasty, or as powder, granules or flakes, or in the form of moulding powders, the following, namely:—

(i) Condensation, Poly-condensation and Poly-addition products, whether or not modified or polymerised, including Phenoplasts, Aminoplasts, Alkyds, Polyurethane, Polyallyl Esters and other Unsaturated Polyesters;

(ii) Polymerisation and Copolymerisation products including Polyethylene and Polytetrahaloethylene, Polyisobutylene, Polystyrene, Polyvinyl chloride, Polyvinyl acetate, Polyvinyl Chloroacetate and other Polyvinyl derivatives, Polyamides, Polyacrylic and Polymethacrylic derivatives and Coumarone-Indene resins; and

(iii) Cellulose acetate (including di-or tri-acetate), Cellulose acetate butyrate and Cellulose propionate, Cellulose acetate-propionate, Ethyl cellulose and Benzyl cellulose, whether plasticised or not, and plasticised Cellulose nitrate.

(2) Articles made of plastics, all sorts, including tubes, rods, sheets, foils, sticks, other rectangular or profile shapes, whether laminated or not, and whether rigid or flexible, including layflat tubings and Polyvinyl chloride sheets.

Explanation.—For the purpose of sub-item (2), 'plastics' means the various artificial or synthetic resins or plastic material included in sub-item (1).";

(g) in Item No. 17, for sub-items (1) to (10), the following sub-items shall be substituted, namely:—

(1) Cigarette tissue One rupee per kilogram.

(2) Blotting, toilet, target, tissue other than cigarette tissue, teleprinter, typewriting, manifold, bank, bond, art paper, chrome paper, tubsized paper, cheque paper, stamp paper cartridge paper, parchment and coated board (including art board, chrome board and board for playing cards).

(3) Printing and writing paper, packing Thirty-five naye paise per and wrapping paper, strawboard kilogram. and pulp-board, including grey board, corrugated board, duplex and triplex boards, other sorts.

(4) All other kinds of paper and Fifty naye paise per paper-board not otherwise specified. kilogram.";

(h) in Item No. 18, for the entry in the third column, the entry "Nine rupees per kilogram" shall be substituted;

(i) for Item No. 18A, the following Item shall be substituted, namely:—

"18A. COTTON TWIST, YARN AND THREAD, ALL SORTS, sized or unsized, in all forms including skeins, hanks, cops, cones, bobbins, pirns, spools, reels, cheeses, balls or on warp beams, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power—

- (1) of counts 29 or more; One rupee per kilogram.
- (2) of counts less than 29. . . . Fifty naye paise per kilogram.

Explanation.—(1) 'Count' means the size of grey yarn expressed as the number of 1000 metre hanks per one-half kilogram.

(2) For multiple fold yarn, 'count' means the count of the basic single yarn.";

(j) in Item No. 18B—

(a) for sub-item (1), the following sub-item shall be substituted, namely:—

"(1) worsted yarn—

- (a) of 48s counts and more; Twenty per cent. *ad valorem*.
- (b) of less than 48s counts. . . . Fifteen per cent. *ad valorem*."

(b) the following *Explanation* shall be inserted at the end, namely:—

Explanation.—'Count' means the size of single yarn expressed as the number of 560 yard hanks per pound.";

(k) for Item No. 25, the following Item shall be substituted, namely:—

"25. IRON IN ANY CRUDE FORM including pig iron, scrap iron, molten iron or iron cast in any other shape or size. Forty-five rupees per metric tonne.";

(l) for Item No. 26, the following Item shall be substituted, namely:—

"26. STEEL INGOTS, including steel melting scrap. Fifty rupees per metric tonne.";

(m) in Item No. 26AA—

(i) for the entry in the third column against each of the sub-items (i) and (ia), the entry "Forty rupees per metric tonne plus the excise duty for the time being leviable on steel ingots" shall be substituted;

(ii) for sub-items (ii) and (iii), the following sub-items shall be substituted, namely:—

"(ii) Plates and sheets (including uncoated One hundred and fifty plates and sheets intended for rupees per metric tonne tinning), all sorts, and hoops and plus the excise duty for the time strips, all sorts, other than skelp. being leviable on steel ingots

(iii) Skelp One hundred and fifty rupees per metric tonne plus the excise duty for the time being leviable on steel ingots.";

(n) in Item No. 27, for the entry in the second column against sub-item (b), the entry "Manufactures, the following, namely, plates, sheets, circles, strips and extruded shapes and sections in any form or size," shall be substituted;

(o) in Item No. 33B, for the entry in the second column against sub-item (i), the entry "Insulated copper wires and cables, whether sheathed or unsheathed, any core of which, not being one specially designed as a pilot core, has a sectional area of less than 8·0645 square millimetres and wires and cables of other metals and alloys of not more than equivalent conductivity." shall be substituted;

(p) in Item No. 34,—

(i) after sub-item (3), the following sub-item shall be inserted, namely:—

"(3a) Tractors, including agricultural tractors . . Ten per cent. *ad valorem.*"

(ii) the following *Explanation* shall be inserted at the end, namely:—

Explanation.—For the purposes of this Item, where a motor vehicle is mounted, fitted or fixed with any weight-lifting, earth moving and similar specialised material handling equipment, then such equipment other than the chassis shall not be taken into account.";

(q) for Item No. 36, the following Item shall be substituted, namely:—

"36. FOOTWEAR AND PARTS THEREOF in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power—

- | | |
|---------------------------------|--------------------------------------|
| (1) Footwear | Ten per cent. <i>ad valorem.</i> |
| (2) Parts of footwear | Fifteen per cent. <i>ad valorem.</i> |

Explanation.—'Footwear' includes all varieties of footwear, whether known as boots, shoes, sandals, chappals, or by any other name."

Special duty of excise on certain goods.

61. (1) When goods of the description mentioned in this section chargeable with a duty of excise under the First Schedule to the Central Excises Act, as amended by this Act or any subsequent Act of Parliament or under that Schedule read with any notification of the Central Government for the time being in force, are assessed to duty, there shall be levied and collected—

(a) as respects goods comprised in Items Nos. 6, 8, 9, 14D, 22A, 23A except sub-item (1) thereof, 23B, 28, 29, sub-items (2) and (3) of Item No. 31 and Item No. 32 of that Schedule, a special duty of excise equal to 10 per cent. of the total amount so chargeable on such goods;

(b) as respects goods comprised in Items Nos. 2, 3(1), sub-items I, II(2) and II(3) of Item No. 4, Items Nos. 13, 14, 14F, 15, 15A, 15B, 16, 16A, 17, 18A(2), 21, 22, 23, 23A(1), 27, 30, 31(1), 33, sub-items (1), (3a) and (4) of Item No. 34 and Item No. 37 of that Schedule, a special duty of excise equal to 20 per cent. of the total amount so chargeable on such goods; and

(c) as respects goods comprised in Items Nos. 4 II(1), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to 33 1/3 per cent. of the total amount so chargeable on such goods.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1965 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 duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such special duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(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 duty 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.

62. (1) There shall be levied and collected, with effect from such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Act of Parliament, a regulatory duty of excise which shall be fifteen per cent. of the value of the goods as determined in accordance with the provisions of section 4 of the Central Excises Act :

Provided that different dates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 30th day of April, 1965, 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 duties of excise referred to in sub-section (1) in respect of the goods specified therein shall be in addition to the duties of excise chargeable on such goods under the Central Excises Act or any other law for the time being in force and such regulatory duties shall be levied for purposes of the Union and the proceeds thereof shall not be distributed among the States.

(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 regulatory duty 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.

Regulatory duty of excise.

(5) Every notification issued under sub-section (1) shall, as soon as may be after it is issued, be placed before each House of Parliament.

Discontinuance of salt duty.

63. For the year beginning on the first day of April, 1964, no duty under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

Amendment of Act 16 of 1955.—

64. In the Medicinal and Toilet Preparations (Excise Duties) Act, 1955,—

(a) in section 2,—

(i) in clause (h), for the words and figures "and which is a dangerous drug within the meaning of the Dangerous Drugs Act, 1930", the words "and includes all alkaloids of opium", shall be substituted;

(ii) for clause (i), the following clause shall be substituted, namely:—

"(i) 'opium' means—

(1) the capsules of the poppy (*Papaver somniferum L.*), whether in their original form or cut, crushed or powdered and whether or not juice has been extracted therefrom;

(2) the spontaneously coagulated juice of such capsules which has not been submitted to any manipulations other than those necessary for packing and transport; and

(3) any mixture, with or without neutral materials, of any of the above forms of opium,

and includes any derivative of opium;"

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

"THE SCHEDULE

(See section 3)

Item No.	Description of dutiable goods	Rate of duty
<i>Medicinal Preparations</i>		
I. Allopathic Medicinal Preparations :		
	(i) Medicinal preparations containing alcohol which are not capable of being consumed as ordinary alcoholic beverages —	
	(a) Patent or proprietary medicines	Ten per cent. <i>ad valorem</i> or rupee one and ten naye paise per litre of the strength of London proof spirit whichever is higher.

Item No.	Description of dutiable goods	Rate of duty
	(b) Others	Rupee one and ten naye paise per litre of the strength of London proof spirit.
	(ii) Medicinal preparations containing alcohol which are capable of being consumed as ordinary alcoholic beverages—	
	(a) Medicinal preparations which contain known active ingredients in therapeutic quantities.	Ten per cent. <i>ad valorem</i> or rupees three and eighty-five naye paise per litre of the strength of London proof spirit, whichever is higher.
	(b) Others	Rupees fifteen and fifty naye paise per litre of the strength of London proof spirit.
	(iii) Medicinal preparations not containing Alcohol but containing opium, Indian hemp, or other narcotic drug or narcotic.	Ten per cent. <i>ad valorem</i> .
2.	Medicinal preparations in Ayurvedic, Unani or other indigenous systems of medicine—	
	(i) Medicinal preparations containing self-generated alcohol which are not capable of being consumed as ordinary alcoholic beverages.	Nil.
	(ii) Medicinal preparations containing self-generated alcohol which are capable of being consumed as ordinary alcoholic beverages.	Thirty-eight naye paise per litre of the strength of London proof spirit.
	(iii) All others containing alcohol which are prepared by distillation or to which alcohol has been added.	Rupees fifteen and fifty naye paise per litre of the strength of London proof spirit.
	(iv) Medicinal preparations not containing alcohol but containing opium, Indian hemp, or other narcotic drug or narcotic.	Ten per cent. <i>ad valorem</i> .
3.	Homoeopathic preparations containing alcohol.	Rupees three and eighty-five naye paise per litre of the strength of London proof spirit.
	<i>Toilet Preparations</i>	
4.	Toilet preparations containing alcohol, or opium Indian hemp, or other narcotic drug or narcotic.	Twenty-five per cent. <i>ad valorem</i> or rupees three and eighty-five naye paise per litre of the strength of London proof spirit, whichever is higher.

Explanation I.—'Patent or proprietary medicines' means any medicinal preparation which bears either on itself or on its container or both, a name which is not specified in a monograph in a Pharmacopoeia, Formulary or other publications notified in this behalf by the

Central Government in the Official Gazette or which is a brand name, that is, a name or a registered trade mark under the Trade and Merchandise Marks Act, 1958 or any other mark such as a symbol, monogram, label, signature or invented words or any writing which is used in relation to that medicinal preparation for the purpose of indicating or so as to indicate a connection in the course of trade between the preparation and some person having the right either as proprietor or otherwise to use the name or mark with or without any indication of the identity of that person.

Explanation II.—Where any article is chargeable with duty at a rate dependent on the value of the article, such value shall be deemed to be the value as determined in accordance with the provisions of section 4 of the Central Excises and Salt Act, 1944.

1 of 1944

Explanation III.—‘London proof spirit’ means that mixture of ethyl-alcohol and distilled water which at the temperature of 51 degrees Fahrenheit weighs exactly 12/13th parts of an equal measure of distilled water at the same temperature.

Explanation IV.—Where in respect of any dutiable goods the unit of assessment for the purpose of any duty under this Act is a litre of the strength of London proof spirit, the duty shall be increased or reduced in such proportion as the strength of the dutiable goods is greater or less than that of the London proof spirit.”.

Amendment of
Act 21 of
1963.

65. In the Compulsory Deposit Scheme Act, 1963, in section 4, after sub-section (9), the following sub-sections shall be inserted, namely:—

“(9A) If any person has deposited any amount under the provisions of sub-section (3) or sub-section (4) which is in excess of the amount of additional surcharge payable by him, such excess shall, on an application made by that person, be refunded to him with interest due thereon, in such manner as the Central Government thinks fit.

(9B) If any person who is liable to pay advance tax under the Income-tax Act has made a deposit under the provisions of sub-section (5) in the financial year commencing on the first day of April, 1963, the amount of such deposit shall, on an application made by that person, be refunded to him with interest due thereon in such manner as the Central Government thinks fit.”.

THE FIRST SCHEDULE

(See section 2)

PART I

Income-tax and surcharge on income-tax

Paragraph A

- (i) In the case of every individual who is married and every Hindu undivided family whose total income does not exceed Rs. 20,000 in either case—

Rates of Income-tax

Where the individual has no child wholly or mainly dependent on him or where the Hindu undivided family has no minor coparcener.

Where the individual has one child wholly or mainly dependent on him or where the Hindu undivided family has one minor coparcener.

Where the individual has more than one child wholly or mainly dependent on him or where the Hindu undivided family has more than one minor coparcener.

	Rs.	Rs.	Rs.
(1) On the first	3,200 of total income	3,600 of total income	4,000 of total income Nil
(2) On the next	1,800 "	1,400 "	1,000 " 6%
(3) On the next	2,500 "	2,500 "	2,500 " 10%
(4) On the next	5,000 "	5,000 "	5,000 " 15%
(5) On the next	7,500 "	7,500 "	7,500 " 20%

- (ii) In the case of every individual who is not married and every individual or Hindu undivided family whose total income in either case exceeds Rs. 20,000 and in the case of every 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 any other Paragraph of this Part applies:—

(1) On the first	Rs. 1,000 of total income	Nil
(2) On the next	Rs. 4,000 of total income	6%
(3) On the next	Rs. 2,500 of total income	10%
(4) On the next	Rs. 5,000 of total income	15%
(5) On the next	Rs. 7,500 of total income	20%
(6) On the balance of total income		25%:

Provided that for the purposes of this Paragraph—

(i) no income-tax shall be payable on a total income which does not exceed the limit specified below;

(ii) the income-tax payable shall in no case exceed half the amount by which the total income exceeds the said limit;

(iii) the income-tax payable by an individual who is married or a Hindu undivided family whose total income exceeds in either case Rs. 20,000 shall not exceed the aggregate of—

(a) the income-tax which would have been payable if the total income had been Rs. 20,000;

(b) half the amount by which the total income exceeds Rs. 20,000.

The limit aforesaid shall be—

(i) Rs. 6,000 in the case of every Hindu undivided family which as at the end of the previous year satisfies either of the following conditions, namely:—

(a) that it has at least two members entitled to claim partition who are not less than eighteen years of age; or

(b) that it has at least two members entitled to claim partition who are not lineally descended one from the other and who are not lineally descended from any other living member of the family;

(ii) Rs. 3,000 in every other case.

Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union, which shall be equal to the aggregate of the sums computed as hereunder:—

(a) where the amount of the income other than earned income, if any, included in the total income exceeds Rs. 10,000, a sum calculated on the difference between the amount of income-tax on the total income and the amount of income-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income, at the following rate, namely:—

(i) where the amount of the income other than the earned income, if any, included in the total

income exceeds Rs. 10,000 but does not exceed Rs. 25,000,

Provided that the amount of surcharge payable under this clause shall in no case exceed one-tenth of the amount by which the income other than the earned income exceeds Rs. 10,000;

(ii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 25,000 but does not exceed Rs. 75,000,

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

(1) an amount calculated at the rate of twelve and a half per cent. on the amount of income-tax on an income of Rs. 25,000, if such income had been the total income (the income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);

(2) one-tenth of the amount by which the income other than the earned income exceeds Rs. 25,000;

(iii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 75,000,

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely:—

(1) an amount calculated at the rate of fifteen per cent. on the amount of income-tax on an income of Rs. 75,000, if such income had been the total income (the income of Rs. 75,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);

(2) one-tenth of the amount by which the income other than the earned income exceeds Rs. 75,000;

(b) where the earned income included in the total income exceeds Rs. 1,00,000, a sum calculated at ten per cent. of the difference between the amount of income-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of income-tax payable on a total income of Rs. 1,00,000.

Paragraph B

In the case of every local authority,—

Rate of income-tax

On the whole of the total income	30%
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Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of five per cent. of the amount of income-tax.

Paragraph C

In every case in which under the provisions of the Income-tax Act income-tax is to be charged at the maximum rate,—

Rate of income-tax

On the whole of the total income	25%
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Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 17·5 per cent. of the amount of income-tax.

Paragraph D

In the case of every company,—

Rate of income-tax

On the whole of the total income	25%:
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Provided that a rebate at the rate of ten per cent. on so much of the total income as consists of dividends from an Indian Company which is not such a company as is referred to in section 108 of the Income-tax Act and which is wholly or mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, shall be allowed in the case of a company which has not made the prescribed arrangements for the declaration and payment of dividends within India.

Explanation.—For the purposes of this Paragraph and Part III of this Schedule, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, if the income attributable to any of the aforesaid activities included in its total income for the previous year is not less than fifty-one per cent. of such total income.

Paragraph E

In the case of every registered firm,—

Rates of income-tax

(1) On the first Rs. 25,000 of total income	Nil
(2) On the next Rs. 25,000 of total income	6%
(3) On the next Rs. 50,000 of total income	8%
(4) On the balance of total income	12%.

Surcharge on income-tax

The amount of income-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union equal to the sum of—

- (i) twenty per cent. of the amount of income-tax payable by the firm on its income from any business carried on by it calculated at the average rate of income-tax applicable to its total income; and
- (ii) ten per cent. of the amount of income-tax payable by it on its income from all sources other than from any business carried on by it calculated at the average rate of income-tax applicable to its total income.

PART II

Super-tax and surcharge on super-tax

Paragraph A

In the case of every individual, Hindu undivided family, unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial judicial person

referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of super-tax

(1) On the first Rs. 20,000 of total income	Nil
(2) On the next Rs. 5,000 of total income	10%
(3) On the next Rs. 5,000 of total income	15%
(4) On the next Rs. 20,000 of total income	30%
(5) On the next Rs. 20,000 of total income	45%
(6) On the balance of total income	50%.

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union, which shall be equal to the aggregate of the sums computed as hereunder:—

(a) where the amount of income other than earned income, if any, included in the total income exceeds Rs. 10,000, a sum calculated on the difference between the amount of super-tax on the total income and the amount of super-tax on the whole of the earned income, if any, included in the total income if such earned income had been the total income, at the following rate, namely:—

(i) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000,

Provided that the amount of surcharge payable under this clause shall in no case exceed one-eighth of the amount by which the income other than the earned income exceeds Rs. 10,000;

(ii) where the amount of income other than the earned income, if any, included in the total income exceeds Rs. 25,000 but does not exceed Rs. 75,000,

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely :—

(1) an amount calculated at the rate of twelve and a half per cent. on the amount of super-tax on an income of Rs. 25,000, if such income had been the total income (the income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);

(2) one-eighth of the amount by which the income other than the earned income exceeds Rs. 25,000;

(iii) where the amount of the income other than the earned income, if any, included in the total income exceeds Rs. 75,000, at the rate of 17·5%:

Provided that the surcharge payable under this clause shall in no case exceed the aggregate of the following sums, namely :—

(1) an amount calculated at the rate of fifteen per cent. on the amount of super-tax on an income of Rs. 75,000, if such income had been the total income (the income of Rs. 75,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the person concerned);

(2) one-eighth of the amount by which the income other than the earned income exceeds Rs. 75,000;

(b) where the earned income included in the total income exceeds Rs. 1,00,000, a sum calculated at ten per cent. of the difference between the amount of super-tax which would have been payable on the whole of the earned income included in the total income, if such earned income had been the total income and the amount of super-tax payable on a total income of Rs. 1,00,000.

Paragraph B

In the case of every local authority,—

Rate of super-tax

On the whole of the total income	16%
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Surcharge on super-tax

The amount of super-tax computed at the rate hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph C

In the case of every association of persons being a co-operative society as defined in clause (19) of section 2 of the Income-tax Act,—

Rates of super-tax

(1) On the first Rs. 25,000 of total income	.. Nil
(2) On the balance of total income	.. 16%

Surcharge on super-tax

The amount of super-tax computed at the rates hereinbefore specified shall be increased by a surcharge for purposes of the Union of 12½ per cent. of the amount of super-tax.

Paragraph D

In the case of every company, other than the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956,—

31 of 1956.

Rates of super-tax

On the whole of the total income .. 55%;

Provided that—

(i) a rebate at the rate of 37·5 per cent. on the total income shall be allowed in the case of any company which—

(a) in respect of its profits liable to tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1964, has made the prescribed arrangements for the declaration and payment within India of the dividends payable out of such profits in accordance with the provisions of section 194 of that Act; and

(b) is such a company as is referred to in section 108 of the Income-tax Act with a total income not exceeding Rs. 25,000;

(ii) a rebate at the rate of 35 per cent. on so much of the total income as consists of profits and gains attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule; and at the rate of 30 per cent. on the balance of the total income shall be allowed in the case of a company which satisfies condition (a) of the preceding clause and which is such a company as is referred to in section 108 of the Income-tax Act with a total income exceeding Rs. 25,000;

(iii) (A) in the case of a company which is wholly or mainly engaged in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power and whose total income does not exceed rupees five lakhs, a rebate at the rate of 30 per cent. on so much of its total income as does not exceed rupees two lakhs and a rebate at the rate of 20 per cent. on the balance of the total income; and in addition, where the total income includes any income attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule, a

rebate at the rate of 5 per cent. on so much of such inclusion as does not exceed rupees two lakhs and a rebate at the rate of 6 per cent. on the balance, if any, of such inclusion,

shall be allowed if—

(a) such company satisfies condition (a) of clause (i);
and

(b) it is not such a company as is referred to in section 108 of the Income-tax Act;

(B) in the case of any company which is not entitled to any rebate under sub-clause (A) of this clause, a rebate at the rate of 26 per cent. on so much of its total income as is attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule; and at the rate of 20 per cent. on the balance of the total income,

shall be allowed if—

(a) such company satisfies condition (a) of clause (i);
and

(b) it is not such a company as is referred to in section 108 of the Income-tax Act;

(iv) a rebate at the rate of 30 per cent. on so much of the total income as consists of royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government; at the rate of 30 per cent. on so much of the total income as consists of fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government; and at the rate of 15 per cent. on the balance of the total income shall be allowed in the case of any company not entitled to a rebate under any of the preceding clauses :

Provided further that—

(i) the amount of the rebate under clause (i) or clause (ii) or clause (iii) of the preceding proviso shall be reduced by the

sum, if any, equal to the amount or the aggregate of the amounts, as the case may be, computed as hereunder :—

(a) on the aggregate of the sums computed in the manner provided in clause (i) of the second proviso to Paragraph D of Part II of the First Schedule to the Finance Act, 1963 as reduced by the amount, if any, which is deemed to have been taken into account, in accordance with clause (ii) of the said proviso, for the purpose of reducing the rebate mentioned in clause (i) of the said proviso to *nil*;

(b) on the amount representing the face value of any bonus shares or the amount of any bonus issued to its shareholders during the previous year with a view to increasing the paid-up capital except where such bonus shares or bonus have been issued wholly out of the share premium account of the company after the 31st day of March, 1964; and

(c) in addition, in the case of a company referred to in clause (i) or clause (ii) or clause (iii) of the preceding proviso [being such a company as is referred to in section 108 of the Income-tax Act or any other company as is referred to in clause (iii) of sub-section (2) of section 104 of that Act] which has declared or distributed to its shareholders during the previous year any dividends other than dividends on preference shares—

(A) in the case of a company which since the date of the commencement of its activities has declared or distributed any dividends for the first time during the previous year or any one of the four previous years immediately preceding such previous year—

on that part of the dividends other than dividends on preference shares which exceeds 10 per cent. of the paid-up equity capital ; at the rate of 7·5%

(B) in any other case—

on the whole amount of the dividends other than dividends on preference shares; at the rate of 7·5%

(ii) where the sum arrived at in accordance with clause (i) of this proviso exceeds the amount of the rebate arrived at in accordance with clause (i) or clause (ii) or clause (iii), as the case may be, of the preceding proviso, only so much of the amounts of reduction mentioned in sub-clauses (a), (b) and (c) of clause (i) of this proviso as is sufficient, in that order, to reduce the rebate to *nil* shall be deemed to have been taken into account for the purpose :

Provided further that the super-tax payable by a company, as is referred to in section 108 of the Income-tax Act, and the total income of which exceeds rupees twenty-five thousand, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been Rs. 25,000 (the

at the rate of 100%

13 of 1963.

at the rate of 12½%

income of Rs. 25,000 for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) fifty-five per cent. of the amount by which its total income exceeds rupees twenty-five thousand:

Provided further that the super-tax payable by a company, which is wholly or mainly engaged in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power and which is not such a company as is referred to in section 108 of the Income-tax Act and the total income of which exceeds rupees five lakhs, shall not exceed the aggregate of—

(a) the super-tax which would have been payable by the company if its total income had been rupees five lakhs (the income of rupees five lakhs for this purpose being computed as if such income included income from various sources in the same proportion as the total income of the company); and

(b) fifty-five per cent. of the amount by which its total income exceeds rupees five lakhs.

Explanation 1.—For the purposes of this Paragraph, a company shall be deemed to be mainly engaged in the manufacture or processing of goods or in mining or in the generation or distribution of electricity or any other form of power, if the income attributable to any of the aforesaid activities included in its total income for the previous year is not less than fifty-one per cent. of such total income.

Explanation 2.—For the purposes of this Paragraph, where a part of the income of a company is not included in its total income because it is agricultural income, the amount declared or distributed as dividends (other than dividends on preference shares), the amount representing the face value of any bonus shares and the amount of any bonus issued to its shareholders shall each be deemed to be such proportion thereof as the sum specified in clause (a) bears to the sum specified in clause (b), such sums being—

(a) the average amount of the total income of the company in the five previous years in which it has been in receipt of taxable income immediately preceding the relevant previous year; and

(b) the average amount of the total profits and gains (excluding capital receipts) of the company for the five previous years referred to in clause (a) reduced by such allowances as may be admissible under the Income-tax Act but which have not been taken into account by the company in its profit and loss accounts for the said five previous years.

Explanation 3.—For the removal of doubts it is hereby declared that where any dividends were declared by the company before the commencement of the previous year and are distributed by it during that year, no reduction in the rebate shall be made under sub-clause (c) of clause (i) of the second proviso in respect of such dividends.

Paragraph E

In the case of the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956 —

31 of 1956.

Rate of super-tax

On the whole of its profits and gains from life insurance business 22·5%.

PART III

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sub-section (2) of section 192 and sections 193 to 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		Super-tax	
	Rate of income-tax	Rate of surcharge	Rate of super-tax	Rate of surcharge

1. In the case of a person other than a company—
 (a) where the person is resident—
 on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government); 18% 2% Nil Nil;

	Income-tax		Super-tax	
	Rate of income-tax	Rate of surcharge	Rate of super-tax	Rate of surcharge

(b) where the person is not resident in India—

- | | | | |
|--|-----|-------|---|
| (i) on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government); | 25% | 4·37% | Super-tax and surcharge on super-tax in accordance with the provisions of clause (b) of sub-section (i) of section 113 of the Income-tax Act. |
| (ii) on the income from interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government. | Nil | Nil | Super-tax and surcharge on super-tax in accordance with the provisions of clause (b) of sub-section (i) of section 113 of the Income-tax Act. |

2. In the case of a company—

- (a) where the company is either an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—

on the whole income (excluding interest payable on any security of the Central Government issued or declared to be income-tax free, and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government);

20%

- (b) where the company is neither an Indian company nor a company which has made the prescribed arrangements for the declaration and payment of dividends within India,—

(i) on the income from dividends payable by an Indian company which is not such a company as is referred to in section 108 of the Income-tax Act and which is wholly or mainly engaged in the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in Part IV of this Schedule;

15% Nil

(ii) on the income from dividends payable by any other Indian company or any company which has made the prescribed arrangements for the declaration and payment of dividends within India;

25% Nil

		Rate of income- tax	Rate of super- tax
(iii)	on the income from royalties payable by an Indian concern in pursuance of an agreement which is made by it with the Indian concern on or after the 1st day of April, 1961 and which has been approved by the Central Government;	25%	25%
(iv)	on the income from fees for rendering technical services received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 29th day of February, 1964 and which has been approved by the Central Government;	25%	25%
(v)	on the income from interest payable on any security of the Central Government issued or declared to be income-tax free and interest payable on any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government ; and	Nil	40%
(vi)	on any other income	25%	40%.

PART IV

List of articles

- (1) Iron and steel (metal), ferro-alloys and special steels.
- (2) Aluminium, copper, lead and zinc (Metals).
- (3) Coal, lignite, iron ore, bauxite, manganese ore, dolomite, magnesite and mineral oil.
- (4) Industrial machinery specified under the heading "8. Industrial Machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, 1951.
- (5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.
- (6) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.
- (7) Machine tools, precision tools, dies and jigs.
- (8) Tractors and earth-moving machinery.
- (9) Steel castings and forgings.
- (10) Cement and refractories.
- (11) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate (nitrolime stone),

65 of 1951.

ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitro phosphate.

(12) Paper and pulp.

(13) Tea.

(14) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.

(15) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.

(16) Component parts of the articles mentioned in items Nos. (4), (5), (6) and (8), that is to say, such parts as are essential for the working of the machinery referred to in items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.

THE SECOND SCHEDULE

(See section 3)

Rates of Annuity Deposits

(i) In the case of any depositor whose total income does not exceed Rs. 15,000. **Nil.**

(ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000—

5 per cent. of the adjusted total income :

Provided that the annuity deposit to be made shall in no case exceed half the amount by which the total income exceeds Rs. 15,000.

(iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000—

$7\frac{1}{2}$ per cent. of the adjusted total income :

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely :—

(a) an amount calculated at five per cent. on so much of the adjusted total income as does not exceed Rs. 20,000;

(b) one-half of the amount by which the total income exceeds Rs. 20,000.

(iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000—

10 per cent. of the adjusted total income :

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely :—

(a) an amount calculated at seven and a half per cent. on so much of the adjusted total income as does not exceed Rs. 40,000;

(b) one-half of the amount by which the total income exceeds Rs. 40,000.

(v) In the case of a depositor whose total income exceeds Rs. 70,000—

$12\frac{1}{2}$ per cent. of the adjusted total income :

Provided that the annuity deposit to be made shall in no case exceed the aggregate of the following sums, namely :—

(a) an amount calculated at ten per cent. on so much of the adjusted total income as does not exceed Rs. 70,000;

(b) one-half of the amount by which the total income exceeds Rs. 70,000.

Explanation.—In this Schedule, “total income” means total income computed in the manner laid down in the Income-tax Act without making any allowance under section 280 of that Act.

THE THIRD SCHEDULE

(See section 56)

PART I

In the First Schedule to the Tariff Act,—

(i) in Item No. 28 (34),—

(1) for the entry in the fourth column against sub-item (a), the entry "70 per cent. *ad valorem*" shall be substituted;(2) for the entry in the fourth column against sub-item (b), the entry "80 per cent. *ad valorem*" shall be substituted; and

(ii) in item No. 63 (32),—

(1) for the entry in the fourth column against sub-item (a), the entry "Rs. 50.00 per tonne plus 25 per cent. *ad valorem*" shall be substituted;(2) for the entry in the fourth column against sub-item (b), the entry "Rs. 84.00 per tonne plus 25 per cent. *ad valorem*" shall be substituted.

PART II

Item No.	Name of article	Nature of duty	Standard rate of duty	Preferential rate of duty if the article is the produce or manufac- ture of		Duration of protec- tive rates of duty
				The United King- dom	A British Colony	
1	2	3	4	5	6	7

In the First Schedule to the Tariff Act, for Item No. 8(2), the following Item shall be substituted, namely :—

“8(2) Fruits, dried (salted and all other kinds) not otherwise specified—

(A) Almonds—

(a) without shell. Preferential Revenue. Rs. 430.00 per quintal. .. Rs. 430.00 per quintal less 10 per cent. *ad valorem*.

(b) in the shell—

(i) soft shell. Preferential Revenue. Rs. 250.00 per quintal. .. Rs. 250.00 per quintal less 10 per cent. *ad valorem*.

1	2	3	4	5	6	7
(ii) hard shell.	Preferential Revenue.	Rs. 140.00 per quintal.	..	Rs. 140.00 per quintal less 10 per cent. <i>ad valorem</i>
(B) Dates, dry, excluding seedless—						
(a) Shekra or Shakeria, Sakina and Brami,	Preferential Revenue.	Rs. 75.00 per quintal.	..	Rs. 75.00 per quintal less 10 per cent. <i>ad valorem</i>
(b) Kapkapa, Chharra, Chupchap, Sarki, Sori, Omanji and Bhatni.	Preferential Revenue.	Rs. 50.00 per quintal.	..	Rs. 50.00 per quintal less 10 per cent. <i>ad valorem</i>
(c) All other qualities.	Preferential Revenue.	Rs. 35.00 per quintal.	..	Rs. 35.00 per quintal less 10 per cent. <i>ad valorem</i>
(C) Dates, wet, excluding seedless, in bags, baskets, gunny cloth or matting bundles.	Preferential Revenue.	Rs. 15.00 per quintal.	..	Rs. 15.00 per quintal less 10 per cent. <i>ad valorem</i>
(D) Pistachio nuts.—						
(a) with shell.	Preferential Revenue.	Rs. 200.00 per quintal.	..	Rs. 200.00 per quintal less 10 per cent. <i>ad valorem</i>
(b) without shell.	Preferential Revenue.	Rs. 500.00 per quintal.	..	Rs. 500.00 per quintal less 10 per cent. <i>ad valorem</i>
(E) Raisins—						
(a) Red, including Gul-dani and Lalmewa, in all packings and containers.	Preferential Revenue.	Rs. 100.00 per quintal.	..	Rs. 100.00 per quintal less 10 per cent. <i>ad valorem</i>
(b) Black, including black Monacca, in all packings and containers.	Preferential Revenue.	Rs. 130.00 per quintal.	..	Rs. 130.00 per quintal less 10 per cent. <i>ad valorem</i>

1	2	3	4	5	6	7
(c) All other sorts, including Monacca and Abjosh, in all packings and containers.		Preferential Revenue.	Rs. 200.00 per quintal.	..	Rs. 200.00 per quintal less 10 per cent. <i>ad valorem.</i>	..
(F) Other sorts.	.	Preferential Revenue.	60 per cent. <i>ad valorem.</i>	..	50 per cent. <i>ad valorem.</i>

THE APPROPRIATION (No. 2) ACT, 1964

No. 6 OF 1964

[29th April, 1964]

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 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Appropriation (No. 2) Act, 1964.

Issue
of Rs.
1,04,00,37,
30,000
out of the
Consoli-
dated
Fund of
India for
the year
1964-65.

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, 1964] to the sum of ten thousand and four hundred crores, thirty-seven lakhs and fifty thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65 in respect of the services specified in column 2 of the Schedule.

Appro-
priation. 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.

2

THE SCHEDULE

(See sections 2 and 3)

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
1	Ministry of Community Development and Co-operation .	Rs. 28,80,000	..	Rs. 28,80,000
2	Community Development Projects, National Extension Service and Co-operation .	5,70,44,000	..	5,70,44,000
3	Ministry of Defence . . .	60,50,000	..	60,50,000
4	Defence Services, Effective—Army	5,82,88,50,000	10,00,000	5,82,98,50,000
5	Defence Services, Effective—Navy	23,14,50,000	50,000	23,15,00,000
6	Defence Services, Effective—Air Force	1,24,61,00,000	1,00,000	1,24,62,00,000
7	Defence Services, Non-Effective	21,90,00,000	50,000	21,90,50,000
8	Ministry of Education . . .	86,26,000	..	86,26,000
9	Education	36,57,71,000	..	36,57,71,000
10	Archaeology	1,28,30,000	..	1,28,30,000
11	Survey of India	4,16,09,000	..	4,16,09,000
12	Botanical Survey	28,35,000	..	28,35,000
13	Zoological Survey	25,96,000	..	25,96,000
14	Other Revenue Expenditure of the Ministry of Education . . .	11,81,03,000	..	11,81,03,000
15	Tribal Areas	15,86,19,000	..	15,86,19,000
16	External Affairs	18,54,45,000	..	18,54,45,000
17	Dadra and Nagar Haveli Area	18,78,000	..	18,78,000
18	Other Revenue Expenditure of the Ministry of External Affairs	7,81,16,000	..	7,81,16,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
19	Ministry of Finance . . .	Rs. 2,22,27,000	Rs. ..	Rs. 2,22,27,000
20	Customs . . .	4,63,74,000	50,000	4,64,24,000
21	Union Excise Duties . . .	11,14,27,000	46,000	11,14,73,000
22	Taxes on Income including Corporation Tax, etc. . . .	7,87,64,000	1,46,000	7,89,10,000
23	Stamps . . .	3,18,48,000	..	3,18,48,000
24	Audit . . .	13,95,87,000	23,30,000	14,19,17,000
25	Currency and Coinage . . .	9,71,91,000	..	9,71,91,000
26	Mint . . .	2,64,69,000	..	2,64,69,000
27	Kolar Gold Mines . . .	5,15,39,000	..	5,15,39,000
28	Pensions and other Retirement benefits . . .	5,88,59,000	15,38,000	6,03,97,000
29	Territorial and Political Pensions . . .	21,80,000	..	21,80,000
30	Opium . . .	2,88,76,000	..	2,88,76,000
31	Other Revenue Expenditure of the Ministry of Finance . . .	1,61,79,92,000	..	1,61,79,92,000
32	Planning Commission . . .	1,10,63,000	..	1,10,63,000
33	Grants-in-aid to State and Union territory Governments . . .	2,18,90,54,000	76,85,81,000	2,95,76,35,000
34	Miscellaneous Adjustments between the Central and State and Union territory Governments . . .	28,18,000	..	28,18,000
35	Pre-partition Payments . . .	14,92,000	6,00,000	20,92,000
	CHARGED.—Interest on Debt and Other Obligations and Reduction or avoidance of Debt	3,18,45,62,000	3,18,45,62,000
	CHARGED.—Payments of State's Share of Union Excise Duties	1,40,97,76,000	1,40,97,76,000
36	Ministry of Food and Agriculture . . .	84,78,000	..	84,78,000
37	Agriculture . . .	4,36,48,000	..	4,36,48,000
38	Agricultural Research . . .	6,74,43,000	..	6,74,43,000
39	Animal Husbandry . . .	1,12,94,000	..	1,12,94,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
40	Forest	1,24,87,000	..	1,24,87,000
41	Other Revenue Expenditure of the Ministry of Food and Agriculture	18,63,84,000	15,38,000	18,79,22,000
42	Ministry of Health	22,81,000	..	22,81,000
43	Medical and Public Health	12,47,17,000	..	12,47,17,000
44	Other Revenue Expenditure of the Ministry of Health	95,21,000	..	95,21,000
45	Ministry of Home Affairs	4,53,39,000	..	4,53,39,000
46	Cabinet	45,83,000	..	45,83,000
47	Zonal Councils	1,27,000	..	1,27,000
48	Administration of Justice	3,17,000	20,62,000	23,79,000
49	Police	14,63,84,000	..	14,63,84,000
50	Census	1,36,53,000	..	1,36,53,000
51	Statistics	2,30,05,000	..	2,30,05,000
52	Privy Purses and Allowances of Indian Rulers	1,14,000	5,08,03,000	5,09,17,000
53	Delhi	21,44,59,000	25,000	21,44,84,000
54	Andaman and Nicobar Islands	3,26,37,000	..	3,26,37,000
55	Laccadive, Minicoy and Amin-divi Islands	47,54,000	..	47,54,000
56	Other Revenue Expenditure of the Ministry of Home Affairs	2,75,38,000	..	2,75,38,000
57	Ministry of Industry	37,47,000	..	37,47,000
58	Industries	18,52,26,000	5,00,000	18,57,26,000
59	Salt	56,02,000	..	56,02,000
60	Other Revenue Expenditure of the Ministry of Industry	31,11,000	..	31,11,000
61	Ministry of Information and Broadcasting	15,62,000	..	15,62,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
62	Broadcasting . . .	5,91,06,000	..	5,91,06,000
63	Other Revenue Expenditure of the Ministry of Information and Broadcasting . . .	4,60,56,000	..	4,60,56,000
64	Ministry of International Trade . . .	33,29,000	..	33,29,000
65	Foreign Trade . . .	9,33,34,000	5,000	9,33,39,000
66	Other Revenue Expenditure of the Ministry of International Trade . . .	3,19,51,000	..	3,19,51,000
67	Ministry of Irrigation and Power . . .	25,83,000	..	25,83,000
68	Multi-purpose River Schemes . . .	1,92,03,000	..	1,92,03,000
69	Other Revenue Expenditure of the Ministry of Irrigation and Power . . .	9,01,33,000	..	9,01,33,000
70	Ministry of Labour and Employment . . .	29,57,000	..	29,57,000
71	Chief Inspector of Mines . . .	34,82,000	..	34,82,000
72	Labour and Employment . . .	11,28,01,000	..	11,28,01,000
73	Other Revenue Expenditure of the Ministry of Labour and Employment . . .	14,91,000	..	14,91,000
74	Ministry of Law . . .	46,06,000	..	46,06,000
75	Elections . . .	85,90,000	..	85,90,000
76	Other Revenue Expenditure of the Ministry of Law . . .	2,20,000	..	2,20,000
77	Ministry of Petroleum and Chemicals . . .	17,65,000	..	17,65,000
78	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals . . .	95,09,000	..	95,09,000
79	Ministry of Steel, Mines and Heavy Engineering . . .	41,17,000	..	41,17,000
80	Geological Survey . . .	3,54,37,000	..	3,54,37,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
81	Other Revenue Expenditure of the Ministry of Steel, Mines and Heavy Engineering . . .	38,32,80,000	38,32,80,000
82	Ministry of Transport . . .	1,06,19,000	1,06,19,000
83	Meteorology . . .	2,68,12,000	2,68,12,000
84	Central Road Fund . . .	4,40,47,000	4,40,47,000
85	Communications (including National Highways) . . .	7,66,37,000	7,66,37,000
86	Mercantile Marine . . .	1,29,53,000	1,29,53,000
87	Lighthouses and Lightships . . .	1,09,30,000	1,09,30,000
88	Aviation . . .	7,04,22,000	7,04,22,000
89	Other Revenue Expenditure of the Ministry of Transport . . .	3,07,29,000	3,07,29,000
90	Ministry of Works, Housing and Rehabilitation . . .	46,64,000	46,64,000
91	Public Works . . .	33,80,21,000	33,08,000	34,13,29,000
92	Stationery and Printing . . .	11,54,69,000	11,54,69,000
93	Expenditure on Displaced Persons . . .	8,45,29,000	72,000	8,46,01,000
94	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation . . .	90,59,000	90,59,000
95	Department of Atomic Energy . . .	19,28,000	19,28,000
96	Atomic Energy Research . . .	9,97,29,000	9,97,29,000
97	Department of Parliamentary Affairs . . .	3,65,000	3,65,000
98	Department of Posts and Telegraphs . . .	9,79,000	9,79,000
99	Overs seas Communications Service . . .	1,58,71,000	1,58,71,000
100	Posts and Telegraphs (Working Expenses) . . .	1,23,77,19,000	30,000	1,23,77,49,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
101	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds . . .	12,10,77,000	..	12,10,77,000
102	Other Revenue Expenditure of the Department of Posts and Telegraphs . . .	26,50,000	..	26,50,000
103	Department of Supply . . .	51,52,000	..	51,52,000
104	Supplies and Disposals . . .	3,53,76,000	..	3,53,76,000
105	Other Revenue Expenditure of the Department of Supply . . .	10,41,000	..	10,41,000
106	Department of Technical Development . . .	3,08,000	..	3,08,000
107	Other Revenue Expenditure of the Department of Technical Development . . .	44,57,000	..	44,57,000
108	Lok Sabha . . .	1,06,09,000	66,000	1,06,75,000
109	Other Revenue Expenditure of Lok Sabha . . .	45,000	..	45,000
110	Rajya Sabha . . .	45,27,000	67,000	45,94,000
	CHARGED.— <i>Staff, Household and Allowances of the President</i>	29,46,000	29,46,000
111	Secretariat of the Vice-President . . .	2,17,000	..	2,17,000
	CHARGED.— <i>Union Public Service Commission</i>	51,27,000	51,27,000
112	Capital Outlay of the Ministry of Community Development and Co-operation . . .	14,00,000	..	14,00,000
113	Defence Capital Outlay . . .	1,40,95,00,000	15,00,000	1,41,10,00,000
114	Capital Outlay of the Ministry of Education . . .	5,60,00,000	..	5,60,00,000
115	Capital Outlay of the Ministry of External Affairs . . .	1,65,00,000	..	1,65,00,000
116	Capital Outlay on the India Security Press . . .	19,56,000	..	19,56,000

OF 1954]

Appropriation (No. 2)

103

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
117	Capital Outlay on Currency and Coinage . . .	11,60,73,000	..	11,60,73,000
118	Capital Outlay on Mints . . .	33,09,000	..	33,09,000
119	Capital Outlay on Kolar Gold Mines . . .	80,58,000	..	80,58,000
120	Commuted Value of Pensions . . .	1,23,80,000	1,20,000	1,25,00,000
121	Other Capital Outlay of the Ministry of Finance . . .	1,78,27,41,000	..	1,78,27,41,000
122	Capital Outlay on Grants to State and Union Territory Governments for Development . . .	28,22,05,000	..	28,22,05,000
123	Loans and Advances by the Central Government . . .	2,54,12,76,000	6,05,80,33,000	8,59,93,09,000
	CHARGED.—Repayment of Debt	61,41,23,70,000	61,41,23,70,000
124	Capital Outlay on Forests . . .	1,93,000	..	1,93,000
125	Purchase of Foodgrains . . .	2,50,88,49,000	1,00,000	2,50,89,49,000
126	Other Capital Outlay of the Ministry of Food and Agriculture . . .	73,67,97,000	10,000	73,68,07,000
127	Capital Outlay of the Ministry of Health . . .	10,83,65,000	..	10,83,65,000
128	Capital Outlay of the Ministry of Home Affairs . . .	75,69,000	..	75,69,000
129	Capital Outlay of the Ministry of Industry . . .	3,12,32,000	..	3,12,32,000
130	Capital Outlay of the Ministry of Information and Broadcasting . . .	2,10,73,000	25,000	2,10,98,000
131	Capital Outlay of the Ministry of International Trade . . .	60,00,000	..	60,00,000
132	Capital Outlay on Multi-purpose River Schemes . . .	10,54,67,000	..	10,54,67,000
133	Other Capital Outlay of the Ministry of Irrigation and Power . . .	9,34,67,000	..	9,34,67,000
134	Capital Outlay of the Ministry of Labour and Employment . . .	3,71,000	..	3,71,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
135	Capital Outlay of the Ministry of Petroleum and Chemicals	51,53,41,000	..	51,53,41,000
136	Capital Outlay of the Ministry of Steel, Mines and Heavy Engineering	1,37,86,82,000	..	1,37,86,82,000
137	Capital Outlay on Roads	59,70,95,000	..	59,70,95,000
138	Capital Outlay on Ports	2,66,47,000	..	2,66,47,000
139	Capital Outlay on Civil Aviation	4,94,49,000	25,000	4,94,74,000
140	Other Capital Outlay of the Ministry of Transport	6,88,09,000	..	6,88,09,000
141	Capital Outlay on Public Works	9,45,26,000	5,00,000	9,50,26,000
142	Delhi Capital Outlay	24,69,08,000	31,92,000	25,01,00,000
143	Other Capital Outlay of the Ministry of Works, Housing and Rehabilitation	8,61,95,000	30,000	8,62,25,000
144	Capital Outlay of the Department of Atomic Energy	19,81,70,000	..	19,81,70,000
145	Capital Outlay on Posts and Telegraphs (not met from Revenue)	42,04,00,000	..	42,04,00,000
146	Other Capital Outlay of the Department of Posts and Telegraphs	46,00,000	..	46,00,000
GRAND TOTAL		31,09,24,67,000	78,91,12,83,000	1,04,00,37,50,000

~~Not Corrected: See India Code Volume VIII-B Pt. II, page 1269~~

THE COMPANIES (PROFITS) SURTAX ACT, 1964

ARRANGEMENT OF SECTIONS

SECTIONS

1. Short title and extent.
2. Definitions.
3. Tax authorities.
4. Charge of tax.
5. Return of chargeable profits.
6. Assessment.
7. Provisional assessment.
8. Profits escaping assessment.
9. Penalties.
10. Opportunity of being heard.
11. Appeals to the Appellate Assistant Commissioner.
12. Appeals to Appellate Tribunal.
13. Rectification of mistakes.
14. Other amendments.
15. Surtax deductible in computing distributable income under Income-tax Act.
16. Revision of orders prejudicial to revenue.
17. Revision of orders by Commissioner.
18. Application of provisions of Income-tax Act
19. Income-tax papers to be available for the purposes of this Act.
20. Failure to deliver returns, etc.
21. False statements.
22. Abetment of false returns, etc.
23. Institution of proceedings and composition of offences.
24. Power to make exemption, etc., in relation to certain Union territories.

SECTIONS

25. Power to make rules.

26. Saving.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

Not Corrected: See India Code, Volume VII B, Pt. IV, p. 1269.

THE COMPANIES (PROFITS) SURTAX ACT, 1964

No. 7 OF 1964

[2nd May, 1964]

An Act to impose a special tax on the profits of certain companies.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Companies (Profits) Surtax Act, Short title and extent.
1964.
- (2) It extends to the whole of India.
2. In this Act, unless the context otherwise requires,—

Definitions.

(1) "assessee" means a person by whom surtax or any other sum of money is payable under this Act and includes every person in respect of whom any proceeding under this Act has been taken for the assessment of his chargeable profits or of the amount of refund due to him or of the chargeable profits of any other person in respect of which he is assessable or of the amount of refund due to such other person;

(2) "assessment" includes re-assessment;

(3) "assessment year" means the period of twelve months commencing on the 1st day of April, every year;

(4) "Board" means the Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963;

(5) "chargeable profits" means the total income of an assessee computed under the Income-tax Act, 1961 for any previous year or years, as the case may be, and adjusted in accordance with the provisions of the First Schedule;

43 of 1961.

43 of 1961.

(6) "Income-tax Act" means the Income-tax Act, 1961;

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

(8) "statutory deduction" means an amount equal to ten per cent. of the capital of the company as computed in accordance

with the provisions of the Second Schedule, or an amount of two hundred thousand rupees, whichever is greater:

Provided that where the previous year is longer or shorter than a period of twelve months, the aforesaid amount of ten per cent. or, as the case may be, of two hundred thousand rupees shall be increased or decreased proportionately:

Provided further that where a company has different previous years in respect of its income, profits and gains, the aforesaid increase or decrease, as the case may be, shall be calculated with reference to the length of the previous year of the longest duration; and

(9) all other words and expressions used herein but not defined and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

Tax authorities. 3. (1) Every Director of Inspection, Commissioner of Income-tax, Appellate Assistant Commissioner of Income-tax, Inspecting Assistant Commissioner of Income-tax and Income-tax Officer shall have the like powers and perform the like functions, under this Act as he has and performs under the Income-tax Act, and for the exercise of his powers and the performance of his functions, his jurisdiction under this Act will be the same as that he has under the Income-tax Act.

(2) All officers and persons employed in the execution of this Act shall observe and follow the orders, instructions and directions of the Board:

Provided that no such orders, instructions or directions shall be given so as to interfere with the discretion of the Appellate Assistant Commissioner in the exercise of his appellate functions.

(3) Every Income-tax Officer, employed in the execution of this Act, shall observe and follow the orders, instructions and directions issued for his guidance by the Director of Inspection or by the Commissioner or by the Inspecting Assistant Commissioner under whose jurisdiction he performs his functions.

Charge of tax.

4. Subject to the provisions contained in this Act, there shall be charged on every company for every assessment year commencing on and from the first day of April, 1964, a tax (in this Act referred to as the surtax) in respect of so much of its chargeable profits of the previous year or previous years, as the case may be, as exceed the statutory deduction, at the rate or rates specified in the Third Schedule.

Return of chargeable profits.

5. (1) In the case of every company whose chargeable profits assessable under this Act exceeded during the previous year the amount of statutory deduction, its principal officer, or where in the case of a non-resident company any person has been treated as its

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agent under section 163 of the Income-tax Act, such person, shall furnish a return of the chargeable profits of the company during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, before the 30th day of September of the assessment year :

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(2) In the case of any company which in the Income-tax Officer's opinion is assessable under this Act, the Income-tax Officer may, before the end of the relevant assessment year, serve a notice upon its principal officer, or where in the case of a non-resident company any person has been treated as its agent under section 163 of the Income-tax Act, upon such person, requiring him to furnish within thirty days from the date of service of the notice a return of the chargeable profits of the company during the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed :

Provided that on an application made in this behalf, the Income-tax Officer may, in his discretion, extend the date for the furnishing of the return.

(3) Any assessee who has not furnished a return during the time allowed under sub-section (1) or sub-section (2), or having furnished a return under sub-section (1) or sub-section (2) discovers any omission or wrong statement therein, may furnish a return or a revised return, as the case may be, at any time before the assessment is made.

6. (1) For the purposes of making an assessment under this Act, Assess-
the Income-tax Officer may serve on any person who has furnished a ment.
return under sub-section (1) of section 5 or upon whom a notice has
been served under sub-section (2) of section 5 (whether a return
has been furnished or not) a notice requiring him on a date therein
to be specified, to produce or cause to be produced such accounts or
documents or evidence as the Income-tax Officer may require for
the purposes of this Act and may from time to time serve further
notices requiring the production of such further accounts or docu-
ments or other evidence as he may require.

(2) The Income-tax Officer, after considering such accounts, documents or evidence, if any, as he has obtained under sub-

section (1) and after taking into account any relevant material which he has gathered, shall, by an order in writing, assess the chargeable profits and the amount of the surtax payable on the basis of such assessment.

Provisional assessment.

7. (1) The Income-tax Officer, before proceeding to make an assessment under section 6 (in this section referred to as the regular assessment) may, at any time after the expiry of the period allowed under sub-section (1) or sub-section (2) of section 5 for the furnishing of the return and whether the return has or has not been furnished, proceed to make in a summary manner a provisional assessment of the chargeable profits and the amount of the surtax payable thereon.

(2) Before making such provisional assessment, the Income-tax Officer shall give notice in the prescribed form to the person on whom the provisional assessment is to be made of his intention to do so, and shall with the notice forward a statement of the amount of the proposed assessment, and the said person shall be entitled to deliver to the Income-tax Officer at any time within fourteen days of the service of the said notice a statement of his objections, if any, to the amount of the proposed assessment.

(3) On expiry of the said fourteen days from the date of service of the notice referred to in sub-section (2), or earlier, if the assessee agrees to the proposed provisional assessment, the Income-tax Officer may, after taking into account the objections, if any, made under sub-section (2), make a provisional assessment, and shall furnish a copy of the order of the assessment to the assessee:

Provided that assent to the amount of the provisional assessment, or failure to make objection to it, shall in no way prejudice the assessee in relation to the regular assessment.

(4) There shall be no right of appeal against a provisional assessment made under this section.

(5) After a regular assessment has been made, any amount paid or deemed to have been paid towards the provisional assessment made under this section shall be deemed to have been paid towards the regular assessment; and where the amount paid or deemed to have been paid towards the provisional assessment exceeds the amount payable under the regular assessment, the excess shall be refunded to the assessee.

Profits escaping Assessment.

8. If—

(a) the Income-tax Officer has reason to believe that by reason of the omission or failure on the part of the assessee to make a return under section 5 for any assessment year or to

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disclose fully and truly all material facts necessary for this assessment for any assessment year, chargeable profits for that year have escaped assessment or have been under-assessed or assessed at too low a rate or have been made the subject of excessive relief under this Act, or

(b) notwithstanding that there has been no omission or failure as mentioned in clause (a) on the part of the assessee, the Income-tax Officer has in consequence of information in his possession reason to believe that chargeable profits assessable for any assessment year have escaped assessment or have been under-assessed or assessed at too low a rate or have been the subject of excessive relief under this Act,

he may, in cases falling under clause (a) at any time, and in cases falling under clause (b) at any time within four years of the end of that assessment year, serve on the assessee a notice containing all or any of the requirements which may be included in a notice under section 5, and may proceed to assess or re-assess the amount chargeable to surtax, and the provisions of this Act shall, so far as may be, apply as if the notice were a notice issued under that section.

9. If the Income-tax Officer, in the course of any proceedings under this Act, is satisfied that any person has, without reasonable cause, failed to furnish the return required under section 5, or to produce or cause to be produced the accounts, documents or other evidence required by the Income-tax Officer under sub-section (1) of section 6, or has concealed the particulars of the chargeable profits or has furnished inaccurate particulars of such profits, he may direct that such person shall pay, by way of penalty, in addition to the amount of surtax payable, a sum not exceeding—

(a) where the person has failed to furnish the return required under section 5, the amount of surtax payable; —

(b) in any other case, the amount of surtax which would have been avoided if the return made had been accepted as correct.

Provided that the Income-tax Officer shall not impose any penalty under this section without the previous authority of the Inspecting Assistant Commissioner.

10. No order imposing a penalty under section 9 shall be made unless the assessee has been given a reasonable opportunity of being heard.

**Appeals
to the
Appellate
Assistant
Commissioner.**

11. (1) Any person objecting to the amount of surtax for which he is liable as assessed by the Income-tax Officer or denying his liability to be assessed under this Act, or objecting to any penalty or fine imposed by the Income-tax Officer, or to the amount allowed by the Income-tax Officer by way of any relief under any provisions of this Act, or to any refusal by the Income-tax Officer to grant relief or to an order of rectification or amendment having the effect of enhancing the assessment or reducing the refund or to an order refusing to allow the claim made by the assessee for a rectification under section 13 or amendment under section 14 may appeal to the Appellate Assistant Commissioner.

(2) Every appeal shall be in the prescribed form and shall be verified in the prescribed manner.

(3) An appeal shall be presented within thirty days of the following date, that is to say—

(a) where the appeal relates to assessment or penalty or fine, the date of service of the notice of demand relating to the assessment or penalty or fine, or

(b) in any other case, the date on which the intimation of the order sought to be appealed against is served :

Provided that the Appellate Assistant Commissioner may admit an appeal after the expiration of the said period if he is satisfied that the appellant had sufficient cause for not presenting it within that period.

(4) The Appellate Assistant Commissioner shall hear and determine the appeal and, subject to the provisions of this Act, pass such orders as he thinks fit and such orders may include an order enhancing the assessment or penalty:

Provided that an order enhancing the assessment or penalty shall not be made unless the person affected thereby has been given a reasonable opportunity of showing cause against such enhancement.

(5) The procedure to be adopted in the hearing and determination of the appeals shall, with any necessary modification, be in accordance with the procedure applicable in relation to income-tax.

**Appeals to
Appellate
Tribunal**

12. (1) Any assessee aggrieved by an order passed by a Commissioner under section 16, or an order passed by an Appellate Assistant Commissioner under any provision of this Act, may appeal to the Appellate Tribunal against such order.

(2) The Commissioner may, if he objects to any order passed by the Appellate Assistant Commissioner under any provision of this Act, direct the Income-tax Officer to appeal to the Appellate Tribunal against the order.

(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is communicated to the assessee or to the Commissioner, as the case may be.

(4) The Income-tax Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Appellate Assistant Commissioner has been preferred under sub-section (1) or sub-section (2) by the other party may, notwithstanding that he may not have appealed against such order or any part thereof, within thirty days of the receipt of the notice, file a memorandum of cross-objections, verified in the prescribed manner, against any part of the order of the Appellate Assistant Commissioner, and such memorandum shall be disposed of by the Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (3).

(5) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross-objections after the expiry of the relevant period referred to in sub-section (3) or sub-section (4), if it is satisfied that there was sufficient cause for not presenting it within that period.

(6) An appeal to the Appellate Tribunal shall be in the prescribed form and shall be verified in the prescribed manner and, shall, except in the case of an appeal referred to in sub-section (2) or a memorandum of cross-objections referred to in sub-section (4), be accompanied by a fee of one hundred rupees.

(7) Subject to the provisions of this Act, in hearing and making an order on any appeal under this section, the Appellate Tribunal shall exercise the same powers and follow the same procedure as it exercises and follows in hearing and making an order on any appeal under the Income-tax Act.

13. (1) With a view to rectifying any mistake apparent from the record, the Commissioner, the Income-tax Officer, the Appellate Assistant Commissioner and the Appellate Tribunal may, of his, or its, own motion or on an application by the assessee in this behalf, amend any order passed by him or it in any proceeding under this Act within four years of the date on which such order was passed.

(2) An amendment which has the effect of enhancing the assessment or reducing a refund or otherwise increasing the liability of the assessee shall not be made under this section unless the authority concerned has given notice to the assessee of its intention so to do and has allowed the assessee a reasonable opportunity of being heard.

(3) Where an amendment is made under this section, the order shall be passed in writing by the authority concerned.

(4) Subject to the other provisions of this Act, where any such amendment has the effect of reducing the assessment, the Income-tax Officer shall make any refund which may be due to such assessee.

(5) Where any such amendment has the effect of enhancing the assessment or reducing the refund already made, the Income-tax Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable.

**Other
amend-
ments**

14. Where as a result of any order made under section 154 or section 155 of the Income-tax Act, it is necessary to recompute the chargeable profits determined in any assessment under this Act, the Income-tax Officer may proceed to recompute the chargeable profits, and determine the surtax payable or refundable on the basis of such recomputation and make the necessary amendment and the provisions of section 13 shall, so far as may be, apply thereto, the period of four years specified in sub-section (1) of that section being reckoned from the date of the order passed under the aforesaid sections of the Income-tax Act.

**Surtax
deductible
in comput-
ing distribu-
table income
under In-
come-tax
Act.**

15. Notwithstanding anything contained in clause (i) of section 109 of the Income-tax Act, in computing the distributable income of a company for the purposes of Chapter XI-D of that Act, the surtax payable by the company for any assessment year shall be deductible from the total income of the company assessable for that assessment year.

**Revision
of orders
prejudicial
to revenue**

16. (1) The Commissioner may call for and examine the record of any proceeding under this Act, and if he considers that any order passed therein by the Income-tax Officer is erroneous in so far as it is prejudicial to the interests of the revenue, he may, after giving the assessee an opportunity of being heard and after making or causing to be made such inquiry as he deems necessary, pass such order thereon as the circumstances of the case justify, including an order enhancing or modifying the assessment, or cancelling the assessment and directing a fresh assessment.

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(2) No order shall be made under sub-section (1)—

- (a) to revise an order of re-assessment made under section 8, or
- (b) after the expiry of two years from the date of the order sought to be revised.

(3) Notwithstanding anything contained in sub-section (2), an order in revision under this section may be passed at any time in the case of an order which has been passed in consequence of, or to give effect to, any finding or direction contained in an order of the Appellate Tribunal, the High Court or the Supreme Court.

*Explanation.—*In computing the period of limitation for the purposes of sub-section (2), any period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded.

17. (1) The Commissioner may, either of his own motion or on an application by the assessee for revision, call for the record of any proceeding under this Act which has been taken by an Income-tax Officer or Appellate Assistant Commissioner subordinate to him and may make such inquiry or cause such inquiry to be made and, subject to the provisions of this Act, may pass such order thereon, not being an order prejudicial to the assessee, as he thinks fit.

*Revision
of orders
by Com-
missioner.*

(2) The Commissioner shall not of his own motion revise any order under this section if the order has been made more than one year previously.

(3) In the case of an application for revision under this section by the assessee, the application shall be made within one year from the date on which the order in question was communicated to him or the date on which he otherwise came to know of it, whichever is earlier :

Provided that the Commissioner may, if he is satisfied that the assessee was prevented by sufficient cause from making the application within that period, admit an application made after the expiry of that period.

(4) The Commissioner shall not revise any order under this section in the following cases—

(a) where an appeal against the order lies to the Appellate Assistant Commissioner or to the Appellate Tribunal but has not been made and the time within which such appeal may be made has not expired, or, in the case of an appeal to the Appellate Tribunal, the assessee has not waived his right of appeal; or

(b) where the order is pending on an appeal before the Appellate Assistant Commissioner; or

(c) where the order has been made the subject of an appeal to the Appellate Tribunal.

(5) Every application by an assessee for revision under this section shall be accompanied by a fee of twenty-five rupees.

Explanation 1.—An order by the Commissioner declining to interfere shall, for the purposes of this section, be deemed not to be an order prejudicial to the assessee.

Explanation 2.—For the purposes of this section, the Appellate Assistant Commissioner shall be deemed to be an authority subordinate to the Commissioner.

Application of provisions of Income-tax Act.

18. The provisions of the following sections and Schedules of the Income-tax Act and the Income-tax (Certificate Proceedings) Rules, 1962, as in force from time to time, shall apply with such modifications, if any, as may be prescribed, as if the said provisions and the rules referred to surtax instead of to income-tax and super-tax:—

2(44), 131 to 136 (both inclusive), 138, 140, 156, 160, 161, 162, 163, 166, 167, 170, 173, 175, 176, 178, 179, 220 to 229 (both inclusive), 231, 232, 233, 237 to 242 (both inclusive), 244, 245, 254 to 262 (both inclusive), 265, 266, 268, 269, 281, 282, 284, 287 to 293 (both inclusive), the Second Schedule and the Third Schedule:

Provided that references in the said provisions and the rules to the "assessee" shall be construed as references to an assessee as defined in this Act.

Income-tax papers to be available for the purposes of this Act.

19. (1) Notwithstanding anything contained in the Income-tax Act, all information contained in any statement or return made or furnished under the provisions of that Act or obtained or collected for the purposes of that Act may be used for the purposes of this Act.

(2) All information contained in any statement or return made or furnished under the provisions of this Act or obtained or collected for the purposes of this Act may be used for the purposes of the Income-tax Act.

Failure to deliver returns, etc.

20. If any person fails without reasonable cause to furnish in due time any return under sub-section (2) of section 5, or to produce, or cause to be produced, any accounts or documents required to be produced under section 6, he shall be punishable with fine which may extend to five hundred rupees, and with a further fine which may extend to ten rupees for every day during which the default continues.

21. If a person makes in any return furnished under section 5, any statement which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

22. If a person makes or induces in any manner another person to make and deliver any account, statement or declaration relating to chargeable profits liable to surtax which is false and which he either knows to be false or does not believe to be true, he shall be punishable with simple imprisonment which may extend to six months, or with fine which may extend to one thousand rupees, or with both.

23. (1) A person shall not be proceeded against for an offence under section 20 or section 21 or section 22 or under the Indian Penal Code except at the instance of the Commissioner.

(2) The Commissioner may, either before or after the institution of proceedings, compound any offence punishable under section 20 or section 21 or section 22.

24. If the Central Government considers it necessary or expedient so to do for avoiding any hardship or anomaly or removing any difficulty that may arise as a result of the application of this Act to the Union territories of Dadra and Nagar Haveli, Goa, Daman and Diu and Pondicherry, the Central Government may, by general or special order, make an exemption, reduction in rate or other modification in respect of surtax in favour of any class of assessee or in regard to the whole or any part of the chargeable profits of any class of assessees.

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

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

(a) the form in which returns under section 5 may be furnished and the manner in which they may be verified;

(b) the form in which notice for making provisional assessment shall be given;

(c) the form in which appeals under section 11 or section 12 may be filed and the manner in which they shall be verified;

(d) the procedure to be followed on applications for rectification of mistakes and applications for refunds;

(e) any other matter which by this Act is to be, or may be, prescribed.

(3) The Central Government shall cause every rule 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, that 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.

Saving.

26. Nothing contained in this Act shall apply to any company which has no share capital.

THE FIRST SCHEDULE

[See section 2(5)]

RULES FOR COMPUTING THE CHARGEABLE PROFITS

In computing the chargeable profits of a previous year, the total income computed for that year under the Income-tax Act shall be adjusted as follows:—

1. Income, profits and gains and other sums falling within the following clauses shall be excluded from such total income, namely:—

(i) any income chargeable under the Income-tax Act under the head "Capital gains";

(ii) any compensation or other payment as is referred to in clause (ii) of section 28 of the Income-tax Act;

(iii) profits and gains of any business of life insurance;

(iv) any income referred to in sub-section (2) of section 41 of the Income-tax Act;

(v) the amount of profits and gains derived from an industrial undertaking or hotel, on which under section 84 of the Income-tax Act income-tax is not payable;

(vi) income chargeable under the Income-tax Act under the head "Interest on securities" derived from any security of the Central Government issued or declared to be income-tax free or from any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(vii) any sum in respect of which a deduction of income-tax is allowed under the provisions of section 88 of the Income-tax Act;

(viii) income by way of dividends from an Indian company or a company which has made the prescribed arrangements for the declaration and payment of dividends within India;

(ix) income by way of royalties received from Government or a local authority or any Indian concern;

(x) in the case of a non-resident company which has not made the prescribed arrangements for the declaration and payment of dividends within India, its income by way of any interest or fees for rendering technical services received from Government or a local authority or any Indian concern;

(xi) in the case of a banking company—

(a) any sum which during the previous year is transferred by it to a reserve fund under sub-section (1) of section 17 of the Banking Companies Act, 1949 or is deposited by it with the Reserve Bank of India under sub-clause (ii) of clause (b) of sub-section (2) of section 11 of that Act, not exceeding the amount required under the aforesaid provisions to be so transferred or deposited, as the case may be, or

(b) any sum transferred by it during the previous year to any reserves in India including reserves not shown as such in its published balance-sheet in so far as the sums transferred to such reserves are attributable to income chargeable to tax under the Income-tax Act and have not been allowed as a deduction in computing its total income under that Act and in so far as the aggregate of such sums does not exceed the highest of the aggregate of such sums, if any, so transferred during any one of the three years prior to the previous year,

whichever is higher;

(xii) the amount of any deduction from the income-tax and super-tax chargeable on the total income allowed under

the annual Finance Act in connection with export of any goods or merchandise out of India or the sale by a manufacturer of any articles to any person who exports them out of India.6

2. The balance of the total income arrived at after making the exclusions mentioned in rule 1 shall be reduced by—

(i) the amount of income-tax and super-tax payable by the company in respect of its total income under the provisions of the Income-tax Act after making allowance for any relief, rebate or deduction in respect of income-tax and super-tax to which the company may be entitled under the provisions of the said Act or the annual Finance Act, and after excluding from such amount—

(a) the amount of income-tax and super-tax, if any, payable by the company in respect of any income referred to in clause (i) or clause (ii) or clause (iii) or clause (viii) of rule 1 included in the total income;

(b) an amount equal to the amount by which the rebate of super-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to any amount of dividends distributed by the company during the previous year relevant to the assessment year;

(ii) in the case of a company which has been charged to tax in a country outside India on any portion of its income, profits and gains included in its total income as computed under the Income-tax Act, the tax actually paid in respect of such income, profits and gains in the said country in accordance with the laws in force in that country after allowance of every relief due under the said laws:

Provided that the aforesaid reduction shall not be allowed unless the assessee produces evidence of the fact of the payment of the aforesaid tax in that country.

3. The net amount of income calculated in accordance with rule 2 shall be increased by the aggregate of—

(i) the amount of any interest payable by the company in respect of its debentures or moneys referred to in clause (v) of rule 1 of the Second Schedule for the previous year relevant to the assessment year allowed as a deduction in computing its total income;

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(ii) any expenditure incurred on account of commission, entertainment and advertisement, to the extent such expenditure, in the opinion of the Income-tax Officer, is excessive having regard to the circumstances of the case:

Provided that the previous authority of the Inspecting Assistant Commissioner is obtained for holding such expenditure to be excessive.

THE SECOND SCHEDULE

[See section 2(8)]

RULES FOR COMPUTING THE CAPITAL OF A COMPANY FOR THE PURPOSES OF SURTAX

1. Subject to the other provisions contained in this Schedule, the capital of a company shall be the aggregate of the amounts, as on the first day of the previous year relevant to the assessment year, of—

(i) its paid-up share capital;

11 of 1922.
43 of 1961.

(ii) its reserves, if any, created under the proviso (b) to clause (vib) of sub-section (2) of section 10 of the Indian Income-tax Act, 1922 or under sub-section (3) of section 34 of the Income-tax Act, 1961;

(iii) its other reserves as reduced by the amounts credited to such reserves as have been allowed as a deduction in computing the income of the company for the purposes of the Indian Income-tax Act, 1922 or the Income-tax Act, 1961;

11 of 1922.
43 of 1961.

(iv) its debentures, if any; and

(v) any moneys borrowed by it from Government or the Industrial Finance Corporation of India or the Industrial Credit and Investment Corporation of India or any other financial institution which the Central Government may notify in this behalf in the Official Gazette or any banking institution (not being a financial institution notified as aforesaid) or any person in a country outside India:

Provided that such moneys are borrowed for the creation of a capital asset in India and the agreement under which such moneys are borrowed provides for the repayment thereof during a period of not less than seven years.

Explanation.—For the removal of doubts it is hereby declared that any amount standing to the credit of any account in the books of a company as on the first day of the previous year relevant to the assessment year which is of the nature of item (5) or item (6) or item (7) under the heading "RESERVES AND SURPLUS" or of

any item under the heading "CURRENT LIABILITIES and PROVISIONS" in the column relating to "LIABILITIES" in the "FORM OF BALANCE-SHEET" given in Part I of Schedule VI to the Companies Act, 1956 shall not be regarded as a reserve for the purposes of computation of the capital of a company under the provisions of this Schedule.

2. Where a company owns any assets the income from which in accordance with clause (iii) or clause (vi) or clause (viii) of rule 1 of the First Schedule is required to be excluded from its total income in computing its chargeable profits, the amount of its capital as computed under rule 1 of this Schedule shall be diminished by the cost to it of the said assets as on the first day of the previous year relevant to the assessment year in so far as such cost exceeds the aggregate of—

- (i) any moneys borrowed [other than the debentures referred to in clause (iv) or moneys referred to in clause (v) of rule 1] and remaining outstanding as on the first day of the said previous year; and
- (ii) the amount of any fund, any surplus and any such reserve as is not to be taken into account in computing the capital under rule 1.

Explanation 1.—A paid-up share capital or reserve brought into existence by creating or increasing (by revaluation or otherwise) any book asset is not capital for computing the capital of a company for the purposes of this Act.

Explanation 2.—Any premium received in cash by the company on the issue of its shares standing to the credit of the share premium account shall be regarded as forming part of its paid-up share capital.

Explanation 3.—Where a company has different previous years in respect of its income, profits and gains, the computation of capital under rules 1, 2 and 3 shall be made with reference to the previous year which commenced first.

3. Where after the first day of the previous year relevant to the assessment year the capital of a company as computed in accordance with the foregoing rules of this Schedule is increased by any amount during that previous year on account of increase of paid-up share capital or issue of debentures or borrowing of any moneys referred to in clause (v) of rule 1 or is reduced by any amount on account of reduction of paid-up share capital or redemption of any debentures or repayment of any such moneys, such capital shall be increased or reduced, as the case may be, by a sum which bears to that amount the same proportion as the number of days of the previous year

during which the increase or the reduction remained effective bears to the total number of days in that previous year.

4. Where a part of the income, profits and gains of a company is not includable in its total income as computed under the Income-tax Act, its capital shall be the sum ascertained in accordance with rules 1, 2 and 3, diminished by an amount which bears to that sum the same proportion as the amount of the aforesaid income, profits and gains bears to the total amount of its income, profits and gains.

THE THIRD SCHEDULE

(See section 4)

RATES OF SURTAX

1. On the amount by which the chargeable profits exceed the amount of the statutory deduction— 40 per cent.:

Provided that where the total income of an assessee, being an Indian company or any other company which has made the prescribed arrangements for the declaration and payment of dividends within India, includes any income, profits and gains attributable to the business of generation or distribution of electricity or of manufacture or production of any one or more of the articles specified in the list in paragraph 2, the assessee shall be entitled to a rebate equal to a sum of one-fifth of the amount which bears to the amount of the surtax payable by the assessee, the same proportion as the amount of the aforesaid inclusion bears to the amount of the total income of the assessee:

Provided further that if the Central Government, having regard to the stage of development of any industry and other relevant factors, considers it necessary or expedient so to do, it may, at any time by general or special order withdraw the benefit conferred by the preceding proviso in respect of the business of generation or distribution of electricity or of manufacture or production of any article specified in the said list or extend such benefit to any other business and such order shall have effect for the purposes of assessment under this Act for any such assessment year (not being the assessment year commencing on the first day of April, 1964) as may be specified in the said order.

2. The list of articles referred to in paragraph 1 shall be as follows:—

- (1) Iron and steel (metal), ferro-alloys and special steels.

(2) Aluminium, copper, lead and zinc (metals).

(3) Coal, lignite, iron ore, bauxite, manganese ore, dolomite, magnesite and mineral oil.

(4) Industrial machinery specified under the heading "8. Industrial Machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, **65 of 1951**.

(5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.

(6) Equipment for the generation and transmission of electricity including transformers, cables and transmission towers.

(7) Machine tools, precision tools, dies and jigs.

(8) Tractors and earth-moving machinery.

(9) Steel castings and forgings.

(10) Cement and refractories.

(11) Fertilizers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate (nitrolime stone), ammonium chloride, super phosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphate and ammonium nitro phosphate.

(12) Paper and pulp.

(13) Tea.

(14) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and micro wave components.

(15) Petrochemicals including corresponding products manufactured from other basic raw materials, namely, calcium carbide, ethyl alcohol or hydrocarbons from other sources.

(16) Component parts of the articles mentioned in items Nos. (4), (5), (6) and (8), that is to say, such parts as are essential for the working of the machinery referred to in items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are in complete finished form and ready for fitment.

THE APPROPRIATION (No. 3) ACT, 1964

No. 8 OF 1964

[5th May, 1964]

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, 1962, in excess of the amounts granted for those services and for that year.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Appropriation (No. 3) Act, 1964.

1. This Act may be called the Appropriation (No. 3) Act, 1964 specified in column 3 of the Schedule amounting in the aggregate to the sum of five crores, fourteen lakhs, forty-six thousand, nine hundred and seventy-five 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, 1962, in excess of the amounts granted for those services and for that year.

Short title.
Issue of Rs.
5,14,46,975
out of the
Consolidated
Fund of India to
meet cer-
tain ex-
cess ex-
penditure
for the
year ended
on the
31st March,
1962.

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, 1962.

Appropria-
tion.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Excess		
		Voted portion	Charged portion	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce and Industry	60,803	..	60,803
10	Defence Services—Effective—Navy	61,79,516	..	61,79,516
12	Defence Services—Non-Effective	20,32,181	..	20,32,181
13	Ministry of Education	20,497	..	20,497
16	Tribal Areas	31,57,964	..	31,57,964
24	Taxes on Income including Corporation Tax, etc.	11,19,304	..	11,19,304
32	Miscellaneous Departments and other Expenditure under the Ministry of Finance	14,13,760 87,278	..	14,13,760 87,278
50	Police	23,476	..	23,476
69	Labour and Employment	52,95,047	..	52,95,047
86	Ministry of Transport and Communications	1,09,698	..	1,09,698
88	Posts and Telegraphs—Dividend to General Revenues and Appropriations to Reserve Funds	2,96,63,517	..	2,96,63,517
90	Lighthouses and Lightships Communications (including National Highways)	6,63,496 15,61,54	..	6,63,496 15,61,54
128	Other Capital Outlay of the Ministry of Irrigation and Po	..	58,897	58,897
	TOTAL	5,13,88,078	58,897	5,14,46,975

Rep. by Act.....56.....of 1979, S. 2 & Sch. I.

THE ARMED FORCES (SPECIAL POWERS)
CONTINUANCE ACT, 1964

No. 9 OF 1964

[9th May, 1964]

An Act to continue the Armed Forces (Special Powers) Regulation, 1958, for a further period

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Armed Forces (Special Powers) Short title. Continuance Act, 1964.

2. In the Armed Forces (Special Powers) Regulation, 1958 (hereinafter referred to as the Regulation), except in section 7, for the expression "Naga Hills—Tuensang Area", wherever it occurs, the expression "State of Nagaland" shall be substituted.

Substitution of references to Naga Hills—Tuensang Area in Regulation 2 of 1958.

3. In section 1 of the Regulation, in sub-section (4), for the words "six years", the words "seven years" shall be substituted.

Amendment of section 1.

4. In section 3 of the Regulation, for the words "Governor of Assam", the words "Governor of Nagaland" shall be substituted.

Amendment of section 3.

1 of 1964. 5. (1) The Armed Forces (Special Powers) Continuance Ordinance, 1964 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 this Act, as if this Act had commenced on the 2nd day of April, 1964

THE PUBLIC EMPLOYMENT (REQUIREMENT AS TO
RESIDENCE) AMENDMENT ACT, 1964

No. 10 OF 1964

[9th May, 1964]

An Act to amend the Public Employment (Requirement as to
Residence) Act, 1957

BE it enacted by Parliament in the Fifteenth Year of the Republic
of India as follows:—

Short title.

1. This Act may be called the Public Employment (Requirement
as to Residence) Amendment Act, 1964.

1 May
Amend-
ment of
section 4.

2. For section 4 of the Public Employment (Requirement as to
Residence) Act, 1957 (hereinafter referred to as the principal Act), 44 of 1957.
the following section shall be substituted, namely:—

Parlia-
mentary
scrutiny
of rules.

“4. 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
comprised in one session or in two successive sessions, and if
before the expiry of the session in which it is so laid or the session
immediately following, both Houses agree in making any modi-
fication 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 how-
ever that any such modification or annulment shall be without
prejudice to the validity of anything previously done under
that rule.”.

Amend-
ment of
section 5.

3. In section 5 of the principal Act, for the words “five years”, the
words “ten years” shall be substituted and shall be deemed always
to have been substituted.

Validity
of rules
and action
taken
there-
under.

4. For the removal of doubts, it is hereby declared that all rules
made under section 3 of the principal Act and in force immediately
before the 21st March, 1964, shall continue to be in force after that
date until amended, varied or rescinded, as if such rules were made
under the principal Act as amended by this Act; and any action
taken (including appointments made) in pursuance of those rules
~~on or after the 21st March, 1964 and before the commencement or~~
on or after the 21st March, 1964 and before the commencement of
this Act shall be as valid and operative as if it had been taken in
accordance with law.

Not Corrected: See India Code Volume XII B Pt. II p-1291

THE TAXATION LAWS (CONTINUATION AND VALIDATION OF RECOVERY PROCEEDINGS) ACT, 1964

No. II OF 1964

[12th May, 1964]

An Act to provide for the continuation and validation of proceedings in relation to Government dues and for matters connected therewith.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Taxation Laws (Continuation and Validation of Recovery Proceedings) Act, 1964. Short title.

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

Definitions

(a) “assessee”, in relation to—

15 of 1940.

21 of 1947.

(i) the Excess Profits Tax Act, 1940, or the Business Profits Tax Act, 1947, means a person by whom the tax or any other sum is payable under that Act;

34 of 1953.

(ii) the Estate Duty Act, 1953, means a person accountable or an accountable person as defined in that Act;

(iii) any other scheduled Act, means an assessee as defined in that Act;

(b) “Government dues”, in relation to any scheduled Act, means any tax, duty, penalty, fine, interest, annuity deposit or any other sum payable to the Government by an assessee under that Act;

(c) “scheduled Act” means an Act specified in the Schedule;

(d) “Taxing Authority”, in relation to any scheduled Act, means an officer (by whatever name called) empowered to serve upon an assessee a notice of demand in respect of any Government dues under that Act;

(e) "Tax Recovery Officer", in relation to any scheduled Act, means a Tax Recovery Officer as defined in that Act and where there is no such definition, means an officer (by whatever name called) to whom a certificate for the recovery of arrears of Government dues may be issued under that Act.

Continuation and validation of certain proceedings.

3. (1) Where any notice of demand in respect of any Government dues is served upon an assessee by a Taxing Authority under any scheduled Act, and any appeal or other proceeding is filed or taken in respect of such Government dues, then,—

(a) where such Government dues are enhanced in such appeal or proceeding, the Taxing Authority shall serve upon the assessee another notice of demand only in respect of the amount by which such Government dues are enhanced and any proceedings in relation to such Government dues as are covered by the notice or notices of demand served upon him before the disposal of such appeal or proceeding may, without the service of any fresh notice of demand, be continued from the stage at which such proceedings stood immediately before such disposal;

(b) where such Government dues are reduced in such appeal or proceeding,—

(i) it shall not be necessary for the Taxing Authority to serve upon the assessee a fresh notice of demand;

(ii) the Taxing Authority shall give intimation of the fact of such reduction to the assessee, and where a certificate has been issued to the Tax Recovery Officer for the recovery of such amount, also to that officer;

(iii) any proceedings initiated on the basis of the notice or notices of demand served upon the assessee before the disposal of such appeal or proceeding may be continued in relation to the amount so reduced from the stage at which such proceedings stood immediately before such disposal;

(c) no proceedings in relation to such Government dues (including the imposition of penalty or charging of interest) shall be invalid by reason only that no fresh notice of demand was served upon the assessee after the disposal of such appeal or proceeding or that such Government dues have been enhanced or reduced in such appeal or proceeding:

Provided that if as a result of any final order such Government dues (other than annuity deposit) have been reduced and the penalty imposed on the assessee for default in payment thereof exceeds the amount so reduced, the excess shall not be recovered and if it has already been recovered, it shall be refunded to the assessee on an application made by him to the Taxing Authority within such time and in such manner as may be prescribed by rules made under this Act:

Provided further that if the amount of penalty imposed on the assessee for failure to make any annuity deposit exceeds one-half of the amount of the annuity deposit required to be made as a result of such order, the excess shall not be recovered, and if it has already been recovered, shall be refunded to the assessee on an application made by him to the Taxing Authority within such time and in such manner as may be prescribed by rules made under this Act:

Provided further that where any Government dues are reduced in such appeal or proceeding and the assessee is entitled to any refund thereof, such refund shall be made in accordance with the provisions of that Act.

(2) For the removal of doubts, it is hereby declared that no fresh notice of demand shall be necessary in any case where the amount of Government dues is not varied as a result of any order passed in any appeal or other proceeding under any scheduled Act.

(3) The provisions of this section shall have effect notwithstanding any judgment, decree or order of any court, tribunal or other authority.

4. The Central Government may, by notification in the Official Gazette, add the name of any Central Act providing for the imposition or levy of any tax or duty in the Schedule and on the issue of any such notification, the Act so added shall be deemed to be an Act specified in the Schedule within the meaning of clause (c) of section 2.

Power to
amend the
Schedule.

5. The provisions of this Act shall apply and shall be deemed always to have applied, in relation to every notice of demand served upon an assessee by any Taxing Authority under any scheduled Act whether such notice was or is served before or after the commencement of this Act.

Act to
have re-
trospective
effect.

Statute of Limitations and Code
132 Taxation Laws (Continuation and Validation [ACT 11 OF 1964]
of Recovery Proceedings)

Power to remove difficulties. 6. 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 purposes of this Act, as appear to it to be necessary or expedient for removing the difficulty.

Power to make rules. 7. (1) The Central Government may make rules for carrying out the purposes of this Act.

(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 a total period of thirty days which may be comprised in one session or in two successive sessions, and, if before the expiry of the session in which it is so laid or the session immediately following both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, that 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(c)]

1. The Indian Income-tax Act, 1922 (11 of 1922).
 2. The Excess Profits Tax Act, 1940 (15 of 1940).
 3. The Business Profits Tax Act, 1947 (21 of 1947).
 4. The Estate Duty Act, 1953 (34 of 1953).
 5. The Wealth-tax Act, 1957 (27 of 1957).
 6. The Expenditure-tax Act, 1957 (29 of 1957).
 7. The Gift-tax Act, 1958 (18 of 1958).
 8. The Income-tax Act, 1961 (43 of 1961).
 9. The Super Profits Tax Act, 1963 (14 of 1963).
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Rep. by Act...S... of 1974, S.2 Sch. I

THE INDIAN RAILWAYS (AMENDMENT) ACT, 1964

No. 12 OF 1964

[12th May, 1964]

An Act further to amend the Indian Railways Act, 1890.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Indian Railways (Amendment) Short title. Act, 1964.

2. In section 66 of the Indian Railways Act, 1890 (hereinafter referred to as the principal Act), in sub-section (1), after the words "be supplied with a ticket", the words "by a railway servant or an agent authorised by the railway administration in this behalf" shall be inserted.

3. For section 70 of the principal Act, the following section shall be substituted, namely:—

"70. A ticket against which reservation of a seat or berth has been made, or a return ticket or season ticket, shall not be transferable and may be used only by the person for whose journey to and from the places specified thereon it was issued:

Provided that nothing herein shall prevent mutual transfer of seats or berths reserved against proper tickets by passengers travelling by the same train."

4. For section 114 of the principal Act, the following section shall be substituted, namely:—

"114. (1) If a person, not being a railway servant or an agent authorised by the railway administration in this behalf,—

(a) sells or attempts to sell any ticket or any half of a return ticket, or

(b) parts or attempts to part with the possession of a ticket against which reservation of a seat or berth has been made, or any half of a return ticket, or a season ticket,

in order to enable any other person to travel therewith, 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, and shall also forfeit the fare which he may have paid and the ticket which he may have sold or attempted to sell.

(2) If a person purchases any ticket referred to in clause (a) of sub-section (1), or obtains the possession of any ticket referred to in clause (b) of that sub-section, from any other person, not being a railway servant or an agent authorised by the railway administration in this behalf, 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, and if the purchaser or holder of any ticket aforesaid travels or attempts to travel therewith, he shall forfeit the ticket which he may have purchased or obtained and shall be deemed to be travelling without having a proper ticket with him, and shall be liable to be dealt with under section 113.”.

Rep. by Act....S. 22 Sch. I.

THE DRUGS AND COSMETICS (AMENDMENT)
ACT, 1964

No. 13 OF 1964

[12th May, 1964]

An Act further to amend the Drugs and Cosmetics Act, 1940.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Drugs and Cosmetics (Amendment) Act, 1964.

Short title.
and com-
mence-
ment.

(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.

23 of 1940. 2. In section 3 of the Drugs and Cosmetics Act, 1940 (hereinafter referred to as the principal Act),—

Amend-
ment of
section 3.

(a) clauses (a) and (aa) shall be re-lettered as clauses (aa) and (aaa) respectively, and—

(i) before clause (aa) as so re-lettered, the following clause shall be inserted, namely:—

'(a) "Ayurvedic (including Siddha) or Unani drug" includes all medicines intended for internal or external use for or in the diagnosis, treatment, mitigation or prevention of disease in human beings, mentioned in, and processed and manufactured exclusively in accordance with the formulae described in, the authoritative books of Ayurvedic (including Siddha) and Unani (Tibb) systems of medicine, specified in the First Schedule,';

(ii) for clause (aa) as so re-lettered, the following clause shall be substituted, namely:—

'(aa) "the Board" means—

¹The provisions of this Act except sections 25 and 26 and Sch. I referred to in section 31, shall come into force on 15-9-1964: Vide S. O. 3404, dated 3-9-1964, Gazette of India, Pt. II, Sec. 3(ii), p. 3911.

2. Provisions of sections 25, 26 and Sch. I, referred to in section 31, shall come into force on 1-2-1969: Vide S.O. 325 dated 16-1-69, Gaz. of India, Pt. II, section 3(ii), P-380.

(i) in relation to Ayurvedic (including Siddha) or Unani drug, the Ayurvedic and Unani Drugs Technical Advisory Board constituted under section 33C; and

(ii) in relation to any other drug or cosmetic, the Drugs Technical Advisory Board constituted under section 5;'

(b) in clause (b),—

(i) in sub-clause (i), the words "other than medicines and substances exclusively used or prepared for use in accordance with the Ayurvedic or Unani systems of medicine" shall be omitted;

(ii) in sub-clause (ii), for the word "vermins", the word "vermin" shall be substituted;

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

'(c) "Government Analyst" means—

(i) in relation to Ayurvedic (including Siddha) or Unani drug, a Government Analyst appointed by the Central Government or a State Government under section 33F; and

(ii) in relation to any other drug or cosmetic, a Government Analyst appointed by the Central Government or a State Government under section 20;'

(d) for clause (e), the following clause shall be substituted, namely:—

'(e) "Inspector" means—

(i) in relation to Ayurvedic (including Siddha) or Unani drug, an Inspector appointed by the Central Government or a State Government under section 33G; and

(ii) in relation to any other drug or cosmetic, an Inspector appointed by the Central Government or a State Government under section 21;'

(e) for clause (h), the following clause shall be substituted, namely:—

'(h) "patent or proprietary medicine" means a drug which is a remedy or prescription presented in a form ready

for internal or external administration of human beings or animals and which is not included in the edition of the Indian pharmacopoeia for the time being or in any other pharmacopoeia authorised in this behalf by the Central Government after consultation with the Board;’.

3. In section 4 of the principal Act, after the word and figures “Chapter IV” wherever they occur, the words, figures and letter “or Chapter IVA” shall be inserted. Amend-
ment of
section 4.

4. In section 5 of the principal Act,— Amend-
ment of
section 5.

(a) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) The Board shall consist of the following members, namely:—

(i) the Director General of Health Services, *ex officio*, who shall be Chairman;

(ii) the Drugs Controller, India, *ex officio*;

(iii) the Director of the Central Drugs Laboratory, Calcutta, *ex officio*;

(iv) the Director of the Central Research Institute, Kasauli, *ex officio*;

(v) the Director of the Indian Veterinary Research Institute, Izatnagar, *ex officio*;

(vi) the President of the Medical Council of India, *ex officio*;

(vii) the President of the Pharmacy Council of India, *ex officio*;

(viii) the Director of the Central Drug Research Institute, Lucknow, *ex officio*;

(ix) two persons to be nominated by the Central Government from among persons who are in charge of drugs control in the States;

(x) one person, to be elected by the Executive Committee of the Pharmacy Council of India, from among teachers in pharmacy or pharmaceutical chemistry or

pharmacognosy on the staff of an Indian University or a college affiliated thereto;

(xi) one person, to be elected by the Executive Committee of the Medical Council of India, from among teachers in medicine or therapeutics on the staff of an Indian university or a college affiliated thereto;

(xii) one person to be nominated by the Central Government from the pharmaceutical industry;

(xiii) one pharmacologist to be elected by the Governing Body of the Indian Council of Medical Research;

(xiv) one person to be elected by the Central Council of the Indian Medical Association;

(xv) one person to be elected by the Council of the Indian Pharmaceutical Association;

(xvi) two persons holding the appointment of Government Analyst under this Act, to be nominated by the Central Government;"

(b) in sub-section (3), for the proviso, the following proviso shall be substituted, namely:—

"Provided that the person nominated or elected, as the case may be, under clause (ix) or clause (x) or clause (xi) or clause (xvi) of sub-section (2) shall hold office for so long as he holds the appointment of the office by virtue of which he was nominated or elected to the Board.".

**Amend-
ment of
section 6.** 5. In section 6 of the principal Act, in clause (d) of sub-section (2), for the words and figures "under Chapter IV", the words, figures and letter "under Chapter IV or Chapter IVA" shall be substituted.

**Insertion
of new
section 7A.** 6. In Chapter II of the principal Act, after section 7, the following section shall be inserted, namely:—

"7A. Nothing contained in sections 5 and 7 shall apply to Ayurvedic (including Siddha) or Unani drugs.".

**Sections 5
and 7 not
to apply to
Ayurvedic
(including
Siddha)
or Unani
drugs.**

7. In section 8 of the principal Act, for the words "the Schedule" wherever they occur, the words "the Second Schedule" shall be substituted.

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

"9B. For the purposes of this Chapter, a drug shall be deemed to be adulterated—

(a) if it consists, in whole or in part, of any filthy, putrid or decomposed substance; or

(b) if it has been prepared, packed or stored under insanitary conditions whereby it may have been contaminated with filth or whereby it may have been rendered injurious to health; or

(c) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or

(d) if it bears or contains, for purposes of colouring only, a colour other than one which is prescribed; or

(e) if any substance has been—

(i) mixed or packed therewith so as to reduce its quality or strength; or

(ii) substituted wholly or in part therefor.

Explanation.—For the purpose of clause (a), a drug shall not be deemed to consist, in whole or in part, of any decomposed substance only by reason of the fact that such decomposed substance is the result of any natural decomposition of the drug within the period, if any, specified on the label of the drug within which the drug is to be used:

Provided that such decomposition is not due to any negligence on the part of the manufacturer of the drug or the importer or the dealer thereof and that it does not render the drug injurious to health."

9. In section 10 of the principal Act, after clause (b), the following clause shall be inserted, namely:—

"(bb) any adulterated drug;"

**Amend-
ment of
section 12.**

10. In section 12 of the principal Act, in sub-section (2), after clause (c), the following clause shall be inserted, namely:—

“(cc) prescribe under clause (d) of section 9B the colour or colours which a drug may bear or contain for purposes of colouring;”.

**Amend-
ment of
section 16.**

11. In section 16 of the principal Act, for the words “the Schedule” wherever they occur, the words “the Second Schedule” shall be substituted.

**Insertion
of new
section
17B.**

12. After section 17A of the principal Act, the following section shall be inserted, namely:—

**Adultera-
ted drugs.**

“17B. For the purposes of this Chapter a drug shall be deemed to be adulterated—

(a) if it consists, in whole or in part, of any filthy, putrid or decomposed substance; or

(b) if it has been prepared, packed or stored under insanitary conditions whereby it may have been contaminated with filth or whereby it may have been rendered injurious to health; or

(c) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or

(d) if it bears or contains, for purposes of colouring only, a colour other than one which is prescribed; or

(e) if any substance has been—

(i) mixed or packed therewith so as to reduce its quality or strength; or

(ii) substituted wholly or in part therefor.

Explanation.—For the purpose of clause (a), a drug shall not be deemed to consist, in whole or in part, of any decomposed substance only by reason of the fact that such decomposed substance is the result of any natural decomposition of the drug within the period, if any, specified on the label of the drug within which the drug is to be used:

Provided that such decomposition is not due to any negligence on the part of the manufacturer of the drug or the dealer thereof and that it does not render the drug injurious to health.”.

**Amend-
ment of
section 18.**

13. In section 18 of the principal Act, in clause (a), after sub-clause (ii), the following sub-clause shall be inserted, namely:—

“(iia) any adulterated drug;”.

14. After section 18 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
18A.

“18A. Every person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, shall, if so required, disclose to the Inspector the name, address and other particulars of the person from whom he acquired the drug or cosmetic.”

Disclosure
of the
name of
the manu-
facturer,
etc.

15. In section 19 of the principal Act,—

Amend-
ment of
section 19.

(a) in sub-section (2),—

(i) for the words and figures “For the purposes of section 18 a drug or cosmetic shall not be deemed to be misbranded or to be below standard quality”, the words and figures “For the purposes of section 18 a drug shall not be deemed to be misbranded or adulterated or to be below standard quality nor shall a cosmetic be deemed to be misbranded or to be below standard quality” shall be substituted;

(ii) clause (aa) shall be omitted;

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) A person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, shall not be liable for a contravention of section 18 if he proves—

(a) that he acquired the drug or cosmetic from a duly licensed manufacturer, distributor or dealer thereof;

(b) that he did not know and could not, with reasonable diligence, have ascertained that the drug or cosmetic in any way contravened the provisions of that section; and

(c) that the drug or cosmetic, while in his possession, was properly stored and remained in the same state as when he acquired it.”

16. In section 23 of the principal Act, for clause (iii) of sub-section (4), the following clause shall be substituted, namely:—

Amend-
ment of
section 23.

“(iii) the third, where taken, he shall send to the person, if any, whose name, address and other particulars have been disclosed under section 18A.”

Amend-
ment of
section 25.

17. In section 25 of the principal Act,—

(a) in sub-section (2), for the words, brackets and figures “and another copy to the warrantor, if any, named under the proviso to sub-section (3) of section 19”, the words, figures and letter “and another copy to the person, if any, whose name, address and other particulars have been disclosed under section 18A” shall be substituted;

(b) in sub-section (3), for the words “or the said warrantor”, the words, figures and letter “or the person whose name, address and other particulars have been disclosed under section 18A” shall be substituted.

Substitu-
tion of
section 27.

18. For section 27 of the principal Act, the following section shall be substituted, namely:—

“27. Whoever himself or by any other person on his behalf manufactures for sale, sells, stocks or exhibits for sale or distributes—

(a) any drug—

(i) deemed to be misbranded under clause (a), clause (b), clause (c), clause (d), clause (f) or clause (g) of section 17 or adulterated under section 17B; or

(ii) without a valid licence as required under clause (c) of section 18,

shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to ten years and shall also be liable to fine:

Provided that the Court may, for any special reasons to be recorded in writing, impose a sentence of imprisonment of less than one year;

(b) any drug other than a drug referred to in clause (a) in contravention of any of the provisions of this Chapter or any rule made thereunder shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.”.

Substitu-
tion of
section 28.

19. For section 28 of the principal Act, the following section shall be substituted, namely:—

Penalty
for non-
disclosure
of the
name of
the manu-
facturer,
etc.

“28. Whoever contravenes the provisions of section 18A shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to five hundred rupees, or with both.”.

20. In section 30 of the principal Act,—

Amend-
ment of
section 30.

(a) in sub-section (1), for the words "five years" wherever they occur, the words "ten years" shall be substituted;

(b) in sub-section (2),—

(i) the words and figures "section 28 or" shall be omitted;

(ii) for the words "two years", the words "ten years" shall be substituted.

21. In section 31 of the principal Act,—

Amend-
ment of
section 31.

(a) in sub-section (1), the following shall be added at the end, namely:—

"and if such contravention is in respect of—

(i) manufacture of any drug deemed to be misbranded under clause (a), clause (b), clause (c), clause (d), clause (f) or clause (g) of section 17 or adulterated under section 17B; or

(ii) manufacture for sale, or sale, or stocking or exhibiting for sale, or distribution of any drug without a valid licence as required under clause (c) of section 18,

any implements or machinery used in such manufacture, sale or distribution and any receptacles, packages or coverings in which such drug is contained and the animals, vehicles, vessels or other conveyances used in carrying such drug shall also be liable to confiscation";

(b) in sub-section (2), for the words "or is a misbranded drug", the words "or is a misbranded or adulterated drug" shall be substituted.

22. After section 31 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
31A.

"31A. The provisions of this Chapter except those contained in section 31 shall apply in relation to the manufacture, sale or distribution of drugs by any department of Government as they apply in relation to the manufacture, sale or distribution of drugs by any other person."

Applica-
tion of
provi-
sions to
Govern-
ment
depart-
ments.

Insertion
of new
section
32A.

Power of
Court to
impeal
the manu-
facturer,
etc.

Amend-
ment of
section 33.

23. After section 32 of the principal Act, the following section shall be inserted, namely:—

“32A. Where, at any time during the trial of any offence under this Chapter alleged to have been committed by any person, not being the manufacturer of a drug or cosmetic or his agent for the distribution thereof, the Court is satisfied, on the evidence adduced before it, that such manufacturer or agent is also concerned in that offence, then, the Court may, notwithstanding anything contained in sub-section (1) of section 351 of the Code of Criminal Procedure, 1898, proceed against him as ⁵ of 1898. though a prosecution had been instituted against him under section 32.”.

24. In section 33 of the principal Act,—

(i) in sub-section (2),—

(a) after clause (d), the following clause shall be inserted, namely:—

“(dd) prescribe under clause (d) of section 17B the colour or colours which a drug may bear or contain for purposes of colouring;”;

(b) clause (m) shall be omitted;

(c) for clause (p), the following clause shall be substituted, namely:—

“(p) specify the offences against this Chapter or any rule made thereunder in relation to which an order of confiscation may be made under section 31; and”;

(ii) sub-section (3) shall be omitted.

Insertion
of new
section
33A.

25. In Chapter IV of the principal Act, after section 33, the following section shall be inserted, namely:—

Chapter
not to
apply to
Ayurvedic
(including
Siddha)
or Unani
drugs.

“33A. Save as otherwise provided in this Act, nothing contained in this Chapter shall apply to Ayurvedic (including Siddha) or Unani drugs.”

26. After Chapter IV of the principal Act, the following Chapter shall be inserted, namely:—

Insertion
of new
Chapter
IV.A.

CHAPTER IVA

PROVISIONS RELATING TO AYURVEDIC (INCLUDING SIDDHA) AND UNANI DRUGS

33B. This Chapter shall apply only to Ayurvedic (including Siddha) and Unani drugs.

Application of
Chapter
IV.A.

33C. (1) The Central Government shall, by notification in the Official Gazette and with effect from such date as may be specified therein, constitute a Board (to be called the Ayurvedic and Unani Drugs Technical Advisory Board) to advise the Central Government and the State Governments on technical matters arising out of this Chapter and to carry out the other functions assigned to it by this Chapter.

(2) The Board shall consist of the following members, namely:—

- (i) the Director General of Health Services, *ex officio*;
- (ii) the Drugs Controller, India, *ex officio*;
- (iii) the Adviser in indigenous systems of medicine, Ministry of Health, *ex officio*;
- (iv) the Director of the Central Drugs Laboratory, Calcutta, *ex officio*;
- (v) one person holding the appointment of Government Analyst under section 33F, to be nominated by the Central Government;
- (vi) one Pharmacognocist to be nominated by the Central Government;
- (vii) one Phyto-chemist to be nominated by the Central Government;
- (viii) two persons to be nominated by the Central Government from among members of the 'Central Council of Ayurvedic Research';
- (ix) one teacher in Dravyaguna and Bhaishajya Kalpana, to be nominated by the Central Government;
- (x) one teacher in IL-MUL-ADVIA and TAKLIS-WA-DAWASAZI, to be nominated by the Central Government;

(xi) two persons, one each to represent the Ayurvedic (including Siddha) and Unani drug industry, to be nominated by the Central Government;

(xii) two persons, one each from among the practitioners of Ayurvedic (including Siddha) and Unani systems of medicine, to be nominated by the Central Government.

(3) The Central Government shall appoint a member of the Board as its Chairman.

(4) The nominated members of the Board shall hold office for three years but shall be eligible for renomination.

(5) The Board may, subject to the previous approval of the Central Government, make bye-laws fixing a quorum and regulating its own procedure and conduct of all business to be transacted by it.

(6) The functions of the Board may be exercised notwithstanding any vacancy therein.

(7) The Central Government shall appoint a person to be Secretary of the Board and shall provide the Board with such clerical and other staff as the Central Government considers necessary.

Prohibition
of manu-
facture for
sale of
Ayurvedic
(including
Siddha)
and **Unani**
drugs.

33D. From such date as may be fixed by the State Government by notification in the Official Gazette in this behalf, no person shall himself or by any other person on his behalf, manufacture for sale any Ayurvedic (including Siddha) or Unani, drug—

(a) except under prescribed hygienic conditions;

(b) except under the supervision of a person having the prescribed qualifications;

(c) except under and in accordance with the conditions of a licence issued for such purpose under this Chapter;

(d) unless the raw materials used in the preparation of such drug are genuine and are properly identified;

(e) unless such drug is labelled with the true list of all the ingredients contained in it and with such other particulars as may be prescribed; and

(f) in contravention of any of the provisions of this Chapter or any rule made thereunder:

Provided that nothing in this section shall apply to Vaidyas and Hakims who manufacture such drugs for the use of their own patients:

Provided further that nothing in clauses (a), (b) and (c) shall apply to the manufacture, subject to prescribed conditions, of small quantities of any such drug for the purpose of examination, test or analysis.

33E. From such date as may be fixed by the State Government by notification in the Official Gazette in this behalf, no person shall himself or by any other person on his behalf, sell, or stock or exhibit for sale, or distribute, any Ayurvedic (including Siddha) or Unani drug other than that manufactured by a manufacturer licensed under this Chapter.

Restriction
on sale,
etc., of
Ayurvedic
(including
Siddha)
and Unani
drugs.

33F. (1) The Central Government or a State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications, to be Government Analysts for such areas as may be assigned to them by the Central Government or the State Government, as the case may be.

Government
Analysts.

(2) Notwithstanding anything contained in sub-section (1), neither the Central Government nor a State Government shall appoint as a Government Analyst any official not serving under it without the previous consent of the Government under which he is serving.

33G. (1) The Central Government or a State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications, to be Inspectors for such areas as may be assigned to them by the Central Government or the State Government, as the case may be.

Inspectors.

(2) The powers which may be exercised by an Inspector and the duties which may be performed by him and the conditions, limitations or restrictions subject to which such powers and duties may be exercised or performed shall be such as may be prescribed.

(3) No person who has any financial interest in the manufacture or sale of any drug shall be appointed to be an Inspector under this section.

(4) Every Inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code and shall be officially subordinate to such authority as the Government appointing him may specify in this behalf,

Application of provisions of sections 22, 23, 24 and 25.

Penalty for manufacture, sale, etc., of Ayurvedic (including Siddha) and Unani drugs in contravention of this Chapter.

Penalty for subsequent offences.

Confiscation.

Application of provisions to Government departments.

Cognizance of offences.

Power of Central Government to make rules.

33H. The provisions of sections 22, 23, 24 and 25 and the rules, if any, made thereunder shall, so far as may be, apply in relation to an Inspector and a Government Analyst appointed under this Chapter as they apply in relation to an Inspector and a Government Analyst appointed under Chapter IV, subject to the modification that the references to "drug" in the said sections, shall be construed as references to "Ayurvedic (including Siddha) or Unani drug".

33I. Whoever contravenes the provisions of section 33D or section 33E or section 24 as applied by section 33H or any rule made under this Chapter 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.

33J. Whoever, having been convicted of an offence under section 33D or section 33E is again convicted of an offence under the said section 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.

33K. Where any person has been convicted under this Chapter, the stock of the Ayurvedic (including Siddha) or Unani drug, in respect of which the contravention has been made, shall be liable to confiscation.

33L. The provisions of this Chapter except those contained in section 33K shall apply in relation to the manufacture for sale, sale, or distribution of any Ayurvedic (including Siddha) or Unani drug by any department of Government as they apply in relation to the manufacture for sale, sale, or distribution of such drug by any other person.

33M. (1) No prosecution under this Chapter shall be instituted except by an Inspector.

(2) No Court inferior to that of a Presidency Magistrate or of a Magistrate of the first class shall try an offence punishable under this Chapter.

33N. (1) The Central Government may, after consultation with the Board and after previous publication by notification in the Official Gazette, make rules for the purpose of giving effect to the provisions of this Chapter:

Provided that consultation with the Board may be dispensed with if the Central Government is of opinion that circumstances have arisen which render it necessary to make rules without such consultation, but in such a case, the Board shall be consulted within six months of the making of the rules and the Central Government shall take into consideration any suggestions which the Board may make in relation to the amendment of the said rules.

(2) Without prejudice to the generality of the foregoing power, such rules may,—

(a) provide for the establishment of laboratories for testing and analysing Ayurvedic (including Siddha) or Unani drugs;

(b) prescribe the qualifications and duties of Government Analysts and the qualifications of Inspectors;

(c) prescribe the methods of test or analysis to be employed in determining whether any Ayurvedic (including Siddha) or Unani drug is labelled with the true list of the ingredients which it is purported to contain;

(d) specify any substance as a poisonous substance;

(e) prescribe the forms of licences for the manufacture for sale of Ayurvedic (including Siddha) or Unani drugs, the form of application for such licences, the conditions subject to which such licences may be issued, the authority empowered to issue the same and the fees payable therefor;

(f) regulate the mode of labelling packed Ayurvedic (including Siddha) or Unani drugs and prescribe the matters which shall or shall not be included in such labels;

(g) prescribe the conditions subject to which small quantities of Ayurvedic (including Siddha) or Unani drugs may be manufactured for the purpose of examination, test or analysis; and

(h) any other matter which is to be or may be prescribed under this Chapter.

33O. The Central Government, after consultation with the Board and after giving, by notification in the Official Gazette, not less than three months' notice of its intention so to do, may, by a like notification, add to or otherwise amend the First Schedule for the purposes of this Chapter and thereupon the said Schedule shall be deemed to be amended accordingly.

Power to
amend
First
Schedule.

Amendment of section 33A.

27. Section 33A of the principal Act shall be re-numbered as section 33P.

Insertion of new section 34A.

28. After section 34 of the principal Act, the following section shall be inserted, namely:—

Offences by Government departments.

“34A. Where an offence under Chapter IV or Chapter IVA has been committed by any department of Government, such authority as is specified by the Central Government to be in-charge of manufacture, sale or distribution of drugs or where no authority is specified, the head of the department, 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 section shall render any such authority or person liable to any punishment provided in Chapter IV or Chapter IVA, as the case may be, if such authority or person proves that the offence was committed without its or his knowledge or that such authority or person exercised all due diligence to prevent the commission of such offence.”.

Amendment of section 36.

29. In section 36 of the principal Act, the words and figures “section 32 of” shall be omitted.

Insertion of new section 38.

30. After section 37 of the principal Act, the following section shall be inserted, namely:—

Rules to be laid before Parliament.

“38. 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 comprised in one session or in two or more successive sessions, and if before the expiry of the session in which it is so laid 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.”.

31. For the Schedule to the principal Act, the following Schedules shall be substituted, namely:—

Substitution of Schedule.

"THE FIRST SCHEDULE

[See section 3(a)]

A.—AYURVEDIC (INCLUDING SIDDHA) SYSTEM

Serial No.	Name of book
<i>Ayurveda</i>	
1.	Arogya Kalpadruma
2.	Arka Prakasha
3.	Arya Bhishak
4.	Ashtanga Hridaya
5.	Ashtanga Samgraha
6.	Ayurveda Kalpadruma
7.	Ayurveda Prakasha
8.	Ayurveda Samgraha
9.	Bhaishajya Ratnavali
10.	Bharat Bhaishajya Ratnakara
11.	Bhava Prakasha
12.	Brihat Nighantu Ratnakara
13.	Charaka Samhita
14.	Chakra Datta
15.	Gada Nigraha
16.	Kupi Pakva Rasayana
17.	Nighantu Ratnakara
18.	Rasa Chandanshu
19.	Rasa Raja Sundara
20.	Rasaratna Samuchaya
21.	Rasatantra Sara Siddha Prayoga Samgraha
22.	Rasa Tarangini
23.	Rasa Yoga Sagara
24.	Rasa Yoga Ratnakara
25.	Rasa Yoga Samgraha
26.	Rasendra Sara Samgraha

Serial No.	Name of book
27.	Rasa Pradipika
28.	Sahasrayoga
29.	Sarvaroga Chikitsa Ratnam
30.	Sarvayoga Chikitsa Ratnam
31.	Sharangadhara Samhita
32.	Siddha Bhaishajya Manimala
33.	Siddha Yoga Samgraha
34.	Sushruta Samhita
35.	Vaidya Chintamani
36.	Vaidyaka Shabda Sindu
37.	Vaidyaka Chikitsa Sara
38.	Vaidya Jiwan
39.	Basava Rajeevam
40.	Yoga Ratnakara
41.	Yoga Tarangini
42.	Yoga Chintamani
43.	Kashyapasamhita
44.	Bhelasamhita
45.	Vishwanathachikitsa
46.	Vrindachikitsa
47.	Ayurvedachintamani
48.	Abhinavachintamani
49.	Ayurveda-ratnakar
50.	Yogaratnasangraha
51.	Rasamrita
52.	Dravyagunanighantu
53.	Rasamanjari
54.	Bangasena
<i>Siddha</i>	
55.	Siddha Vaidya Thirattu
56.	Therayar Maha Karisal
57.	Brahma Muni Karukkadalai (300)
58.	Bhogar (700)
59.	Pulippani (500)

Serial No.	Name of book
60.	Agasthiyar Paripuranam (400)
61.	Therayar Yamagam
62.	Agasthiyar Chenduram (300)
63.	Agasthiyar (1500)
64.	Athmarakshamrutham
65.	Agasthiyar Pin (80)
66.	Agasthiyar Rathna Churukkam
67.	Therayar Karisal (300)
68.	Veeramamuni Nasa Kandam
69.	Agasthiyar (600)
70.	Agasthiyar Kanma Soothiram
71.	18 Siddhar's Chillarai Kovai
72.	Yogi Vatha Kaviyam
73.	Therayar Tharu
74.	Agasthiyar Vaidya Kaviyam (1500)
75.	Bala Vagadam
76.	Chimittu Rathna (Rathna) Churukkam
77.	Nagamuni (200)
78.	Agasthiyar Chillarai Kovai
79.	Chikicha Rathna Deepam
80.	Agasthiyar Nayana Vidhi
81.	Yugi Karisal (151)
82.	Agasthiyar Vallathi (600)
83.	Therayar Thaila Varkam

B.—UNANI (TIBB) SYSTEM

Serial No.	Name of book
1.	Karabadin Qadri
2.	Karabadin Kabir
3.	Karabadin Azam
4.	Ilaj-ul-Amraz
5.	Al Karabadin
6.	Biaz Kabir Vol. II
7.	Karabadin Jadid
8.	Kitab-ul-Taklis
9.	Sanat-ul-Taklis
10.	Mifta-ul-Khazain
11.	Madan-ul-Aksir
12.	Makhzan-ul-murabbat.

THE SECOND SCHEDULE

(See sections 8 and 18)

STANDARDS TO BE COMPLIED WITH BY IMPORTED DRUGS AND BY DRUGS
MANUFACTURED FOR SALE, SOLD, STOCKED OR EXHIBITED FOR SALE OR
DISTRIBUTED.

Class of drug	Standard to be complied with
1. Patent or proprietary medicines.	The formula or list of ingredients displayed in the prescribed manner on the label or container and such other standards as may be prescribed.
2. Substances commonly known as vaccines, sera, toxine, toxoids, antitoxins, and antigens and biological products of such nature.	The standards maintained at the International Laboratory for Biological Standards, Stantans Seruminstutit, Copenhagen and such further standards of strength, quality and purity as may be prescribed.
3. Vitamins, hormones and analogous products.	The standards maintained at the International Laboratory for Biological Standards, National Institute for Medical Research, London, and such further standards of strength, quality and purity as may be prescribed.
4. Substances (other than food) intended to affect the structure or any function of the human body or intended to be used for the destruction of vermin or insects which cause disease in human beings or animals.	Such standards as may be prescribed.
5. Other drugs:	Standards of identity, purity and strength specified in the edition of the Indian Pharmacopoeia for the time being and such other standards as may be prescribed.
(a) Drugs included in the Indian Pharmacopoeia.	Standards of identity, purity and strength specified for the drugs in the edition of such pharmacopoeia for the time being and such other standards as may be prescribed."
(b) Drugs not included in the Indian Pharmacopoeia but which are included in any Pharmacopoeia of any other country.	Standards of identity, purity and strength specified for the drugs in the edition of such pharmacopoeia for the time being and such other standards as may be prescribed."

32. Until the constitution of the Drugs Technical Advisory Board Transitory under section 5 of the principal Act as amended by this Act, the provision. Drugs Technical Advisory Board constituted under section 5 of the principal Act and functioning immediately before the commencement of this Act shall be deemed to be the Drugs Technical Advisory Board constituted under section 5 of the principal Act as amended by this Act and shall continue to function as if this Act had not been passed.

Not Corrected: See India Code Vol. IV A, Pt. I - p. 177.

THE DAKSHINA BHARAT HINDI PRACHAR SABHA ACT, 1964

No. 14 OF 1964

[12th May, 1964]

An Act to declare the institution known as the Dakshina Bharat Hindi Prachar Sabha, having at present its registered office at Madras, to be an institution of national importance and to provide for certain matters connected therewith.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows :—

Title
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1. (1) This Act may be called the Dakshina Bharat Hindi Prachar Sabha Act, 1964.

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

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

(a) "memorandum" means the memorandum of association of the *Sabha* filed with the Registrar of Joint Stock Companies, **Madras**, under the Societies Registration Act, 1860;

21 of 1860.

(b) "rules and regulations" includes any rule or regulation, by whatever name called, which the *Sabha* is competent to make in the exercise of the powers conferred on it under the Societies Registration Act, 1860, but shall not include any bye-laws or standing orders made under the rules and regulations for the conduct of its work;

(c) "Sabha" means the Dakshina Bharat Hindi Prachar Sabha registered under the Societies Registration Act, 1860.

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3. Whereas the objects of the institution known as the Dakshina Bharat Hindi Prachar Sabha are such as to make it an institution of national importance, it is hereby declared that the Dakshina Bharat Hindi Prachar Sabha is an institution of national importance.

1.6.1964: vide notification No. S.O. 1898, dated 30.5.1964, Gazette of India Extraordinary, Part II, Sec. 3(ii), p. 429.

[of 1964] *Dakshina Bharat Hindi Parchar Sabha*

4. Notwithstanding anything contained in the University Grants Commission Act, 1956, or in any other law for the time being in force, the *Sabha* may hold such examinations and grant such degrees, diplomas and certificates for proficiency in Hindi or in the teaching of Hindi as may be determined by the *Sabha* from time to time. *Sabha.*

5. (1) The *Sabha* shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the balance-sheet in such form as may be prescribed by the Central Government. Accounts and audit.

(2) The accounts of the *Sabha* shall, once at least in every year, be audited by a chartered accountant in practice within the meaning of the Chartered Accountants Act, 1949, to be appointed annually by the *Sabha*:

Provided that no member of the *Sabha* who is a chartered accountant or a person who is in partnership with such member, shall be eligible for appointment as an auditor under this section.

(3) Every auditor shall, in the performance of his duties, have at all reasonable times access to the registers, books of account, records and other documents of the *Sabha* or of any committee, council, board or branch of the *Sabha*.

(4) As soon as may be practicable at the end of each year, the auditors shall submit their report to the *Sabha* and shall also forward a copy thereof to the Central Government for its information.

6. Notwithstanding anything contained in the Societies Registration Act, 1860, or in the memorandum or rules and regulations, the *Sabha* shall not, except with the previous approval of the Central Government,—

(a) alter, extend or abridge any of the purposes for which it has been established or for which it is being used immediately before the commencement of this Act, or amalgamate itself, either wholly or partially, with any other institution or society; or

(b) alter or amend in any manner the memorandum or rules and regulations; or

(c) be dissolved.

7. (1) The Central Government may constitute, after consultation with the *Sabha*, one or more committees consisting of such number of persons as it thinks fit to appoint thereto for all or any of the following purposes, namely:—

(a) reviewing the work done by the *Sabha* during any specified period and the progress made by it; and

~~Not Corrected: See India Code~~

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Dakshina Bharat Hindi Prachar Sabha [ACT 14 OF 1964]

- (b) evaluating the work done by the *Sabha*.
- (2) The *Sabha* shall afford all necessary facilities to any committee constituted under sub-section (1) for the purpose of enabling it to carry out its duties.
- (3) The report of any committee constituted under sub-section (1) shall be submitted to the Central Government within such time and in such manner as that Government may direct.
- (4) The *Sabha* shall be entitled to appoint a representative who shall have the right to be present and to be heard at such review or evaluation.
- (5) The Central Government may address the President of the *Sabha* with reference to the result of such review or evaluation as disclosed in the report of any committee constituted under sub-section (1), and the President of the *Sabha* shall communicate to the Central Government the action, if any, taken thereon.
- (6) When the Central Government has, in pursuance of sub-section (5), addressed the President of the *Sabha* in connection with any matter and the President of the *Sabha* does not within a reasonable time take action to the satisfaction of the Central Government in respect thereof, the Central Government may, after allowing the *Sabha* an opportunity of furnishing explanations or making representations, issue such directions as that Government considers necessary in respect of any of the matters dealt with in the report and the *Sabha* shall, notwithstanding anything contained in any law for the time being in force or in the memorandum or rules and regulations of the *Sabha*, comply with such directions.
- (7) The members of any committee constituted under sub-section (1) shall be paid such allowances as the Central Government may, by order, fix and such allowances together with the expenses incurred, with the previous approval of the Central Government, by any such committee in the performance of its functions (including any salary, remunerations or allowances, if any, payable to any person employed by any such committee), shall, notwithstanding anything contained in any law for the time being in force or in the memorandum or rules and regulations of the *Sabha*, be paid out of the funds of the *Sabha*.

Rep. by Act.....S6 of 1974, S. 2 & Sch. I.

THE EAST PUNJAB AYURVEDIC AND UNANI
PRACTITIONERS (DELHI AMENDMENT)
ACT, 1964

No. 15 OF 1964

[12th May, 1964]

An Act further to amend the East Punjab Ayurvedic and Unani Practitioners Act, 1949 as in force in the Union territory of Delhi.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the East Punjab Ayurvedic and Unani Practitioners (Delhi Amendment) Act, 1964.
Short title and commencement.
- (2) It shall come into force on such date as the Chief Commissioner may, by notification in the Official Gazette, appoint.
2. Throughout the East Punjab Ayurvedic and Unani Practitioners Act, 1949, as in force in the Union territory of Delhi (hereinafter referred to as the principal Act), for the word "State", the words "Union territory" shall be substituted.
Amendment of references to State.
3. In section 2 of the principal Act, after clause (3), the following clauses shall be inserted, namely:
Amendment of section 2.
 - (3a) "Chairman" means the Chairman of the Examining Body;
 - (3b) "Chief Commissioner" means the administrator of the Union territory of Delhi, appointed by the President under article 239 of the Constitution;
 - (3c) "Examining Body" means the Examining Body constituted under section 31A;
4. In sub-section (1) of section 3 of the principal Act, for the words "carrying out the provisions of this Act", the words "carrying out the functions conferred on the Board by or under the provisions of this Act" shall be substituted.
Amendment of section 3.

endment of
Section 21.

5. In section 21 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Board shall, by regulations, recognise institutions as required under item (3) of the Schedule.”;

(b) in sub-section (2), for the words “by any of the institutions”, the words “by the Examining Body or by any of the institutions” shall be substituted.

endment of
Section 29.

6. In sub-section (2) of section 29 of the principal Act, after clause (k), the following clauses shall be inserted, namely:—

(l) the term of office of the members of the Examining Body under sub-section (5) of section 31A;

(m) the fees and other allowances payable to members of the Examining Body for attending meetings under sub-section (8) of section 31A.”.

endment of
Section 30.

7. In section 30 of the principal Act,—

(i) in sub-section (1), clauses (c), (d), (e), (f) and (g) shall be omitted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) The Examining Body may, with the previous sanction of the Chief Commissioner, make regulations for—

(a) the time and place at which the Examining Body shall hold its meetings;

(b) the courses of study for training and qualifying examinations including the course of training and examinations prior to qualifying examinations;

(c) the language in which the examinations shall be conducted and instruction shall be imparted;

(d) the admission of students to the bodies or institutions authorised under section 21;

(e) the conditions under which students shall be admitted to the diploma, licence or certificate course and to the qualifying and prior examinations;

(f) the conditions of appointment of examiners and the conduct of examinations;

(g) any other matter which is required to be, or may be, prescribed by regulations.”;

(iii) in the first proviso to sub-section (3), for the words, brackets and letters “clauses (c) to (g)”, the word, brackets, figure and letter “sub-section (1A)” shall be substituted and for the word “Board”, the words “Examining Body” shall be substituted.

8. After section 31 of the principal Act, the following section shall be inserted, namely:—

“31A. (1) The Chief Commissioner may, by notification in the Official Gazette, constitute an Examining Body to be known as ‘The Examining Body for Ayurvedic and Unani Systems of Medicine, Delhi’, for the purpose of holding qualifying examinations and examinations prior to qualifying examinations and prescribing the courses of study and training for such examinations and other related matters.

(2) The Examining Body shall be a body corporate with the name aforesaid, having perpetual succession and a common seal, with power to acquire, hold and dispose of property and to contract, and shall by the said name sue and be sued.

(3) The Examining Body shall consist of the following seven members, to be nominated by the Chief Commissioner, namely:—

(a) one member to represent the Ministry of the Central Government dealing with Health;

(b) one member to represent the Medical and Health Department of the Administration of Delhi;

(c) one member who shall be a Professor of Modern Medicine or of Ayurvedic or Unani System of Medicine as the Chief Commissioner may determine;

(d) one member who shall be a Professor of Ayurvedic System of Medicine;

(e) one member who shall be a Professor of Unani System of Medicine;

(f) a practitioner of repute of the Ayurvedic System of Medicine;

(g) a practitioner of repute of the Unani System of Medicine;

and the Chief Commissioner shall nominate one of the members to be the Chairman of the Examining Body.

Insertion
of new
section
31A.

Constitu-
tion and
functions
of the
Examining
Body.

(4) The provisions of sections 11, 12 and 13 shall apply to the Examining Body as they apply in relation to the Board, subject to the modifications that references to the President therein shall be construed as references to the Chairman and the reference to five members in sub-section (3) of section 13 shall be construed as a reference to three members.

(5) A member of the Examining Body shall hold office for such period as may be prescribed by rules by the Chief Commissioner:

Provided that the Chief Commissioner may, for reasons to be recorded in writing, remove any member before the expiry of such term:

Provided further that no order for such removal shall be made unless the member concerned has been given a reasonable opportunity to show cause against such removal.

(6) A casual vacancy in the office of a member of the Examining Body shall be filled by fresh nomination and the member nominated to fill a casual vacancy shall hold office only so long as the member in whose place he is nominated would have held office if the vacancy had not occurred.

(7) Any member of the Examining Body may, at any time, resign his office by letter addressed to the Chief Commissioner and the resignation shall take effect from the date on which it is accepted by the Chief Commissioner.

(8) There shall be paid to the members of the Examining Body such fees and allowances for attending meetings as may be prescribed by rules by the Chief Commissioner.

(9) The Examining Body shall, with the previous approval of the Chief Commissioner, appoint a secretary and such number of other employees as it may deem necessary and they shall receive such salary and allowances and be subject to such conditions of service as the Examining Body may, with the previous approval of the Chief Commissioner, prescribe by regulations.

(10) The secretary and other employees of the Examining Body shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

45 of 1860.

(11) In the performance of its functions under this Act, the Examining Body shall be bound by such directions as the Chief Commissioner may give to it in writing from time to time.”.

id- 9. In the Schedule to the principal Act, in item (2), for the word “Board”, in the first place where it occurs, the words “Examining Body” shall be substituted.

Not Currented: See India Code Vol. III A, Pt. IV, p-129

THE GOA, DAMAN AND DIU JUDICIAL COMMISSIONER'S COURT (DECLARATION AS HIGH COURT) ACT, 1964

No. 16 OF 1964

[16th May, 1964]

An Act to declare the Judicial Commissioner's Court for Goa, Daman and Diu to be a High Court for certain purposes of the Constitution.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Goa, Daman and Diu Judicial Commissioner's Court (Declaration as High Court) Act, 1964. Short title and commencement.

(2) It shall be deemed to have come into force on the date of commencement of the Goa, Daman and Diu (Judicial Commissioner's Court) Regulation, 1963.

2. In this Act, "article" means an article of the Constitution. Definition.

3. The Court of the Judicial Commissioner for the Union territory of Goa, Daman and Diu (hereinafter referred to as the Judicial Commissioner's Court) is hereby declared to be a High Court for the purposes of articles 132, 133 and 134. Declaration of Goa, Daman and Diu Judicial Commissioner's Court as High Court for certain purposes.

4. An appeal shall lie to the Supreme Court under the provisions of article 133 from any judgment, decree or final order of the Judicial Commissioner's Court notwithstanding that such judgment, decree or final order is that of a single Judge. Appeals to the Supreme Court not to be barred on account of judgment, etc., being of a single Judge.

eals to 5. Subject to any rules made under article 145 or any other law
reme as to the time within which appeals to the Supreme Court are to
rt be entered, an appeal shall lie to that Court from a judgment, decree
t, or final order of the Judicial Commissioner's Court, under the pro-
ee, pass- visions of article 132 or article 133, or from a judgment, final order
made or sentence of such Court under the provisions of article 134:

Judi- Com- ioner's rt. Provided that an appeal may be preferred within ninety days
ct. from the date of passing of this Act from a judgment, decree, final
order or sentence passed or made by the Judicial Commissioner's
Court before that date.

ptions modi- 6. The provisions of Chapter V of Part VI of the Constitution
ctions shall in their application to the Judicial Commissioner's Court have
ect to effect subject to the following exceptions and modifications, name-
ch the visions ly:—

Part f the stitu- (a) the provisions of articles 216, 217, 218, 220, 221, 222,
apply the 223, 224, 224A, 225, 230 and 231 shall not apply;

cial imis- (b) references—

er's rt. (i) in article 219, in the proviso to clause (3) of article
227 and in article 229 to the Governor shall be construed as
references to the administrator of the Union territory of
Goa, Daman and Diu;

(ii) in articles 219 and 229 to the State (except in the
expression "the State Public Service Commission") shall be
construed as references to the Union territory of Goa,
Daman and Diu;

(c) the reference to the State Public Service Commission
in the proviso to clause (1) of article 229 shall be construed as a
reference to the Union Public Service Commission.

7. Any person aggrieved—

e to the reme rt. (a) by any judgment, decree, order or sentence of the Tri-
n judg- bunal de Relacao passed or made before the 20th December,
it, 1961, against which an appeal would lie to a superior court in
ree etc. Portugal in accordance with law but could not be preferred by
sed or reason of Goa, Daman and Diu becoming part of the territory
le by of India, or against which an appeal having been preferred to a
Jural Relacao. superior court in Portugal in accordance with law had not been
disposed of before the said date; or

Not Corrected: See India Code

[of 1964] *Goa, Daman and Diu Judicial Commissioner's Court (Declaration as High Court)* 165

(b) by any judgment, decree, order or sentence of the Tribunal de Relacao passed or made on or after the 20th December, 1961,

may, within ninety days from the date of passing of this Act, prefer an appeal from such judgment, decree, order or sentence to the Supreme Court as if such judgment, decree, order or sentence had been passed or made by the Judicial Commissioner's Court.

8. Section 7 of the Goa, Daman and Diu (Administration) Act, Repeal of section 7 of Act 1 of 1962, is hereby repealed.

Rep. by Act.....S.....of 1974, S.2 & Sch. I.

THE INDIAN COINAGE (AMENDMENT) ACT, 1964

No. 17 OF 1964

[16th May, 1964]

An Act further to amend the Indian Coinage Act, 1906.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title
and com-
mence-
ment.

1. (1) This Act may be called the Indian Coinage (Amendment) Act, 1964.

(2) It shall come into force on the 1st day of June, 1964.

Amend-
ment of
section 13.

2. In section 13 of the Indian Coinage Act, 1906 (hereinafter referred to as the principal Act), after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) All new coins in the *naya paisa* series, designated as such under the notification of the Government of India in the Ministry of Finance, Department of Economic Affairs, No. S.R.O. 1120, dated 11th May, 1956 which may have been issued under this Act prior to the commencement of the Indian Coinage (Amendment) Act, 1964, shall continue to be a legal tender in payment or on account,—

(a) in the case of a half-rupee or fifty *naye paise* coin, for any sum not exceeding ten rupees;

(b) in the case of any other coin, for any sum not exceeding one rupee.”

Amend-
ment of
section 14.

3. In section 14 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) As from the commencement of the Indian Coinage (Amendment) Act, 1964, all references in any enactment or in any notification, rule or order under any enactment or in any contract, deed or other instrument to any value in *naya paisa* or *naye paise* shall be construed as references to that value expressed respectively in *paisa* or *paise*, being the new coins designated as such from 1st day of June, 1964.”

Not Corrected: See India Code Volume I B, Pt. XI, p. 233.

THE INDUSTRIAL DEVELOPMENT BANK OF INDIA ACT, 1964

ARRANGEMENT OF SECTIONS

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2. Definitions.

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ESTABLISHMENT OF THE INDUSTRIAL DEVELOPMENT BANK OF INDIA AND CAPITAL THEREOF

3. Establishment and incorporation of Industrial Development Bank of India.
4. Authorised and issued capital.

CHAPTER III

MANAGEMENT OF THE DEVELOPMENT BANK

5. Management.
6. Board of Directors.
7. Executive Committee and other committees.
8. Fees and allowances of directors and members of committees.

CHAPTER IV

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9. Business of Development Bank.
10. Loans by Central Government.
11. Borrowings and acceptance of deposits by Development Bank.
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14. Development Assistance Fund.
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SECTIONS

17. Debits to Development Assistance Fund.
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20. General Fund.
21. Preparation of accounts and balance-sheet.
22. Disposal of profits accruing to General Fund.
23. Audit.
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CHAPTER VII**TRANSFER OF BUSINESS OF REFINANCE CORPORATION FOR INDUSTRY**

25. Transfer of assets and liabilities of Refinance Corporation for Industry.

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26. Staff of Development Bank.
27. Delegation of powers.
28. Returns.
29. Obligation as to fidelity and secrecy.
30. Defects in appointments not to invalidate acts, etc.
31. Indemnity of directors.
32. Protection of action taken under this Act.
33. Act 18 of 1891 to apply in relation to Development Bank.
34. Act 10 of 1949 not to apply to Development Bank.
35. Act 43 of 1961 and Act 14 of 1963 not to apply to Development Bank.
36. Liquidation of Development Bank.
37. Power to make regulations.
38. Amendment of certain enactments.

THE FIRST SCHEDULE.**THE SECOND SCHEDULE.**

Not Corrected: See India Code Volume I.B. Pt. XI, p. 233.

THE INDUSTRIAL DEVELOPMENT BANK OF INDIA ACT, 1964

No. 18 OF 1964

[16th May, 1964]

An Act to establish the Industrial Development Bank of India for providing credit and other facilities for the development of industry and for matters connected therewith and further to amend certain enactments.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

CHAPTER 1

PRELIMINARY

1. (1) This Act may be called the Industrial Development Bank of India Act, 1964.

Short title,
extent and
commencement.

(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.

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

Definitions

(a) "Board" means the Board of Directors of the Development Bank;

(b) "Development Bank" means the Industrial Development Bank of India established under section 3;

(c) "industrial concern" means any concern engaged or to be engaged in the manufacture, preservation or processing of goods or in shipping or in mining or in the hotel industry or in

¹ 20-6-1964, *vide* Notification No. G.S.R. 891, dated 20-6-1964, Gazette of India, Extraordinary, Pt. II, Section 3 (i), p. 493.

the transport of passengers or goods by road or by water or by air or in the generation or distribution of electricity or any other form of power.

Explanation.—The expression “processing of goods” includes any art or process for producing, preparing or making an article by subjecting any material to a manual, mechanical, chemical, electrical or any other like operation;

(d) “Industrial Finance Corporation” means the Industrial Finance Corporation of India established under the Industrial Finance Corporation Act, 1948;

15 of 1948.

(e) “prescribed” means prescribed by regulations made under this Act;

(f) “Reserve Bank” means the Reserve Bank of India constituted under the Reserve Bank of India Act, 1934;

2 of 1934.

(g) “scheduled bank” means a bank for the time being included in the Second Schedule to the Reserve Bank of India Act, 1934;

2 of 1934

(h) “State co-operative bank” has the same meaning as in the Reserve Bank of India Act, 1934;

2 of 1934.

(i) “State Financial Corporation” means a financial corporation established under section 3 or section 3A of the State Financial Corporation Act, 1951 and includes the Madras Industrial Investment Corporation Limited.

63 of 1951

CHAPTER II

ESTABLISHMENT OF THE INDUSTRIAL DEVELOPMENT BANK OF INDIA AND CAPITAL THEREOF

3. (1) With effect from such date¹ as the Central Government may, by notification in the Official Gazette, appoint, there shall be established for the purposes of this Act a corporation to be known as the Industrial Development Bank of India.

(2) The Development Bank shall be a body corporate with the name aforesaid having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and

¹ 1-7-1964, *vide* Notification No. G.S.R. 892, dated 22-6-1964, Gazette of India, Extraordinary, Pt. II, Section 3 (i), p. 495.

dispose of property and to contract, and may, by that name, sue or be sued.

(3) The head office of the Development Bank shall be at Bombay or at such other place as the Reserve Bank may, by notification in the Official Gazette, specify.

(4) The Development Bank may establish offices, branches or agencies at any other place in or outside India.

4. (1) The authorised capital of the Development Bank shall be ^{Authorised and issued capital.} fifty crores of rupees:

Provided that the Reserve Bank may, with the previous approval of the Central Government, increase the said capital up to one hundred crores of rupees.

(2) The issued capital of the Development Bank shall, in the first instance, be ten crores of rupees, but the Reserve Bank may, with the previous approval of the Central Government, increase the issued capital from time to time up to such amount as it thinks fit.

(3) The issued capital of the Development Bank shall be wholly subscribed by the Reserve Bank.

CHAPTER III

MANAGEMENT OF THE DEVELOPMENT BANK

5. (1) The general superintendence, direction and management of the affairs and business of the Development Bank shall vest in a Board of Directors, which may exercise all powers and do all acts and things which may be exercised or done by the Development Bank.

(2) Save as otherwise provided in regulations made under this Act, the chairman and in his absence the vice-chairman shall also have powers of general superintendence, direction and management of the affairs and business of the Development Bank and may exercise all powers and do all acts and things which may be exercised or done by the Development Bank.

(3) Subject to the provisions of this Act, the Board in discharging its functions shall act on business principles with due regard to public interest.

6. (1) The Board shall consist of such persons as for the time being hold office as directors on the Central Board of the Reserve Bank.

(2) The Governor of the Reserve Bank shall be the chairman and a Deputy Governor of the Reserve Bank nominated by that bank in this behalf shall be the vice-chairman of the Board.

(3) The Board shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed.

(4) The chairman or, if for any reason he is unable to attend a meeting of the Board, the vice-chairman or, in the event of both the chairman and the vice-chairman being unable to attend the meeting, any other director nominated by the chairman in this behalf, shall preside at the meeting.

(5) All questions which come up before any meeting of the Board shall be decided by a majority of votes of the directors present and voting, and in the event of an equality of votes, the chairman or in his absence, the vice-chairman, or in the absence of both the chairman and the vice-chairman, the person presiding, shall have a second or casting vote.

(6) Save as provided in sub-section (5), every director of the Board shall have one vote.

**Executive Committee
and other
Committees.**

7. (1) The Board may constitute an Executive Committee consisting of such number of directors as may be prescribed.

(2) The Executive Committee shall discharge such functions as may be prescribed or as may be delegated to it by the Board.

(3) The Board may constitute such other committees whether consisting wholly of directors or wholly of other persons or partly of directors and partly of other persons for such purpose or purposes as it may think fit.

(4) The Executive Committee or any other committee constituted under this section shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed.

**Fees and
allowances
of direc-
tors and
members
of com-
mittees.**

8. The directors and the members of a committee shall be paid such fees and allowances as may be prescribed for attending the meetings of the Board or of any committee constituted in pursuance of this Act and for attending to any other work of the Development Bank:

Provided that no fees shall be payable to any director or member who is an officer of the Government or to the Governor or a Deputy Governor of the Reserve Bank or any officer of that bank.

CHAPTER IV

BUSINESS OF THE DEVELOPMENT BANK

**Business of
Development
Bank.**

9. (1) The Development Bank may carry on and transact any of the following kinds of business, namely :—

(a) granting loans and advances to—

(i) the Industrial Finance Corporation, any State Financial Corporation or any other financial institution which may be notified by the Central Government in this behalf, by way of refinance of any loans or advances granted to industrial concerns by such Corporation or institution which are repayable on the expiry of not less than three years and not more than twenty-five years;

(ii) any scheduled bank or State co-operative bank, by way of refinance of any loans or advances granted to industrial concerns by such bank which are repayable on the expiry of not less than three years and not more than ten years;

(iii) any scheduled bank or State co-operative bank or the Industrial Finance Corporation or any State Financial Corporation or any other financial institution which may be notified by the Central Government in this behalf, by way of refinance of any loans or advances granted to industrial concerns or group of industrial concerns by such bank or institution which are for the purpose of, or in connection with, the export of capital goods, commodities or merchandise from India and are repayable on the expiry of not less than six months and not more than ten years;

(b) subject to such conditions as may be prescribed, accepting, discounting or re-discounting bills of exchange and promissory notes of industrial concerns;

(c) subscribing to or purchasing stocks, shares, bonds or debentures of the Industrial Finance Corporation, any State Financial Corporation or any other financial institution which may be notified by the Central Government in this behalf;

(d) granting loans and advances to any industrial concern or subscribing to, or purchasing, or underwriting the issue of, stocks, shares, bonds or debentures of any industrial concern:

Provided that nothing contained in this clause shall be deemed to preclude the Development Bank from granting loans or advances to, or subscribing to debentures of, an industrial concern, which may at the option of the Development Bank be convertible into stocks or shares of that concern within the period the loan, advance or debenture is repayable;

(e) guaranteeing deferred payments due from any industrial concern;

(f) guaranteeing—

(i) loans raised by industrial concerns which are floated in the public market; and

(ii) loans raised by industrial concerns from any scheduled bank or State co-operative bank or the Industrial Finance Corporation or any State Financial Corporation or any other financial institution which may be notified by the Central Government in this behalf;

(g) guaranteeing the obligations of any scheduled bank or State co-operative bank or the Industrial Finance Corporation or any State Financial Corporation or any other financial institution which may be notified by the Central Government in this behalf, arising out of, or in connection with, underwriting the issue of stocks, shares, bonds or debentures of any industrial concern;

(h) undertaking research and surveys for evaluating or dealing with marketing or investments and undertaking and carrying on techno-economic studies in connection with the development of industry;

(i) providing technical and administrative assistance to any industrial concern or any person for promotion, management or expansion of any industry;

(j) planning, promoting and developing industries to fill up gaps in the industrial structure in India;

(k) forming or conducting of subsidiaries for carrying out its functions;

(l) performing functions entrusted to, or required of, the Development Bank by this Act or by any other law for the time being in force;

(m) doing any other kind of business which the Central Government, on the recommendation of the Reserve Bank, may authorise;

(n) generally doing such other acts and things as may be incidental to, or consequential upon, the exercise of its powers or the discharge of its duties under this Act or any other law for the time being in force including sale or transfer of any of its assets.

(2) The Development Bank may receive in consideration of any of the services mentioned in sub-section (1) such commission, brokerage, interest, remuneration or fees as may be agreed upon.

(3) The Development Bank shall not grant any loan or advance or other financial accommodation on the security of its own bonds or debentures.

10. The Central Government may, after due appropriation made by Parliament by law in this behalf, advance to the Development Bank—

Loans by
Central
Govern-
ment.

(a) an interest free loan of ten crores of rupees repayable in fifteen equal annual instalments, commencing on the expiry of a period of fifteen years from the date of the receipt of the loan; and

(b) such further sums of money by way of loan on such terms and conditions as may be agreed upon:

Provided that the Central Government may, on a request being made to it by the Development Bank, increase the number of instalments or alter the amount of any instalment or vary the date on which any instalment is payable under clause (a).

11. (1) The Development Bank may, for the purpose of carrying out its functions under this Act,—

Borrowings
and accept-
ance of
deposits by
Develop-
ment Bank.

(a) issue and sell bonds and debentures with or without the guarantee of the Central Government;

(b) borrow money from the Reserve Bank—

(i) repayable on demand or on the expiry of fixed periods not exceeding ninety days from the date on which the money is so borrowed against the security of stocks, funds and securities (other than immovable property) in which a trustee is authorised to invest trust money by any law for the time being in force in India;

(ii) against bills of exchange or promissory notes arising out of bona fide commercial or trade transactions, bearing two or more good signatures and maturing within five years from the date of the borrowing;

(iii) out of the National Industrial Credit (Long Term Operations) Fund established under section 46C of the Reserve Bank of India Act, 1934 for any of the purposes specified in that section;

(c) borrow money from such other authority, organisation or institution in India as may be generally or specially approved by the Central Government;

(d) accept deposits repayable after the expiry of a period which shall not be less than twelve months from the date of the making of the deposit on such terms as may generally or specially be approved by the Reserve Bank.

(2) The Central Government may, on a request being made to it by the Development Bank, guarantee the bonds and debentures issued by that bank as to the repayment of principal and the payment of interest at such rate as may be fixed by that Government.

Loans in foreign currency.

12. (1) Notwithstanding anything contained in the Foreign Exchange Regulation Act, 1947 or in any other enactment for the time being in force relating to foreign exchange, the Development Bank may, for the purpose of granting loans and advances under this Act, borrow, with the previous consent of the Central Government, foreign currency from any bank or financial institution in any foreign country or otherwise.

(2) The Central Government may, where necessary, guarantee any loan taken by the Development Bank under sub-section (1) or any part thereof as to the repayment of principal and the payment of interest and other incidental charges.

(3) All loans and advances out of foreign currency borrowed under sub-section (1) shall be granted by the Development Bank in Indian currency and shall be repayable in Indian currency.

(4) Any loss or profit accruing in connection with any borrowing of foreign currency under sub-section (1) for the purpose of granting loans and advances or its repayment on account of any fluctuations in the rates of exchange shall be reimbursed by, or paid to, the recipients of such loans and advances.

Grants, donations, etc., to Development Bank.

13. The Development Bank may receive gifts, grants, donations or benefactions from Government or any other source.

CHAPTER V

DEVELOPMENT ASSISTANCE FUND

Development Assistance Fund.

14. With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, the Development Bank shall establish a special fund to be called the Development Assistance Fund.

Credits to Development Assistance Fund.

15. To the Development Assistance Fund shall be credited—

(a) all amounts received for the purposes of that fund by way of loans, gifts, grants, donations or benefactions from Government or any other source;

(b) repayments or recoveries in respect of loans, advances or other facilities granted from the fund;

(c) income or profits from investments made from the fund; and

(d) income accruing or arising to the fund, by way of interest or otherwise, on account of the application of the fund in accordance with the provisions of section 16.

16. (1) Where the Development Bank considers it necessary or desirable so to do, it may, subject to the provisions of sub-sections (2) and (3), disburse or spend from the Development Assistance Fund any amount on account or in consequence of the grant of any loan or advance, or on account or in consequence of entering into any arrangement, under clause (d) or clause (e) or clause (f) or clause (g) of sub-section (1) of section 9 :

Provided that before granting any such loan or advance to an industrial concern or entering into any such arrangement with or in relation to an industrial concern, the Development Bank shall obtain the prior approval of the Central Government.

(2) Before seeking the approval of the Central Government under sub-section (1), the Development Bank shall satisfy itself that banking or other financial institutions or other agencies are not likely to grant such loan or advance to the industrial concern or to enter into any such arrangement with or in relation to the industrial concern in the ordinary course of business.

(3) The Central Government, before giving its approval, shall satisfy itself that such loan, advance or arrangement is necessary as a matter of priority in the interests of the industrial development of the country.

(4) For the removal of doubts it is hereby declared that nothing contained in this section shall be deemed to preclude the Development Bank from granting any loan or advance or from entering into any arrangement under clause (d) or clause (e) or clause (f) or clause (g) of sub-section (1) of section 9 without the approval of the Central Government, if no amount in respect thereof is to be disbursed or spent from the Development Assistance Fund.

17. (1) To the Development Assistance Fund shall be debited— Debits to

(a) such amounts as may from time to time be disbursed or spent under sub-sections (1) to (3) of section 16;

(b) such amounts as may be required for discharging the liabilities in respect of loans received for the purposes of that fund;

(c) any loss arising on account of investment made out of that fund; and

(d) such expenditure arising out of, or in connection with, the administration and application of the fund as may be determined by the Board.

(2) No amount shall be debited to the Development Assistance Fund except as provided for in sub-section (1).

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(2) The Board shall cause the books and accounts of the fund to be closed and balanced as on the 30th day of June each year.

(3) The fund shall be audited by one or more auditors appointed by the Reserve Bank under section 23 who shall make a separate report thereon.

(4) The provisions of sub-sections (2), (3), (4) and (6) of section 23 shall, so far as may be, apply in relation to the audit of the Development Assistance Fund.

(5) The Development Bank shall furnish to the Central Government and the Reserve Bank within four months from the date on which the accounts of the fund are closed and balanced, a copy of the balance-sheet and accounts together with a copy of the auditors' report and a report on the operation of the fund during the relevant year and the Development Bank shall cause to be published in the Official Gazette copies of the said balance-sheet, accounts and reports.

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ace~~ 19. The Development Assistance Fund shall not be closed or wound up save by order of the Central Government and in such manner as that Government may direct.

CHAPTER VI

GENERAL FUND, ACCOUNTS AND AUDIT

20. All receipts of the Development Bank other than those which are to be credited to the Development Assistance Fund under this Act shall be credited to a fund to be called the General Fund and all payments by the Development Bank, other than those which are to be debited to the Development Assistance Fund, shall be made out of the General Fund.

~~For Correction: See Indian Code~~

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21. (1) The balance-sheet and accounts of the Development Bank shall be prepared in such form and manner as may be prescribed.

(2) The Board shall cause the books and accounts of the Development Bank to be closed and balanced as on the 30th day of June each year.

22. (1) The Development Bank may establish a reserve fund to which may be transferred such sums as that bank may deem fit out of the annual profits accruing to the General Fund.

(2) After making provision for bad and doubtful debts, depreciation of assets and for all other matters for which provision is necessary or expedient or which is usually provided for by bankers and for the reserve fund referred to in sub-section (1), the Development Bank shall transfer the balance of the net profits to the Reserve Bank.

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23. (1) The accounts of the Development Bank shall be audited by auditors duly qualified to act as auditors under sub-section (1) of section 226 of the Companies Act, 1956 who shall be appointed by the Reserve Bank for such term and on such remuneration as the Reserve Bank may fix.

(2) The auditors shall be supplied with a copy of the annual balance-sheet of the Development Bank and it shall be their duty to examine it together with the accounts and vouchers relating thereto and they shall have a list delivered to them of all books kept by the Development Bank and shall at all reasonable times have access to the books, accounts, vouchers and other documents of the Development Bank.

(3) The auditors may, in relation to such accounts, examine any director or any officer or other employee of the Development Bank and shall be entitled to require from the Board or officers or other employees of the Development Bank such information and explanation as they may think necessary for the performance of their duties.

(4) The auditors shall make a report to the Development Bank upon the annual balance-sheet and accounts examined by them and in every such report they shall state whether in their opinion the balance-sheet is a full and fair balance-sheet containing all necessary particulars and properly drawn up so as to exhibit a true and fair view of the state of affairs of the Development Bank and in case they had called for any explanation or information from the Board or any officer or other employee of the Development Bank whether it has been given and whether it is satisfactory.

(5) The Development Bank shall furnish to the Reserve Bank within four months from the date on which its accounts are closed and balanced, a copy of its balance-sheet and accounts together with a copy of the auditors' report and a report of the working of the Development Bank during the relevant year, and the Development Bank shall cause to be published in the Official Gazette copies of the said balance-sheet, accounts and reports.

(6) Without prejudice to anything contained in the preceding sub-sections, the Central Government may at any time appoint the Comptroller and Auditor-General of India to examine and report upon the accounts of the Development Bank and any expenditure incurred by him in connection with such examination and report shall be payable by the Development Bank to the Comptroller and Auditor-General of India.

24. Save as otherwise provided in sub-section (4) of section 18, nothing contained in this Chapter shall apply to the Development Assistance Fund.

CHAPTER VII

TRANSFER OF BUSINESS OF REFINANCE CORPORATION FOR INDUSTRY

25. (1) On such date as the Central Government may, by notification in the Official Gazette, appoint, the entire undertaking of the Refinance Corporation for Industry, Limited (hereinafter in this Chapter referred to as "the company") including all business, property, assets and liabilities, rights, interests, privileges and obligations of whatever nature, shall stand transferred to and vest in the Development Bank.

(2) As compensation for the transfer of the undertaking of the company to the Development Bank under sub-section (1), the Development Bank shall pay in cash to the company an amount equal to the total paid-up capital of the company for the purpose of being distributed to the shareholders of the company in proportion to their contribution to such paid-up capital.

(3) All contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and other instruments of whatever nature subsisting or having effect immediately before the date referred to in sub-section (1) and to which the company is a party or which are in favour of that company shall be of full force and effect against or in favour of the Development Bank, as the case may be, and may be enforced or acted upon as fully and effectually as if

instead of the company the Development Bank had been a party thereto or as if they had been issued in favour of the Development Bank.

(4) If on the date referred to in sub-section (1) any suit, appeal or other legal proceeding of whatever nature, is pending by or against the company, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the transfer to the Development Bank of the undertaking of the company or of anything contained in this Act, but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the Development Bank.

(5) The Central Government may appoint, whether on or after the date referred to in sub-section (1), a suitable person to take over the management of the company for the purpose of winding up its affairs and distributing its assets and simultaneously with such appointment the Central Government may issue directions to be followed by the person in the management of the company for the purpose aforesaid and thereupon—

1 of 1956.

(a) the provisions of the Companies Act, 1956 or any other law for the time being in force or any instrument having effect by virtue of any such Act or other law, in so far as they are inconsistent with such directions, shall cease to apply to, or in relation to, the company;

(b) all persons in charge of the management, including any person holding office as manager or director, of the company immediately before the issue of such directions, shall be deemed to have vacated their office as such; and

(c) the person appointed to take over the management of the company shall, in accordance with those directions, take all such steps as may be necessary to facilitate the winding up of its affairs and the distribution of its assets.

(6) The Central Government, when satisfied that nothing further requires to be done in order to wind up the affairs of the company, may, by order in writing, direct that as from such date as may be specified therein, the company shall stand dissolved and thereupon any such direction shall have effect accordingly.

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(7) The provisions of this section shall have effect notwithstanding anything contained in the Companies Act, 1956 or any other law or any instrument having force by virtue of such Act or other law;

CHAPTER VIII

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26. (1) The Development Bank may appoint such number of officers and employees as it considers necessary or desirable for the efficient performance of its functions and determine the terms and conditions of their appointment and service.

(2) Without prejudice to the provisions of sub-section (1), it shall be lawful for the Development Bank to utilise, and for the Reserve Bank to make available the services of, such staff of the Reserve Bank on such terms and conditions as may be agreed upon between the Development Bank and the Reserve Bank.

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27. The Board may, by general or special order, delegate to any committee of directors constituted under section 7 or to any director or to any officer or other employee of the Development Bank subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and duties under this Act as it may deem necessary.

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28. The Development Bank shall furnish, from time to time, to the Central Government and the Reserve Bank such returns as the Central Government or, as the case may be, the Reserve Bank, may require.

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29. (1) The Development Bank shall not, except as otherwise required by this Act or any other law, divulge any information relating to, or to the affairs of, its constituents except in circumstances in which it is, in accordance with the law or practice and usage customary among bankers, necessary or appropriate for the Development Bank to divulge such information.

(2) Every director, member of a committee, auditor or officer or other employee of the Development Bank or of the Reserve Bank, whose services are utilised by the Development Bank under the provisions of this Act, shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the First Schedule to this Act.

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30. (1) No act or proceeding of the Board or of any committee of the Development Bank shall be questioned on the ground merely of the existence of any vacancy in, or defect in the constitution of, the Board or the committee, as the case may be.

(2) No act done by any person acting in good faith as a director shall be deemed to be invalid merely on the ground that he was disqualified to be a director or that there was any other defect in his appointment.

31. (1) Every director shall be indemnified by the Development Bank against all losses and expenses incurred by him in, or in relation to, the discharge of his duties, except such as are caused by his own wilful act or default. Indemnity
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tors.

(2) A director shall not be responsible for any other director or for any officer or other employee of the Development Bank or for any loss or expenses resulting to the Development Bank from the insufficiency or deficiency of the value of, or title to, any property or security acquired or taken on behalf of the Development Bank or the insolvency or wrongful act of any debtor or any person under obligation to the Development Bank or anything done in good faith in the execution of the duties of his office or in relation thereto.

32. No suit or other legal proceeding shall lie against the Development Bank or any director or any officer or other employee of the Development Bank or any other person authorised by the Development Bank to discharge any functions under this Act for any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any other law or provision having the force of law. Protection
of action
taken
under this
Act.

33. The Bankers' Books Evidence Act, 1891 shall apply in relation to the Development Bank as if it were a bank as defined in section 2 of that Act. Act 18 of
1891 to
apply in
relation to
Develop-
ment Bank.

34. Nothing contained in the Banking Companies Act, 1949, except section 34A thereof, shall apply to the Development Bank. Act 10 of
1949 not to
apply to
Develop-
ment
Bank.

35. Notwithstanding anything to the contrary contained in the Income-tax Act, 1961, the Super Profits Tax Act, 1963 or in any other enactment for the time being in force relating to income-tax, super-tax or super profits tax, or any other tax on income, profits or gains, the Development Bank shall not be liable to pay income-tax, super-tax, super profits tax or any other tax in respect of— Act 43 of
1961 and
Act 14 of
1963 not to
apply to
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(a) any income, profits or gains accruing or arising to the Development Assistance Fund or any amount received in that fund; and

(b) any income, profits or gains derived or any amount received by the Development Bank.

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36. No provision of law relating to the winding up of companies or corporations shall apply to the Development Bank and the Development Bank shall not be placed in liquidation save by order of the Central Government and in such manner as it may direct.

37. (1) The Board may, with the previous approval of the Reserve Bank, make regulations not inconsistent with this Act to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

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

(a) the times and places of the meetings of the Board or of any committee constituted under this Act and the procedure to be followed at such meetings including the quorum necessary for the transaction of business;

(b) the constitution and functions of the Executive Committee;

(c) the fees and allowances that may be paid to the directors and the members of a committee;

(d) the conditions which the Development Bank may impose in granting loans or advances or entering into any other arrangements;

(e) the conditions on which the Development Bank may accept, discount or rediscount bills of exchange or promissory notes;

(f) the investment (whether by way of deposit in banks or otherwise) of the amounts in the Development Assistance Fund or the General Fund which are not for the time being required for the transaction of business;

(g) the form and manner in which the balance-sheets and the accounts of the Development Assistance Fund and the Development Bank shall be prepared;

(h) the forms of returns and statements required under this Act;

(i) the duties and conduct, salaries, allowances and conditions of service of officers and other employees of the Development Bank;

(j) the establishment and maintenance of provident or other benefit funds for officers and other employees of the Development Bank;

(k) generally, the efficient conduct of the affairs of the Development Bank; and

(l) any other matter which is to be, or may be, prescribed.

(3) Any regulation which may be made by the Board under this Act may be made by the Reserve Bank within three months of the establishment of the Development Bank; and any regulation so made may be altered and rescinded by the Board in the exercise of its powers under this Act.

38. The enactments specified in Parts I to IV of the Second Schedule to this Act shall be amended in the manner directed in the first column thereof and such amendments shall take effect on the dates specified in the second column of that Schedule. Amendment of certain enactments.

THE FIRST SCHEDULE

[See section 29(2)]

Declaration of fidelity and secrecy

I.....do hereby declare that I will faithfully, truly and to the best of my skill and ability execute and perform the duties required of me as director, member of.....committee, auditor, officer or other employee (as the case may be) of the Industrial Development Bank of India and which properly relate to the office or position held by me in or in relation to the said Development Bank.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Industrial Development Bank of India or to the affairs of any person having any dealing with the said Development Bank, nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the said Development Bank and relating to the business of the said Development Bank or the business of any person having any dealing with the said Development Bank.

(Signature)

Signed before me.

THE SECOND SCHEDULE

(See section 38)

Amendment of certain enactments

PART I

AMENDMENTS TO THE RESERVE BANK OF INDIA ACT, 1934 (2 OF 1934)

Amendments (1)	Date on which amendments shall take effect (2)
1. In section 2, after clause (bbb), insert the following clause, namely :— ‘(bbbb) “Development Bank” means the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964;’.	The date of establishment of the Development Bank.
2. In section 8— (a) in sub-section (1),— (i) in clause (a), for the word “three”, substitute the words “not more than four”; (ii) in clause (c), for the word “six”, substitute the word “ten”; (b) in sub-section (4), omit the words, brackets and figure “subject to the provisions of sub-section (6)”; (c) omit sub-section (6).	Do.
3. In sub-section (2) of section 13, for the words “three Directors”, substitute the words “four Directors”.	Do.
4. In section 17— (a) after clause (4F), insert the following clauses, namely:— “(4G) the making of loans and advances to, and the purchasing of bonds and debentures of, the Development Bank out of the National Industrial Credit (Long Term Operations) Fund established under section 46C;	Do.

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Industrial Development Bank of India

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Amendments (1)	Date on which amendments shall take effect (2)
(4H) the making to the Development Bank of loans and advances—	
(a) repayable on demand or on the expiry of fixed periods not exceeding ninety days, from the date of such loan or advance against the security of stocks, funds and securities (other than immovable property) in which a trustee is authorised to invest trust money by any law for the time being in force in India; or	
(b) against the security of bills of exchange or promissory notes, arising out of <i>bona fide</i> commercial or trade transactions bearing two or more good signatures and maturing within five years from the date of such loan or advance;";	
(b) in clause (8A), after the words, "the Deposit Insurance Corporation", insert the words "the Development Bank".	
5. After section 46B, insert the following section, namely:—	The date of establishment of the Development Bank.
"46C. (1) The Bank shall establish and maintain a Fund to be known as the National Industrial Credit (Long Term Operations) Fund to which shall be credited—	National Industrial Credit (Long Term Opera tions) Fund.
(a) an initial sum of ten crores of rupees by the Bank;	
(b) such further sums of money as the Bank may contribute every year:	
Provided that the annual contribution during each of the five years commencing with the year ending on the 30th day of June, 1965 shall not be less than five crores of rupees:	
Provided further that the Central Government may, if the circumstances so require, authorise the Bank to reduce the said sum of five crores of rupees in any year.	

Amendments (1)	Date on which amendments shall take effect (2)
(2) The amount in the said fund shall be applied by the Bank only to the following objects, namely :—	
(a) the making to the Development Bank of loans and advances for the purpose of the purchase of, or subscription to, stocks, shares, bonds or debentures issued by the Industrial Finance Corporation of India established under the Industrial Finance Corporation Act, 1948, a State Financial Corporation established under the State Financial Corporations Act, 1951 or any other financial institution which may be notified by the Central Government in this behalf, or for the purposes of any other business of the Development Bank;	15 of 1948.
(b) the purchasing of bonds and debentures issued by the Development Bank.”.	63 of 1951.

PART II

AMENDMENT TO THE INDUSTRIAL DISPUTES ACT, 1947 (14 OF 1947)

Amendment (1)	Date on which amendment shall take effect (2)
In section 2, in clause (bb), after the words “and includes”, insert the words “the Industrial Development Bank of India.”.	The date of establishment of the Development Bank,

PART III

AMENDMENTS TO THE INDUSTRIAL FINANCE CORPORATION ACT, 1948
(15 OF 1948)

Amendments (1)	Date on which amendments shall take effect (2)
1. In section 2, after clause (b), insert the following clause, namely :— (bb) “Development Bank” means the Industrial Development Bank of India established under the Industrial Development Bank of India Act, 1964;.	The date of establishment of the Development Bank.

Amendments (1)	Date on which amendments shall take effect (2)
<p>2. In section 4,—</p> <p>(a) omit sub-sections (5) and (6); and</p> <p>(b) in sub-section (7), for the words “the Central Government, the Reserve Bank”, substitute the words “the Development Bank”.</p>	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
<p>3. After section 4, insert the following section, namely :—</p> <p>“4A. (1) On such date as the Central Government may, by notification in the Official Gazette, appoint—</p> <p>(a) all shares of the Corporation held by the Central Government and the Reserve Bank shall stand transferred to and vest in the Development Bank and as compensation there for the Development Bank shall pay to the Central Government and to the Reserve Bank respectively the face value of the shares held by that Government and by that Bank;</p> <p>(b) the capital issued by the Corporation shall be increased by such number of shares as the Central Government may specify in this behalf and all such shares shall stand allotted to and be subscribed by the Development Bank, so however that after such increase the Development Bank holds not less than fifty per cent. of the paid-up capital of the Corporation.</p> <p>(2) If and when the remaining shares in the capital of the Corporation, or any part thereof, are issued, such further shares shall be offered to the holders of the shares of the Corporation in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at the date of such further issue:</p>	<p>The date of establishment of the Development Bank.</p> <p>Transfer of shares and increase of capital.</p>
<p>Provided that if any such shares remain unallotted, they shall be subscribed for by the Development Bank.”</p>	

Amendments (1)	Date on which amendments shall take effect (2)
<p>4. In section 6,—</p> <p>(a) in sub-section (3), for the words “the Central Government”, substitute the words “the Development Bank”;</p> <p>(b) for sub-section (4), substitute the following sub-section, namely:—</p> <p>“ (4) If any dispute arises between the Development Bank and the Board as to whether a question is or is not a question of policy, the dispute shall be referred to the Central Government whose decision thereon shall be final.”;</p> <p>(c) in sub-section (5), for the words “laid down by the Central Government”, substitute the words “given by the Development Bank”.</p>	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
<p>. In section 10,—</p> <p>(a) in sub-section (1)—</p> <p>(i) in clause (a), for the words “the Board”, substitute the words “the Development Bank”;</p> <p>(ii) in clause (aa), for the words “the Central Government”, substitute the words “the Development Bank”;</p> <p>(iii) in clause (b), for the words “the Central Board of the Reserve Bank”, substitute the words “the Central Government”;</p> <p>(iv) in clause (d), for the words “the Central Government, the Reserve Bank”, substitute the words “the Development Bank”;</p> <p>(b) after sub-section (1), insert the following sub-section, namely:—</p> <p>“(2) On the date appointed under sub-section (1) of section 4A, the Directors holding office under clause (aa) or clause (b) immediately before the said date shall be deemed to have vacated their offices as such.”.</p>	Do.

Amendments (1)	Date on which amendment shall take effect (2)
6. In section 10A, in sub-section (1), for the words "by the Board", substitute the words "by the Development Bank".	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
7. In section 11, in the proviso to sub-section (4), insert at the end the words "or of the Development Bank".	Do
8. In section 13, in sub-section (1), after the words "The Central Government may", insert the words "after consultation with the Development Bank".	Do
9. In section 13A, for the words "with the Board", substitute the words "with the Development Bank".	Do
10. In section 17, in sub-section (6), for the words "the Central Government or the Reserve Bank", substitute the words "the Development Bank or the Central Government".	Do
11. In section 18, for the words "the Central Government", substitute the words "the Development Bank".	Do
12. In section 21, in sub-section (4), after the words "borrow money from the Central Government", insert the words "or the Development Bank" and after the words "borrowed by the Corporation from the Central Government", insert the words "and the Development Bank".	Do
13. In section 23, in sub-section (1)— (a) in clause (h), for the words "the Central Government", substitute the words "the Development Bank"; (b) after clause (i), insert the following clause, namely:— (ii) "acquiring with the approval of the Development Bank the undertaking including the business, assets and liabilities of any institution the principal object of which is the promotion or development of industry in India, or the grant of financial assistance for such promotion or development;"	Do.

Amendments (1)	Date on which amendments shall take effect (2)
14. In section 24,— (i) for the words "one crore", wherever they occur, substitute the words "two crores"; (ii) for the words "the Central Government", substitute the words "the Development Bank".	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
15. For section 32A, substitute the following section, namely :— "32A. (1) All dividends accruing on the shares of the Corporation held by the Central Government and the Reserve Bank immediately before the date appointed by the Central Government under sub-section (1) of section 4A in respect of any completed accounting period, whether declared or not, shall be credited to a special reserve fund. (2) All dividends accruing to the Development Bank shall, instead of being paid to it, be also credited to the said fund until the aggregate of the sums credited to the fund under sub-section (1) and this sub-section exceeds one crore of rupees. (3) The Central Government, the Reserve Bank and the Development Bank only shall have claims to the said fund.”.	Do.
16. In section 34,— (a) in sub-section (1)— (i) for the words "the Central Government in consultation with the Comptroller and Auditor-General of India", substitute the words "the Development Bank"; (ii) for the words "the Central Government", where they occur for the second time, substitute the words "the Development Bank"; (b) in sub-section (4), for the words "the Comptroller and Auditor-General of India", substitute the words "the Development Bank"; (c) omit sub-section (5);	Do.

Amendments (1)	Date on which amendments shall take effect (2)
(d) for sub-section (6), substitute the following sub-section, namely :—	
“(6) Without prejudice to anything contained in the preceding sub-sections, the Central Government may, at any time, appoint the Comptroller and Auditor-General of India to examine and report upon the accounts of the Corporation and any expenditure incurred by him in connection with such examination and report shall be payable by the Corporation to the Comptroller and Auditor-General of India.”.	
17. In section 35—	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
(a) in sub-section (2), for the words “Central Government”, at both places where they occur, substitute the words “Development Bank”;	
(b) in sub-section (3), for the words “and the Reserve Bank”, substitute the words “the Reserve Bank and the Development Bank”.	
18. Re-number section 36 as sub-section (1) thereof, and—	Do.
(a) in sub-section (1) as so re-numbered, for the words “other than the Central Government and the Reserve Bank”, substitute the words “other than the Development Bank”;	
(b) after sub-section (1) as so re-numbered, insert the following sub-sections, namely :—	
“(2) After the acquisition of the shares as provided by sub-section (1), the Central Government shall transfer the shares to the Development Bank on that bank paying an amount equal to the amount paid by the Central Government for such acquisition.	
(3) After the transfer of the shares by the Central Government to the De-	

Amendments	Date on which amendments shall take effect
(1)	(2)
<p>velopment Bank under sub-section (2), the Central Government may direct by notification in the Official Gazette that with effect from such date as may be specified in the notification the entire undertaking of the Corporation, including all business, property, assets and liabilities, rights (including the right to recover loans and advances granted by the Corporation in accordance with the provisions of this Act), interests, privileges and obligations of whatever nature, shall stand transferred to and vest in the Development Bank.</p> <p>(4) For the purpose of giving effect to the transfer of the undertaking of the Corporation to the Development Bank, the Central Government shall, by order in writing, frame a scheme providing for all matters for which provision is necessary, and the scheme so framed shall be binding upon the Corporation, its creditors and employees and the Development Bank and shall have effect notwithstanding anything to the contrary contained in any law for the time being in force or in any contract or other instrument.</p> <p>(5) The provisions of this section shall have effect notwithstanding anything contained in this Act or any other law or any instrument having force by virtue of such Act or other law.”.</p> <p>19. After section 40A, insert the following section, namely :—</p> <p>“40B. (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 purposes of this Act as appear to it necessary or expedient for removing the difficulty.</p>	<p>The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.</p>

Amendments (1)	Date on which amendments shall take effect (2)
(2) An order under sub-section (1) may be made so as to have retrospective effect from a date not earlier than the date appointed under sub-section (1) of section 4A.".	
20. In section 42, in sub-section (1), after the words "The Central Government may", insert the words "in consultation with the Development Bank".	The date appointed by the Central Government under sub-section (1) of section 4A of the Industrial Finance Corporation Act, 1948 as inserted by this Act.
21. In section 43, in sub-section (1), for the words "the Reserve Bank", substitute the words "the Development Bank".	Do.

PART IV

AMENDMENT TO THE BANKING COMPANIES ACT, 1949 (10 OF 1949)

Amendment (1)	Date on which amendment shall take effect (2)
In section 34A, in sub-section (3), after the word "includes", insert the words "the Industrial Development Bank of India,".	The date of establishment of the Development Bank.

Rep. by Act.....56.....of 1974, S.2&S.d.I

THE OIL AND NATURAL GAS COMMISSION (AMENDMENT) ACT, 1964

No. 19 OF 1964

[16th May, 1964]

An Act further to amend the Oil and Natural Gas Commission Act, 1959

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Oil and Natural Gas Commission (Amendment) Act, 1964.

Substitution of new section for section 24. 2. For section 24 of the Oil and Natural Gas Commission Act, 43 of 1959, the following section shall be substituted, namely:—

Compulsory acquisition of land for the Commission. “24. Any land required by the Commission for carrying out its functions under this Act shall be deemed to be needed for a public purpose and such land shall be acquired for the Commission under the provisions of the Land Acquisition Act, 1894.” 1 of 1894.

Rep. by Act... S. 2 & Sch. I

THE DURGAH KHAWAJA SAHEB (AMENDMENT)
ACT, 1964
No. 20 OF 1964

[16th May, 1964]

An Act to amend the Durgah Khawaja Saheb Act, 1955.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Durgah Khawaja Saheb (Amendment) Act, 1964. 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.

36 of 1955. 2. In the Durgah Khawaja Saheb Act, 1955, section 14 shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:— Amendment of section 14.

"(2) Whoever solicits or receives any nazars or offerings in contravention of the provisions of sub-section (1), shall be punishable with fine which may extend to one thousand rupees.

(3) The Nazim, the Sajjadanashin, the employees and servants of the Durgah Endowment and all other persons authorised to do any act under this Act shall, while acting or purporting to act in pursuance of any of the provisions made by or under this Act, be deemed to be public servants within the meaning of section 21 of the Indian Penal Code."

45 of 1860.

¹ 1-6-1964. Vide Notification No. 1898, dated 29-5-64, Gazette of India, Extraordinary, Pt. II, Sec. 3(1), p. 429, 483.

Rep. by Act...*56 of 1974, S.2 & Sch.D.*

THE ADVOCATES (AMENDMENT) ACT, 1964

NO. 21 OF 1964

[16th May, 1964]

An Act further to amend the Advocates Act, 1961.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Advocates (Amendment) Act, 1964.

Amend-
ment of
section 3.

2. In section 3 of the Advocates Act, 1961 (hereinafter referred to as the principal Act),—

(a) in sub-section (2), in clause (b), for the words "roll of the State Bar Council", the words "electoral roll of the State Bar Council" shall be substituted;

(b) to sub-section (2), the following proviso shall be added, namely:—

"Provided that as nearly as possible one-half of such elected members shall, subject to any rules that may be made in this behalf by the Bar Council of India, be persons who have for at least ten years been advocates on a State roll, and in computing the said period of ten years in relation to any such person, there shall be included any period during which the person has been an advocate enrolled under the Indian Bar Councils Act, 1926";

38 of 1926.

(c) after sub-section (3), the following sub-sections shall be inserted, namely:—

"(4) An advocate shall be disqualified from voting at an election under sub-section (2) or for being chosen as,

REPEALED

[ACT 21 OF 1964]

Advocates (Amendment)

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and for being, a member of a State Bar Council, unless he possesses such qualifications or satisfies such conditions as may be prescribed in this behalf by the Bar Council of India, and subject to any such rules that may be made, an electoral roll shall be prepared and revised from time to time by each State Bar Council.

(5) Nothing in the proviso to sub-section (2) shall affect the term of office of any member elected before the commencement of the *Advocates (Amendment) Act, 1964*, but every election after such commencement shall be held in accordance with the provisions of the rules made by the Bar Council of India to give effect to the said proviso.”.

3. In section 4 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

Amend-
ment of
section 4.

“(3) The term of office of a member of the Bar Council of India elected by the State Bar Council shall,—

(i) in the case of a member of a State Bar Council who holds office *ex officio*, be two years from the date of his election; and

(ii) in any other case, be for the period for which he holds office as a member of the State Bar Council:

Provided that every such member shall continue to hold office as a member of the Bar Council of India until his successor is elected.”.

4. In section 8 of the principal Act,—

Amend-
ment of
section 8.

(a) for the words “Bar Council”, the words “State Bar Council” shall be substituted;

(b) for the words “elected to each such Council”, the words, brackets and figures “elected to each such Council (reconstituted on the expiry of the term of office of the elected members of the State Bar Council under section 54)” shall be substituted.

REPEALED

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Advocates (Amendment)

[ACT 21]

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5. For section 9 of the principal Act, the following section shall be substituted, namely:—

“9. (1) A Bar Council shall constitute one or more disciplinary committees, each of which shall consist of three persons of whom two shall be persons elected by the Council from amongst its members and the other shall be a person co-opted by the Council from amongst advocates who possess the qualifications specified in the proviso to sub-section (2) of section 3 and who are not members of the Council, and the senior-most advocate amongst the members of a disciplinary committee shall be the Chairman thereof.

(2) Notwithstanding anything contained in sub-section (1), any disciplinary committee constituted prior to the commencement of the Advocates (Amendment) Act, 1964 may dispose of the proceedings pending before it as if this section had not been amended by the said Act.”.

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new
tion

6. After section 10 of the principal Act, the following section shall be inserted, namely:—

quali-
tion of
members
Bar
ouncil.

“10A. An elected member of a Bar Council shall be deemed to have vacated his office if he is declared by the Bar Council of which he is a member to have been absent without sufficient excuse from three consecutive meetings of such Council, or if his name is, for any cause, removed from the roll of advocates or if he is otherwise disqualified under any rule made by the Bar Council of India.”.

end-
it of
tion 15.

7. In section 15 of the principal Act, in sub-section (2),—

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

“(a) the election of members of the Bar Council including the conditions subject to which persons can exercise the right to vote, the preparation and revision of electoral rolls, the manner in which election shall be held and the manner in which results of election shall be published;”;

(b) in clause (e), for the words “Bar Council”, the words “State Bar Council” shall be substituted.

end-
it of
ton 16.

8. In section 16 of the principal Act, to sub-section (4), the following proviso shall be added, namely:—

“Provided that where any such senior advocate makes an application before the 31st December, 1965 to the Bar Council maintaining the roll in which his name has been entered that

REPEALED

of 1964]

Advocates (Amendment)

201

he does not desire to continue as a senior advocate, the Bar Council may grant the application and the roll shall be altered accordingly.”.

9. In section 17 of the principal Act, in sub-section (3), for the words “and such seniority shall be determined”, the words “and, subject to any rule that may be made by the Bar Council of India in this behalf, such seniority shall be determined” shall be substituted.

10. In section 18 of the principal Act, to sub-section (1), the following proviso shall be added, namely:

“Provided that where any such application for transfer is made by a person against whom any disciplinary proceeding is pending or where for any other reason it appears to the Bar Council of India that the application for transfer has not been made *bona fide* and that the transfer should not be made, the Bar Council of India may, after giving the person making the application an opportunity of making a representation in this behalf, reject the application.”.

11. In section 20 of the principal Act, in sub-section (3), for the words “Entries in each part of the common roll shall be in the order of seniority and such seniority shall be determined as follows”, the words “Entries in each part of the common roll shall be made in such manner as the Bar Council of India thinks fit and the seniority of an advocate on the common roll shall be determined as follows” shall be substituted.

12. For section 22 of the principal Act, the following section shall be substituted, namely:

“**22.** There shall be issued a certificate of enrolment, in the prescribed form—

(i) by the State Bar Council to every person whose name is entered in the roll of advocates maintained by it under this Act; and

(ii) by the Bar Council of India to every person whose name is entered in the common roll without his name having already been entered in any State roll.”.

13. In section 24 of the principal Act,—

(A) in sub-section (1),—

(a) in clause (c),—

(i) in sub-clause (iii), the words “or elsewhere” shall be omitted;

Amend-
ment of
section 24.

Substitu-
tion of new
section for
section 22.

Certificate
of enrol-
ment.

(ii) after sub-clause (iii), the following sub-clause shall be inserted, namely:—

“(iv) in any other case, from any University outside the territory of India, if the degree is recognised for the purposes of this Act by the Bar Council of India; or”;

(b) in clause (d),—

(i) the words “after such training” shall be omitted;

(ii) in the proviso, for paragraph (i), the following paragraph shall be substituted, namely:—

“(i) a person who has obtained a degree in law from any University in India on the results of an examination held before the 31st day of March, 1964 or such other later date as may be prescribed, or a barrister who was called to the Bar before such date, or a barrister who, having qualified after that date, has received such practical training in law as may be recognised in this behalf by the Bar Council of India;”;

(B) in sub-section (2), for the words “a vakil, pleader or an attorney who is a law graduate, or who is not a law graduate but was entitled to be enrolled as an advocate of a High Court immediately before the appointed day under any law then in force,”, the words “a vakil or a pleader who is a law graduate” shall be substituted;

(C) after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) Notwithstanding anything contained in sub-section

(1) a person who—

(a) before the 31st day of March, 1964, has, for at least three years, been a vakil or a pleader or a mukhtar, or was entitled at any time to be enrolled under any law then in force as an advocate of a High Court (including a High Court of a former Part B State) or of a Court of Judicial Commissioner in any Union territory; or

(b) before the 15th day of August, 1947, has been an advocate of any High Court in any area which was comprised within India as defined in the Government of India Act, 1935; or

(c) before the 1st day of April, 1937, has been an advocate of any High Court in any area which was

comprised within Burma as defined in the Government of India Act, 1935; or

(d) is entitled to be enrolled as an advocate under any rule made by the Bar Council of India in this behalf,

may be admitted as an advocate on a State roll if he—

(i) makes an application for such enrolment in accordance with the provisions of this Act; and

(ii) fulfils the conditions specified in clauses (a), (b), (e) and (f) of sub-section (1).

(4) Notwithstanding anything contained in sub-section (1), a person who has been an attorney of any High Court may be admitted as an advocate on a State roll if he makes an application for such enrolment in accordance with the provisions of this Act and fulfils the conditions specified in clauses (a), (b), (e) and (f) of sub-section (1), but the right of such a person to plead or to act on the original side of the High Court at Calcutta or the High Court at Bombay shall be subject to any rules that may be made in that behalf by that High Court.”.

14. In section 26 of the principal Act,—

(a) in sub-section (1), after the words, brackets and figures “sub-sections (2) and (3)”, the words “and to any direction that may be given in writing by the State Bar Council in this behalf” shall be inserted;

(b) to sub-section (1), the following proviso shall be added, namely:—

“Provided that the Bar Council of India may, if satisfied, either on a reference made to it in this behalf or otherwise, that any person has got his name entered on the roll of advocates by misrepresentation as to an essential fact or by fraud or undue influence, remove the name of such person from the roll of advocates after giving him an opportunity of being heard.”;

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

“(4) Where the enrolment committee of a State Bar Council has refused any application for admission as an advocate on its roll, the State Bar Council shall, as soon as may be, send intimation to all other State Bar Councils about

Amend-
ment of
section 26.

such refusal stating the name, address and qualifications of the person whose application was refused and the grounds for the refusal.”.

- Insertion of new section 26A.** 15. After section 26 of the principal Act, the following section shall be inserted, namely:—

Power to remove names from roll. “26A. The Bar Council of India or any State Bar Council may remove from the common roll or the State roll, as the case may be, the name of any advocate who is dead or from whom a request has been received to that effect.”.

- Amend-
ment of
section 28.** 16. In section 28 of the principal Act, in clause (b) of sub-section (2), the words “after such training” shall be omitted.

- Amend-
ment of
section 35.** 17. To section 35 of the principal Act, the following *Explanation* shall be added, namely:—

‘*Explanation*.—In this section, the expressions “Advocate-General” and “Advocate-General of the State” shall, in relation to the Union territory of Delhi, mean the Additional Solicitor General of India.’.

- Amend-
ment of
section 37.** 18. In section 37 of the principal Act, in sub-section (1), for the words, brackets and figures “under sub-section (3) of section 35”, the words and figures “under section 35” shall be substituted.

- Insertion of new sections 48A and 48B.** 19. After section 48 of the principal Act, the following sections shall be inserted, namely:—

Power of revision. “48A. (1) The Bar Council of India may, at any time, call for the record of any proceeding under this Act which has been disposed of by a State Bar Council or a Committee thereof, and from which no appeal lies, for the purpose of satisfying itself as to the legality or propriety of such disposal and may pass such orders in relation thereto as it may think fit.

(2) No order which prejudicially affects any person shall be passed under this section without giving him a reasonable opportunity of being heard.

Power to give directions. 48B. (1) For the proper and efficient discharge of the functions of a State Bar Council or any Committee thereof, the Bar Council of India may, in the exercise of its powers of general supervision and control, give such directions to the State Bar Council or any Committee thereof as may appear to it to be necessary, and the State Bar Council or the Committee shall comply with such directions.

(2) Where a State Bar Council is unable to perform its functions for any reason whatsoever, the Bar Council of India may, without prejudice to the generality of the foregoing power, give such directions to the *ex officio* member thereof as may appear to it to be necessary, and such directions shall have effect notwithstanding anything contained in the rules made by the State Bar Council.”.

20. In section 49 of the principal Act,—

Amend-
ment of
section 49.

(a) for clause (a), the following clauses shall be substituted, namely:—

“(a) the conditions subject to which an advocate may be entitled to vote at an election to the State Bar Council including the qualifications or disqualifications of voters, and the manner in which an electoral roll of voters may be prepared and revised by a State Bar Council;

(ab) qualifications for membership of a Bar Council and the disqualifications for such membership;

(ac) the time within which and the manner in which effect may be given to the proviso to sub-section (2) of section 3;

(ad) the manner in which the name of any advocate may be prevented from being entered in more than one State roll;

(ae) the manner in which the seniority among advocates may be determined;

(af) the category of persons who may be exempted from undergoing a course of training and passing an examination prescribed under clause (d) of sub-section (1) of section 24;

(ag) the class or category of persons entitled to be enrolled as advocates;

(ah) the conditions subject to which an advocate shall have the right to practise and the circumstances under which a person shall be deemed to practise as an advocate in a court;”;

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

(i) General Principles for guidance of State Bar Councils and the manner in which directions issued or orders made by the Bar Council of India may be enforced;

(j) any other matter which may be prescribed.”.

Insertion
of new
section
49A.

Power of
Central
Govern-
ment to
make
rules.

21. After section 49 of the principal Act, the following section shall be inserted, namely:—

“49A. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act including rules with respect to any matter for which the Bar Council of India or a State Bar Council has power to make rules.

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

(a) qualifications for membership of a Bar Council and disqualifications for such membership;

(b) the manner in which the Bar Council of India may exercise supervision and control over State Bar Councils and the manner in which the directions issued or orders made by the Bar Council of India may be enforced;

(c) the class or category of persons entitled to be enrolled as advocates under this Act;

(d) the category of persons who may be exempted from undergoing a course of training and passing an examination prescribed under clause (d) of sub-section (1) of section 24;

(e) the manner in which seniority among advocates may be determined;

(f) the procedure to be followed by a disciplinary committee of a Bar Council in hearing cases and the procedure to be followed by a disciplinary committee of the Bar Council of India in hearing appeals;

(g) any other matter which may be prescribed.

(3) Rules under this section may be made either for the whole of India or for all or any of the Bar Councils.

(4) If any provision of a rule made by a Bar Council is repugnant to any provision of a rule made by the Central Government under this section, then, the rule under this section, whether made before or after the rule made by the Bar Council, shall prevail and the rule made by the Bar Council shall, to the extent of the repugnancy, be void.

(5) 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 comprised in one session or in two successive sessions, and if

before the expiry of the session in which it is so laid or the session immediately following, 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.”.

22. In section 54 of the principal Act,—

Amend-
ment of
section 54.

(i) the words “the Bar Council of India and” shall be omitted and shall be deemed always to have been omitted;

(ii) the following proviso shall be inserted and shall be deemed always to have been inserted, namely:—

“Provided that such members shall continue to hold office until the State Bar Council is reconstituted in accordance with the provisions of this Act.”.

23. In section 55 of the principal Act, for clause (c), the following clauses shall be substituted, namely:

Amend-
ment of
section 55.

18 of 1879.

“(c) every mukhtar practising as such immediately before the said date by virtue of the provisions of the Legal Practitioners Act, 1879, or any other law, who does not elect to be, or is not qualified to be, enrolled as an advocate under this Act;

18 of 1879.

(d) every revenue agent practising as such immediately before the said date by virtue of the provisions of the Legal Practitioners Act, 1879 or any other law;”.

24. In section 58 of the principal Act, in sub-section (4), for the words “the issue and renewal”, the words “the renewal or the issue by way of renewal” shall be substituted.

Amend-
ment of
section 58.

25. After section 58 of the principal Act, the following sections shall be inserted, namely:

Insertion
of new
sections
58A
and 58B.

“58A. (1) Notwithstanding anything contained in this Act, all advocates who, immediately before the 26th day of July, 1948, were entitled to practise in the High Court in Allahabad or the Chief Court in Oudh and who under the provisions of the United Provinces High Courts (Amalgamation) Order, 1948 were recognised as advocates entitled to practise in the new High Court of Judicature at Allahabad but whose names were not formally entered on the roll of advocates of that High Court merely

Special
provisions
with respect
to certain
advocates.

by reason of the non-payment of the fee payable to the Bar Council of the said High Court, and all advocates who were enrolled as such between the said date and the 26th day of May, 1952, shall, for the purposes of clause (a) of sub-section (1) of section 17, be deemed to be persons who were entered as advocates on the roll of the said High Court under the Indian Bar Councils Act, 1926 and every such person may, on an application being made in this behalf, be admitted as an advocate on the State roll of Uttar Pradesh.

38 of 1926

(2) Notwithstanding anything contained in this Act, all advocates who, immediately before the 10th day of October, 1952, were entitled to practise in the High Court of Hyderabad but whose names were not formally entered on the roll of advocates of that High Court merely by reason of the non-payment of the fee payable to the Bar Council of the said High Court shall, for the purposes of clause (a) of sub-section (1) of section 17, be deemed to be persons who were entered as advocates on the roll of the said High Court under the Indian Bar Councils Act, 1926 and every such person may, on an application being made in this behalf, be admitted as an advocate on the State roll of Andhra Pradesh or of Maharashtra.

38 of 1926

(3) Notwithstanding anything contained in this Act, all advocates who, immediately before the 1st day of May, 1960, were entitled to practise in the High Court of Bombay and who applied to get their names entered on the roll of advocates of the High Court of Gujarat under the provisions of section 8 of the Indian Bar Councils Act, 1926 but whose names were not so entered by reason of the repeal of the said provision shall, for the purposes of clause (a) of sub-section (1) of section 17, be deemed to be persons who were entered as advocates on the roll of the High Court of Gujarat under the said Act and every such person may, on an application being made in this behalf, be admitted as an advocate on the State roll of Gujarat.

38 of 1926

(4) Notwithstanding anything contained in this Act, all persons who, immediately before the 1st day of December, 1961, were advocates on the roll of the Court of Judicial Commissioner in any Union territory under any law in force in that territory shall, for the purposes of clause (a) of sub-section (1) of section 17, be deemed to be persons who were entered as advocates on the roll of a High Court under the Indian Bar Councils Act, 1926 and every such person may, on an application made in this behalf, be admitted as an advocate on the State roll maintained in respect of that Union territory.

38 of 1926

58B. (1) As from the 1st day of September, 1963, every proceeding in respect of any disciplinary matter in relation to an existing advocate of a High Court shall, save as provided in the first proviso to sub-section (2), be disposed of by the State Bar Council in relation to that High Court, as if the existing advocate had been enrolled as an advocate on its roll.

Special provision relating to certain disciplinary proceedings.

38 of 1926.

(2) If immediately before the said date, there is any proceeding in respect of any disciplinary matter in relation to an existing advocate pending before any High Court under the Indian Bar Councils Act, 1926, such proceeding shall stand transferred to the State Bar Council in relation to that High Court, as if it were a proceeding pending before the corresponding Bar Council under clause (c) of sub-section (1) of section 56:

38 of 1926.

Provided that where in respect of any such proceeding the High Court has received the finding of a Tribunal constituted under section 11 of the Indian Bar Councils Act, 1926, the High Court shall dispose of the case and it shall be lawful for the High Court to exercise for the purpose all powers conferred on it under section 12 of the said Act as if that section had not been repealed:

Provided further that where the High Court has referred back any case for further inquiry under sub-section (4) of section 12 of the said Act, the proceeding shall stand transferred to the State Bar Council in relation to the High Court as if it were a proceeding pending before the corresponding Bar Council under clause (c) of sub-section (1) of section 56.

38 of 1926.

(3) If immediately before the said date there is any proceeding in respect of any disciplinary matter pending in relation to any pleader, vakil, mukhtar or attorney, who has been enrolled as an advocate on any State roll under the Act, such proceeding shall stand transferred to the State Bar Council on the roll of which he has been enrolled and be dealt with under this Act as if it were a proceeding arising against him thereunder.

(4) In this section "existing advocate" means a person who was enrolled as an advocate on the roll of any High Court under the Indian Bar Councils Act, 1926 and who, at the time when any proceeding in respect of any disciplinary matter is initiated against him, is not enrolled as an advocate on a State roll under this Act.

(5) The provisions of this section shall have effect notwithstanding anything contained in this Act."

THE APPROPRIATION (No. 4) ACT, 1964

No. 22 OF 1964

[10th June, 1964]

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 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Appropriation (No. 4) Act, 1964.

Issue
of Rs.
3,11,12,000
out of the
Consoli-
dated
Fund of
India for
the year
1964-65.

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 crores, eleven lakhs and twelve thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65, in respect of the services specified in column 2 of the Schedule.

Appro-
priation.

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 Con- solidated Fund	Total
31	Other Revenue Expenditure of the Ministry of Finance . . .	Rs. 10,73,000	Rs. ..	Rs. 10,73,000
53	Delhi	5,000	5,000
56	Other Revenue Expenditure of the Ministry of Home Affairs . . .	4,90,000	..	4,90,000
58	Industries	1,60,00,000	..	1,60,00,000
84	Central Road Fund	9,000	9,000
85	Communications (including National Highways)	45,00,000	3,000	45,03,000
137	Capital Outlay on Roads	32,000	32,000
145	Capital Outlay on Posts and Telegraphs (Not met from Revenue) . . .	90,00,000	..	90,00,000
TOTAL		3,10,63,000	49,000	3,11,12,000

THE DELHI (DELEGATION OF POWERS) ACT, 1964

No. 23 OF 1964

[16th June, 1964]

An Act to provide for the delegation of certain powers vested in the Administrator of the Union territory of Delhi.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title and extent.

1. (1) This Act may be called the Delhi (Delegation of Powers) Act, 1964.

Definitions.

(2) It extends to the whole of the Union territory of Delhi.

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

(a) "Administrator" means the Administrator of Delhi appointed by the President under article 239 of the Constitution;

(b) "Chief Secretary" means the Chief Secretary of the Delhi Administration;

(c) "Delhi" means the Union territory of Delhi;

(d) "District Judge" means the District Judge, Delhi, and includes an Additional District Judge, Delhi.

Delega-
tion of
powers,
etc.,
vested in
Adminis-
trator
under
certain
laws.

3. (1) Any power, authority or jurisdiction or any duty which the Administrator may exercise or discharge by or under the provisions of any enactment mentioned in column 1 of the Schedule may be exercised or discharged also—

(a) by any officer or authority mentioned in relation thereto in column 2 of the said Schedule;

(b) by such other officer or authority as may be specified in this behalf by the Central Government by notification in the Official Gazette.

(2) The Administrator may transfer any appeal or application for revision or any other matter pending before him for disposal to an officer or other authority competent under sub-section (1) to dispose of the same.

(3) The Administrator may withdraw for disposal by himself any appeal or application for revision or any other matter pending before an officer or other authority competent under sub-section (1) to dispose of the same.

THE SCHEDULE

(See section 3)

Name of enactment	Provisions vesting powers in the Administrator	Officer or authority who may also exercise the powers
I	2	
1. The Punjab Land Revenue Act, 1887 (Punjab Act 17 of 1887), as in force in Delhi.	Sections 13 and 16	Chief Secretary.
2. The United Provinces Land Revenue, Act, 1901 (United Provinces Act 3 of 1901), as in force in Delhi.	Sections 210 and 219	Chief Secretary.
3. The Bengal Finance (Sales Tax) Act, 1941 (Bengal Act 6 of 1941), as in force in Delhi.	Section 20(3)	District Judge.
4. The Delhi Land Revenue Act, 1954 (Delhi Act 12 of 1954).	Sections 64, 66 and 72	Chief Secretary.
5. The Slum Areas (Improvement and Clearance) Act, 1956 (96 of 1956).	Section 20	Chief Secretary.

Rep. by Act.....S.....of 1974, S.2 & Sch. I

**THE INDIAN MEDICAL COUNCIL (AMENDMENT)
ACT, 1964**

No. 24 OF 1964

[16th June, 1964.]

An Act further to amend the Indian Medical Council Act, 1956.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Indian Medical Council (Amendment) Act, 1964.

**Amend-
ment of
section 1.**

2. In section 1 of the Indian Medical Council Act, 1956 (hereinafter referred to as the principal Act), in sub-section (2), the words "except the State of Jammu and Kashmir" shall be omitted.

**Amend-
ment of
section 2.**

3. In section 2 of the principal Act, clause (c) shall be omitted.

**Amend-
ment of
section 12.**

4. In sub-section (2) of section 12 of the principal Act, the words "State or", in both the places where they occur, shall be omitted.

**Amend-
ment of
section 13.**

5. In sub-section (3) of section 13 of the principal Act, the words "or State", in both the places where they occur, shall be omitted.

**Amend-
ment of
section 14**

6. In sub-section (1) of section 14 of the principal Act,—

(a) the words "State or" shall be omitted;

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

"Provided that medical practice by persons possessing such qualifications—

(a) shall be permitted only if such persons are enrolled as medical practitioners in accordance with the law regulating the registration of medical practitioners for the time being in force in that country;

(b) shall be limited to the institution to which they are attached for the time being for the purposes of teaching, research or charitable work; and

(c) shall be limited to the period specified in this behalf by the Central Government by general or special order.”.

7. Section 15 of the principal Act shall be re-numbered as sub-section (1) thereof and after sub-section (1) as so re-numbered. Amend-
ment of
section 15. the following sub-sections shall be inserted, namely:—

“(2) Save as provided in section 25, no person other than a medical practitioner enrolled on a State Medical Register,—

(a) shall hold office as physician or surgeon or any other office (by whatever designation called) in Government or in any institution maintained by a local or other authority;

(b) shall practise medicine in any State;

(c) shall be entitled to sign or authenticate a medical or fitness certificate or any other certificate required by any law to be signed or authenticated by a duly qualified medical practitioner;

(d) shall be entitled to give evidence at any inquest or in any court of law as an expert under section 45 of the Indian Evidence Act, 1872 on any matter relating to medicine.

(3) Any person who acts in contravention of any provision of sub-section (2) shall be punished with imprisonment for a term which may extend to one year, or with fine which may extend to one thousand rupees, or with both.”.

8. For sub-sections (1) and (2) of section 17 of the principal Act, Amend-
ment of
section 17. the following sub-sections shall be substituted, namely:—

“(1) The Committee shall appoint such number of medical inspectors as it may deem requisite to inspect any medical institution, college, hospital or other institution where medical education is given, or to attend any examination held by any University or medical institution for the purpose of recommending to the Central Government recognition of medical qualifications granted by that University or medical institution.

(2) The medical inspectors shall not interfere with the conduct of any training or examination, but shall report to the Committee on the adequacy of the standards of medical education including staff, equipment, accommodation, training and other

facilities prescribed for giving medical education or on the sufficiency of every examination which they attend.”.

**Amend-
ment of
section 18.**

9. In section 18 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) The Council may appoint such number of visitors as it may deem requisite to inspect any medical institution, college, hospital or other institution where medical education is given or to attend any examination held by any University or medical institution for the purpose of granting recognised medical qualifications.”;

(b) in sub-section (2), for the word “examination”, in both the places where it occurs, the words “inspection or examination” shall be substituted;

(c) for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) The visitors shall not interfere with the conduct of any training or examination, but shall report to the President of the Council on the adequacy of the standards of medical education including staff, equipment, accommodation, training and other facilities prescribed for giving medical education or on the sufficiency of every examination which they attend.”.

**Amend-
ment of
section 19.**

10. In section 19 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) When upon report by the Committee or the visitor, it appears to the Council—

(a) that the courses of study and examination to be undergone in, or the proficiency required from candidates at any examination held by, any University or medical institution, or

(b) that the staff, equipment, accommodation, training and other facilities for instruction and training provided in such University or medical institution or

~~REDACTED~~

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in any college or other institution affiliated to that University,

do not conform to the standards prescribed by the Council, the Council shall make a representation to that effect to the Central Government.”;

(b) in sub-section (4), the following words shall be inserted at the end, namely:—

“or that the said medical qualification if granted to students of a specified college or institution affiliated to any University shall be a recognised medical qualification only when granted before a specified date or, as the case may be, that the said medical qualification shall be a recognised medical qualification in relation to a specified college or institution affiliated to any University only when granted after a specified date.”.

11. After section 19 of the principal Act, the following section shall be inserted, namely:

Insertion
of new
section
19A.

“19A. (1) The Council may prescribe the minimum standards of medical education required for granting recognised medical qualifications (other than post-graduate medical qualifications) by Universities or medical institutions in India.

Minimum
standards
of medi-
cal educa-
tion.

(2) Copies of the draft regulations and of all subsequent amendments thereof shall be furnished by the Council to all State Governments and the Council shall, before submitting the regulations or any amendment thereof, as the case may be, to the Central Government for sanction, take into consideration the comments of any State Government received within three months from the furnishing of the copies as aforesaid.

(3) The Committee shall from time to time report to the Council on the efficacy of the regulations and may recommend to the Council such amendments thereof as it may think fit.”.

12. After section 20 of the principal Act, the following section shall be inserted, namely:

Insertion
of new
section
20A.

“20A. (1) The Council may prescribe standards of professional conduct and etiquette and a code of ethics for medical practitioners.

Profes-
sional
conduct.

(2) Regulations made by the Council under sub-section (1) may specify which violations thereof shall constitute infamous conduct in any professional respect, that is to say, professional misconduct, and such provision shall have effect notwithstanding anything contained in any law for the time being in force.”.

Amend-
ment of
section 22.

13. In section 22 of the principal Act, for the word "three", the word "six" shall be substituted.

Amend-
ment of
section 24.

14. In section 24 of the principal Act, in sub-section (2), for the words "on any ground other than that he is not possessed of the requisite medical qualifications", the words "on the ground of professional misconduct or any other ground except that he is not possessed of the requisite medical qualifications" shall be substituted.

Substi-
tution of
new sec-
tion for
section 25.

15. For section 25 of the principal Act, the following section shall be substituted, namely:—

Provi-
sional
registra-
tion.

"25. (1) A citizen of India possessing a medical qualification granted by a medical institution outside India included in Part II of the Third Schedule, who is required to undergo practical training as prescribed under sub-section (3) of section 13, shall, on production of proper evidence that he has been selected for such practical training in an approved institution, be entitled to be registered provisionally in a State Medical Register and shall be entitled to practise medicine in the approved institution for the purposes of such training and for no other purpose.

(2) A person who has passed the qualifying examination of any University or medical institution in India for the grant of a recognised medical qualification shall be entitled to be registered provisionally in a State Medical Register for the purpose of enabling him to be engaged in employment in a resident medical capacity in any approved institution, or in the Medical Service of the Armed Forces of the Union, and for no other purpose, on production of proper evidence that he has been selected for such employment.

(3) The names of all persons provisionally registered under sub-section (1) or sub-section (2) in a State Medical Register shall be entered therein separately from the names of other persons registered therein.

(4) A person registered provisionally as aforesaid who has completed practical training referred to in sub-section (1) or who has been engaged for the prescribed period in employment in a resident medical capacity in any approved institution or in the Medical Service of the Armed Forces of the Union, as the case may be, shall be entitled to registration in the State Medical Register under section 15."

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16. In section 33 of the principal Act,—

Amend-
ment of
section 33.

- (i) in clause (i), the word "and" occurring at the end shall be omitted;
- (ii) clause (j) shall be re-lettered as clause (n); and
- (iii) before clause (n), as so re-lettered, the following clauses shall be inserted, namely:—

"(j) the courses and period of study and of practical training to be undertaken, the subjects of examination and the standards of proficiency therein to be obtained, in Universities or medical institutions for grant of recognised medical qualifications;

(k) the standards of staff, equipment, accommodation, training and other facilities for medical education;

(l) the conduct of professional examinations, qualifications of examiners and the conditions of admission to such examinations;

(m) the standards of professional conduct and etiquette and code of ethics to be observed by medical practitioners; and".

17. In the Second Schedule to the principal Act, for the existing entries relating to United Kingdom, the following shall be substituted, namely:—

Amend-
ment of
Second
Sche-
dule.

Country	Title	Nature of qualification as stated in diplomas	Abbreviation
I	2	3	4
" UNITED KINGDOM			
University of Birmingham	M.B., Ch. B., M.D., Ch. M.	Bachelor of Medicine and Bachelor of Surgery. Doctor of Medicine Master of Surgery.	U. Birm.
University of Bristol	M.B., Ch. B., M.D., Ch. M.	Do.	U. Brist.
University of Cambridge	M.B.B. Chir., M.D., M. Chir.	Do.	U. Camb.

Country	Title	Nature of qualification as stated in diplomas	Abbrevia- tion
I	2	3	4
University of Durham .	M.B.,B.S., M.D., M.S.	Bachelor of Medicine and Bachelor of Surgery Doctor of Medicine Master of Surgery	U. Durh.
University of Leeds .	M.B., Ch.B., M.D., Ch.M.	Do.	U. Leeds.
University of Liverpool	M.B., Ch.B., M.D., Ch.M., M.Ch. Orth.	Do. Do. Do. Master of Orthopaedic Surgery	U.L'Pool
University of London	M.B.,B.S., M.D., M.S.	Bachelor of Medicine and Bachelor of Surgery Doctor of Medicine Master of Surgery	U. Lond.
University of Manchester .	M.B., Ch.B., M.D., Ch.M.	Do.	U. Manc.
University of Oxford	M.B., B.Ch., D.M., M.Ch.	Do.	U. Oxford.
University of Sheffield	M.B., Ch.B., M.D., Ch. M.	Do.	U. Sheff.
University of Wales .	M.B., B.Ch., M.D., M.Ch.	Do.	U. Wales.
University of Aberdeen	M.B., Ch.B., M.D., Ch.M.	Do.	U. Aberd
University of Edinburgh .	M.B., Ch.B., M.D., Ch. M.	Do.	U. Edin.
University of Glasgow	M.B., Ch.B., M.D., Ch. M.	Do.	U. Glasg.
University of St. Andrews .	M.B., Ch.B., M.D., Ch. M.	Do.	U.St. And.
Queen's University of Belfast	M.B., B.Ch., M.D., M. Ch., M.A.O.	Do. Do. Do. Master of Obstetrics	Q.U. Belf.
University of Dublin	M.B., B.Ch., L.Med., L.Ch., M.D., M. Ch., M.A.O.	Bachelor in Medicine and Bachelor in Surgery Licentiate in Medicine Licentiate in Surgery Doctor in Medicine Master in Surgery Master in Obstetric Science	U. Dubl.

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Country	Title	Nature of qualification as stated in diplomas	Abbrevia-				
			I	2	3	4	
National University of Ireland	M.B., B.Ch.	Bachelor of Medicine and Bachelor of Surgery	N.U. Irel.				
	M.D.,	Doctor of Medicine					
	M.Ch.,	Master of Surgery					
	M.A.O.	Master of Obstetrics					
Royal College of Physicians of London.	L.R.C.P. M.R.C.P. F.R.C.P.	Licentiate Member Fellow				R.C.P. Lond.	
Royal College of Surgeons of England.	M.R.C.S. F.R.C.S.	Member Fellow				R.C.S. Eng.	
Society of Apothecaries of London.	L.M.S.S.A. L.S.A.	Licentiate in Medicine and Surgery Licentiate				S.A. Lond.	
Royal College of Physicians of Edinburgh.	L.R.C.P. M.R.C.P. F.R.C.P.	Licentiate Member Fellow				R.C.P. Edin.	
Royal College of Surgeons of Edinburgh.	L.R.C.S. F.R.C.S.	Licentiate Fellow				R.C.S. Edin.	
Royal College of Physicians and Surgeons of Glasgow.	L.R.C.P.S. M.R.C.P. F.R.C.P. F.R.C.S. F.R.C.P.S.	Licentiate Member Fellow Fellow Fellow				R.C.P.S. Glasg.	
Royal College of Physicians of Ireland.	L.R.C.P. L.M. M.R.C.P. F.R.C.P.	Licentiate Licentiate in Midwifery Member Fellow				R.C.P. Irel.	
Royal College of Surgeons in Ireland.	L.R.C.S. L.M. F.R.C.S.	Licentiate Licentiate in Midwifery Fellow				R.C.S. Irel.	
Apothecaries' Hall of Dublin	L.A.H.	Licentiate				A.H. Dubl.*	

Rep. by Act.....S.....of 1974, S.21&22

THE COIR INDUSTRY (AMENDMENT) ACT, 1964

No. 25 OF 1964

[16th June, 1964.]

An Act further to amend the Coir Industry Act, 1953.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Coir Industry (Amendment) Act, 1964.

Amend-
ment of
the long
title.

2. For the long title to the Coir Industry Act, 1953 (hereinafter referred to as the principal Act), the following long title shall be substituted, namely:—

“An Act to provide for the establishment of a Board for the development of the Coir Industry and for that purpose to levy a customs duty on coir fibre, coir yarn and coir products exported from India and for matters connected therewith.”.

Amend-
ment of
section 10.

3. In section 10 of the principal Act, in sub-section (2), after clause (f), the following clause shall be inserted, namely:—

“(ff) setting up or assisting in the setting up of factories for the production of coir products with the aid of power;”.

Insertion
of new
section
14A.

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

Grants
by the
Central
Govern-
ment
to the
Board.

“14A. The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Board by way of grants, such sums of money as the Central Government may consider necessary.”.

Amend-
ment of
section 15.

5. In section 15 of the principal Act, in sub-section (1), after clause (b), the following clause shall be inserted, namely:—

“(c) any sum of money that may be paid by way of grants under section 14A.”.

REPEALED

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6. For section 17 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 17.

Accounts and audit.

"17. (1) The Board 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.

(2) The accounts of the Board shall be audited by the Comptroller and Auditor-General of India at such intervals as may be prescribed by him and any expenditure incurred in connection with such audit shall be payable by the Board to the Comptroller and Auditor-General.

(3) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Board 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 and other documents and papers and to inspect any of the offices of the Board.

(4) The accounts of the Board 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 each House of Parliament.”.

7. In section 26 of the principal Act, for sub-section (3), the following sub-section shall be substituted, namely:—

Amendment of section 26.

"(3) Every rule made by the Central Government 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 in which it is so laid 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 Act.....56 of 1974, S2 & Sch I.

THE SALARIES AND ALLOWANCES OF MEMBERS
OF PARLIAMENT (AMENDMENT) ACT, 1964

No. 26 OF 1964

[29th September, 1964.]

An Act further to amend the Salaries and Allowances of Members of Parliament Act, 1954.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title and commencement. 1. (1) This Act may be called the Salaries and Allowances of Members of Parliament (Amendment) Act, 1964.

(2) It shall be deemed to have come into force on the 1st day of June, 1964.

Amendment of section 3. 2. In section 3 of the Salaries and Allowances of Members of Parliament Act, 1954 (hereinafter referred to as the principal Act),—³⁰ of 1954.

(1) for the words "four hundred rupees", the words "five hundred rupees" shall be substituted; and

(2) for the words "twenty-one rupees", the words "thirty-one rupees" shall be substituted.

Amendment of section 5. 3. In section 5 of the principal Act, after the existing proviso, the following further proviso shall be inserted, namely:—

"Provided further that nothing in the first proviso shall apply if the member visits his usual place of residence performing the journey by air not more than twice during a session or sitting lasting more than seventy-five days, or not more than once, in any other case.".

Rep, by Act..... 56 of 1974, Secd I

THE HIGH COURT JUDGES (CONDITIONS OF SERVICE) AMENDMENT ACT, 1964

No. 27 OF 1964

[30th September, 1964.]

An Act further to amend the High Court Judges (Conditions of Service) Act, 1954.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the High Court Judges (Conditions of Service) Amendment Act, 1964. Short title.

2. In section 14 of the High Court Judges (Conditions of Service) Act, 1954 (hereinafter referred to as the principal Act), in clause (b) of the first proviso, for the words "sixty years", the words, figures and letters "sixty-two years, and, in the case of a Judge holding office on the 5th day of October, 1963, sixty years" shall be substituted. Amendment of section 14.

3. After section 23B of the principal Act, the following section shall be inserted, and shall be deemed always to have been inserted, namely:— Insertion of new section 23C.

"23C (1) In the calculation of service for pension of a Judge of the High Court of Jammu and Kashmir transferred to any other High Court, his service for pension as a Judge of the High Court of Jammu and Kashmir shall also be reckoned as service for pension under this Act." Special provision in respect of Judges transferred from the High Court of Jammu and Kashmir.

(2) In the calculation of the amount of leave at the credit of a Judge of the High Court of Jammu and Kashmir transferred to any other High Court, the amount of leave due to him as a Judge of the High Court of Jammu and Kashmir shall be added to the amount of leave at his credit under this Act."

THE LEGAL TENDER (INSCRIBED NOTES)

ACT, 1964

No. 28 OF 1964

[30th September, 1964.]

An Act to restrict the negotiability of currency and other notes inscribed with messages of a political character.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title and extent. 1. (1) This Act may be called the Legal Tender (Inscribed Notes) Act, 1964.

(2) It extends to the whole of India.

Notes bearing messages of a political character not to be legal tender. 2. Notwithstanding anything contained in the Reserve Bank of India Act, 1934, or in the Currency Ordinance, 1940, or in any other law for the time being in force, a currency note of the Government of India, a bank note issued by the Reserve Bank of India, or a Government of India one-rupee note issued under the Currency Ordinance, 1940, which bears written upon it any extrinsic words or visible representations intended to convey or capable of conveying a message of a political character, shall not be legal tender; and the Reserve Bank of India shall not be under any legal obligation to receive any such note, or to issue rupee coin or other coin or currency notes or bank notes in exchange for any such note, or to refund the value of any such note:

Provided that the Reserve Bank of India may refund as of grace the whole or part of the value of any such note.

Repeal and savings. 3. (1) The Legal Tender (Inscribed Notes) Ordinance, 1942 is hereby repealed.

Ord. 59 of 1942.

(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance, shall be deemed to have been done or taken under this Act as if this Act were in force on the day on which such thing was done or such action was taken.

THE APPROPRIATION (No. 5) ACT, 1964

No. 29 of 1964

[3rd October, 1964.]

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 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

- ^{1999.2} 1. This Act may be called the Appropriation (No. 5) Act, 1964. ^{1999.2} Short title.

^{1999.2} 2. From and out of the ^{1999.2} Consolidated Fund of India there may be ^{1999.2} Issue of Rs.
paid and applied sums not exceeding those specified in column 3 of ^{1999.2} the Schedule amounting in the aggregate to the sum of nine crores, ^{1999.2} 9,89,39,000 out of the Consolidated Fund of India for the year
eighty-nine lakhs and thirty-nine thousand rupees towards defraying ^{1999.2} 1964-65, in respect of the services specified in ^{1999.2} 1964-65.
the several charges which will come in course of payment during ^{1999.2} the financial year 1964-65, in respect of the services specified in ^{1999.2} column 2 of the Schedule.

^{1999.2} 3. The sums authorised to be paid and applied from and out of the ^{1999.2} Consolidated Fund of India by this Act shall be appropriated for the ^{1999.2} Appropriation. services and purposes expressed in the Schedule in relation to the ^{1999.2} said year.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
31	Other Revenue Expenditure of the Ministry of Finance	2,000	2,000
37	Agriculture	8,000	8,000
53	Delhi	50,00,000	..	50,00,000
69	Other Revenue Expenditure of the Ministry of Irrigation and Power	3,000	3,000
78	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals	3,43,44,000	..	3,43,44,000
93	Expenditure on Displaced Persons	4,25,00,000	..	4,25,00,000
104	Supplies and Disposals	8,000	8,000
126	Other Capital Outlay of the Ministry of Food and Agriculture	1,000	..	1,000
129	Capital Outlay of the Ministry of Industry	10,00,000	..	10,00,000
131	Capital Outlay of the Ministry of International Trade	50,00,000	..	50,00,000
133	Other Capital Outlay of the Ministry of Irrigation and Power	2,46 000	2,46,000
134	Capital Outlay of the Ministry of Labour and Employment	8,25,000	..	8,25,000
136	Capital Outlay of the Ministry of Steel, Mines and Heavy Engineering	1,000	..	1,000
139	Capital Outlay on Civil Aviation	1,000	..	1,000
141	Capital Outlay on Public Works	1,00,00,000	..	1,00,00,000
TOTAL		9,86,72,000	2,67,000	9,89,39,000

NOT CORRECTED: SEE INDIA CODE
Vol.... II, Pt.... B... p. 231

THE KERALA STATE LEGISLATURE (DELEGATION OF POWERS) ACT, 1964

No. 30 OF 1964

[5th October, 1964.]

An Act to confer on the President the power of the Legislature of the State of Kerala to make laws.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Kerala State Legislature (Delegation of Powers) Act, 1964. Short title.

2. In this Act, “Proclamation” means the Proclamation issued on the 10th day of September, 1964, by the President under clause (1) of article 356 of the Constitution. Definition.

3. (1) The power of the Legislature of the State of Kerala to make laws, which has been declared by the Proclamation to be exercisable by or under the authority of Parliament, is hereby conferred on the President. Conferment on the President of the power of the State Legislature to make laws.

(2) In the exercise of the said power, the President may, from time to time, whether Parliament is or is not in session, enact as a President’s Act a Bill containing such provisions as he considers necessary: laws.

Provided that before enacting any such Act, the President shall, whenever he considers it practicable to do so, consult a committee constituted for the purpose, consisting of—

(a) thirty members of the House of the People nominated by the Speaker among whom shall be included all members who for the time being fill the seats allotted to the State of Kerala in that House; and

~~Not Corrected: See India Code~~

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(b) fifteen members of the Council of States nominated by the Chairman among whom shall be included all members who for the time being fill the seats allotted to the State of Kerala in that House.

~~NOT APPPLICABLE UNTIL THE END OF THE FIRST SESSION~~

(3) Every Act enacted by the President under sub-section (2) shall, as soon as may be after enactment, be laid before each House of Parliament.

~~NOT APPPLICABLE~~

(4) Either House of Parliament may, by resolution passed within seven days from the date on which the Act has been laid before it under sub-section (3), direct any modifications to be made in the Act and, if the modifications are agreed to by the other House of Parliament during the session in which the Act has been so laid before it or the session succeeding, such modifications shall be given effect to by the President by enacting an amending Act under sub-section (2):

~~NOT APPPLICABLE~~ b Provided that nothing in this sub-section shall affect the validity of the Act or of any action taken thereunder before it is so amended.

~~NOT APPPLICABLE~~ b Notwithstanding anything contained in sub-section (1) or

~~NOT APPPLICABLE~~ b Notwithstanding anything contained in sub-section (1) or

~~NOT APPPLICABLE~~ b Notwithstanding anything contained in sub-section (1) or

~~NOT APPPLICABLE~~ b Notwithstanding anything contained in sub-section (1) or

~~NOT APPPLICABLE~~ b Notwithstanding anything contained in sub-section (1) or

1. TOA]

B. Direct Taxes

Sec

Published in the Gazette of India, dated 16th October, 1964, under the authority of the Government of India.

SC 1964-1965. The Act was published in the Gazette of India, dated 16th October, 1964.

THE DIRECT TAXES (AMENDMENT) ACT, 1964

No. 31 OF 1964.

[6th October, 1964.]

An Act further to amend certain laws relating to direct taxes.

Enacted by Parliament in the Fifteenth Year of the Republic of India as follows:

1. This Act may be called the 'Direct Taxes (Amendment) Act, Short title 1964.'

2. In section 2 of the Income-tax Act, 1961 (hereinafter referred Amendment of section 2 of Act 43 of 1961.

to as the Income-tax Act), in Explanation 2 to clause (22), after the words "date of liquidation", the following words shall be, and shall be deemed always to have been, inserted, namely:—

"but shall not, where the liquidation is consequent on the compulsory acquisition of its undertaking by the Government or a corporation owned or controlled by the Government under any law for the time being in force, include any profits of the company prior to three successive previous years immediately preceding the previous year in which such acquisition took place".

3. In section 10 of the Income-tax Act, after clause (13), the following clause shall be inserted, namely:

"(13A) any special allowance specifically granted to an assessee by his employer to meet expenditure actually incurred on payment of rent (by whatever name called) in respect of residential accommodation occupied by the assessee, to such extent (not exceeding three hundred rupees per month) as may be prescribed having regard to the area or place in which such accommodation is situate and other relevant considerations;".

Amendment of section 10.

Amend-
ment of
section 17.

4. In section 17 of the Income-tax Act, in clause (3), in sub-clause (ii), for the words, brackets and figures "or clause (12)", the words, brackets, figures and letter, "clause (12) or clause (13A)" shall be substituted.

Amend-
ment of
section 88.

5. In section 88 of the Income-tax Act,—

(a) in sub-section (1), after clause (i), the following clause shall be inserted, namely:—

"(ia) as donations to the Jawaharlal Nehru Memorial Fund referred to in the Deed of Declaration of Trust adopted by the National Committee at its meeting held on the 17th day of August, 1964;"

(b) in sub-section (3), in the second proviso, for the words "to the National Defence Fund set up by the Central Government", the words, brackets, figures and letter "to any fund referred to in clause (i) or clause (ia) of sub-section (1)" shall be substituted.

Amend-
ment of
section
153.

6. In section 153 of the Income-tax Act,—

(a) in sub-section (3), in clause (ii), after the figures "264", the following shall be inserted, namely:—

"or in an order of any court in a proceeding otherwise than by way of appeal or reference under this Act";

(b) in *Explanation 2* and in *Explanation 3*, for the words and figures "under section 250, 254, 260, 262, 263 or 264", the words, brackets and figures "referred to in clause (ii) of sub-section (3)" shall be substituted.

Amend-
ment of
section
154.

7. In section 154 of the Income-tax Act,—

(a) in sub-section (1),—

(i) in clause (b), for the words and figures "in appeal under section 250", the words and figures "under section 250 or section 271" shall be substituted;

(ii) after clause (b), the following clause shall be inserted, namely:—

"(bb) the Inspecting Assistant Commissioner may amend any order passed by him in any proceeding under sub-section (2) of section 274;"

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

"(1A) Where any matter has been considered and decided in any proceeding by way of appeal or revision relating

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to an order referred to in sub-section (1), the authority passing such order may, notwithstanding anything contained in any law for the time being in force, amend the order under that sub-section in relation to any matter other than the matter which has been so considered and decided.”.

8. In section 209 of the Income-tax Act, for clause (d), the following clause shall be substituted, namely:—

Amend-
ment of
section
209.

“(d) in cases where—

(i) the total income of the latest previous year [being a year later than the previous year referred to in clause (a)] on the basis of which tax has been paid by the assessee under section 140A or a provisional assessment has been made under section 141, exceeds the total income referred to in clause (a), or

(ii) the Income-tax Officer makes an amended order referred to in sub-section (3) of section 210 on the basis of the total income on which tax has been paid by the assessee under section 140A, or in respect of which a provisional assessment has been made under section 141,

the total income referred to in clause (a) shall be substituted,—

(1) in a case falling under sub-clause (i), by the total income on the basis of which tax has been paid under section 140A or, as the case may be, the provisional assessment has been made under section 141, whichever relates to the latest previous year and where both relate to the same latest previous year, whichever is higher, and

(2) in a case falling under sub-clause (ii), by the total income on the basis of which the amended order under sub-section (3) of section 210 is made.”.

9. In section 210 of the Income-tax Act, in sub-section (3),—

Amend-
ment of
section
210.

(i) after the words “of the financial year,”, the words, figures and letter “tax is paid by the assessee under section 140A, or” shall be inserted;

(ii) for the words “determined for the purposes of the regular assessment or the provisional assessment aforesaid”, the following shall be substituted, namely:—

“on which tax has been paid under section 140A or in respect of which the regular assessment or the provisional assessment aforesaid has been made.”.

Insertion
of new
section
230A.

Restrictions
on
registration
of
transfers
of immov-
able pro-
perty in
certain
cases.

10. After section 230 of the Income-tax Act, the following section shall be inserted, namely:—

“230A. (1) Notwithstanding anything contained in any other law for the time being in force, where any document required to be registered under the provisions of clause (a) to clause (e) of sub-section (1) of section 17 of the Indian Registration Act, 1908, ^{16 of 1908} purports to transfer, assign, limit or extinguish the right, title or interest of any person to or in any property (other than agricultural land) valued at more than fifty thousand rupees, no registering officer appointed under that Act shall register any such document, unless the Income-tax Officer certifies that—

(a) such person has either paid or made satisfactory provision for payment of all existing liabilities under this Act, the Excess Profits Tax Act, 1940, the Business Profits Tax Act, 1947, the Indian Income-tax Act, 1922, the Wealth-tax Act, 1957, the Expenditure-tax Act, 1957, and the Gift-tax Act, 1958, or

<sup>15 of 1940.
21 of 1947.
11 of 1922.
27 of 1957.
29 of 1957.
18 of 1958.</sup>

(b) the registration of the document will not prejudicially affect the recovery of any existing liability under any of the aforesaid Acts.

(2) The application for the certificate required under sub-section (1) shall be made by the person referred to in that sub-section and shall be in such form and shall contain such particulars as may be prescribed.”

Insertion
of new
section
236A.

Relief to
certain
charitable
institu-
tions or
funds in
respect of
certain
dividends.

11. In Chapter XVIII of the Income-tax Act, after section 236, the following section shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1964, namely:—

“236A. (1) In the case of an institution or fund referred to in clause (iii) of sub-section (2) of section 104, credit shall be given to the institution or fund against the tax, if any, payable by it, of a sum calculated in accordance with the provisions of sub-section (2), in respect of its income from dividends (other than dividends on preference shares) declared or distributed during the previous year relevant to any assessment year beginning on or after the 1st day of April, 1964, by such a company as is referred to in the said clause, and where the amount of credit so calculated exceeds the tax, if any, payable by the said institution or fund, the excess shall be refunded.

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(2) The amount to be given as credit under sub-section (1) shall be a sum which bears to the amount by which the rebate of super-tax admissible to the company under the provisions of the annual Finance Act is, under the provisions of the said Act, reduced with reference to any amount of dividends declared or distributed by it during the previous year relevant to any assessment year beginning on or after the 1st day of April, 1964, the same proportion as the amount of the dividends (other than dividends on preference shares) received by the institution or fund from the company bears to the total amount of dividends (other than dividends on preference shares) declared or distributed by the company during the said previous year.”.

12. In section 253 of the Income-tax Act,—

Amend-
ment of
section
253.

(a) in sub-section (1),—

(i) in clause (a), after the word and figures “section 131,”, the word and figures “section 154,” shall be inserted;

(ii) in clause (b), after the words “Inspecting Assistant Commissioner under”, the words and figures “section 154 or” shall be inserted;

(iii) in clause (c), the following shall be inserted at the end, namely:—

“or under section 285A or an order passed by him under section 154 amending his order under section 263”;

(b) in sub-section (2), after the words “Appellate Assistant Commissioner under”, the words and figures “section 154 or” shall be inserted.

13. In section 280B of the Income-tax Act, in clause (1),—

Amend-
ment of
section
280B.

(i) in sub-clause (b) (iv), the word “and” occurring at the end shall be omitted;

(ii) in sub-clause (b) (v), the word “and” shall be inserted at the end; and

(iii) after sub-clause (b) (v), the following sub-clause shall be inserted, namely:—

“(vi) any annuity due, or commuted value of any annuity paid, under the provisions of section 280D.”.

14. In section 280E of the Income-tax Act,—

Amend-
ment of
section
280E.

(i) in sub-clause (ii) of clause (a), after the words, brackets, letter and figure “or sub-clause (b) (v)”, the words, brackets, letter and figures “or sub-clause (b) (vi)” shall be inserted;

(ii) for clause (c), the following clause shall be substituted, namely:—

“(c) in cases where—

(i) the total income of the latest previous year [being a year later than the previous year referred to in clause (a)] on the basis of which tax has been paid by the depositor under section 140A, or a provisional assessment has been made under section 141, exceeds the total income referred to in clause (a), or

(ii) the Income-tax Officer makes an amended order referred to in sub-section (3) of section 280F on the basis of the total income on which tax has been paid by the depositor under section 140A, or in respect of which a provisional assessment has been made under section 141,

the total income referred to in clause (a) shall be substituted,—

(1) in a case falling under sub-clause (i), by the total income on the basis of which tax has been paid under section 140A or, as the case may be, the provisional assessment has been made under section 141, whichever relates to the latest previous year and where both relate to the same latest previous year, whichever is higher, and

(2) in a case falling under sub-clause (ii), by the total income on the basis of which the amended order under sub-section (3) of section 280F is made.”.

15. In section 280F of the Income-tax Act, in sub-section (3),—

(i) after the words “of the financial year,”, the words, figures and letter “tax is paid by the depositor under section 140A, or” shall be inserted;

(ii) for the words “determined under the regular assessment or the provisional assessment aforesaid”, the following shall be substituted, namely:—

“on which tax has been paid under section 140A or in respect of which the regular assessment or the provisional assessment aforesaid has been made.”.

16. For section 280Q of the Income-tax Act, the following section shall be, and shall be deemed to have been, substituted, with effect from the 1st day of April, 1964, namely:—

Amend-
ment of
section
280F.

Substitu-
tion of
new sec-
tion for
section
280Q.

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“280Q. The amount of any deposit to be made under this Chapter shall be rounded off to the nearest multiple of ten rupees and where such amount contains a part of ten rupees, then, if such part is five rupees or more, it shall be increased to ten rupees and if such part is less than five rupees, it shall be ignored:”

Rounding off.

Provided that where the amount so computed is required under any provision of this Chapter to be deposited in two or more equal instalments and the amount of each instalment calculated for this purpose is not a multiple of ten rupees, the amount of each such instalment, other than the last instalment, shall be rounded off to the nearest multiple of ten rupees and the balance shall be the amount of the last instalment.”

17. In section 280U of the Income-tax Act, for the words “twenty-five per cent. of his adjusted total income”, the words “twenty-five per cent. of the income from such profession included in his total income” shall be, and shall be deemed to have been, substituted, with effect from the 1st day of April, 1964.

Amend-
ment of
section
280U.

18. After section 285 of the Income-tax Act, the following section shall be inserted, namely:—

Insertion
of new
section
285A.

“285A. (1) Where any person (hereinafter referred to as the contractor) enters into a contract for the construction of a building for, or the supply of goods or services in connection therewith to, any other person, the value of which exceeds fifty thousand rupees, he shall, within one month of the making of the contract, furnish to the Income-tax Officer having jurisdiction to assess the contractor such particulars relating to the contract and in such form as may be prescribed.

Infor-
mation by
contra-
ctors in
certain
cases.

(2) Without prejudice to the provisions of any other law for the time being in force, where any contractor contravenes the provisions of sub-section (1), the Commissioner may impose upon him such fine not exceeding fifty rupees as he thinks fit for every day during which the contravention continues, so, however, that the amount of fine so imposed shall not, in the aggregate, exceed twenty-five per cent. of the value of the contract.

(3) The Commissioner shall, on making an order under this section imposing a fine, forthwith send a copy of the same to the Income-tax Officer.”.

Amend-
ment of
Act 34
of 1953.

Relief from
estate duty
where tax
has been
paid on
capital
gains.

Payment
of duty by
transfer of
property.

19. In the Estate Duty Act, 1953,—

(a) in Part VI, after section 50A, the following section shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1964, namely:—

“50B. Where any property on which estate duty is leviable under this Act is transferred within a period of two years following the death of the deceased and tax under the Income-tax Act, 1961 has been paid in respect of the capital gains arising from such transfer, the estate duty payable shall be reduced by a sum which bears to the total amount of tax so paid the same proportion as the amount paid towards estate duty out of the proceeds of the transfer bears to the gross proceeds of such transfer:

43 of 1961.

Provided that the Board may, on an application of the accountable person, extend the period of two years aforesaid if it is satisfied that the accountable person had sufficient cause for not effecting the transfer of the property within that period.”;

(b) for section 52, the following section shall be substituted, namely:—

“52. (1) The Central Government may, on an application of the person accountable for estate duty, accept in satisfaction of the whole or any part of such duty, any property passing on the death of the deceased at such price as may be agreed upon between the Central Government and that person, and thereupon such person shall deliver possession of the property to such authority as may be specified by that Government in this behalf.

(2) Notwithstanding anything contained in any other law for the time being in force, on the date the possession of the property is delivered to the authority under sub-section (1)—

(i) the property shall vest in the Central Government; and

(ii) the Central Government shall, where necessary, intimate the registering authority concerned accordingly;

and the authority shall administer the property in such manner as the Central Government may direct.

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(3) Where the price referred to in sub-section (1) exceeds the aggregate of the amounts due under this Act in respect of the estate of the deceased, the excess shall be applied in the following order to the payment of any tax, penalty, interest or other amount—

(i) which the legal representative of the deceased is liable to pay in respect of the income, expenditure or wealth of, or gift made by, the deceased under any of the Acts referred to in clause (c) of section 2 of the Central Boards of Revenue Act, 1963;

(ii) which the executor is liable to pay under any of the Acts aforesaid in respect of the estate of the deceased for the period of the administration of the estate;

(iii) which the person beneficially entitled to the property in question is liable to pay under any of those Acts;

and the balance, if any, shall be paid to the accountable person.”.

20. In the Expenditure-tax Act, 1957, in section 5, in the proviso to clause (j), after the words “as the case may be, or”, the words, brackets and figures “except where such gift, donation or settlement is not chargeable to gift-tax under sub-section (1) of section 5 of that Act” shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1964.

Amendment
of Act 29
of 1957.

THE COMPANIES (AMENDMENT) ACT, 1964

No. 32 OF 1964

[9th October, 1964.]

An Act further to amend the Companies Act, 1956.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.
Insertion of new sub-head-
ing and section
after
section
635A of
Act 1 of
1956.

1. This Act may be called the Companies (Amendment) Act, 1964.
2. After section 635A of the Companies Act, 1956, the following sub-heading and section shall be inserted, namely:—

"Temporary Protection of Employees"

Protection of em-
ployees
during
investiga-
tion by
Inspector
or pend-
ency of
proceeding
before
Tribunal
in certain
cases.

635B. (1) If—

(a) during the course of any investigation of the affairs and other matters of or relating to a company, body or person under section 235, section 237 or section 239 or of the membership and other matters of or relating to a company, or the ownership of shares in or debentures of a company or body corporate, or the affairs and other matters of or relating to a company, body or person, under section 247, section 248 or section 249; or

(b) during the pendency of any proceeding against any person concerned in the conduct and management of the affairs of a company under Chapter IVA of Part VI,

such company, body or person proposes—

- (i) to discharge, or
- (ii) to punish, whether by dismissal, removal, reduction in rank or otherwise,

any employee, the company, body or person, as the case may be, shall send by post to the Company Law Board previous intimation in writing of the action proposed against the employee and if the Company Law Board has any objection to the action proposed, it shall send by post notice thereof in writing to the company, body or person concerned.

(2) If the company, body or person concerned does not receive within thirty days of the sending of the previous intimation of the action proposed against the employee, any notice of the objection from the Company Law Board, then and only then, the company, body or person concerned may proceed to take against the employee the action proposed.

(3) If the company, body or person concerned is dissatisfied with the objection raised by the Company Law Board, it may, within thirty days of the receipt of the notice of the objection, prefer an appeal to the Tribunal in the prescribed manner and on payment of the prescribed fee.

(4) The decision of the Tribunal on such appeal shall be final and be binding on the Company Law Board and on the company, body or person concerned.

(5) For the removal of doubt, it is hereby declared that the provisions of this section shall have effect without prejudice to the provisions of any other law for the time being in force.”.

2 of 1964.

3. (1) The Companies (Amendment) Ordinance, 1964 is hereby ^{Repeal and saving.} 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 this Act, as if this Act had commenced on the 5th day of July, 1964.

Rep. by Act.....S. of 1974, S. 2 & Sch I

**THE REPRESENTATION OF THE PEOPLE
(AMENDMENT) ACT, 1964**

No. 33 OF 1964

[9th October, 1964.]

An Act further to amend the Representation of the People Act, 1950, and the Representation of the People Act, 1951.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Representation of the People (Amendment) Act, 1964.

**Amend-
ment of
section 20
of Act 43
of 1950.**

2. In section 20 of the Representation of the People Act, 1950—

(a) in sub-section (3),—

(i) after the words "A member of the armed forces of the Union", the words "or, a member of an armed police force of a State who is serving outside that State," shall be inserted;

(ii) after the words "in the armed forces", the words "or, as the case may be, in that armed police force" shall be inserted.

(b) in sub-section (5), after the words "armed forces", the words "or, as the case may be, the armed police force" shall be inserted.

**Amend-
ment of
section 60
of Act 43
of 1951.**

3. In section 60 of the Representation of the People Act, 1951, in sub-clause (i) of clause (a), after the words "armed forces of the Union", the words "or, as the case may be, of an armed police force of a State," shall be inserted.

Rep. by Act...56...of 1974, S. 28 & Sch. I.

THE WAKF (AMENDMENT) ACT, 1964

No. 34 OF 1964

[10th October, 1964.]

An Act further to amend the Wakf Act, 1954.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Wakf (Amendment) Act, 1964. Short title

29 of 1954. 2. In section 3 of the Wakf Act, 1954 (hereinafter referred to as the principal Act),— Amend-
ment of section 3.

(i) in clause (a), for the words "established for the benefit of the Muslim community", the words "sanctioned by the Muslim law" shall be substituted;

(ii) in clause (c), for the word and figure "section 9", the words, brackets, figures and letter "sub-section (1), or as the case may be, under sub-section (1A), of section 9" shall be substituted;

(iii) after clause (d), the following clause shall be inserted, namely:—

"(dd) "Council" means the Central Wakf Council established under section 8A;";

(iv) in clause (i), after the word "prescribed", where that word occurs for the first time, the words, figures and letter ", except in Chapter II A," shall be inserted;

(v) in clause (l), for sub-clause (ii), the following sub-clause shall be substituted, namely:—

"(ii) grants (including mashrut-ul-khidmat) for any purpose recognised by the Muslim law as pious, religious or charitable; and".

Amend-
ment of
section 7.

3. In sub-section (1) of section 7 of the principal Act, after the words "cost of making a survey", the words "including the cost of publication of the list of wakfs" shall be inserted.

Insertion
of new
Chapter
IIA.

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

"CHAPTER IIA

CENTRAL WAKF COUNCIL

(Constitu-
Establish-
ment and
Chapter
tion of
the Central
Wakf
Council.

8A. (1) For the purpose of advising it, on matters concerning the working of Boards and the due administration of wakfs, the Central Government may, by notification in the Official Gazette, establish a Council to be called the Central Wakf Council.

(2) The Council shall consist of a Chairman, who shall be the Union Minister in charge of wakfs, and such other members not exceeding twenty in number, as may be appointed by the Central Government.

(3) The term of office of, the procedure to be followed in the discharge of their functions by, and the manner of filling casual vacancies among, members of the Council shall be such as may be prescribed by rules made by the Central Government.

Finances
of the
Council.

8B. (1) Every Board shall pay from its Wakf Fund annually to the Council such contribution as is equivalent to one per cent. of the aggregate of the net annual income of the properties of the wakfs in respect of which contribution is payable under sub-section (1) of section 46:

Provided that where the Board in the case of any particular wakf has remitted under sub-section (2) of section 46 the whole of the contribution payable to it under sub-section (1) of that section, then for calculating the contribution payable to the Council under this section, the net annual income of the property of the wakf in respect of which such remission has been granted shall not be taken into account.

(2) All monies received by the Council under sub-section (1) and all other monies received by it as donations, benefactions and grants shall form a fund to be called the Central Wakf Fund.

(3) Subject to any rules that may be made by the Central Government in this behalf, the Central Wakf Fund shall be under the control of the Council and may be applied for such purposes as the Council may deem fit.

8C. (1) The Council shall cause to be maintained such Accounts books of account and other books in relation to its accounts in and audit such form and in such manner as may be prescribed by rules made by the Central Government.

(2) The accounts of the Council shall be audited and examined annually by such auditor as may be appointed by the Central Government.

(3) The costs of the audit shall be paid from the Central Wakf Fund.

8D. (1) The Central Government may, by notification in Power of the Official Gazette, make rules to carry out the purposes of this Chapter.

(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,—

(a) the term of office of, the procedure to be followed in the discharge of their functions by, and the manner of filling casual vacancies among, the members of the Council;

(b) control over and application of the Central Wakf Fund;

(c) the form and manner in which accounts of the Council may be maintained.

(3) Every rule made by the Central Government under this Chapter 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following 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.”

Amend-
ment of
section 9.

5. In section 9 of the principal Act,—

(a) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Notwithstanding anything contained in sub-section (1), if the Shia Wakfs in any State constitute in number more than fifteen per cent. of all the wakfs in the State or if the income of the properties of the Shia Wakfs in the State constitutes more than fifteen per cent. of the total income of the properties of all the wakfs in the State, the State Government may, by notification in the Official Gazette, establish a Board of Wakfs each for Sunni Wakfs and for Shia Wakfs under such names as may be specified in the notification and in such a case, the provisions of this Act shall, in their application to the State, have effect as if the amendments specified in the Schedule had been made.”;

(b) in sub-section (2), for the words “The said Board”, the words “The Board” shall be substituted.

Amend-
ment of
section 11.

6. In section 11 of the principal Act, in clauses (b) and (c), the word “special” shall be omitted.

Amend-
ment of
section 15.

7. In section 15 of the principal Act, in sub-section (2),—

(a) in clause (e), for the portion beginning with the words “in any case” and ending with the words “of being heard”, the following shall be substituted, namely:—

“to direct—

(i) the utilization of the surplus income of a wakf consistently with the objects of the wakf;

(ii) in what manner the income of a wakf, the objects of which are not evident from any written instrument, shall be utilized;

(iii) in any case where any object of a wakf has ceased to exist or has become incapable of achievement, that so much of the income of the wakf as was previously applied to that object shall be applied to any other object which shall be similar, or as nearly as practicable similar, to the original object:

Provided that no direction shall be given under this clause without giving the parties affected an opportunity of being heard.”;

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

“(j) to sanction in accordance with the Muslim law, any transfer of immovable property of a wakf by way of sale, gift, mortgage, exchange or lease, as required by section 36A:

Provided that no such sanction shall be given unless at least two-thirds of the members of the Board vote in favour of such transaction.”.

8. In section 22 of the principal Act, after the words “servant of the Board”, the words “or any committee thereof” shall be inserted. Amendment of section 22.

9. In section 23 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:— Amendment of section 23.

“(3) The powers conferred on the Secretary by sub-section (2) may also be exercised by such other officer or officers of the Board as may either generally or specially be authorised in this behalf by the Board.”.

10. Section 32 of the principal Act shall be re-numbered as sub-section (2) of that section, and before the sub-section as so re-numbered, the following sub-section shall be inserted, namely:— Amendment of section 32.

“(1) Every mutawalli shall keep regular accounts.”.

11. After section 36 of the principal Act, the following sections shall be inserted, namely:— Insertion of new sections 36A and 36B.

“36A. Notwithstanding anything contained in the wakf deed, no transfer of any immovable property of a wakf by way of— Transfer of immovable property of wakfs.

(i) sale, gift, mortgage or exchange; or

(ii) lease for a period exceeding three years in the case of agricultural land, or for a period exceeding one year in the case of non-agricultural land or building,

shall be valid without the previous sanction of the Board.

36B. (1) If the Board is satisfied, after making an inquiry in such manner as may be prescribed, that any immovable property of a wakf entered as such in the register of wakfs maintained under section 26, has been transferred without the previous sanction of the Board in contravention of the provisions of section 36A, it may send a requisition to the Collector within whose jurisdiction the property is situate to obtain and deliver possession of the property to it. Recovery of wakf property transferred in contravention of section 36A.

(2) On receipt of a requisition under sub-section (1), the Collector shall pass an order directing the person in possession of the property to deliver the property to the Board within a period of thirty days from the date of the service of the order.

(3) Every order passed under sub-section (2) shall be served—

(a) by giving or tendering the order or by sending it by post to the person for whom it is intended; or

(b) if such person cannot be found, by affixing the order on some conspicuous part of his last-known place of abode or business, or by giving or tendering the order to some adult male member or servant of his family or by causing it to be affixed on some conspicuous part of the property to which it relates:

Provided that where the person on whom the order is to be served is a minor, service upon his guardian or upon any adult male member or servant of his family shall be deemed to be service upon the minor.

(4) Any person aggrieved by the order of the Collector under sub-section (2) may, within a period of thirty days from the date of the service of the order, prefer an appeal to the district court within whose jurisdiction the property is situate and the decision of the district court on such appeal shall be final.

Explanation.—In this sub-section, “district court” means, in any area for which there is a city civil court, that court, and, in any other area, the principal civil court of original jurisdiction.

(5) Where an order passed under sub-section (2) has not been complied with and the time for appealing against such order has expired without an appeal having been preferred or the appeal, if any, preferred within that time has been dismissed, the Collector shall obtain possession of the property in respect of which the order has been made, using such force, if any, as may be necessary for the purpose and deliver it to the Board.

(6) In exercising his functions under this section, the Collector shall be guided by such rules as may be made in this behalf by the State Government.”

Amend-
ment of
section 41. 12. Clause (g) of sub-section (1) of section 41 of the principal
Act shall be omitted.

Amend-
ment of
section 43.

13. In section 43 of the principal Act,—

(a) in sub-section (1), for clause (b), the following clauses shall be substituted, namely:—

“(b) has been convicted of an offence of criminal breach of trust or any other offence involving moral turpitude; or

(c) misappropriates or deals improperly with the properties of the wakf; or

(d) is of unsound mind or is suffering from other mental or physical defect or infirmity which would render him unfit to perform the functions and discharge the duties of a mutawalli; or

(e) has failed to pay, without reasonable excuse, for two consecutive years, the contribution payable by him under section 46.”;

(b) in sub-section (2), after the words “appointed by the Board”, the words “or any person or authority not being a court of law” shall be inserted;

(c) after sub-section (4), the following sub-section shall be inserted, namely:—

“(4A) A mutawalli who is aggrieved by an order passed under any of the clauses (c) to (e) of sub-section (1) or under sub-section (2) may, within one month from the date of the receipt by him of the order, appeal against the order to the State Government and the decision of the State Government on such appeal shall be final and shall not be questioned in any court of law.”;

(d) after sub-section (5), the following sub-section shall be inserted, namely:—

“(6) A mutawalli of a wakf removed from his office under this section shall not be eligible for appointment as a mutawalli of that wakf for a period of five years from the date of such removal.”.

14. After section 43 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
43A.

“43A. (1) Where no suitable person is available for appointment as a mutawalli of a wakf under section 42 or under sub-section (2) of section 43, the Board may, by notification in the Official Gazette, assume direct management of the wakf for such period or periods, not exceeding in the aggregate five years, as may be specified in the notification.

Assump-
tion of
direct
manage-
ment of
certain
wakfs by
the Board

(2) Notwithstanding anything contained in section 33, the accounts of every wakf under the direct management of the Board shall be audited annually by an auditor to be appointed by the Board, from among chartered accountants in practice within the meaning of the Chartered Accountants Act, 1949.".

38 of 1949.

Amend-
ment of
section 45.

15. In section 45 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) The Board may, either on an application received under section 44 or on its own motion,

(a) hold an inquiry in such manner as may be prescribed; or

(b) authorise any person in this behalf to hold an inquiry,

into any matter relating to a wakf and take such action as it thinks fit".

Amend-
ment of
section 46.

16. In section 46 of the principal Act, in sub-section (1), for the word "five", the word "six" shall be substituted.

Amend-
ment of
section 48.

17. In section 48 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

"(1) All monies received or realised by the Board under this Act and all other monies received as donations, benefactions or grants by the Board shall form a fund to be called the Wakf Fund.

(1A) All monies received by the Board as donations, benefactions and grants shall be deposited and accounted for under a separate sub-head."

Omission
of section
54.

18. Section 54 of the principal Act shall be omitted.

Substitu-
tion of
new sec-
tion for
section 55.

19. For section 55 of the principal Act, the following section shall be substituted, namely:—

Institution
of suits
under
section 92
of the Code
of Civil
Procedure
1908.

"55. (1) A suit to obtain any of the reliefs mentioned in section 92 of the Code of Civil Procedure, 1908, relating to any wakf may, notwithstanding anything to the contrary contained in that section, be instituted by the Board without obtaining the consent referred to therein.

5 of 1908.

(2) No suit to obtain any of the reliefs referred to in section 92 of the Code of Civil Procedure, 1908, relating to any wakf shall be instituted by any person or authority other than the Board without the consent in writing of the Board and for the institution of any such suit, it shall not be necessary to obtain the consent referred to in that section, notwithstanding anything contained therein:

Provided that nothing in this sub-section shall apply in relation to any such suit against the Board.”.

20. In section 62 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely:—
Amend-
ment of
section 62.

“(1) The Central Government may issue such directions, as it may think fit, on questions of policy to be followed by a Board and for issuing such directions it may call for any periodic or other report or information from any Board through the Government of the State concerned.”.

21. After section 66B of the principal Act, the following section shall be inserted, namely:—
Insertion
of new
section
66C.

“66C. Notwithstanding anything contained in this Act where any movable or immovable property has been given or donated by any person not professing Islam for the support of a wakf being—

- (a) a mosque, idgah, imambara, dargah, khangah or a maqbara;
- (b) a Muslim graveyard;
- (c) a choultry or a musafarkhana,

Application
of
Act to
properties
given or
donated
by persons
not profes-
sing Islam
for support
of certain
wakfs.

then such property shall be deemed to be comprised in that wakf and be dealt with in the same manner as the wakf in which it is so comprised.”.

22. In section 67 of the principal Act,—
Amend-
ment of
section 67.

(a) in sub-section (1), for the words “purposes of this Act”, the words, figures and letter “purposes of this Act other than those of Chapter IIA” shall be substituted;

(b) in sub-section (2), in clause (h), the words “and approved by the State Government” shall be omitted.

**Amend-
ment of
section 69.**

**Insertion
of new
section 70
and Sche-
dule.**

**Removal of
difficulties.**

23. In section 69 of the principal Act, in clause (2) of sub-section (1), the words and figure "Section 5 of" shall be omitted.

24. After section 69 of the principal Act, the following section and Schedule shall be inserted, namely:—

"70. 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 purposes of this Act, as appear to it to be necessary or expedient for removing the difficulty.

THE SCHEDULE

[See section 9 (1A)]

LIST OF AMENDMENTS

1. In sub-section (2) of section 5, for the words "a list of wakfs", the words "a list of Sunni wakfs or, as the case may be, Shia wakfs" shall be substituted.

2. In section 11,—

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

"(b) persons having knowledge of Muslim law and representing, in the case of a Sunni Board of Wakfs, associations such as State Jamiat-ul-Ulama-i-Hind (whether such persons are Hanafi, Ahle-Hadis or Shefai) and in the case of a Shia Board of Wakfs, associations such as State Shia Conference;";

(b) the second proviso shall be omitted.

3. In clause (e) of sub-section (2) of section 15, the *Explanation* shall be omitted.

4. For section 27, the following section shall be substituted, namely:—

"27. (1) The Board may itself collect information regarding any property which it has reason to believe to be wakf property and if any question arises whether a particular property is wakf property or not or whether a wakf is a Sunni wakf or a Shia wakf, it shall refer the question to a civil court of competent jurisdiction.

(2) The decision of the civil court on any question referred to it under sub-section (1) shall be final.".

**Decision if
a property
is wakf
property.**

Rep. by Act...~~56~~...of 1974, S.2 & Sch. I.

THE STATE BANK OF INDIA (AMENDMENT)
ACT, 1964

No. 35 OF 1964

[10th October, 1964.]

An Act further to amend the State Bank of India Act, 1955.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows :—

1. (1) This Act may be called the State Bank of India (Amendment) Act, 1964. 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.

23 of 1955 2. In section 2 of the State Bank of India Act, 1955 (hereinafter referred to as the principal Act),— Amendment of section 2.

(i) after clause (b), the following clause shall be inserted, namely :—

‘(bb) “chairman” means the chairman of the Central Board;’;

(ii) after clause (d), the following clause shall be inserted, namely :—

‘(dd) “Local Board” means a Local Board constituted under section 21;’;

(iii) after clause (h), the following clause shall be inserted, namely :—

‘(i) “vice-chairman” means the vice-chairman of the Central Board.’

¹ 1st December, 1964; by notification No. S. O. 4021, dated 14th November, 1964, Gazette of India, Pt. II, Sec. 3(ii), p. 4468.

Amend-
ment of
section
19.

3. In section 19 of the principal Act,—

(a) in sub-section (1)—

(i) in clause (a), the words, "except in the case of first appointments," shall be omitted;

(ii) for clauses (c) and (d), the following clauses shall be substituted, namely:—

"(bb) the presidents of the Local Boards appointed under sub-section (5) of section 21, *ex officio*;

(c) if the total amount of the holdings of the shareholders, other than the Reserve Bank, whose names are on the principal register three months before the date fixed for election of directors is—

(i) not more than ten per cent. of the total issued capital, two directors,

(ii) more than ten per cent. but not more than twenty-five per cent. of such capital, three directors, and

(iii) more than twenty-five per cent. of such capital, four directors,

to be elected in the prescribed manner by such shareholders;

(d) not less than two and not more than six directors to be nominated by the Central Government in consultation with the Reserve Bank, from among persons having special knowledge of the working of co-operative institutions and of rural economy or experience in commerce, industry, banking or finance;";

(b) sub-sections (2) and (3) shall be omitted.

Amend-
ment of
section
20.

4. In section 20 of the principal Act,—

(a) in sub-section (2), the words "or, in the case of the first two appointments, the Central Government," shall be omitted;

(b) for sub-section (5), the following sub-section shall be substituted, namely:—

“(5) The following provisions shall have effect in relation to directors nominated under clause (d) of sub-section (1) of section 19, to the Central Board reconstituted for the first time on or after the commencement of the State Bank of India (Amendment) Act, 1964, namely:—

(i) if the number of such directors holding office at the end of one year from the date of such reconstitution is not more than three, then one of such directors, and if such number exceeds three, then two of them, shall retire at the end of the said year;

(ii) if the number of such directors holding office at the end of two years from the date of such reconstitution is not more than three, then one of such directors, and if such number is four, then two of them, shall retire at the end of the said two years;

(iii) if the number of such directors holding office at the end of three years from the date of such reconstitution is not more than two, then one of such directors shall retire at the end of the said three years;

(iv) any such director holding office for a period of four years from the date of such reconstitution shall retire at the end of such period;

(v) the director or directors to retire at the end of each year under clauses (i), (ii) and (iii) shall be determined by lot.”.

5. For section 21 of the principal Act, the following section shall be substituted, namely:—

Substi-
tion of
new
section
for sec-
tion 21.

“21. (1) There shall be constituted at each place where the State Bank has a local head office, a Local Board which shall consist of the following members, namely:—

- (a) the chairman, *ex officio*;
- (b) all such directors elected or nominated to the Central Board under clause (c) or clause (d) of sub-section (1)

of section 19 as are ordinarily resident in the area served by the branch register of the local head office;

(c) six members to be nominated by the Central Government in consultation with the Reserve Bank;

(d) one member to be elected in the prescribed manner by the shareholders, other than the Reserve Bank, whose names are entered in the branch register of the local head office, if the total holdings of such shareholders amount to two and a half per cent. or more of the total issued capital:

Provided that a person elected as a member of a Local Board under this clause shall not cease to be a member thereof for reason only that the total holdings as aforesaid fall below two and a half per cent. of the total issued capital, at any time after his election;

(e) the secretary and treasurer of the local head office, appointed by the State Bank, *ex officio*.

(2) Where as a result of the establishment of any local head office (hereinafter referred to as the new local head office) for any area which is already served by the branch register of another local head office (hereinafter referred to as the existing local head office) a Local Board (hereinafter referred to as the new Local Board) is constituted for the new local head office, any person who is, at the time of such constitution, holding office as a member of a Local Board (hereinafter referred to as the existing Local Board) for an existing local head office under clause (c) or clause (d) of sub-section (1) and is ordinarily resident in the area served by the branch register of the new local head office, shall cease to hold office as member of the existing Local Board and shall become a member of the new Local Board and shall on becoming such member be deemed to have been nominated or, as the case may be, elected to the new Local Board and shall hold office as such member for the unexpired portion of his term of office as a member of the existing Local Board.

(3) Any vacancy caused in the existing Local Board as a result of any member thereof becoming a member of the new Local Board under sub-section (2) shall be deemed to be a casual vacancy and be filled in accordance with the provisions of section 25.

(4) Notwithstanding anything contained in clause (d) of sub-section (1),—

(a) on the reconstitution of an existing Local Board for the first time on or after the commencement of the State Bank of India (Amendment) Act, 1964, or

(b) on the constitution of a new Local Board under sub-section (2) of which an elected member of an existing Local Board does not in pursuance of that sub-section become a member,

the Reserve Bank shall nominate a member in place of the member to be elected under that clause and such nominated member shall be deemed to have been elected under the said clause.

(5) The Governor of the Reserve Bank shall, in consultation with the chairman, appoint—

(a) a member of a Local Board nominated or elected under clause (c) or clause (d) of sub-section (1) to be the president thereof, and

(b) a member of a Local Board holding office under clause (b) or nominated or elected under clause (c) or clause (d) of that sub-section to be the vice-president thereof.”

6. After section 21 of the principal Act, the following sections shall be inserted, namely:—

Insertion
of new
sections
21A, 21B
and 21C.

“21A. (1) Subject to the provisions contained in this section and in sub-section (2) of section 21, a member of a Local Board nominated under clause (c) of sub-section (1) of section 21 or elected under clause (d) of that sub-section shall hold office for two years and thereafter until his successor has been duly nominated or elected and shall be eligible for re-nomination or re-election, as the case may be:

Provided that out of the six members nominated under clause (c) of sub-section (1) of section 21, on the constitution of a new Local Board or the reconstitution of an existing Local Board for the first time on or after the commencement of the State Bank of India (Amendment) Act, 1964, three shall retire at the end of one year and three shall retire at the end of two years from the date of the constitution or, as the case may be, reconstitution of that Local Board, and the members to retire at the end of the first year shall be determined by lot.

Term of
office of
members
of Local
Board.

(2) A member of a Local Board nominated by the Reserve Bank under sub-section (4) of section 21 shall retire at the expiry of one year from the date of such nomination.

(3) A director of the Central Board becoming a member of a Local Board by virtue of the provisions of clause (b) of sub-section (1) of section 21 shall cease to hold office as such member on his ceasing to be a director or on his ceasing to be ordinarily resident in the relevant area.

(4) The president and the vice-president of a Local Board shall each hold office for two years or the remaining period of his office as a member of the Local Board, whichever is shorter, and shall be eligible for re-appointment so long as he is a member of the Local Board.

**Powers of
Local
Board.**

21B. Save as may otherwise be prescribed and subject to any general or special directions which the Central Board may give from time to time, a Local Board shall, in respect of the area served by the branch register of the local head office for which the Board has been constituted, exercise all powers and perform all functions and duties of the State Bank in relation to any business that may be carried on or transacted by the State Bank under sub-section (1) of section 32 and clauses (i) (excluding the proviso), (ii), (iii), (v) to (ix), (xa), (xii) to (xv), (xvii), (xviii), (xixb) and (xixc) of section 33 and shall exercise such other powers and perform such other functions and duties as may be conferred on or assigned to it by the Central Board.

**Local
Commit-
tees.**

21C. (1) A Local Committee may be constituted by the Central Board for any area and shall consist of such number of members as may be prescribed.

(2) The chairman shall be an *ex-officio* member of every such Local Committee.

(3) A Local Committee shall exercise such powers and perform such functions and duties as the Central Board may confer on or assign to it."

**Amend-
ment of
section
22.**

7. In section 22 of the principal Act, in sub-section (1),—

(a) in clause (d), after the words "managing director," the words "secretary and treasurer," shall be inserted;

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

“Provided that in the case of a member of Local Board nominated by the Reserve Bank under sub-section (4) of section 21, the disqualification mentioned in clause (h) shall not operate for a period of six months from his becoming such member.”.

8. In section 24 of the principal Act, in sub-section (3), after the word and figures “section 19”, the words, brackets, letter and figures “or any member of a Local Board nominated under clause (c) of sub-section (1) of section 21” shall be inserted.

9. In section 25 of the principal Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where any vacancy occurs before the expiry of the term of office of a director, other than the chairman, vice-chairman or a managing director or of a member of a Local Board other than the secretary and treasurer, the vacancy shall be filled—

(a) in the case of an elected director or member, by election; and

(b) in the case of a director nominated under clause (d) of sub-section (1) of section 19 or a member of a Local Board nominated under clause (c) of sub-section (1) of section 21, by nomination in consultation with the Reserve Bank:

Provided that where the duration of the vacancy in the office of an elected director or member is likely to be less than six months, the vacancy may be filled by the remaining directors or members, as the case may be, by co-opting a person not disqualified under section 22.”.

10. After section 31 of the principal Act, the following section shall be inserted in Chapter V, namely:—

“31A. (1) A Local Board shall meet at such time and place and shall observe such rules of procedure in regard to the transaction of business at its meetings as may be prescribed.

(2) All questions at the meeting shall be decided by a majority of the votes of the members present and in the case of equality of votes, the person presiding at the meeting shall have a second or casting vote.

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

Provided that nothing contained in this sub-section shall apply to such member by reason only of his being—

(i) a shareholder (other than a director) holding not more than two per cent. of the paid-up capital in any public company as defined in the Companies Act, 1956, or any ^{1 of 1956.} corporation established by or under any law for the time being in force in India or any co-operative society, with which or to which the State Bank has entered into or made or proposes to enter into or make, a contract, loan, arrangement or proposal; or

(ii) a director *ex officio* of the State Bank or a director of a subsidiary bank.

(4) If for any reason neither the president nor the vice-president is able to be present at a meeting of the Local Board, any member, other than the secretary and treasurer, elected by the members present from amongst themselves, shall preside at the meeting.

(5) Notwithstanding anything contained in this section, the chairman shall preside at any meeting of a Local Board at which he is present and in the absence of the chairman, the vice-chairman, if he is a member of the Local Board, shall, whenever he is present, preside at such meeting.”.

**Amend-
ment of
section 33.**

11. In section 33 of the principal Act, in clause (xixb), for the words “seven years”, the words “ten years” shall be substituted.

**Amend-
ment of
section 36.**

12. In section 36 of the principal Act, to sub-section (1), the following proviso shall be added, namely:—

“Provided that if the balance in the Integration and Development Fund on the date of declaration of any dividends by the State Bank is rupees five crores or more, no amount shall be paid into that Fund under clause (a) and the dividends payable to the Reserve Bank shall be paid to that Bank; and if such balance

of 1964]

State Bank of India (Amendment)

on such date is less than rupees five crores, only so much of the dividends then payable as will bring such balance to rupees five crores shall be paid into that Fund and the balance of such dividends shall be paid to the Reserve Bank.”.

13. In section 41 of the principal Act, in clause (a) of sub-section (7), for the words “a true and correct view”, the words “a true and fair view” shall be substituted. Amend-
ment of
section 41.

14. Section 43 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 43.

“(2) The officers, advisers and employees of the State Bank shall exercise such powers and perform such duties as may be entrusted or delegated to them by the Central Board.”.

15. Section 48 of the principal Act shall be omitted. Omission
of section
48.

16. In section 50 of the principal Act, in sub-section (2),— Amend-
ment of
section 50.

(a) for clause (d), the following clause shall be substituted, namely:—

“(d) the powers, functions and duties of Local Boards and the restrictions, conditions or limitations, if any, subject to which they may be exercised or performed, the formation and constitution of Local Committees (including the number of members of any such Committee) and of committees of Local Boards, the powers, functions and duties of such Committees, the holding of meetings of Local Committees and committees of Local Boards and the conduct of business thereat;”;

~~(b) in clause (f), after the word “the Central Board,” the~~
~~(b) for the words “the Deposit Insurance Corporation~~
 words “or of Local Boards” shall be inserted;

(c) clause (h) shall be omitted.

17. When the Central Board is reconstituted for the first time under the provisions of section 19 of the principal Act as amended by this Act,— Specia.
provision
as to
directors.

(a) the chairman and the vice-chairman of the Central Board and the managing directors of the State Bank holding office as such immediately before such reconstitution shall continue to hold their respective offices after such reconstitution for the unexpired portion of the term of their office;

State Bank of India (Amendment) [ACT 35 OF 1964]

(b) all the directors of the Central Board deemed to be elected under the proviso to clause (c) of sub-section (1) of section 19 of the principal Act or nominated under clause (d) of that sub-section and holding office as such immediately before such reconstitution shall be deemed to have vacated their respective offices on such reconstitution; and the remaining directors elected under clause (c), and the directors nominated under clauses (e) and (f), of the said sub-section (1) shall continue to hold office after such reconstitution until their successors are duly elected under clause (c) or, as the case may be, nominated under clauses (e) and (f), of sub-section (1) of section 19 of the principal Act as amended by this Act.

**Vacation
of office
by mem-
bers of
Local
Boards.**

18. On the reconstitution of any Local Board for the first time under the principal Act as amended by this Act, all members of that Local Board holding office under clause (a) of sub-section (1) of section 21 of the principal Act or elected or nominated under clause (b) of that sub-section and holding office as such immediately before such reconstitution, shall be deemed to have vacated their offices on such reconstitution.

Rep. by Act.....S6.....of 1974, S2 & S1 D

THE INDUSTRIAL DISPUTES (AMENDMENT)
ACT, 1964

No. 36 OF 1964

[9th December, 1964.]

An Act further to amend the Industrial Disputes Act, 1947.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Industrial Disputes (Amendment) Act, 1964. Short title and commencement.

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

14 of 1947. 2. In section 2 of the Industrial Disputes Act, 1947 (hereinafter referred to as the principal Act), Amendment of section 2.

10 of 1963.

(i) in sub-clause (i) of clause (a)—

(a) the words and figures "the Agricultural Refinance Corporation established under section 3 of the Agricultural Refinance Corporation Act, 1963, or" shall be omitted;

(b) for the words "the Deposit Insurance Corporation established", the following shall be substituted, namely:—

"the Employees' State Insurance Corporation established under section 3 of the Employees' State Insurance Act, 1948, or the Agricultural Refinance Corporation established under section 3 of the Agricultural Refinance Corporation Act, 1963, or the Deposit Insurance Corporation established";

34 of 1948.

10 of 1963.

¹ 19th December, 1964: Vide Notification No. S.O. 4301, dated 18th December, 1964, See Gazette of India, Extraordinary, Pt. II, Sec. 3(H), p. 1205.

(c) after the words "an oil-field", the words ", a Cantonment Board," shall be inserted;

(ii) clause (aa) shall be re-lettered as clause (aaa) and before clause (aaa) as so re-lettered, the following clause shall be inserted, namely:—

"(aa) "arbitrator" includes an umpire;"

(iii) clause (eee) shall be omitted;

(iv) after clause (l), the following clauses shall be inserted, namely:—

'(la) "major port" means a major port as defined in clause (8) of section 3 of the Indian Ports Act, 1908; 15 of 1908.

(lb) "mine" means a mine as defined in clause (j) of sub-section (1) of section 2 of the Mines Act, 1952; 35 of 1952.

(v) in clause (n),—

(i) in sub-clause (i), the words "or any transport service for the carriage of passengers or goods by air" shall be inserted at the end;

(ii) in sub-clause (vi), for the word "Schedule", the words "First Schedule" shall be substituted.

**Amend-
ment of
section 7.**

3. In section 7 of the principal Act, in sub-section (3), clauses (a) and (b) shall respectively be re-lettered as clauses (d) and (e) and before clause (d) as so re-lettered, the following clauses shall be inserted, namely:—

"(a) he is, or has been, a Judge of a High Court; or

(b) he has, for a period of not less than three years, been a District Judge or an Additional District Judge; or

(c) he has held the office of the chairman or any other member of the Labour Appellate Tribunal constituted under the Industrial Disputes (Appellate Tribunal) Act, 1950, or of any 48 of 1950. Tribunal, for a period of not less than two years; or".

**Amend-
ment of
section 7A.**

4. In section 7A of the principal Act, in sub-section (3), after clause (a), the following clause shall be inserted, namely:—

"(aa) he has, for a period of not less than three years, been a District Judge or an Additional District Judge; or",

5. In section 10 of the principal Act, in sub-section (6), the following *Explanation* shall be inserted at the end, namely:—
Amendment of section 10.

Explanation.—In this sub-section, "Labour Court" or "Tribunal" includes any Court or Tribunal or other authority constituted under any law relating to investigation and settlement of industrial disputes in force in any State."

6. In section 10A of the principal Act,—

Amendment of section 10A.

(a) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) Where an arbitration agreement provides for a reference of the dispute to an even number of arbitrators, the agreement shall provide for the appointment of another person as umpire who shall enter upon the reference, if the arbitrators are equally divided in their opinion, and the award of the umpire shall prevail and shall be deemed to be the arbitration award for the purposes of this Act.";

(b) in sub-section (3), for the words "fourteen days", the words "one month" shall be substituted;

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

"(3A) Where an industrial dispute has been referred to arbitration and the appropriate Government is satisfied that the persons making the reference represent the majority of each party, the appropriate Government may, within the time referred to in sub-section (3), issue a notification in such manner as may be prescribed; and when any such notification is issued, the employers and workmen who are not parties to the arbitration agreement but are concerned in the dispute, shall be given an opportunity of presenting their case before the arbitrator or arbitrators.";

(d) after sub-section (4), the following sub-section shall be inserted, namely:—

"(4A) Where an industrial dispute has been referred to arbitration and a notification has been issued under sub-section (3A), the appropriate Government may, by order, prohibit the continuance of any strike or lock-out in connection with such dispute which may be in existence on the date of the reference.".

7. In section 11 of the principal Act, in sub-section (8), for the word and figures "and 482", the figures and word "482 and 484" shall be substituted.
Amendment of section 11.

**Amend-
ment of
section 12.** 8. In section 12 of the principal Act, in the proviso to sub-section (6), after the words "Provided that," the words "subject to the approval of the conciliation officer," shall be inserted.

**Amend-
ment of
section 18.**

9. In section 18 of the principal Act,—

(a) in sub-section (2), for the words "An arbitration award", the words, brackets and figure "Subject to the provisions of sub-section (3), an arbitration award" shall be substituted;

(b) in sub-section (3),—

(i) after the words "conciliation proceedings under this Act", the words, brackets, figures and letters "or an arbitration award in a case where a notification has been issued under sub-section (3A) of section 10A" shall be inserted;

(ii) in sub-clause (b), after the words "the Board,", the word "arbitrator," shall be inserted.

**Amend-
ment of
section 19.**

10. In section 19 of the principal Act, after sub-section (6), the following sub-section shall be inserted, namely:—

"(7) No notice given under sub-section (2) or sub-section (6) shall have effect, unless it is given by a party representing the majority of persons bound by the settlement or award, as the case may be."

**Amend-
ment of
section 23.**

11. In section 23 of the principal Act,—

(i) in clause (b), the word "or" occurring at the end shall be omitted;

(ii) after clause (b), the following clause shall be inserted, namely:—

"(bb) during the pendency of arbitration proceedings before an arbitrator and two months after the conclusion of such proceedings, where a notification has been issued under sub-section (3A) of section 10A; or".

**Amend-
ment of
section 24.**

12. In section 24 of the principal Act,—

(i) in clause (ii) of sub-section (1), after the word and figures "section 10", the words, figures, letters and brackets "or sub-section (4A) of section 10A" shall be inserted;

(ii) in sub-section (2),—

(a) after the word "Board,", the words "an arbitrator a" shall be inserted;

(b) after the word and figures "section 10", the words, figures, letters and brackets "or sub-section (4A) of section 10A" shall be inserted.

13. For section 25B of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 25B.

"25B. For the purposes of this Chapter,—

(1) a workman shall be said to be in continuous service for a period if he is, for that period, in uninterrupted service, including service which may be interrupted on account of sickness or authorised leave or an accident or a strike which is not illegal, or a lock-out or a cessation of work which is not due to any fault on the part of the workman;

(2) where a workman is not in continuous service within the meaning of clause (1) for a period of one year or six months, he shall be deemed to be in continuous service under an employer—

(a) for a period of one year, if the workman, during a period of twelve calendar months preceding the date with reference to which calculation is to be made, has actually worked under the employer for not less than—

(i) one hundred and ninety days in the case of a workman employed below ground in a mine; and

(ii) two hundred and forty days, in any other case;

(b) for a period of six months, if the workman, during a period of six calendar months preceding the date with reference to which calculation is to be made, has actually worked under the employer for not less than—

(i) ninety-five days, in the case of a workman employed below ground in a mine; and

(ii) one hundred and twenty days, in any other case.

Explanation.—For the purposes of clause (2), the number of days on which a workman has actually worked under an employer shall include the days on which—

(i) he has been laid off under an agreement or as permitted by standing orders made under the Industrial Employment (Standing Orders) Act, 1946, or under this

Definition of continuous service.

Act or under any other law applicable to the industrial establishment;

(ii) he has been on leave with full wages, earned in the previous years;

(iii) he has been absent due to temporary disablement caused by accident arising out of and in the course of his employment; and

(iv) in the case of a female, she has been on maternity leave; so, however, that the total period of such maternity leave does not exceed twelve weeks.”.

Amend-
ment of
section
25F.

14. In section 25F of the principal Act,—

(i) in clause (b), for the words “for every completed year of service”, the words “for every completed year of continuous service” shall be substituted;

(ii) in clause (c), the following words shall be inserted at the end, namely:—

“or such authority as may be specified by the appropriate Government by notification in the Official Gazette.”.

Amend-
ment of
section
25 FFF.

15. In section 25FFF of the principal Act,—

(i) in the *Explanation* to sub-section (1), after the words “or accumulation of undisposed of stocks”, the words “or the expiry of the period of the lease or the licence granted to it where the period of the lease or the licence expires on or after the first day of April, 1967,” shall be inserted;

(ii) in sub-section (2), for the words “completed year of service”, the words “completed year of continuous service” shall be substituted.

Amend-
ment of
section
25H.

16. In section 25H of the principal Act, for the words “to the retrenched workmen to offer themselves for re-employment, and the retrenched workmen”, the words “to the retrenched workmen who are citizens of India to offer themselves for re-employment, and such retrenched workmen” shall be substituted.

Amend-
ment of
section
25J.

17. In section 25J of the principal Act, for the proviso to sub-section (1), the following proviso shall be substituted, namely:—

“Provided that where under the provisions of any other Act or rules, orders or notifications issued thereunder or under any standing orders or under any award, contract of service or otherwise, a workman is entitled to benefits in respect of any matter

which are more favourable to him than those to which he would be entitled under this Act, the workman shall continue to be entitled to the more favourable benefits in respect of that matter, notwithstanding that he receives benefits in respect of other matters under this Act.”.

18. In section 33 of the principal Act,—

Amend-
ment of
section 33.

- (i) in sub-section (1), after the words “any proceeding before”, the words “an arbitrator or” shall be inserted;
- (ii) in sub-section (2), after the words “the standing orders applicable to a workman concerned in such dispute”, the words “or, where there are no such standing orders, in accordance with the terms of the contract, whether express or implied, between him and the workman” shall be inserted;
- (iii) in sub-section (5), after the word “Board”, the words “an arbitrator, a” shall be inserted.

19. For section 33C of the principal Act, the following section shall be substituted, namely:—

Substitu-
tion of
new sec-
tion for
section
33C.

“33C. (1) Where any money is due to a workman from an employer under a settlement or an award or under the provisions of Chapter VA, the workman himself or any other person authorised by him in writing in this behalf, or, in the case of the death of the workman, his assignee or heirs may, without prejudice to any other mode of recovery, make an application to the appropriate Government for the recovery of the money due to him, and if the appropriate Government is satisfied that any money is so due, it shall issue a certificate for that amount to the Collector who shall proceed to recover the same in the same manner as an arrear of land revenue:

Recovery
of money
due from
an em-
ployer.

Provided that every such application shall be made within one year from the date on which the money became due to the workman from the employer:

Provided further that any such application may be entertained after the expiry of the said period of one year, if the appropriate Government is satisfied that the applicant had sufficient cause for not making the application within the said period.

(2) Where any workman is entitled to receive from the employer any money or any benefit which is capable of being computed in terms of money and if any question arises as to the

amount of money due or as to the amount at which such benefit should be computed, then the question may, subject to any rules that may be made under this Act, be decided by such Labour Court as may be specified in this behalf by the appropriate Government.

(3) For the purposes of computing the money value of a benefit, the Labour Court may, if it so thinks fit, appoint a commissioner who shall, after taking such evidence as may be necessary, submit a report to the Labour Court and the Labour Court shall determine the amount after considering the report of the commissioner and other circumstances of the case.

(4) The decision of the Labour Court shall be forwarded by it to the appropriate Government and any amount found due by the Labour Court may be recovered in the manner provided for in sub-section (1).

(5) Where workmen employed under the same employer are entitled to receive from him any money or any benefit capable of being computed in terms of money, then, subject to such rules as may be made in this behalf, a single application for the recovery of the amount due may be made on behalf of or in respect of any number of such workmen.

Explanation.—In this section “Labour Court” includes any court constituted under any law relating to investigation and settlement of industrial disputes in force in any State.”.

Amend-
ment of
section 38.

20. In section 38 of the principal Act,—

(a) in clause (aa) of sub-section (2), after the words “signed by the parties”, the following words, brackets, figures and letters shall be inserted, namely:—

“the manner in which a notification may be issued under sub-section (3A) of section 10A.”;

(b) after sub-section (4), the following sub-section shall be inserted, namely:—

“(5) Every rule made by the Central Government 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 successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following both Houses agree

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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.”.

21. For section 40 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 40.

“40. (1) The appropriate Government may, if it is of opinion that it is expedient or necessary in the public interest so to do, by notification in the Official Gazette, add to the First Schedule any industry, and on any such notification being issued, the First Schedule shall be deemed to be amended accordingly.

Power to amend Schedules.

(2) The Central Government may, by notification in the Official Gazette, add to or alter or amend the Second Schedule or the Third Schedule and on any such notification being issued, the Second Schedule or the Third Schedule, as the case may be, shall be deemed to be amended accordingly.

(3) Every such notification shall, as soon as possible after it is issued, be laid before the Legislature of the State, if the notification has been issued by a State Government, or before Parliament, if the notification has been issued by the Central Government.”.

22. In the First Schedule to the principal Act, in Item 1, for the words “by land, water or air”, the words “by land or water” shall be substituted.

Amendment of First Schedule.

23. In the Fourth Schedule to the principal Act, in Item 11, for the words “not due to forced matters”, the words “not occasioned by circumstances over which the employer has no control” shall be substituted.

Amendment of Fourth Schedule.

24. Notwithstanding anything contained in this Act, every savings person holding office as a presiding officer of a Labour Court or Tribunal immediately before the commencement of this Act shall continue to hold his office for such period as the appropriate Government may determine in this behalf from time to time.

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THE FOOD CORPORATIONS ACT, 1964

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THE FOOD CORPORATIONS ACT, 1964

No. 37 OF 1964

[10th December, 1964.]

An Act to provide for the establishment of Food Corporations for the purpose of trading in foodgrains and other foodstuffs and for matters connected therewith and incidental thereto.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Food Corporations Act, 1964.

Short title,
extent
and com-
mence-
ment.

(2) It extends to the whole of India except 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.

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

Defini-
tions.

(a) "Corporation" means the Food Corporation of India established under section 3;

(b) "Food Corporation" means the Food Corporation of India established under section 3 or a State Food Corporation established under section 17;

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

(d) "scheduled bank" means a bank for the time being included in the Second Schedule to the Reserve Bank of India Act, 1934;

2 of 1934.

¹ 17th December, 1964: vide Notification No. G.S.R. 1808, dated 16th December, 1964, Gazette of India, Extraordinary, Pt. II, Sec. 3 (i), p. 869.

(e) "State Food Corporation" means a State Food Corporation established under section 17;

(f) "year" means the financial year.

CHAPTER II

THE FOOD CORPORATION OF INDIA

Establishment of Food Corporation of India.

3. (1) With effect from such date¹ as the Central Government may, by notification in the Official Gazette, specify in this behalf, the Central Government shall establish for the purposes of this Act a Corporation known as the Food Corporation of India.

Offices and agencies.

(2) The Corporation shall be a body corporate with 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 and to contract, and may, by that name, sue and be sued.

4. (1) The head office of the Corporation shall be at Madras or at such other place as the Central Government may, by notification in the Official Gazette, specify.

(2) The Corporation may, with the previous approval of the Central Government, establish offices or agencies at other places in or outside India.

Capital of Corporation.

5. (1) The original capital of the Corporation shall be such sum not exceeding one hundred crores of rupees as the Central Government may fix.

(2) The Central Government may from time to time increase the capital of the Corporation to such extent and in such manner as that Government may determine.

(3) Such capital may be provided by the Central Government from time to time after due appropriation made by Parliament by law for the purpose and subject to such terms and conditions as may be determined by that Government.

Management.

6. (1) The general superintendence, direction and management of the affairs and business of the Corporation shall vest in a board of directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation under this Act.

¹1st January, 1965 : vide Notification No. G.S.R. 1809, dated 16th December, 1964, Gazette of India, Extraordinary, Pt. II, Sec. 3(i), p. 869.

(2) The board of directors, in discharging its functions, shall act on business principles having regard to the interests of the producer and consumer and shall be guided by such instructions on questions of policy as may be given to it by the Central Government.

(3) If any doubt arises as to whether a question is or is not a question of policy, the decision of the Central Government thereon shall be final.

7. (1) The board of directors of the Corporation shall consist of Board of directors. the following, namely:—

(a) a Chairman;

(b) three directors to represent respectively the Ministries of the Central Government dealing with—

(i) food,

(ii) finance, and

(iii) co-operation;

(c) the managing director of the Central Warehousing Corporation established under section 3 of the Warehousing Corporations Act, 1962, *ex officio*;

(d) a managing director;

(e) six other directors.

(2) All the directors of the Corporation other than the director referred to in clause (c) of sub-section (1) shall be appointed by the Central Government.

(3) The managing director shall—

(a) exercise such powers and perform such duties as the board of directors may entrust or delegate to him; and

(b) receive such salary and allowances as the board of directors may, with the approval of the Central Government, fix:

Provided that the first managing director shall receive such salary and allowances as the Central Government may fix.

(4) The term of office of, and the manner of filling casual vacancies among, the directors of the Corporation, other than the director referred to in clause (c) of sub-section (1), and the other terms and conditions of appointment of the directors of the Corporation shall, subject to the provisions of sub-section (3), be such as may be prescribed.

**Disqualification
for office
of director**

8. A person shall be disqualified for being appointed as, and for being, a director of the Corporation—

- (a) if he is, or at any time has been, adjudicated insolvent or has suspended payment of his debts or has compounded with his creditors; or
- (b) if he is of unsound mind and stands so declared by a competent court; or
- (c) if he is or has been convicted of any offence which in the opinion of the Central Government involves moral turpitude; or
- (d) if he has been removed or dismissed from the service of the Government or a corporation owned or controlled by the Government; or
- (e) except in the case of the Chairman or the managing director, if he is a salaried official of the Food Corporation of India or a State Food Corporation.

**Removal
and resig-
nation of
directors.**

9. (1) The Central Government may, at any time, after consultation with the Corporation, remove the managing director from office after giving him a reasonable opportunity of showing cause against the proposed removal.

(2) The board of directors may remove any director from office who—

- (a) is or has become subject to any of the disqualifications mentioned in section 8; or
- (b) is absent without leave of the board of directors from more than three consecutive meetings thereof without cause sufficient, in the opinion of the board, to exonerate his absence.

(3) A director of the Corporation may resign his office by giving notice thereof in writing to the Central Government and on such resignation being accepted, he shall be deemed to have vacated his office.

Meetings.

10. (1) The board of directors of the Corporation shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Corporation under this Act.

(2) The Chairman of the board or, if for any reason he is unable to attend any meeting, any other director elected by the directors present at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the board shall be decided by a majority of the votes of the directors 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.

11. (1) The Central Government may, in consultation with the Corporation, by notification in the Official Gazette, constitute one or more Advisory Committees consisting of such persons and on such terms and conditions as may be prescribed.

(2) It shall be the duty of any such Advisory Committee to advise the Central Government or the Corporation in regard to any matter connected with the purposes of this Act in respect of which its advice is sought by the Central Government, or, as the case may be, by the Corporation.

(3) The expenses in relation to the Advisory Committees shall be met by the Corporation.

12. (1) The Central Government shall, after consultation with the Corporation, appoint a person to be the Secretary of the Corporation.

(2) Subject to such rules as may be made by the Central Government in this behalf, the Corporation may appoint such other officers and employees as it considers necessary for the efficient performance of its functions.

(3) The methods of appointment, the conditions of service and the scales of pay of the officers and other employees of the Corporation shall—

(a) as respects the Secretary, be such as may be prescribed;

(b) as respects the other officers and employees, be such as may be determined by regulations made by the Corporation under this Act.

13. (1) Subject to the provisions of this Act, it shall be the primary duty of the Corporation to undertake the purchase, storage, movement, transport, distribution and sale of foodgrains and other foodstuffs.

(2) Subject as aforesaid, the Corporation may also, with the previous approval of the Central Government,—

(a) promote by such means as it thinks fit the production of foodgrains and other foodstuffs;

Under. by Act 57 of 1968, S. 2.

(b) set up, or assist in the setting up of, rice mills, flour mills and other undertakings for the processing of foodgrains and other foodstuffs; and

(c) discharge such other functions as may be prescribed or as are supplemental, incidental or consequential to any of the functions conferred on it under this Act.

Executive Committee and other committees.

14. (1) The board of directors of the Corporation may constitute an Executive Committee which shall consist of—

(a) the Chairman of the board;

(b) the managing director; and

(c) three other directors, of whom one shall be a non-official.

(2) The Chairman of the board of directors shall be the Chairman of the Executive Committee.

(3) Subject to the general control, direction and superintendence of the board of directors, the Executive Committee shall be competent to deal with any matter within the competence of the Corporation.

(4) The board of directors may constitute such other committees whether consisting wholly of directors or wholly of other persons or partly of directors and partly of other persons as it thinks fit, for such purposes as it may decide.

(5) A committee constituted under this section shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Corporation under this Act.

(6) The members of a committee (other than the directors of the board) shall be paid by the Corporation such fees and allowances as may be fixed by it by regulations made under this Act for attending the meetings of the committee and for attending to any other work of the Corporation.

Member of board or committee thereof not to vote in certain cases.

15. A member of the board of directors of the Corporation or a committee thereof who has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the board of directors or committee thereof, shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and the disclosure shall be recorded in the minutes of the board or the committee, as the case may be, and the member shall not take any part in any deliberation or decision of the board or committee with respect to that matter.

CHAPTER III

BOARDS OF MANAGEMENT

16. (1) The Central Government may, on a request received in this behalf from the State Government or Governments concerned or otherwise, by notification in the Official Gazette, establish a Board of Management for a State or two or more contiguous States, if no State Food Corporation is functioning in such State or States. Boards of Management, their constitution and functions.

(2) The head office of the Board of Management shall be at such place as the Central Government may, by notification in the Official Gazette, specify.

(3) The Board of Management shall consist of—

(a) a Chairman to be appointed by the board of directors of the Food Corporation of India;

(b) the senior-most executive officer of the said Corporation employed at the head office of the Board of Management; and

(c) not more than ten other members to be appointed by the board of directors of the said Corporation.

(4) The members of a Board of Management referred to in clauses (a) and (c) of sub-section (3) shall hold office for a term of two years and shall be eligible for re-appointment and the other terms and conditions of their appointment shall be such as may be prescribed.

(5) The Board of Management shall advise the Corporation on such matters as may be generally or specifically referred to it and shall perform such other functions as the Corporation may delegate to it.

(6) The provisions of sections 20, 21 and 25 shall, so far as may be, apply in relation to the members of a Board of Management as they apply in relation to the members of the board of directors of a State Food Corporation:

Provided that the reference to the General Manager in clause (e) of section 20 shall be construed as a reference to the officer of the Corporation referred to in clause (b) of sub-section (3).

(7) The Food Corporation of India may, after consultation with a Board of Management, appoint such staff as it considers necessary to enable that Board to perform its functions under this Act.

(8) The Board of Management may, by order in writing, authorise any one or more of its members to exercise and perform, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions as it may think fit.

(9) The Board of Management shall follow such procedure as may be provided by regulations made by the Food Corporation of India under this Act.

(10) Where a Board of Management has been established—

(i) for a State, or

(ii) for two or more States,

then such Board shall stand dissolved—

(a) in the case referred to in clause (i), on the establishment of a Food Corporation for that State, and

(b) in the case referred to in clause (ii), on the establishment of such Corporation for any one or more of such States.

(11) Where a Board of Management stands dissolved under clause (b) of sub-section (10), the Central Government may establish a new Board of Management for the State or States for which no Food Corporation has been established.

(12) The expenses of the Board of Management in the discharge of its functions under this Act shall be met by the Food Corporation of India.

CHAPTER IV

STATE FOOD CORPORATIONS

Establishment of State Food Corporation.

(1) The Central Government may, by notification in the Official Gazette and after consultation with the Government of a State, establish a Food Corporation for that State under such name as may be specified in the notification.

(2) A State Food Corporation established under sub-section (1) shall be a body corporate by the name notified under that sub-section, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and may, by the said name, sue and be sued.

(3) The head office of a State Food Corporation shall be at such place within the State as may be notified by the Central Government in the Official Gazette.

(4) Subject to the provisions of this Act, a State Food Corporation may perform such of the functions of the Food Corporation of India as that Corporation may delegate to it.

Capital of State Food Corporation.

(1) The capital of a State Food Corporation shall be such sum not exceeding ten crores of rupees as the Central Government may after consultation with the Food Corporation of India, fix.

(2) The Central Government may, after such consultation, from time to time increase the capital of the State Food Corporation to such extent and in such manner as that Government may determine.

(3) Such capital shall be provided—

(a) by the Central Government after due appropriation made by Parliament by law for the purpose, and

(b) by the Food Corporation of India,

in such proportion and subject to such terms and conditions as may be determined by the Central Government.

19. (1) The general superintendence, direction and management of the affairs and business of a State Food Corporation shall vest in a board of directors which shall consist of a Chairman, a General Manager and not more than ten other members, all of whom shall be appointed by the Food Corporation of India after consultation with the Central Government and the State Government.

Management of State Food Corporation.

(2) The General Manager shall—

(a) exercise such powers and perform such duties as the board of directors may entrust or delegate to him; and

(b) receive such salary and allowances and be governed by such terms and conditions of service as the board of directors may, in consultation with the Food Corporation of India, fix.

(3) The board of directors, in discharging its functions, shall act on business principles having regard to the interests of the producer and consumer and shall be guided by such instructions on questions of policy as may be given to it by the Food Corporation of India.

(4) If any doubt arises as to whether a question is or is not a question of policy, the matter shall be referred to the Central Government whose decision thereon shall be final.

(5) The members of the board of directors, other than the General Manager, shall be entitled to receive by way of remuneration or fees such sums as may be prescribed:

Provided that no official member shall be entitled to receive any remuneration other than any allowances admissible to him under the rules regulating his conditions of service.

(6) The term of office of, and the manner of filling casual vacancies among, the members of the board of directors shall be such as may be prescribed.

**Disquali-
fication
for office
of member
of board
of direc-
tors.**

20. A person shall be disqualified for being appointed as, and for being, a member of the board of directors of a State Food Corporation—

- (a) if he is, or at any time has been, adjudicated insolvent or has suspended payment of his debts or has compounded with his creditors; or
- (b) if he is of unsound mind and stands so declared by a competent court; or
- (c) if he is or has been convicted of any offence which in the opinion of the Central Government involves moral turpitude; or
- (d) if he has been removed or dismissed from the service of the Government or a corporation owned or controlled by the Government; or
- (e) except in the case of the Chairman or the General Manager, if he is a salaried official of the Food Corporation of India or a State Food Corporation.

**Removal
and re-
signation
of mem-
bers of
board of
directors**

21. (1) The Food Corporation of India may, at any time, after consultation with the State Food Corporation, remove the General Manager from office after giving him a reasonable opportunity of showing cause against the proposed removal.

(2) The board of directors of a State Food Corporation may remove from office any member of that board who—

- (a) is or has become subject to any of the disqualifications mentioned in section 20, or
- (b) is absent without leave of the board of directors from more than three consecutive meetings thereof without cause sufficient, in the opinion of the board, to exonerate his absence.
- (3) A member of such board may resign his office by giving notice thereof in writing to the Food Corporation of India and on such resignation being accepted, he shall be deemed to have vacated his office.

Meetings.

22. (1) The board of directors of a State Food Corporation shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by that Corporation under this Act.

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

(3) All questions which come up before any meeting of the board of directors 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.

23. (1) A State Food Corporation may appoint such officers and other employees as it considers necessary for the efficient performance of its functions.

(2) Every person employed by a State Food Corporation under this Act shall be subject to such conditions of service and shall be entitled to such remuneration as may be determined by regulations made by that Corporation under this Act.

24. (1) The board of directors of a State Food Corporation may constitute an Executive Committee which shall consist of—

(a) the Chairman of the board of directors;

(b) the General Manager; and

(c) three other members of the board of directors, of whom one shall be a non-official.

(2) The Chairman of the board of directors shall be the Chairman of the Executive Committee.

(3) Subject to the general control, direction and superintendence of the board of directors, the Executive Committee shall be competent to deal with any matter within the competence of the State Food Corporation.

(4) The board of directors may constitute such other committees, whether consisting wholly of members of the board or wholly of other persons or partly of such members and partly of other persons as it thinks fit, for such purposes as it may decide.

(5) A committee constituted under this section shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the State Food Corporation under this Act.

(6) The members of a committee (other than the directors of the board) shall be paid by the State Food Corporation such fees and allowances as may be fixed by it by regulations made under this Act, for attending the meetings of the committee and for attending to any other work of that Corporation.

Member
of board
or com-
mittee
thereof
not to
vote in
certain
cases.

25. A member of the board of directors of a State Food Corporation or a committee thereof who has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the board of directors or committee thereof, shall, as soon as possible after relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and the disclosure shall be recorded in the minutes of the board or the committee, as the case may be, and the member shall not take any part in any deliberation or decision of the board or the committee with respect to that matter.

CHAPTER V

FINANCE, ACCOUNTS AND AUDIT

Submis-
sion of
pro-
gramme
of
activities
and finan-
cial esti-
mates.

26. (1) A Food Corporation shall, before the commencement of each year, prepare a statement of programme of its activities during the forthcoming 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 year, be submitted for approval—

(a) in the case of the Food Corporation of India, to the Central Government;

(b) in the case of a State Food Corporation, to the Food Corporation of India.

(3) The statement and the financial estimate of a Food Corporation referred to in sub-section (1) may, with the approval of the Central Government, in the case of the Food Corporation of India, or with the approval of the Food Corporation of India in the case of a State Food Corporation, be revised by the Food Corporation.

Borrow-
ing
powers
of Food
Corpora-
tion.

27. (1) A Food Corporation may, for the purpose of carrying out its functions under this Act, take advances against stocks of foodgrains or other foodstuffs held by it, or borrow money—

(i) from any scheduled bank, or

(ii) from any other bank or financial institution approved by the Central Government in this behalf.

(2) The Central Government may guarantee the loans and advances taken by a Food Corporation under sub-section (1) as to the re-payment of principal and the payment of interest thereon and other incidental charges.

28. A Food Corporation may lend or advance money to any person engaged in the production of foodgrains upon the security of foodgrains or such other security as may be prescribed, for any purpose connected with such production.

Lending
by Food
Corpora-
tion on
security
of food-
grains.

29. (1) A Food Corporation may enter into agreement with any grower of foodcrops for the purchase of foodgrains after the harvest of such crops and any such agreement may provide that any sum payable by the Corporation to the grower under such agreement shall be payable to any scheduled bank or other financing agency nominated by the grower in this behalf to such extent as may be specified in the agreement.

Power to
enter
into
agree-
ment for
purchase
of food-
grains
after
harvest

(2) The scheduled bank or other financing agency referred to in sub-section (1) may, on the basis of any agreement referred to in that sub-section, lend money to a grower of foodcrops who has entered into such agreement.

30. A Food Corporation may, upon such terms and conditions as it may think fit, guarantee any loan referred to in sub-section (2) of section 29, and also any other loan raised by a grower of foodcrops, which is re-payable within a period not exceeding five years.

Guaran-
tee by
Food
Corpora-
tion.

31. (1) A Food Corporation shall have its own fund and all receipts of the Corporation shall be credited thereto and all payments of the Corporation shall be met therefrom.

Funds of
Food
Corpora-
tion.

(2) Such fund shall be applied for meeting all administrative expenses of the Food Corporation and for carrying out the purposes of this Act.

32. A Food Corporation may invest its funds in the securities of the Central Government or any State Government or in such other manner as may be prescribed.

Invest-
ment of
funds.

33. (1) A Food Corporation shall establish a reserve fund to which shall be credited every year such portion of its annual net profits as that Corporation thinks fit.

Allocat-
ion of
surplus
profits.

(2) After making provision for such reserve fund 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 balance of its annual net profits shall be paid—

(a) in the case of the Food Corporation of India, to the Central Government, and

(b) in the case of a State Food Corporation, to the Central Government and the Food Corporation of India in the same proportion as the capital provided by them.

**Accounts
and
audit.**

34. (1) A Food Corporation 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.

(2) The accounts of a Food Corporation shall be audited by auditors duly qualified to act as auditors of companies under section 226 of the Companies Act, 1956.

1 of 1956.

(3) The auditors shall be appointed annually by the Food Corporation from among a list of auditors approved by the Central Government on the advice of the Comptroller and Auditor-General of India.

(4) The auditors shall be supplied with a copy of the annual balance-sheet and the profit and loss account of the Food Corporation and it shall be their duty to examine them together with the accounts and vouchers relating thereto, and they shall have a list delivered to them of all books kept by the Corporation and shall at all reasonable times have access to the books, accounts and other documents of the Corporation and may require from any officer of the Corporation such information and explanations as the auditors may think necessary for the performance of their duties as auditors.

(5) The auditors shall send a copy of their report together with an audited copy of the accounts to the Food Corporation concerned and to the Central Government and, where the accounts relate to a State Food Corporation, also to the Food Corporation of India.

**Annual
report on
the work-
ing of**

**Food
Corpora-
tions.**

35. (1) A Food Corporation shall, as soon as possible after the end of each year, submit to the Central Government an annual report on the working and affairs of the Corporation.

(2) The Central Government shall, as soon as may be after the receipt of such report, cause such report and the audit report received under section 34 to be laid before both Houses of Parliament.

CHAPTER VI**MISCELLANEOUS**

36. (1) No act or proceeding of a Food Corporation or a committee thereof or a Board of Management shall be invalid by reason only of the existence of any vacancy in, or any defect in the constitution of, the board of directors of the Food Corporation or such committee or Board of Management.

(2) No act done by any person acting in good faith as a member of a board of directors of a Food Corporation or of a Board of Management shall be deemed to be invalid by reason only of his disqualification for being appointed as, or for being, a member of such board of directors or Board of Management.

37. A Food Corporation may, by general or special order in writing, delegate to the Chairman or any other member of the board of directors or the Secretary or other officer of the Corporation, subject to such conditions and limitations, if any, as may be specified in the order, such of its powers and functions under this Act as it may deem necessary.

38. Every director, member of an Advisory Committee or other committee, auditor, officer or other employee of a Food Corporation and every member of a Board of Management and its staff shall, and before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the Schedule.

39. (1) Every member of the board of directors of a Food Corporation and of a Board of Management shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

(2) A member of the board of directors of a Food Corporation or a Board of Management shall not be responsible for any other member or for any officer or other employee of the Corporation or Board of Management or for any loss or expense resulting to the Corporation from the insufficiency or deficiency of value of, or title to, any property or security acquired or taken on behalf of the Corporation in good faith, or by the insolvency or wrongful act of any person under obligation to the Corporation or by anything done in good faith, in the execution of the duties of his office or in relation thereto.

Protection of action taken under this Act.

40. No suit or other legal proceeding shall lie against a Food Corporation or any member of the board of directors thereof or any officer or other employee thereof or any member of a Board of Management or its staff or any other person authorised by a Food Corporation or a Board of Management to discharge any functions under this Act for any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act.

Offences.

41. (1) Whoever, without the consent in writing of a Food Corporation, uses its name in any prospectus or advertisement, 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) No court shall take cognizance of any offence under subsection (1) except on a complaint in writing by an officer authorised in this behalf by the Food Corporation concerned.

Provision relating to income-tax, super-tax, etc.

42. For the purposes of the Income-tax Act, 1961, or any other ^{43 of 1961.} enactment for the time being in force relating to income-tax, super-tax or any other tax on income, profits or gains, a Food Corporation 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.

Winding up of Food Corporation.

43. No provision of law relating to the winding up of companies or corporations shall apply to a Food Corporation and it shall not be placed in liquidation save by order of the Central Government and in such manner as that Government may direct.

Power to make rules.

44. (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—

(a) the term of office of, and the manner of filling casual vacancies among, and the other terms and conditions of appointment of, the directors of the Corporation;

(b) the composition of Advisory Committees and the terms and conditions of service of members thereof;

(c) the additional functions which the Corporation may perform;

(d) the remuneration or fees payable to the members or the board of directors of a State Food Corporation and the term of office of, and the manner of filling casual vacancies among, such members;

(e) the securities (other than foodgrains) upon which a Food Corporation may lend or advance money;

(f) the manner in which a Food Corporation may invest its funds;

(g) the form of the annual statement of accounts and the balance-sheet to be prepared by a Food Corporation;

(h) any other matter which has to be or may be prescribed.

(3) Every rule made by the Central Government 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, 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.

45. (1) A Food Corporation may, with the previous sanction of the Central Government, by notification in the Official Gazette, make regulations not inconsistent with this Act and the rules made thereunder, to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

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

(a) the methods of appointment, the conditions of service and the scales of pay of the officers and employees of a Food Corporation, other than the Secretary of the Food Corporation of India;

(b) the duties and conduct of officers and employees of a Food Corporation, other than the Secretary aforesaid;

(c) the functions and duties which may be entrusted or delegated to the managing director or, as the case may be, the General Manager, of a Food Corporation;

(d) the times and places at which meetings of a Food Corporation or any committee thereof shall be held and the procedure to be followed thereat;

(e) the fees and allowances payable to the members of a committee under sub-section (6) of section 14 or sub-section (6) of section 24;

(f) generally, the efficient conduct of the affairs of a Food Corporation.

(3) The Central Government may, by notification in the Official Gazette, rescind any regulation which it has sanctioned and thereupon such regulation shall cease to have effect.

(4) Any regulation which may be made by the Food Corporation of India under this Act may be made by the Central Government within three months from the establishment of that Corporation and any regulation which may be made by a State Food Corporation under this Act may be made by the Food Corporation of India within three months from the establishment of such State Food Corporation; and any regulation so made may be altered or rescinded by the Food Corporation concerned in the exercise of its powers under this Act.

THE SCHEDULE

(See section 38)

DECLARATION OF FIDELITY AND SECRECY

I, _____, declare that I will faithfully, truly and to the best of my judgment, skill and ability execute and perform the duties which are required of me as director, member of _____ committee, officer, employee Food Corporation of India or auditor (as the case may be) of the _____ or as member of the Board of Management at Food Corporation under the Food Corporation of India and which properly relate to the office or position in or in relation to that Corporation held by me.

I further declare that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the said Corporation or to the affairs of any person having any dealing with the said Corporation nor will I allow any person not legally entitled as aforesaid to inspect or have access to any books or documents belonging to, or in the possession of, the said Corporation and relating to the business of the said Corporation or the business of any person having any dealing with the said Corporation.

(Signature) _____

Signed before me.

Rep. by Act.....56.....of 1974, S.2 & Sch.I.

THE INDIAN TRADE UNIONS (AMENDMENT)
ACT, 1964

No. 38 OF 1964

[10th December, 1964.]

An Act further to amend the Indian Trade Unions Act, 1926.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short
title and
com-
mence-
ment.

1. (1) This Act may be called the Indian Trade Unions (Amendment) Act, 1964.

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

Substitu-
tion of
“office-
bearer”
and
“office-
bearers”
for
“officer”
and
“officers”

2. Throughout the Indian Trade Unions Act, 1926 (hereinafter referred to as the principal Act), except in sub-section (4) of section 28 thereof, for the words “officer” and “officers”, wherever they occur, the words “office-bearer” and “office-bearers” shall respectively be substituted.

Amend-
ment of
section 1.

3. In sub-section (1) of section 1 of the principal Act, the word “Indian” shall be omitted.

Amend-
ment of
section
21.

4. In section 21 of the principal Act, the proviso shall be omitted:

Insertion
of new
section
21A.

5. After section 21 of the principal Act, the following section shall be inserted, namely:—

Disquali-
fication
of office-
bearers
of Trade
Unions.

“21A. (1) A person shall be disqualified for being chosen as, and for being, a member of the executive or any other office-bearer of a registered Trade Union if—

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1-4-1965: Vide Notif. No. S.O. 834 dt. 3.3.65 Govt. of India Pt. II, Sec. 3 (ii), p. 931.

(i) he has not attained the age of eighteen years;

(ii) he has been convicted by a Court in India of any offence involving moral turpitude and sentenced to imprisonment, unless a period of five years has elapsed since his release.

(2) Any member of the executive or other office-bearer of a registered Trade Union who, before the commencement of the Indian Trade Unions (Amendment) Act, 1964, has been convicted of any offence involving moral turpitude and sentenced to imprisonment, shall on the date of such commencement cease to be such member or office-bearer unless a period of five years has elapsed since his release before that date.”.

6. In section 28 of the principal Act, in sub-section (1), for the word “March”, wherever it occurs, the word “December” shall be substituted.

THE APPROPRIATION (No. 6) ACT, 1964

No. 39 OF 1964

[17th December, 1964.]

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 1964-65.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

Issue of
Rs. 1,02,63,
78,000
out of
the Con-
solidated
Fund of
India
for the year
1964-65.

1. This Act may be called the Appropriation (No. 6) Act, 1964.

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 hundred and two crores, sixty-three lakhs and seventy-eight thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65, in respect of the services specified in column 2 of the Schedule.

Approp-
riation.

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 Consoli- dated Fund	Total
9	Education	Rs. 1,000	Rs. ..	Rs. 1,000
41	Other Revenue Expenditure of the Ministry of Food and Agriculture.	2,00,00,000	..	2,00,00,000
76	Other Revenue Expenditure of the Ministry of Law	25,000	..	25,000
90	Ministry of Works, Housing and Rehabilitation	9,93,000	..	9,93,000
92	Stationery and Printing	32,000	32,000
95	Department of Atomic Energy	98,000	..	98,000
96	Atomic Energy Research	33,87,000	..	33,87,000
108	Lok Sabha	10,00,000	..	10,00,000
110	Rajya Sabha	8,40,000	..	8,40,000
125	Purchase of Foodgrains	1,00,00,00,000	..	1,00,00,00,000
136	Capital Outlay of the Ministry of Steel, Mines and Heavy Engineering	2,000	..	2,000
	TOTAL	Rs. 1,02,63,46,000	Rs. 32,000	Rs. 1,02,63,78,000

Rep. by Act.....S. of 1974, S. 2 & Sch. I.

**THE ANTI-CORRUPTION LAWS (AMENDMENT)
ACT, 1964**

No. 40 OF 1964

[18th December, 1964.]

An Act further to amend the Indian Penal Code, 1860, the Code of Criminal Procedure, 1898, the Criminal Law Amendment Ordinance, 1944, the Delhi Special Police Establishment Act, 1946, the Prevention of Corruption Act, 1947, and the Criminal Law Amendment Act, 1952.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Anti-Corruption Laws (Amendment) Act, 1964.

**Amend-
ment of
Act 45
of 1860.**

2. In the Indian Penal Code,—

(1) in section 21,—

(i) for clause *Third*, the following clause shall be substituted, namely:—

"Third.—Every Judge including any person empowered by law to discharge, whether by himself or as a member of any body of persons, any adjudicatory functions;"

(ii) in clause *Fourth*, after the words "officer of a Court of Justice", the brackets and words "(including a liquidator, receiver or commissioner)" shall be inserted;

(iii) in clause *Ninth*, the words "and every officer in the service or pay of the Government or remunerated by fees or commission for the performance of any public duty" shall be omitted;

(iv) for clause *Twelfth*, the following clause shall be substituted, namely:—

“*Twelfth*.—Every person—

(a) in the service or pay of the Government or remunerated by fees or commission for the performance of any public duty by the Government;

(b) in the service or pay of a local authority, a corporation established by or under a Central, Provincial or State Act or a Government company as defined in section 617 of the Companies Act, 1956.”;

(v) *Explanation 4* shall be omitted;

(2) in section 161, section 162 and section 163, after the words “the Legislature of any State”, the words and figures “or with any local authority, corporation or Government company referred to in section 21” shall be inserted.

3. In the Code of Criminal Procedure, 1898,—

Amend-
ment of
Act 5 of
1898.

(1) in section 198B,—

(a) in sub-section (1), the brackets and words “(other than the offence of defamation by spoken words)” shall be omitted;

(b) after sub-section (5), the following sub-section shall be inserted, namely:—

“(5A) Every trial under this section shall be held *in camera* if either party thereto so desires or if the Court of Session so thinks fit to do.”;

(c) after sub-section (13), the following sub-section shall be inserted, namely:—

“(14) Where a case is instituted under this section for the trial of an offence, nothing in sub-section (13) shall be construed as requiring a complaint to be made also by the person aggrieved by such offence.”;

(2) in sub-section (2) of section 222, for the words “dishonest misappropriation of money, it shall be sufficient to specify the gross sum”, the words “dishonest misappropriation of money or other movable property, it shall be sufficient to specify the gross sum or, as the case may be, describe the movable property” shall be substituted;

(3) in sub-section (1) of section 492, for the words “The State Government”, the words “The Central Government or the State Government” shall be substituted;

(4) in sub-section (1) of section 495, for the words "generally or specially empowered by the State Government", the words "generally or specially empowered by the Central Government or the State Government" shall be substituted.

Amend-
ment of
Ordin-
ance 38
of 1944.

4. In the Schedule to the Criminal Law Amendment Ordinance, 1944, after item 4, the following item shall be inserted, namely :—

"4A. An offence punishable under section 5 of the Prevention of Corruption Act, 1947."

2 of 1947.

Amend-
ment of
Act 25
of 1946.

5. In the Delhi Special Police Establishment Act, 1946, in section 5, after sub-section (2), the following sub-section shall be inserted, namely :—

"(3) Where any such order under sub-section (1) is made in relation to any area, then, without prejudice to the provisions of sub-section (2), any member of the Delhi Special Police Establishment of or above the rank of Sub-Inspector may, subject to any orders which the Central Government may make in this behalf, exercise the powers of the officer in charge of a police station in that area and when so exercising such powers, shall be deemed to be an officer in charge of a police station discharging the functions of such an officer within the limits of his station".

Amend-
ment of
Act 2 of
1947.

6. In the Prevention of Corruption Act, 1947,—

(1) in section 4,—

(a) in sub-section (1), after the words and figures "or section 165 of the Indian Penal Code", the words, brackets, letters and figures "or of an offence referred to in clause (a) or clause (b) of sub-section (1) of section 5 of this Act punishable under sub-section (2) thereof" shall be inserted;

(b) in sub-section (2), after the words, figures and letter "section 165A of the Indian Penal Code", the words, brackets and figures "or under clause (ii) of sub-section (3) of section 5 of this Act" shall be inserted;

(2) in section 5,—

(a) in sub-section (1),—

(i) the words "in the discharge of his duty" shall be omitted;

(ii) in clause (d), the word "or" shall be inserted at the end and after clause (d) as so amended, the following clause shall be inserted, namely :—

"(e) if he or any person on his behalf is in possession or has, at any time during the period of his office, been in possession, for which the public servant cannot satisfactorily account, of pecuniary resources or property disproportionate to his known sources of income.";

(b) in sub-section (2), the words "in the discharge of his duty" shall be omitted;

* (c) for sub-sections (2A) and (3), the following sub-sections shall be substituted, namely:—

"(3) Whoever habitually commits—

(i) an offence punishable under section 162 or section 163 of the Indian Penal Code, or

(ii) an offence punishable under section 165A of the Indian Penal Code,

shall be punishable with imprisonment for a term which shall not be less than one year but which may extend to seven years, and shall also be liable to fine:

Provided that the court may, for any special reasons recorded in writing, impose a sentence of imprisonment of less than one year.

(3A) Whoever attempts to commit an offence referred to in clause (c) or clause (d) of sub-section (1) shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.

(3B) Where a sentence of fine is imposed under sub-section (2) or sub-section (3), the court in fixing the amount of fine shall take into consideration the amount or the value of the property, if any, which the accused person has obtained by committing the offence or where the conviction is for an offence referred to in clause (e) of sub-section (1), the pecuniary resources or property referred to in that clause for which the accused person is unable to account satisfactorily.";

* Became inoperative vide Act 16 of 1967, s.2 (w.e.f. 5-5-67).

Investiga-
tion into
cases
under
this
Act.

(3) for section 5A, the following section shall be substituted, namely:—

"5A. (1) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, no police officer below the rank,^{5 of 1898.}

(a) in the case of the Delhi Special Police Establishment, of an Inspector of Police;

(b) in the presidency-towns of Calcutta and Madras, of an Assistant Commissioner of Police;

(c) in the presidency-town of Bombay, of a Superintendent of Police; and

(d) elsewhere, of a Deputy Superintendent of Police, shall investigate any offence punishable under section 161, section 165 or section 165A of the Indian Penal Code or under section 5 of this Act without the order of a Presidency Magistrate or a Magistrate of the first class, as the case may be, or make any arrest therefor without a warrant:^{45 of 1860}

Provided that if a police officer not below the rank of an Inspector of Police is authorised by the State Government in this behalf by general or special order, he may also investigate any such offence without the order of a Presidency Magistrate or a Magistrate of the first class, as the case may be, or make arrest therefor without a warrant:

Provided further that an offence referred to in clause (e) of sub-section (1) of section 5 shall not be investigated without the order of a police officer not below the rank of a Superintendent of Police.

(2) If, from information received or otherwise, a police officer has reason to suspect the commission of an offence which he is empowered to investigate under sub-section (1) and considers that for the purpose of investigation or inquiry into such offence, it is necessary to inspect any bankers' books, then, notwithstanding anything contained in any law for the time being in force, he may inspect any bankers' books in so far as they relate to the accounts of the person suspected to have committed that offence or of any other person suspected to be holding money on behalf of such person, and take or cause to be taken certified copies of the relevant entries therefrom, and the bank concerned shall be bound to assist the police officer in the exercise of his powers under this sub-section:

Provided that no power under this sub-section in relation to the accounts of any person shall be exercised by a police officer below the rank of a Superintendent of Police, unless he is specially authorised in this behalf by a police officer of or above the rank of a Superintendent of Police.

Explanation.—In this sub-section, the expressions “bank” and “bankers’ books” shall have the meanings assigned to them in the Bankers’ Books Evidence Act, 1891.”;

18 of 1891.

(4) in sub-section (1) of section 6, after the word, brackets and figure “sub-section (2)”, the words, brackets, figure and letter “or sub-section (3A)” shall be inserted;

(5) after section 6, the following section shall be inserted, namely:—

5 of 1898.

“6A. Notwithstanding anything contained in the Code of Criminal Procedure, 1898, when an accused is charged with an offence under clause (c) of sub-section (1) of section 5, it shall be sufficient to describe in the charge the property in respect of which the offence is alleged to have been committed, and the dates between which the offence is alleged to have been committed, without specifying particular items or exact dates, and the charge so framed shall be deemed to be a charge of one offence within the meaning of section 234 of the said Code:

Provided that the time included between the first and last of such dates shall not exceed one year.”;

(6) in section 7, the words, brackets and figure “sub-section (2) of” shall be omitted;

(7) after section 7, the following section shall be inserted, namely:—

5 of 1898.

45 of 1860.

“7A. The provisions of the Code of Criminal Procedure, 1898, shall, in their application to any proceeding in relation to an offence punishable under section 161, section 165 or section 165A of the Indian Penal Code or under section 5 of this Act, have effect as if,—

(a) in sub-section (8) of section 251A, for the words “The accused shall then be called upon”, the words “The accused shall then be required to give in writing at once or within such time as the Magistrate may allow, a list of the persons (if any) whom he proposes to examine as his witnesses and of the documents (if any) on which he proposes to rely, and he shall then be called upon” had been substituted;

The Code of Criminal Procedure, 1898, to apply subject to certain modifications.

(b) in sub-section (1A) of section 344, after the second proviso, the following proviso had been inserted, namely:—

“Provided also that the proceeding shall not be adjourned or postponed merely on the ground that an application under section 435 has been made by a party to the proceeding.”;

(c) in sub-section (1) of section 435, before the *Explanation*, the following proviso had been inserted, namely:—

“Provided that where the powers under this sub-section are exercised by a Court on an application made by a party to such proceedings, the Court shall not ordinarily call for the record of the proceeding—

(a) without giving the other party an opportunity of showing cause why the record should not be called for; or

(b) if it is satisfied that an examination of the record of the proceeding may be made from the certified copies thereof;

and in any case, the proceedings, before the inferior Court shall not be stayed except for reasons to be recorded in writing.”;

(d) after sub-section (2) of section 540A, the following sub-section had been inserted, namely:—

“(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), the Judge or Magistrate may, if he thinks fit and for reasons to be recorded by him, proceed with inquiry or trial in the absence of the accused or his pleader and record the evidence of any witness, subject to the right of the accused to recall the witness for cross-examination.”;

(8) in section 8, after the word, brackets and figure “sub-section (2)”, the words, brackets, figure and letter “or sub-section (3A)” shall be inserted.

7. In the Criminal Law Amendment Act, 1952, in clause (a) of sub-section (1) of section 6, the words, brackets and figure “sub-section (2) of” shall be omitted.

Rep. by Act.....*S. 1974, 52 & 53, I*

THE MINERAL OILS (ADDITIONAL DUTIES OF
EXCISE AND CUSTOMS) AMENDMENT ACT, 1964

No. 41 OF 1964

[18th December, 1964.]

An Act further to amend the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Mineral Oils (Additional Duties of Excise and Customs) Amendment Act, 1964. Short title.
2. In the Mineral Oils (Additional Duties of Excise and Customs) Act, 1958 (hereinafter referred to as the principal Act), in the long title, for the words "certain mineral oils", the words "certain mineral products" shall be substituted. Amendment of section 1.
3. In section 1 of the principal Act, in sub-section (1), for the words "Mineral Oils", the words "Mineral Products" shall be substituted. Amendment of section 1.
4. In section 3 of the principal Act, in sub-section (1), for the Table, the following Table shall be substituted, namely:— Amendment of section 3.

"TABLE

Description of goods 1	Rate of additional duty 2
1. Motor spirit	One hundred and sixty-five rupees per kilolitre at fifteen degrees of Centigrade thermometer.
2. Kerosene	Eighty rupees per kilolitre at fifteen degrees of Centigrade thermometer.

306 Mineral Oils (Additional Duties of Excise
and Customs) Amendment

[ACT 41 OF 1964]

I

2

3. Refined diesel oils and One hundred rupees per kilolitre at fifteen vaporizing oil. degrees of Centigrade thermometer.
4. Diesel oil, not otherwise Sixty rupees per metric tonne.
specified.
5. Furnace oil Sixty rupees per metric tonne.
6. Asphalt and Bitumen as Fifty rupees per metric tonne.
described in item No. II(1)
of the First Schedule to
the Central Excises and
Salt Act, 1944.
7. All products as described Three hundred rupees per metric tonne.
in item No. II A of the
First Schedule to the
Central Excises and Salt
Act, 1944.

1 of 1944.

1 of 1944.

Amend-
ment of
section 5.

5. In section 5 of the principal Act, in clause (b), the words and figure "under section 4 or" shall be omitted.

THE KERALA APPROPRIATION ACT, 1964

No. 42 OF 1964

[20th December, 1964.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Kerala for the services of the financial year 1964-65.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Kerala Appropriation Act, 1964. Short title.
2. From and out of the Consolidated Fund of the State of Kerala 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 lakhs, sixty-four thousand and six hundred rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65, in respect of the services specified in column 2 of the Schedule. Issue of Rs. 35,64,600 from and out of the Consolidated Fund of the State of Kerala for the financial year 1964-65.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Kerala 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)

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lided Fund	Total
		Rs.	Rs.	Rs.
X	District Administration and Miscellaneous . . .	100	..	100
XI	Administration of Justice	1,500	1,500
XIII	Police	100	..	100
XVI	University Education . . .	200	..	200
XVII	General Education . . .	2,00,200	12,400	2,12,600
XIX	Medical	100	..	100
XX	Public Health	5,00,100	..	5,00,100
XXV	Animal Husbandry . . .	6,88,000	18,000	7,06,000
XXVII	Industries	5,00,000	1,200	5,01,200
XXIX	Labour and Employment . . .	100	..	100
XXXI	Statistics and Miscellaneous . .	74,000	..	74,000
XXXIII	Public Works	100	..	100
XLIV	Capital Outlay on Agricultural Improvement	11,600	11,600
XLV	Capital Outlay on Co-operatives and on Industrial Development	12,50,100	8,100	12,58,200
XLVII	Capital Outlay on Public Works	5,200	..	5,200
XLVIII	Capital Outlay on Other Works	100	..	100
L	Capital Outlay on Transport Schemes	43,300	43,300
LV	Loans and Advances by the Government	2,50,100	..	2,50,100
TOTAL		34,68,500	96,100	35,64,600

Rep. by Act.....S. 6 of 1974, 82 & 56th I

THE SLUM AREAS (IMPROVEMENT AND
CLEARANCE) AMENDMENT ACT, 1964

No. 43 OF 1964

[20th December, 1964.]

An Act to amend the Slum Areas (Improvement and Clearance) Act, 1956.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Slum Areas (Improvement and Clearance) Amendment Act, 1964. Short title and commence-

(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 Slum Areas (Improvement and Clearance) Act, 1956 (hereinafter referred to as the principal Act),— Amend-
ment of
section 2.

(i) for clauses (e) and (f), the following clauses shall be substituted, namely:—

(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) “occupier” includes—

(a) any person who for the time being is paying or is liable to pay to the owner the rent or any portion of the rent of the land or building in respect of which such rent is paid or is payable;

(b) an owner in occupation of, or otherwise using his land or building;

(c) a rent-free tenant of any land or building;

¹ 272-1965: vide Notification No. S.O. 689, dated 20-2-1965, Gazette of India, Pt. II, Sec. 3 (ii), p. 804.

(d) a licensee in occupation of any land or building; and

(e) any person who is liable to pay to the owner damages for the use and occupation of any land or building;";

(ii) after clause (i), the following clause shall be inserted, namely:—

'(j) "work of improvement" includes in relation to any building in a slum area the execution of any one or more of the following works, namely:—

(i) necessary repairs;

(ii) structural alterations;

(iii) provision of light points, water taps and bathing places;

(iv) construction of drains, open or covered;

(v) provision of latrines, including conversion of dry latrines into water-borne latrines;

(vi) provision of additional or improved fixtures or fittings;

(vii) opening up or paving of courtyards;

(viii) removal of rubbish; and

(ix) any other work including the demolition of any building or any part thereof which in the opinion of the competent authority is necessary for executing any of the works specified above.'

Amend-
ment of
section 4.

3. In section 4 of the principal Act,—

(a) to sub-section (1), the following proviso shall be added, namely:—

"Provided that where the owner of the building is different from the owner of the land on which the building stands and the works of improvement required to be executed relate to provision of water taps, bathing places, construction of drains, open or covered, as the case may be, provision of water-borne latrines or removal of rubbish and such works are to be executed outside the building, the notice shall be served upon the owner of the land.";

(b) in sub-section (2), after the word "building", the words "or the land on which the building stands" shall be inserted.

4. In section 5 of the principal Act,—

Amend-
ment of
section 5.

(a) in sub-sections (1) and (2), after the words "owner of the building", wherever they occur, the words "or of the land on which the building stands, as the case may be," shall be inserted;

(b) sub-section (3) shall be omitted.

5. After section 6 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
6A.

"6A. (1) The competent authority may, by notification in the Official Gazette, direct that no person shall erect any building in a slum area except with the previous permission in writing of the competent authority.

tion on
building,
etc., in
slum
areas.

(2) Every notification issued under sub-section (1) shall cease to have effect on the expiration of two years from the date thereof except as respects things done or omitted to be done before such cesser.

(3) Every person desiring to obtain the permission referred to in sub-section (1) shall make an application in writing to the competent authority in such form and containing such information in respect of the erection of the building to which the application relates as may be prescribed.

(4) On receipt of such application, the competent authority, after making such inquiry as it considers necessary, shall, by order in writing,—

(a) either grant the permission subject to such terms and conditions, if any, as may be specified in the order; or

(b) refuse to grant such permission:

Provided that before making an order refusing such permission, the applicant shall be given a reasonable opportunity to show cause why the permission should not be refused.

(5) Nothing contained in sub-section (1) shall apply to—

(a) any works of improvement required to be executed by a notice under sub-section (1) of section 4 or in pursuance of an undertaking given under sub-section (2) of section 7; or

(b) the erection of any building in any area in respect of which a slum clearance order has been made under section 10."

Amend-
ment of
section 10.

6. In section 10 of the principal Act, for sub-section (7), the following sub-section shall be substituted, namely:—

“(7) Subject to the provisions of this Act, where a slum clearance order has become operative, the owner of the land to which the order applies may re-develop the land in accordance with plans approved by the competent authority and subject to such restrictions and conditions (including a condition with regard to the time within which the re-development shall be completed), if any, as that authority may think fit to impose:

Provided that an owner who is aggrieved by a restriction or condition so imposed on the user of his land or by a subsequent refusal of the competent authority to cancel or modify any such restriction or condition may, within such time as may be prescribed, appeal to the Administrator and the Administrator shall make such order in the matter as he thinks proper and his decision shall be final.”.

Substitution of
new sec-
tion for
section 11.

7. For section 11 of the principal Act, the following section shall be substituted, namely:—

Power of
competent
authority
to re-
develop
clearance
area.

“11. (1) Notwithstanding anything contained in sub-section (7) of section 10, the competent authority may at any time after the land has been cleared of the buildings in accordance with a slum clearance order but before the work of re-development of that land has been commenced by the owner, by order, determine to re-develop the land if that authority is satisfied that it is necessary in the public interest to do so.

(2) Where land has been cleared of the buildings in accordance with a slum clearance order, the competent authority, if it is satisfied that the land has been, or is being, re-developed by the owner thereof in contravention of plans approved by the authority or any restrictions or conditions imposed under sub-section (7) of section 10 or has not been re-developed within the time, if any, specified under such conditions, may, by order, determine to re-develop the land:

Provided that before passing such order, the owner shall be given a reasonable opportunity to show cause why the order should not be passed.”.

Amend-
ment of
section
13.

8. To section 13 of the principal Act, the following proviso shall be added, namely:—

“Provided that where on any representation from the competent authority, the Central Government is satisfied that any

such land or any portion thereof is unsuitable for the purposes mentioned in this section, the Central Government may use the land or allow it to be used for such other public purpose or purposes as it may deem fit.”

9. In section 15 of the principal Act, in sub-section (6),—

(i) in the first proviso, for the words “in such proportion as he considers reasonable:”, the words “in the same proportion as the market price of the land bears to the market price of the building on the date of the acquisition.” shall be substituted;

(ii) the second proviso shall be omitted.

10. For section 19 of the principal Act, the following section shall be substituted, namely:—

Amend-
ment of
Section
15.

Substitu-
tion of
new
section
for sec-
tion 19.

“19. (1) Notwithstanding anything contained in any other law for the time being in force, no person shall, except with the previous permission in writing of the competent authority,—

(a) institute, after the commencement of the Slum Areas (Improvement and Clearance) Amendment Act, 1964, any suit or proceeding for obtaining any decree or order for the eviction of a tenant from any building or land in a slum area; or

(b) where any decree or order is obtained in any suit or proceeding instituted before such commencement for the eviction of a tenant from any building or land in such area, execute such decree or order.

(2) Every person desiring to obtain the permission referred to in sub-section (1) shall make an application in writing to the competent authority in such form and containing such particulars as may be prescribed.

(3) On receipt of such application, the competent authority, after giving an opportunity to the parties of being heard and after making such summary inquiry into the circumstances of the case as it thinks fit, shall by order in writing, either grant or refuse to grant such permission.

(4) In granting or refusing to grant the permission under sub-section (3), the competent authority shall take into account the following factors, namely:—

(a) whether alternative accommodation within the means of the tenant would be available to him if he were evicted;

(b) whether the eviction is in the interest of improvement and clearance of the slum areas;

(c) such other factors, if any, as may be prescribed.

(5) Where the competent authority refuses to grant the permission, it shall record a brief statement of the reasons for such refusal and furnish a copy thereof to the applicant.”.

11. For section 20 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 20.

Appeals.

“20. Any person aggrieved by an order of the competent authority refusing to grant the permission referred to in sub-section (1) of section 6A or referred to in sub-section (1) of section 19 may, within such time as may be prescribed, prefer an appeal to the Administrator and the Administrator may, after hearing the appellant, decide such appeal and his decision shall be final.”.

12. After section 20 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections E
20A and 20B.

Restoration of possession of premises vacated by a tenant.

“20A. (1) Where a tenant in occupation of any building in a slum area vacates any building or is evicted therefrom on the ground that it was required for the purpose of executing any work of improvement or for the purpose of re-erection of the building, the tenant may, within such time as may be prescribed, file a declaration with the competent authority that he desires to be replaced in occupation of the building after the completion of the work of improvement or re-erection of the building, as the case may be.

(2) On receipt of such declaration, the competent authority shall by order require the owner of the building to furnish to it, within such time as may be prescribed, the plans of the work of improvement or re-erection of the building and estimates of the cost thereof and such other particulars as may be necessary and shall, on the basis of such plans and estimates and particulars, if any, furnished and having regard to the provisions of sub-section (3) of section 20B and after holding such inquiry as it may think fit, provisionally determine the rent that would be payable by the tenant if he were to be replaced in occupation of the building in pursuance of the declaration made by him under sub-section (1).

(3) The rent provisionally determined under sub-section (2) shall be communicated in the prescribed manner to the tenant and the owner.

(4) If the tenant after the receipt of such communication intimates in writing to the competent authority within such time as may be prescribed that when he is replaced in occupation of the building in pursuance of the declaration made by him under sub-section (1), he would pay to the owner until the rent is finally determined under section 20B the rent provisionally determined under sub-section (2), the competent authority shall direct the owner to place the tenant in occupation of the building after the completion of the work of improvement or re-erection of the building, as the case may be, and the owner shall be bound to comply with such direction.

20B. (1) Where any building in a slum area is let to a tenant after the execution of any work of improvement or after it has been re-erected, the rent of the building shall be determined in accordance with the provisions of this section. Rent of buildings in slum areas.

(2) Where any such building is let to a tenant other than a tenant who is placed in possession of the building in pursuance of a direction issued under sub-section (4) of section 20A, the tenant shall be liable to pay to the owner—

(a) if there is a general law relating to the control of rents in force in the area in which the building is situated and applicable to that building, the rent determined in accordance with the provisions of that law;

(b) if there is no such law in force in such area, such rent as may be agreed upon between the owner and the tenant.

(3) Where any such building is let to a tenant in pursuance of a direction issued under sub-section (4) of section 20A, the tenant shall, notwithstanding any law relating to the control of rents in force in the area be liable to pay to the owner—

(a) if any work of improvement has been executed in relation to the building, an annual rent of a sum equivalent to the aggregate of the following amounts, namely:—

(i) the annual rent the tenant was paying immediately before he vacated the building for the purpose of execution of the work of improvement;

(ii) six per cent. of the cost of the work of improvement; and

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(iii) six per cent. of a sum equivalent to the compensation payable in respect of any land which may have been acquired for the purpose of effecting such improvement as if such land were acquired under section 12 on the date of the commencement of the work of improvement;

(b) if the building has been re-erected, an annual rent of a sum equivalent to four per cent. of the aggregate cost of reconstruction of the building and the cost of the land on which the building is re-erected.

Explanation.—For the purposes of this clause, the cost of the land shall be deemed to be a sum equivalent to the compensation payable in respect of the land if it were acquired under section 12 on the date of commencement of the reconstruction of the building.

(4) The rent payable by a tenant in respect of any building under sub-section (3) shall, on an application made by the tenant or the owner, be determined by the authority referred to in sub-section (5):

Provided that an application for determination of such rent by the owner or the tenant shall not, except for sufficient cause, be entertained by such authority after the expiry of ninety days from the completion of the work of improvement or re-erection of the building, as the case may be.

(5) The authority to which the application referred to in sub-section (4) shall be made, shall be—

(a) where there is a general law relating to the control of rents in force in the area in which the building is situate, the authority to whom applications may be made for fixing of rents of buildings situate in that area; and for the purpose of determining the rent under this section that authority may exercise all or any of the powers it has under the said general law; and the provisions of such law including provisions relating to appeals shall apply accordingly;

(b) if there is no such law in force in that area, such authority as may be specified by rules made in this behalf by the Central Government and such rules may provide the procedure that will be followed by that authority in determining the rent and also for appeals against the decision of such authority.

(6) Where the rent is finally determined under this section, then the amount of rent paid by the tenant shall be adjusted against the rent so finally determined and if the amount so paid falls short of, or is in excess of, the rent finally determined, the tenant shall pay the deficiency, or be entitled to a refund, as the case may be.”.

13. In section 21 of the principal Act,—

(i) for the words “execution of any decree or order under any law for the eviction”, the words “eviction under any law” shall be substituted;

Amend-
ment of
section.
21.

(ii) for the words “the Delhi Improvement Trust”, the words “the Delhi Development Authority” shall be substituted.

14. In section 27 of the principal Act, for the words “No building or land”, the words “Save as provided in this Act, no building or land” shall be substituted.

Amend-
ment of
section.
27.

15. In section 28 of the principal Act, after the words “specified in the order”, the words “and for the purpose of such eviction may use or cause to be used such force as may be necessary” shall be inserted.

Amend-
ment of
section.
28.

16. In section 32 of the principal Act, in sub-section (1), for the words “does any act in contravention of”, the words “fails to comply with” shall be substituted.

Amend-
ment of
section.
32.

17. Section 33 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.
33.

“(2) For the purpose of causing any building to be demolished under sub-section (1), the competent authority may use or cause to be used such force as may be necessary.”.

18. Section 36 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.
36.

“(2) The Central Government may, by notification in the Official Gazette, direct that any power exercisable by the Administrator under sub-section (7) of section 10, section 15, section 20 and section 30 may, subject to such conditions, if any, as may be specified in the notification, be exercised also by the Chief Secretary or by such other officer as may be mentioned therein.”.

Insertion
of new
section
37A.

19. After section 37 of the principal Act, the following section shall be inserted, namely:—

Bar of
jurisdi-
ction.

“37A. Save as otherwise expressly provided in this Act, no civil court shall have jurisdiction in respect of any matter which the competent authority or any other person is empowered by or under this Act, to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.”.

Amend-
ment of
section
40.

20. In section 40 of the principal Act,—

(i) in sub-section (2),—

(a) after clause (b), the following clauses shall be inserted, namely:—

“(bb) the form in which an application under sub-section (3) of section 6A shall be made and the information to be furnished and the fees to be levied in respect of such application;

(bbb) the manner in which inquiries may be held under sections 15 and 19;”;

(b) in clause (d), after the words “be followed”, the words “and the factors to be taken into consideration” shall be inserted;

(c) in clause (e), for the word and figures “section 20”, the words, figures and brackets “sub-section (7) of section 10 or section 20” shall be substituted;

(d) after clause (e), the following clauses shall be inserted, namely:—

“(ee) the time within which a declaration may be filed under sub-section (1) or an intimation may be sent under sub-section (4) of section 20A and the fees, if any, to be levied in respect of such declaration;

(eee) the time within which plans, estimates and other particulars referred to in sub-section (2) of section 20A may be furnished;

(eeee) the procedure to be followed by the competent authority for fixing the provisional rent under sub-section (2) of section 20A;

(eeee) the manner in which the rent provisionally determined under section 20A shall be communicated to the tenants and owners;

(eeeeee) the matters in respect of which provision may be made under sub-section (5) of section 20B;";

(ii) 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, 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 Act...S... of 1974, S. 2 & Sch. I

THE HINDU MARRIAGE (AMENDMENT) ACT, 1964

No. 44 OF 1964

[20th December, 1964.]

An Act further to amend the Hindu Marriage Act, 1955.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Hindu Marriage (Amendment) Act, 1964.

Amend-
ment of
section
13.

2. In section 13 of the Hindu Marriage Act, 1955,—

25 of 1955.

(i) in sub-section (1),—

(a) the word “or” at the end of clause (vii) shall be omitted; and

(b) clauses (viii) and (ix) shall be omitted;

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

“(1A) Either party to a marriage, whether solemnized before or after the commencement of this Act, may also present a petition for the dissolution of the marriage by a decree of divorce on the ground—

(i) that there has been no resumption of cohabitation as between the parties to the marriage for a period of two years or upwards after the passing of a decree for judicial separation in a proceeding to which they were parties; or

(ii) that there has been no restitution of conjugal rights as between the parties to the marriage for a period of two years or upwards after the passing of a decree for restitution of conjugal rights in a proceeding to which they were parties.”

Rep by Act.....S. 2 & Sch I

THE PROVISIONAL COLLECTION OF TAXES
(AMENDMENT) ACT, 1964

No. 45 OF 1964

[22nd December, 1964.]

An Act further to amend the Provisional Collection of Taxes
ACT 1931.

BE it enacted by Parliament in the Fifteenth Year of the
Republic of India as follows:—

1. (1) This Act may be called the Provisional Collection of Taxes
(Amendment) Act, 1964.
Short
title and
commencement.
- (2) This Act shall come into force on such date¹ as the Central
Government may, by notification in the Official Gazette, appoint.
2. In sections 4 and 5 of the Provisional Collection of Taxes Act, Amend-
ment of
16 of 1931, for the words "sixtieth day", wherever they occur, the words
"seventy-fifth day" shall be substituted.
sections
4 and 5.

¹ 1-2-1965 : Vide Notification No. S.O. 326, dated 30-1-1965, Gazette of India, Pt. II,
Sec. 3 (ii), p. 360.

Rep. by Act.....S6...of 1974, S.2& Sch I.

THE WEALTH-TAX (AMENDMENT) ACT, 1964

No. 46 OF 1964

[22nd December, 1964.]

An Act further to amend the Wealth-tax Act, 1957.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title
and com-
mence-
ment.

1. (1) This Act may be called the Wealth-tax (Amendment) Act, 1964.

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

Amend-
ment of
section 2.

2. In section 2 of the Wealth-tax Act, 1957 (hereinafter referred to as the principal Act),—

(a) for clauses (b), (c) and (d), the following clauses shall be substituted, namely:—

(b) "Appellate Tribunal" means the Appellate Tribunal constituted under section 252 of the Income-tax Act;

(c) "assessee" means a person by whom wealth-tax or any other sum of money is payable under this Act, and includes—

(i) every person in respect of whom any proceeding under this Act has been taken for the determination of wealth-tax payable by him or by any other person or the amount of refund due to him or such other person;

(ii) every person who is deemed to be an assessee under this Act;

¹ 1-4-65. Vide Notification No. S.O. 709, dated 24-2-1965, Gazette of India, Extraordinary, Pt. II, Sec. 3 (ii), page 115.

(iii) every person who is deemed to be an assessee in default under this Act;

(ca) "assessment" includes re-assessment;

(d) "assessment year" means the period of twelve months commencing on the 1st day of April every year;'

(b) in clause (e), in sub-clause (v), the words "from the date the interest vests in the assessee" shall be inserted at the end;

(c) after clause (h), the following clause shall be inserted, namely:—

'(ha) "Director of Inspection" includes an Additional Director of Inspection, a Deputy Director of Inspection and an Assistant Director of Inspection;'

(d) for clause (j), the following clause shall be substituted, namely:—

'(j) "Income-tax Act" means the Income-tax Act, 1961;'

(e) after clause (l), the following clauses shall be inserted, namely:—

'(la) "Inspector of Wealth-tax" means an Inspector of Income-tax empowered to work as an Inspector of Wealth-tax under section 11A;

(lb) "legal representative" has the meaning assigned to it in clause (11) of section 2 of the Code of Civil Procedure, 1908;'

(f) in clause (m), in sub-clause (ii), for the words "any asset in respect of which wealth-tax is not payable", the words "any property in respect of which wealth-tax is not chargeable" shall be substituted;

(g) after clause (o), the following clauses shall be inserted, namely:—

'(oa) "public servant" has the same meaning as in section 21 of the Indian Penal Code;

(ob) "regular assessment" means the assessment made under section 16;'

(h) in clause (q),—

(i) for the words, brackets and figures "clause (11) of section 2", the word and figure "section 3" shall be substituted;

(ii) for the proviso, the following proviso shall be substituted, namely:—

"Provided that—

(i) where in the case of an assessee there are different previous years under the Income-tax Act for different sources of income, the valuation date for the purposes of this Act shall be the last day of the last of the previous years aforesaid;

(ii) in the case of a person who is not an assessee within the meaning of the Income-tax Act, the valuation date for the purposes of this Act shall be the 31st day of March immediately preceding the assessment year;

(iii) where an assessment is made in pursuance of section 19A, the valuation date shall be the same valuation date as would have been adopted in respect of the net wealth of the deceased if he were alive.";

(i) in clause (s), for the word and figure "section 8", the words "this Act" shall be substituted.

3. In section 3 of the principal Act, for the words "financial year", the words "assessment year" shall be substituted.

Amend-
ment of
section 3.

4. In section 4 of the principal Act,—

(a) in sub-section (1)—

(i) for the words "there shall be included, as belonging to him", the words "there shall be included, as belonging to that individual" shall be substituted;

(ii) in clause (a)—

(A) for sub-clauses (i), (ii) and (iii), the following sub-clauses shall be substituted, namely:—

"(i) by the spouse of such individual to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration or in connection with an agreement to live apart, or

Amend-
ment of
section 4.

(ii) by a minor child, not being a married daughter, of such individual, to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration, or

(iii) by a person or association of persons to whom such assets have been transferred by the individual otherwise than for adequate consideration for the immediate or deferred benefit of the individual, his or her spouse or minor child (not being a married daughter) or both, or";

(B) the following proviso shall be inserted at the end, namely:—

"Provided that where the transfer of such assets or any part thereof is either chargeable to gift-tax under the Gift-tax Act, 1958 or is not chargeable under section 5 of that Act, for any assessment year commencing after the 31st day of March, 1964, the value of such assets or part thereof, as the case may be, shall not be included in computing the net wealth of the individual.";

(b) for the *Explanation*, the following sub-section and *Explanation* shall be substituted, namely:—

'(6) For the purposes of this Act, the holder of an im-
partible estate shall be deemed to be the individual owner
of all the properties comprised in the estate.

Explanation.—For the purposes of this section,—

(a) the expression "transfer" includes any disposition, settlement, trust, covenant, agreement or arrangement, and

(b) the expression "irrevocable transfer" includes a transfer of assets which, by the terms of the instrument effecting it, is not revocable for a period exceeding six years or during the lifetime of the transferee, and under which the transferor derives no direct or indirect benefit, but does not include a transfer of assets if such instrument—

(i) contains any provision for the re-transfer, directly or indirectly, of the whole or any part of the assets or income therefrom to the transferor, or

(ii) in any way gives the transferor a right to re-assume power, directly or indirectly, over the whole or any part of the assets or income therefrom.'

5. In section 5 of the principal Act,—

(a) in sub-section (1), in clause (xvii), for the word, figures and letter "Chapter IXA", the words, brackets and figures "clause (38) of section 2" shall be substituted;

(b) in sub-section (3),—

(i) for the words, brackets and figures "clause (xix), clause (xx)", the words, brackets and figures "and clause (xix)" shall be substituted;

(ii) in the proviso, for the words "financial year", the words "assessment year" shall be substituted.

6. In section 6 of the principal Act, in clause (ii), for the words, brackets and figures "sub-section (3) of section 4", the word and figures "section 10" shall be substituted.

7. In section 7 of the principal Act,—

(a) in sub-section (1), for the words "The value", the words "Subject to any rules made in this behalf, the value" shall be substituted;

(b) in clause (a) of sub-section (2), for the words "the circumstances of the case may require;", the words "may be prescribed;" shall be substituted.

8. In section 8 of the principal Act, the following *Explanation* shall be inserted at the end, namely:—

"*Explanation.*—For the purposes of this section, the Income-tax Officer having jurisdiction in relation to a person who is not an assessee within the meaning of the Income-tax Act means the Income-tax Officer of the area in which that person resides."

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

'8A. (1) Notwithstanding anything contained in section 8, the Commissioner may, after giving the assessee a reasonable opportunity of being heard in the matter, wherever it is possible to do so, and after recording his reasons for doing so, transfer

Amend-
ment of
section 5.

Amend-
ment of
section 6.

Amend-
ment of
section 7.

Amend-
ment of
section 8.

Insertion
of new
section
8A.

Power to
transfer
cases.

any case from one Wealth-tax Officer subordinate to him to another also subordinate to him, and the Board may similarly transfer any case from one Wealth-tax Officer to another:

Provided that nothing in this sub-section shall be deemed to require any such opportunity to be given where the transfer is from one Wealth-tax Officer to another whose offices are situated in the same city, locality or place.

(2) The transfer of a case under sub-section (1) may be made at any stage of the proceedings, and shall not render necessary the re-issue of any notice already issued by the Wealth-tax Officer from whom the case is transferred.

Explanation.—In this section, the word “case”, in relation to any person whose name is specified in any order issued thereunder, means all proceedings under this Act in respect of any year which may be pending on the date of such order, or which may have been completed on or before such date, and includes also all proceedings under this Act which may be commenced after the date of such order in respect of any year.’

10. After section 10 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
10A.

“10A. (1) The Board may empower as many persons as it thinks fit to exercise under this Act the functions of a Director of Inspection.

(2) A Director of Inspection shall perform such functions of any other wealth-tax authority as may be assigned to him by the Board.”

11. For section 12 of the principal Act, the following sections shall be substituted, namely:—

Substitu-
tion of
new sec-
tions for
section 12.

‘11A. A Commissioner of Wealth-tax may empower any Inspector of Income-tax within the meaning of the Income-tax Act to work as an Inspector of Wealth-tax under any wealth-tax authority, and when he is so empowered, he shall perform such functions in the execution of this Act as are assigned to him by the said wealth-tax authority.

12. (1) Inspecting Assistant Commissioners shall be subordinate to the Commissioner within whose jurisdiction they perform their functions and also to the Director of Inspection.

Control of
wealth-
tax auth-
orities.

(2) Wealth-tax Officers shall be subordinate to the Commissioner and the Inspecting Assistant Commissioner within whose jurisdiction they perform their functions and also to the Director of Inspection.

(3) Inspectors of Wealth-tax shall be subordinate to the Wealth-tax Officer or other wealth-tax authority under whom they are empowered to work and to any other wealth-tax authority to whom the said officer or other authority is subordinate.

Explanation.—For the purposes of sub-section (1), “Director of Inspection” does not include a Deputy Director of Inspection or an Assistant Director of Inspection; and for the purposes of sub-section (2) of this section and sub-section (2) of section 13, “Director of Inspection” does not include an Assistant Director of Inspection.’

Amend-
ment of
section 13.

12. Section 13 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:—

“(2) Every Wealth-tax Officer employed in the execution of this Act shall observe and follow such instructions as may be issued to him for his guidance by the Director of Inspection or by the Commissioner or by the Inspecting Assistant Commissioner within whose jurisdiction he performs his functions.”.

Insertion
of new
section
13A.

13. After section 13 of the principal Act, the following section shall be inserted in Chapter III, namely:—

“13A. The Director of Inspection, the Commissioner of Wealth-tax and the Inspecting Assistant Commissioner of Wealth-tax shall be competent to make any enquiry under this Act, and for this purpose shall have all the powers that a Wealth-tax Officer has under this Act in relation to the making of enquiries.”.

Powers of
Director
of Inspec-
tion, Com-
missioner
and Ins-
pecting
Assistant
Commis-
sioner to
make en-
quiries.

Amend-
ment of
section 14.

14. In section 14 of the principal Act,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) Every person, if his net wealth or the net wealth of any other person in respect of which he is assessable under

this Act on the valuation date was of such an amount as to render him liable to wealth-tax under this Act, shall, before the 30th day of June of the corresponding assessment year, furnish to the Wealth-tax Officer a return in the prescribed form and verified in the prescribed manner setting forth the net wealth as on that valuation date.”;

(b) in sub-section (2), for the words “the net wealth of any person is of such an amount as to render him liable to wealth-tax under this Act,”, the following shall be substituted, namely:—

“any person is assessable under this Act, whether in respect of his net wealth or the net wealth of any other person.”.

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

Insertion
of new
sections
15A to
15C.

“15A. The return made under section 14 or section 15 shall be signed and verified—

Return by
whom to
be signed.

(a) in the case of an individual, by the individual himself; where the individual is absent from India, by the individual concerned or by some person duly authorised by him in this behalf; where the individual is mentally incapacitated from attending to his affairs, by his guardian or any other person competent to act on his behalf; and where for any other reason it is impossible for the individual to sign the return, by any person competent to act on his behalf;

(b) in the case of a Hindu undivided family, by the *karta*, and, where the *karta* is absent from India or is mentally incapacitated from attending to his affairs, by any other adult member of such family; and

(c) in the case of a company, by the principal officer *Self assessment.* thereof.

15B. (1) Where a return has been furnished under section 14 or section 15 and the tax payable on the basis of that return exceeds five hundred rupees, the assessee shall pay the tax so payable within thirty days of furnishing the return.

(2) After a provisional assessment under section 15C or a regular assessment under section 16 has been made, any amount paid under sub-section (1) shall be deemed to have been paid towards the provisional assessment or regular assessment, as the case may be.

(3) If any assessee fails to pay the tax or any part thereof in accordance with the provisions of sub-section (1), he shall,

unless a provisional assessment under section 15C or a regular assessment under section 16 has been made before the expiry of thirty days referred to in that sub-section, be liable, by way of penalty, to pay such amount as the Wealth-tax Officer may direct, so, however, that the amount of penalty does not exceed fifty per cent. of the amount of such tax or part, as the case may be:

Provided that before levying any such penalty, the assessee shall be given a reasonable opportunity of being heard.

**Provi-
sional
assess-
ment.**

15C. (1) The Wealth-tax Officer may, at any time after the receipt of a return made under section 14 or section 15, proceed to make, in a summary manner, a provisional assessment of the tax payable by the assessee, on the basis of his return and the accounts and documents, if any, accompanying it.

(2) After a regular assessment has been made, any amount paid towards the provisional assessment made under sub-section (1), shall be deemed to have been paid towards the regular assessment; and where the amount paid towards the provisional assessment exceeds the amount payable under the regular assessment, the excess shall be refunded to the assessee.

(3) Nothing done or suffered by reason or in consequence of any provisional assessment made under this section shall prejudice the determination, on the merits, of any issue which may arise in the course of the regular assessment.

(4) There shall be no right of appeal against a provisional assessment made under sub-section (1).

(5) For the removal of doubts, it is hereby declared that the provisions of section 31 excepting sub-section (6) thereof, and section 32 shall apply in relation to any tax payable in pursuance of a provisional assessment made under this section as if it were a regular assessment under section 16.”.

**Amend-
ment of
section 16.**

16. In section 16 of the principal Act,—

(a) in sub-section (1)—

(i) for the words and figures “section 14 is complete”, the words and figures “section 14 or section 15 is correct and complete” shall be substituted;

(ii) for the words “and determine the amount payable by him as wealth-tax”, the words “and determine the amount of wealth-tax payable by him or the amount refundable to him on the basis of such return” shall be substituted;

(b) in sub-section (3)—

(i) after the words "any specified points", the words "and after taking into account all relevant material which the Wealth-tax Officer has gathered" shall be inserted;

(ii) for the words "and determine the amount payable by him as wealth-tax", the words "and determine the amount of wealth-tax payable by him or the amount refundable to him on the basis of such assessment" shall be substituted;

(c) in sub-section (4), after the words, brackets and figure "under sub-section (2) of that section", the words and figures "or who has made a return under section 15" shall be inserted;

(d) in sub-section (5), for the words "shall make the assessment to the best of his judgment and determine the amount payable by the person as wealth-tax on the basis of such assessment", the words "after taking into account all relevant material which he has gathered, shall estimate the net wealth to the best of his judgment and determine the amount of wealth-tax payable by the person or the amount refundable to him on the basis of such assessment" shall be substituted.

17. Section 17 of the principal Act shall be re-numbered as sub-section (1) thereof, and—

Amend-
ment of
section 17.

(a) in sub-section (1) as so re-numbered,—

(i) for clause (a), the following clause shall be substituted, namely:—

"(a) has reason to believe that by reason of the omission or failure on the part of any person to make a return under section 14 of his net wealth or the net wealth of any other person in respect of which he is assessable under this Act for any assessment year or to disclose fully and truly all material facts necessary for assessment of his net wealth or the net wealth of such other person for that year, the net wealth chargeable to tax has escaped assessment for that year, whether by reason of under-assessment or assessment at too low a rate or otherwise; or";

(ii) for the words "serve on the assessee", the words "serve on such person" shall be substituted;

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

“(2) Nothing contained in this section limiting the time within which any proceeding for assessment or re-assessment may be commenced, shall apply to an assessment or re-assessment to be made on such person in consequence of or to give effect to any finding or direction contained in an order under section 23, 24, 25, 27 or 29:

Provided that the provisions of this sub-section shall not apply in any case where any such assessment or re-assessment related to an assessment year in respect of which an assessment or re-assessment could not have been made at the time the order which was the subject matter of the appeal, reference or revision, as the case may be, was made by reason of any provision limiting the time within which any action for assessment or re-assessment may be taken.”.

Substitution of new section for section 18.

18. For section 18 of the principal Act, the following section shall be substituted, namely:—

Penalty for failure to furnish returns, to comply with notices and concealment of assets, etc.

“18. (1) If the Wealth-tax Officer, Appellate Assistant Commissioner, Commissioner or Appellate Tribunal in the course of any proceedings under this Act is satisfied that any person—

(a) has without reasonable cause failed to furnish the return which he is required to furnish under sub-section (1) of section 14 or by notice given under sub-section (2) of section 14 or section 17, or has without reasonable cause failed to furnish it within the time allowed and in the manner required by sub-section (1) of section 14 or by such notice, as the case may be; or

(b) has without reasonable cause failed to comply with a notice under sub-section (2) or sub-section (4) of section 16; or

(c) has concealed the particulars of any assets or furnished inaccurate particulars of any assets or debts;

he or it may, by order in writing, direct that such person shall pay by way of penalty—

(i) in the cases referred to in clause (a) in addition to the amount of wealth-tax, if any, payable by him, a sum equal to two per cent. of the tax for every month during

which the default continued, but not exceeding in the aggregate fifty per cent. of the tax;

(ii) in the cases referred to in clause (b), in addition to the amount of wealth-tax payable by him, a sum which shall not be less than ten per cent. but which shall not exceed fifty per cent. of the amount of the tax, if any, which would have been avoided if the net wealth as returned by such person had been accepted as the correct net wealth;

(iii) in the cases referred to in clause (c), in addition to any wealth-tax payable by him, a sum which shall not be less than twenty per cent. but which shall not exceed one and a half times the amount of the tax, if any, which would have been avoided if the net wealth as returned by such person had been accepted as the correct net wealth.

Explanation.—Where the net wealth returned by any person is less than eighty per cent. of the net wealth (hereinafter in this *Explanation* referred to as the correct wealth) as assessed under section 16 or section 17, such person shall, unless he proves that the failure to return the correct wealth did not arise from any fraud or any gross or wilful neglect on his part, be deemed to have concealed the particulars of assets or furnished inaccurate particulars of assets or debts for the purposes of clause (c) of this sub-section.

(2) No order shall be made under sub-section (1) unless the person concerned has been given a reasonable opportunity of being heard.

(3) Notwithstanding anything contained in clause (iii) of sub-section (1), if in a case falling under clause (c) of that sub-section, the minimum penalty imposable exceeds a sum of rupees one thousand, the Wealth-tax Officer shall refer the case to the Inspecting Assistant Commissioner who shall, for the purpose, have all the powers conferred under this section for the imposition of penalty.

(4) An Appellate Assistant Commissioner, a Commissioner or the Appellate Tribunal on making an order under this section imposing a penalty, shall forthwith send a copy of the same to the Wealth-tax Officer.

(5) No order imposing a penalty under this section shall be passed after the expiration of two years from the date of the

completion of the proceedings in the course of which the proceedings for the imposition of penalty have been commenced.

Explanation.—In computing the period of limitation for the purposes of this section, the time taken in giving an opportunity to the assessee to be re-heard under the proviso to section 39 and any period during which a proceeding under this section for the levy of penalty is stayed by an order or injunction of any court shall be excluded.”.

Insertion
of new
section
19A.

Assess-
ment in
the case of
execu-
tors.

19. After section 19 of the principal Act, the following section shall be inserted, namely:—

‘19A. (1) Subject as hereinafter provided, the net wealth of the estate of a deceased person shall be chargeable to tax in the hands of the executor or executors.

(2) The executor or executors shall for the purposes of this Act be treated as an individual.

(3) The status of the executor or executors shall for the purposes of this Act as regards residence and citizenship be the same as that of the deceased on the valuation date immediately preceding his death.

(4) The assessment of an executor under this section shall be made separately from any assessment that may be made on him in respect of his own net wealth or on the net wealth of the deceased under section 19.

(5) Separate assessments shall be made under this section in respect of the net wealth as on each valuation date as is included in the period from the date of the death of the deceased to the date of complete distribution to the beneficiaries of the estate according to their several interests.

(6) In computing the net wealth on any valuation date under this section, any assets of the estate distributed to, or applied to the benefit of, any specific legatee of the estate prior to that valuation date shall be excluded, but the assets so excluded shall, to the extent such assets are held by the legatee on any valuation date, be included in the net wealth of such specific legatee on that valuation date.

Explanation.—In this section, “executor” includes an administrator or other person administering the estate of a deceased person.’

20. In section 21 of the principal Act,—

Amend-
ment of
section 21.

(a) in sub-sections (1), (2) and (4), for the words "on whose behalf", wherever they occur, the words "on whose behalf or for whose benefit" shall be substituted;

(b) in sub-section (3),—

(i) the brackets and words '(all of which persons are hereinafter in this sub-section included in the term "beneficiary")' shall be omitted;

(ii) for the words "on behalf of such beneficiary", the words "on behalf or for the benefit of such beneficiary," shall be substituted;

(c) in sub-section (4), after the words "were an individual", the words "who is a citizen of India and resident in India" shall be inserted;

(d) after sub-section (4), the following sub-section and *Explanation* shall be inserted, namely:—

'(5) Any person who pays any sum by virtue of the provisions of this section in respect of the net wealth of any beneficiary, shall be entitled to recover the sum so paid from such beneficiary, and may retain out of any assets that he may hold on behalf or for the benefit of such beneficiary, an amount equal to the sum so paid.

Explanation.—In this section, the term "beneficiary" means any person including a minor, lunatic or idiot on whose behalf or for whose benefit assets are held by any other person.'

21. In section 22 of the principal Act,—

Amend-
ment of
section 22.

(a) the proviso to sub-section (2) shall be omitted;

(b) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(3) No person shall be deemed to be the agent of any person residing outside India unless he has had an opportunity of being heard by the Wealth-tax Officer as to his being treated as such.

(4) Any agent, who, as such, pays any sum under this Act, shall be entitled to recover the sum so paid from the person on whose behalf it is paid or to retain out of any moneys that may be in his possession or may come to him

in his capacity as such agent, an amount equal to the sum so paid,

(5) Any agent, or any person who apprehends that he may be assessed as an agent, may retain out of any money payable by him to the person residing outside India on whose behalf he is liable to pay tax (hereinafter in this section referred to as the principal), a sum equal to his estimated liability under this section, and in the event of any disagreement between the principal and such agent or person, as to the amount to be so retained, such agent or person may secure from the Wealth-tax Officer a certificate stating the amount to be so retained pending final settlement of the liability, and the certificate so obtained shall be his warrant for retaining that amount.

(6) The amount recoverable from such agent or person at the time of final settlement shall not exceed the amount specified in such certificate, except to the extent to which such agent or person may at such time have in his hands additional assets of the principal.

(7) Notwithstanding anything contained in this section, any arrears of tax due from a person residing outside India may be recovered also in accordance with the provisions of this Act from any assets of such person which are or may at any time come within India.”.

**Amend-
ment of
section 23.**

22. In section 23 of the principal Act,—

(a) in sub-section (1),—

(i) in clause (a), for the words “his net wealth”, the words “net wealth” shall be substituted;

(ii) in clause (d), after the word “under”, the words figures and letter “section 15B or” shall be inserted;

(iii) in clause (f), for the words, brackets and figures “sub-section (1) of section 46”, the word and figures “section 221” shall be substituted, and the word “or” shall be inserted at the end;

(iv) after clause (f), the following clauses shall be inserted, namely:—

“(g) objecting to any order made by the Wealth-tax Officer under section 22 treating him as the agent of a person residing outside India; or

(h) objecting to any order of the Wealth-tax Officer under section 35 having the effect of enhancing the assessment or reducing a refund or refusing to allow the claim made by the assessee under the said section; or

(i) objecting to an order of the Wealth-tax Officer imposing a fine under sub-section (2) of section 37;"

(b) after sub-section (5), the following sub-sections shall be inserted, namely:—

"(5A) In disposing of an appeal, the Appellate Assistant Commissioner may consider and decide any matter arising out of the proceedings in which the order appealed against was passed, notwithstanding that such matter was not raised before the Appellate Assistant Commissioner by the appellant.

(5B) The order of the Appellate Assistant Commissioner disposing of the appeal shall be in writing and shall state the points for determination, the decision thereon and the reasons for the decision.”.

23. In section 24 of the principal Act,—

Amend-
ment of
section 24.

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) An assessee objecting to an order passed by the Appellate Assistant Commissioner under section 18 or section 23 or sub-section (2) of section 37 or to an order passed by the Inspecting Assistant Commissioner under sub-section (3) of section 18, may appeal to the Appellate Tribunal within sixty days of the date on which the order is communicated to him.”;

(b) after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) The Wealth-tax Officer or the assessee, as the case may be, on receipt of notice that an appeal against the order of the Appellate Assistant Commissioner has been preferred under sub-section (1) or sub-section (2) by the other party, may, notwithstanding that he may not have appealed against such order or any part thereof, within thirty days of the receipt of the notice, file a memorandum of cross objections, verified in the prescribed manner, against any part of the order of the Appellate Assistant Commissioner and such memorandum shall be disposed of by the

Appellate Tribunal as if it were an appeal presented within the time specified in sub-section (1) or sub-section (2).";

(c) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The Appellate Tribunal may admit an appeal or permit the filing of a memorandum of cross objections after the expiry of the relevant period referred to in sub-section (1) or sub-section (2) or sub-section (2A), if it is satisfied that there was sufficient cause for not presenting it within that period.";

(d) for sub-sections (6), (7) and (8), the following sub-sections shall be substituted, namely:—

"(6) (a) Where the appellant objects to the valuation of any property, the Appellate Tribunal may, and if the appellant so requires, shall, refer the question of the disputed value to the arbitration of two valuers, one of whom shall be nominated by the appellant and the other by the respondent, and the Tribunal shall, so far as that question is concerned, pass its orders under sub-section (5) conformably to the decision of the valuers.

Provided that—

(i) where the appellant or the respondent does not nominate any valuer within the time specified by the Appellate Tribunal or within such further time as the Appellate Tribunal may allow, the Appellate Tribunal may nominate a valuer on his behalf;

(ii) if there is a difference of opinion between the two valuers, the matter shall be referred to a third valuer nominated by agreement, or failing agreement, by the Appellate Tribunal, and the decision of that valuer on the question of valuation shall be final;

(iii) where any person has at any time expressed any opinion on the valuation of any property to which the provisions of this clause apply, such person shall not be nominated as a valuer in relation to that property.

(b) The valuers to whom a reference under clause (a) has been made by the Appellate Tribunal shall communicate their decision to the Appellate Tribunal within six

months of the date of such reference or within such further time as the Tribunal may allow:

Provided that if the decision of the valuers is not communicated within the period aforesaid, the Appellate Tribunal may order that the reference made under this sub-section shall be deemed to be withdrawn and proceed to dispose of the case on the evidence before it, including the report of either of the valuers if any such report has been submitted.

(7) The extent to which the costs of arbitration proceedings (including a case where a reference is deemed to be withdrawn) under sub-section (6) shall be borne by the appellant or the respondent shall be at the discretion of the Appellate Tribunal.

(8) The valuers may, in disposing of any matter referred to them for arbitration under this section, hold or cause to be held such enquiry as they think fit and after giving the appellant and the respondent an opportunity of being heard, make such decision as they think fit and shall communicate such decision in writing to the Appellate Tribunal.

(8A) The valuers appointed under this section, while acting as such, shall have all powers of a Civil Court while trying a suit under the Code of Civil Procedure, 1908 in respect of the following matters, namely:—

- (i) summoning and enforcing the attendance of any person and examining him on oath;
- (ii) requiring the discovery and production of documents;
- (iii) receiving evidence on affidavit; and
- (iv) issuing commission for examination of witnesses or documents.

5 of 1908.

10 of 1940.

(8B) Nothing in the Arbitration Act, 1940 shall apply to arbitrations under this section.”;

(e) in sub-section (1), for the words, brackets, figures and letter “sub-sections (5), (7) and (8) of section 5A”, the words, brackets and figures “sub-sections (1), (4) and (5) of section 255” shall be substituted.

Amend-
ment of
section 25

24. In section 25 of the principal Act, after sub-section (2), the following sub-sections and *Explanation* shall be inserted, namely:—

(3) No order shall be made under sub-section (2) after the expiry of two years from the date of the order sought to be revised.

(4) Notwithstanding anything contained in sub-section (3), an order in revision under sub-section (2) may be passed at any time in the case of an order which has been passed in consequence of, or to give effect to, any finding or direction contained in an order of the Appellate Tribunal, the High Court or the Supreme Court.

Explanation.—In computing the period of limitation for the purposes of sub-section (3), the time taken in giving an opportunity to the assessee to be re-heard under the proviso to section 39 and any period during which any proceeding under this section is stayed by an order or injunction of any court shall be excluded.”.

Amend-
ment of
section 26.

25. In section 26 of the principal Act, in sub-section (1), for the words and figures “an order of enhancement made by the Commissioner under section 25”, the words, figures and brackets “an order passed by the Commissioner under section 18 or sub-section (2) of section 25” shall be substituted.

Amend-
ment of
section 27.

26. In section 27 of the principal Act,—

(a) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

(1) The assessee or the Commissioner may, within sixty days of the date upon which he is served with notice of an order under section 24 or section 26, by application in the prescribed form, accompanied, where the application is made by the assessee, by a fee of rupees one hundred, require the Appellate Tribunal to refer to the High Court any question of law arising out of such order and, subject to the other provisions contained in this section, the Appellate Tribunal shall, within one hundred and twenty days of the receipt of such application, draw up a statement of the case and refer it to the High Court.

(2) The Appellate Tribunal may, if it is satisfied that the applicant was prevented by sufficient cause from presenting the application within the period specified in sub-section (1), allow it to be presented within a further period not exceeding thirty days.”;

(b) in sub-section (3), for the words "three months", the words "ninety days" shall be substituted;

(c) after sub-section (3), the following sub-section shall be inserted, namely:—

"(3A) If, on an application made under this section the Appellate Tribunal is of the opinion that, on account of a conflict in the decisions of the High Courts in respect of any particular question of law, it is expedient that a reference should be made direct to the Supreme Court, the Appellate Tribunal may draw up a statement of the case and refer it through its President direct to the Supreme Court.";

(d) in sub-sections (4), (5) and (6), after the words "High Court", the words "or the Supreme Court" shall be inserted;

(e) for sub-sections (7), (8) and (9), the following sub-section shall be substituted, namely:—

"(7) The costs of any reference to the High Court or the Supreme Court which shall not include the fee for making the reference, shall be in the discretion of the Court."

27. After section 29 of the principal Act, the following sections shall be inserted in Chapter VI, namely:—

Insertion
of new
sections
29A and
29B.

29A. Notwithstanding that a reference has been made to the High Court or the Supreme Court, or an appeal has been preferred to the Supreme Court, wealth-tax shall be payable in accordance with the assessment made in the case.

Tax to be
paid not-
with-
standing
reference,
etc.

29B. In this Chapter, "High Court" means—

Definition
of High
Court.

(i) in relation to any State, the High Court of that State;

(ii) in relation to the Union territories of Delhi and Himachal Pradesh, the High Court of Punjab;

(iii) in relation to the Union territories of Manipur and Tripura, the High Court of Assam;

(iv) in relation to the Union territory of Andaman and Nicobar Islands, the High Court at Calcutta;

(v) in relation to the Union territory of Laccadive, Minicoy and Amindivi Islands, the High Court of Kerala;

(vi) in relation to the Union territories of Dadra and Nagar Haveli and Goa, Daman and Diu, the High Court at Bombay;

(vii) in relation to the Union territory of Pondicherry, the High Court at Madras.'

Substitution of new sections for sections 30, 31 and 32.

Notice of demand.

When tax, etc., payable and when assessee deemed in default.

28. For sections 30, 31 and 32 of the principal Act, the following sections shall be substituted, namely:—

"30. When any tax, interest, penalty, fine or any other sum is payable in consequence of any order passed under this Act, the Wealth-tax Officer shall serve upon the assessee a notice of demand in the prescribed form specifying the sum so payable.

31. (1) Any amount specified as payable in a notice of demand under section 30 shall be paid within thirty-five days of the service of the notice at the place and to the person mentioned in the notice:

Provided that, where the Wealth-tax Officer has any reason to believe that it will be detrimental to revenue if the full period of thirty-five days aforesaid is allowed, he may, with the previous approval of the Inspecting Assistant Commissioner, direct that the sum specified in the notice of demand shall be paid within such period being a period less than the period of thirty-five days aforesaid, as may be specified by him in the notice of demand.

(2) If the amount specified in any notice of demand under section 30 is not paid within the period limited under sub-section (1), the assessee shall be liable to pay simple interest at four per cent. per annum from the day commencing after the end of the period mentioned in sub-section (1):

Provided that where as a result of an order under section 23, or section 24, or section 25, or section 26, or section 27, or section 29, or section 33, the amount on which interest was payable under this section had been reduced, the interest shall be reduced accordingly and the excess interest paid, if any, shall be refunded.

(3) Without prejudice to the provisions contained in sub-section (2), on an application made by the assessee before the expiry of the due date under sub-section (1), the Wealth-tax

Officer may extend the time for payment or allow payment by instalments, subject to such conditions as he may think fit to impose in the circumstances of the case.

(4) If the amount is not paid within the time limited under sub-section (1) or extended under sub-section (3), as the case may be, at the place and to the person mentioned in the said notice, the assessee shall be deemed to be in default.

(5) If in a case where payment by instalments is allowed under sub-section (3), the assessee commits default in paying any one of the instalments within the time fixed under that sub-section, the assessee shall be deemed to be in default as to the whole of the amount then outstanding, and the other instalment or instalments shall be deemed to have been due on the same date as the instalment actually in default.

(6) Where an assessee has presented an appeal under section 28, the Wealth-tax Officer may, in his discretion, and subject to such conditions, as he may think fit to impose in the circumstances of the case, treat the assessee as not being in default in respect of the amount in dispute in the appeal, even though the time for payment has expired, as long as such appeal remains undisposed of.

(7) Where an assessee has been assessed in respect of assets located in a country outside India, the laws of which prohibit or restrict the remittance of money to India, the Wealth-tax Officer shall not treat the assessee as in default in respect of that part of the tax which is attributable to those assets, and shall continue to treat the assessee as not in default in respect of that part of the tax until the prohibition or restriction of remittance is removed.

32. The provisions contained in sections 221 to 227, 229, 231 ^{Mode of} and 232 of the Income-tax Act and the Second and Third recovery, Schedules to that Act and any rules made thereunder shall, so far as may be, apply as if the said provisions were provisions of this Act and referred to wealth-tax and sums imposed by way of penalty, fine and interest under this Act instead of to income-tax and sums imposed by way of penalty, fine and interest under that Act and to Wealth-tax Officer and Commissioner of Wealth-tax instead of to Income-tax Officer and Commissioner of Income-tax.

Explanation I.—Any reference to section 173 and sub-section (2) or sub-section (6) or sub-section (7) of section 220 of the Income-tax Act in the said provisions of that Act or the rules made thereunder shall be construed as references to sub-section

(7) of section 22 and sub-section (2) or sub-section (6) or sub-section (7) of section 31 of this Act respectively.

Explanation II.—The Tax Recovery Officer and the Tax Recovery Commissioner referred to in the Income-tax Act or the rules made thereunder shall be deemed to be the Tax Recovery Officer and the Tax Recovery Commissioner for the purposes of recovery of wealth-tax and sums imposed by way of penalty, fine and interest under this Act.”.

Omission
of section
34.

29. Section 34 shall be omitted.

Insertion
of new
Chapter
VIIA.

30. After Chapter VII of the principal Act, the following Chapter shall be inserted, namely—

“CHAPTER VIIA

REFUNDS

Refunds.

34A. (1) Where, as a result of any order passed in appeal or other proceeding (including a rectification proceeding) under this Act, refund of any amount becomes due to the assessee, the Wealth-tax Officer shall, except as otherwise provided in this Act, refund the amount to the assessee without his having to make any claim in that behalf.

(2) Where an order giving rise to a refund is the subject matter of an appeal or further proceeding or where any other proceeding under this Act is pending and the Wealth-tax Officer is of the opinion that the grant of the refund is likely to adversely affect the revenue, the Wealth-tax Officer may, with the previous approval of the Commissioner, withhold the refund till such time as the Commissioner may determine.

(3) Where a refund is due to the assessee in pursuance of an order referred to in sub-section (1) and the Wealth-tax Officer does not grant the refund within a period of six months from the date of such order, the Central Government shall pay to the assessee simple interest at four per cent. per annum on the amount of refund due from the date immediately following the expiry of the period of six months aforesaid to the date on which the refund is granted.

(4) Where a refund is withheld under the provisions of sub-section (2), the Central Government shall pay interest at the aforesaid rate on the amount of refund ultimately determined to be due as a result of the appeal or further proceeding for the period commencing after the expiry of six months from the date

of the order referred to in that sub-section to the date the refund is granted.

(5) Where under any of the provisions of this Act, a refund is found to be due to any person, the Wealth-tax Officer, Appellate Assistant Commissioner or Commissioner, as the case may be, may, in lieu of payment of the refund, set off the amount to be refunded or any part of that amount, against the sum, if any, remaining payable under this Act by the person to whom the refund is due, after giving an intimation in writing to such person of the action proposed to be taken under this section.”.

31. In Chapter VIII of the principal Act, the following section shall be inserted before section 35, namely:—

Insertion
of new
section
34B.

“34B. Where, during the pendency of any proceeding under this Act, any assessee creates a charge on or parts with the possession by way of sale, mortgage, exchange or any other mode of transfer whatsoever, of any of his assets in favour of any other person with the intention to defraud the revenue, such charge or transfer shall be void as against any claim in respect of any tax or any other sum payable by the assessee as a result of the completion of the said proceeding:

Provided that such charge or transfer shall not be void if made for valuable consideration and without notice of the pendency of the proceeding under this Act.”.

32. For section 35 of the principal Act, the following section shall be substituted, namely:—

Substitution
of
new sec-
tion for
section 35

“35. (1) With a view to rectifying any mistake apparent from the record—

Rectifica-
tion of
mistakes.

(a) the Wealth-tax Officer may amend any order of assessment or of refund or any other order passed by him;

(b) the Appellate Assistant Commissioner may amend any order passed by him under section 18 or under section 23;

(c) the Inspecting Assistant Commissioner may amend any order passed by him under section 18;

(d) the Commissioner may amend any order passed by him under section 18 or under section 25;

(e) the Appellate Tribunal may amend any order passed by it under section 18 or under section 24.

(2) Where the amount of tax, penalty or interest determined as a result of the first appeal or revision against the order referred to in sub-clause (iii) of clause (m) of section 2 is paid within six months of the date of the order passed in such appeal or revision, the Wealth-tax Officer may, notwithstanding anything to the contrary in this Act, rectify the assessment by allowing a deduction to the extent the tax, penalty or interest so paid stood disallowed therein as if such rectification were rectification of a mistake apparent from the record.

(3) Subject to the other provisions of this section, the authority concerned—

(a) may make an amendment under sub-section (1) or sub-section (2) of its own motion; and

(b) shall make such amendment for rectifying any such mistake which has been brought to its notice by the assessee, and where the authority concerned is the Appellate Assistant Commissioner or the Appellate Tribunal, by the Wealth-tax Officer also.

(4) An amendment, which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee, shall not be made under this section unless the authority concerned has given notice to the assessee of its intention so to do and has allowed the assessee a reasonable opportunity of being heard.

(5) Where an amendment is made under this section, an order shall be passed in writing by the wealth-tax authority concerned or the Tribunal, as the case may be.

(6) Where any such amendment has the effect of enhancing the assessment or reducing a refund already made, the Wealth-tax Officer shall serve on the assessee a notice of demand in the prescribed form specifying the sum payable, and such notice of demand shall be deemed to be issued under section 30 and the provisions of this Act shall apply accordingly.

(7) No amendment under this section shall be made after the expiry of four years—

(a) in the case of an amendment under sub-section (2), from the date of the order passed in the first appeal or revision referred to in that sub-section; and

(b) in any other case, from the date of the order sought to be amended.

(8) Where any matter has been considered and decided in a proceeding by way of an appeal or revision relating to an order referred to in sub-section (1), the authority passing such order may, notwithstanding anything contained in any other law for the time being in force, amend the order under this section in relation to any matter other than the matter which has been so considered and decided.”.

33. In section 36 of the principal Act,—

(a) in sub-section (1), the words “on conviction before a magistrate,” shall be omitted;

Amend-
ment of
section
36.

(b) in sub-section (2), for the words “punishable with simple imprisonment which may extend to one year, or with fine which may extend to one thousand rupees, or with both”, the following words and proviso shall be substituted, namely:—

“punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months.”;

(c) after sub-section (2), the following sub-section and proviso shall be inserted, namely:—

“(2A) If a person abets or induces in any manner another person to make and deliver an account, statement or declaration relating to the particulars of any net wealth chargeable to tax which is false and which he either knows to be false or does not believe to be true, he shall be punishable with rigorous imprisonment for a term which may extend to two years:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than six months.”;

(d) for the *Explanation*, the following sub-section shall be substituted, namely:—

“(5) No court inferior to that of a presidency magistrate or a magistrate of the first class shall try any offence under this Act.”.

Insertion
of new
section
36A.

Power to
tender
immunity
from pro-
secution.

34. After section 36 of the principal Act, the following section shall be inserted, namely:—

“36A. (1) The Central 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 concealment of particulars of net wealth or to the evasion of payment of tax on net wealth, 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 for the time being in force and also from the imposition of any penalty under this Act on condition of his making a full and true disclosure of the whole circumstances relating to the concealment of particulars of net wealth or evasion of payment of tax on net wealth.

45 of 1960

(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 or from the imposition of any penalty under this Act.

(3) If it appears to the Central Government that any person to whom immunity has been tendered under this section has not complied with the condition on which the tender was made or is wilfully concealing anything or is giving false evidence, the Central Government may record a finding to that effect, and thereupon the immunity shall be deemed to have been withdrawn, and any 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 and shall also become liable to the imposition of any penalty under this Act to which he would otherwise have been liable.”.

Substitu-
tion of
new sec-
tion for
section 37.

35. For section 37 of the principal Act, the following section shall be substituted, namely:—

Power to
take evi-
dence on
oath, etc.

“37. (1) The Wealth-tax Officer, Appellate Assistant Commissioner, Commissioner and the Appellate Tribunal shall, for the purposes of this Act, have the same powers as are vested in a court under the Code of Civil Procedure, 1908, when trying a suit in respect of the following matters, namely:—

(a) discovery and inspection;

(b) enforcing the attendance of any person, including any officer of a banking company and examining him on oath;

(c) compelling the production of books of account and other documents; and

(d) issuing commissions.

(2) Without prejudice to the provisions of any other law for the time being in force, where a person to whom a summons is issued either to attend to give evidence or produce books of account or other documents at a certain place and time, intentionally omits to attend or produce the books of account or documents at the place or time, the authority empowered to issue such summons may impose upon him such fine not exceeding five hundred rupees, as it thinks fit, and the fine so levied may be recovered in the manner provided in Chapter VII of this Act.

(3) Subject to any rules made in this behalf, any authority referred to in sub-section (1) may impound and retain in its custody for such period as it thinks fit any books of account or other documents produced before it in any proceeding under this Act:

Provided that a Wealth-tax Officer shall not—

(a) impound any books of account or other documents without recording his reasons for so doing, or

(b) retain in his custody any such books or documents for a period exceeding fifteen days (exclusive of holidays) without obtaining the approval of the Commissioner therefor.

(4) Any proceeding under this Act before a wealth-tax authority or the Tribunal shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228, and for the purposes of section 196, of the Indian Penal Code.”.

45 of 1860.

36. After section 37 of the principal Act, the following section shall be inserted, namely:—

“37A. (1) Where the Commissioner, in consequence of information in his possession, has reason to believe that—

(a) any person to whom a notice under sub-section (4) of section 16 or a summons under section 37 was issued to

Insertion
of new
Section
37A.

Power of
search
and
seizure.

produce, or cause to be produced, any books of account or other documents, has omitted or failed to produce, or cause to be produced, such books of account or other documents as required by such notice or summons, or

(b) any person to whom a notice or summons as aforesaid has been or might be issued will not, or would not, produce or cause to be produced any books of account or other documents which will be useful for, or relevant to, any proceeding under this Act, or

(c) any person is in possession of any articles or things including money disproportionate to his known assets, particulars of which will be useful for, or relevant to, any proceeding under this Act,

he may authorise any Inspecting Assistant Commissioner or any Wealth-tax Officer to enter and search, with such assistance as he may deem necessary, any building or place where he has reason to suspect that such books of account, other documents, articles or things including money are kept and if as a result of the search such books of account, other documents, articles or things including money are found, the Inspecting Assistant Commissioner or the Wealth-tax Officer, as the case may be, may—

(i) seize any such books of account or other documents;

(ii) place marks of identification on any such books of account or other documents or make or cause to be made extracts or copies therefrom;

(iii) make a note or an inventory of any articles or things including money found which, in his opinion, will be useful for, or relevant to, any proceeding under this Act.

(2) The books of account or other documents seized under sub-section (1) shall not be retained by the Inspecting Assistant Commissioner or the Wealth-tax Officer for a period exceeding one hundred and eighty days from the date of the seizure unless the reasons for retaining the same are recorded by him in writing and the approval of the Commissioner for such retention is obtained:

Provided that the Commissioner shall not authorise the retention of the books of account and other documents for a period exceeding thirty days after all the proceedings under this Act in respect of the years for which the books of account or other documents are relevant are completed.

(3) The person from whose custody any books of account or other documents are seized under sub-section (1) may make copies thereof, or take extracts therefrom, in the presence of the Wealth-tax Officer or any other person authorised by him, at such place and time as the Wealth-tax Officer may appoint in this behalf.

(4) If a person legally entitled to the books of account or other documents seized under sub-section (1) objects for any reason to the approval given by the Commissioner under sub-section (2), he may make an application to the Board stating therein the reasons for such objection and requesting for the return of the books of account or documents.

(5) On receipt of the application under sub-section (4), the Board may, after giving the applicant an opportunity of being heard, pass such orders as it thinks fit.

5 of 1898

(6) The provisions of the Code of Criminal Procedure, 1898 relating to searches shall apply, so far as may be, to searches under sub-section (1) of this section.

(7) The Board may make rules in relation to searches under this section.”.

37. To section 39 of the principal Act, the following proviso shall be added, namely:—

Amend-
ment of
section 39.

“Provided that the assessee concerned may demand that before the proceeding is so continued the previous proceeding or any part thereof be re-opened or that before any order of assessment is passed against him, he be re-heard.”.

38. In section 41 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely:—

Amend-
ment of
section 41.

“(3) After a finding of total partition has been recorded by the Wealth-tax Officer under section 20 in respect of any Hindu family, notices under this Act in respect of the net wealth of the Hindu family shall be served on the person who was the last manager of the Hindu family, or, if such person is dead, then on all surviving adults who were members of the Hindu family immediately before the partition.”.

39. For section 44 of the principal Act, the following sections shall be substituted, namely:—

Substitu-
tion of
new sec-
tions for
section 44.

Appearance before wealth-tax authorities by authorised representatives.

'44. (1) Any assessee who is entitled to or required to attend before any wealth-tax authority or the Appellate Tribunal in connection with any proceeding under this Act, except where he is required under this Act to attend in person, may attend by a person who would be entitled to represent him before any income-tax authority or the Appellate Tribunal under section 288 of the Income-tax Act.

(2) Notwithstanding anything in sub-section (1)—

(i) no person who has been convicted of an offence connected with any wealth-tax proceeding or on whom a penalty has been imposed under this Act other than a penalty imposed on him under clause (i) or clause (ii) of sub-section (1) of section 18 shall be qualified to represent an assessee under sub-section (1) for such time as the Commissioner may by order determine;

(ii) if any person who is not a legal practitioner or a chartered accountant, is found guilty of misconduct in connection with any wealth-tax proceeding by the prescribed authority, the prescribed authority may direct that he shall thenceforth be disqualified to represent an assessee under sub-section (1);

(iii) no person not qualified to represent an assessee under the Indian Income-tax Act, 1922, the Estate Duty Act, 11 of 1922, 1953, the Expenditure-tax Act, 1957, or the Gift-tax Act, 1958, 34 of 1953, 29 of 1957, shall be entitled to appear on behalf of any assessee under 18 of 1958, this Act:

Provided that any order or direction under clause (i) or clause (ii) shall be subject to the following conditions, namely:—

(a) no such order or direction shall be made in respect of any person unless he has been given a reasonable opportunity of being heard;

(b) any person against whom any such order or direction is made may, within one month of the making of the order or direction, appeal to the Board to have the order or direction cancelled; and

(c) no such order or direction shall take effect until the expiration of one month from the making thereof, or, where an appeal has been preferred, until the disposal of the appeal.

44A. The Central Government may enter into any agreement with the Government of any reciprocating country for the avoidance or relief of double taxation with respect to wealth-tax payable under this Act and under the corresponding law in force in the reciprocating country and may, by notification in the Official Gazette, make such provision as may be necessary for implementing the agreement.

Agreement for avoidance or relief of double taxation with respect to wealth-tax.

Explanation.—The expression “reciprocating country” for the purposes of this Act means any country which the Central Government may, by notification in the Official Gazette, declare to be a reciprocating country.

44B. Where the net wealth of any assessee includes any foreign wealth and he proves that, in respect of such foreign wealth, he has paid in any country, with which there is no reciprocal arrangement under section 44A for the relief or avoidance of double taxation, a tax in respect of wealth, under the law in force in that country, he shall be entitled to the deduction from the Indian wealth-tax payable by him of a sum calculated on such doubly taxed foreign wealth at the Indian rate of tax or the rate of tax of the said country, whichever is the lower, or at the Indian rate of tax if both the rates are equal.

Countries with which no agreement exists.

Explanation.—In this section—

(1) the expression “Indian wealth-tax” means wealth-tax charged in accordance with the provisions of this Act;

(2) the expression “Indian rate of tax” means the rate determined by dividing the amount of Indian wealth-tax after deduction of any relief due under the provisions of this Act but before the deduction of any relief due under this section by the net wealth;

(3) the expression “rate of tax of the said country” means any tax in respect of wealth, actually paid in the said country, in accordance with the corresponding laws in force in the said country after deduction of all relief due, but before deduction of any relief due in the said country in respect of double taxation, divided by the whole amount of the wealth assessed in the said country;

(4) the expression “foreign wealth” in relation to any assessee means the value of all his assets located in any country outside India as reduced by the value of his debts in that country.’

Amend-
ment of
section
46.

40. In section 46 of the principal Act, for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) The Central Government shall cause every rule made under this Act 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 successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, 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.”.

Amend-
ment of
the Sche-
dule.

41. In Part II of the Schedule to the principal Act, for the words, figures, brackets and letters “sections 8, 9, 10 and 12 of the Income-tax Act but without deducting the allowances referred to in paragraph (b) of the proviso to clause (vi) of sub-section (2) of section 10, sub-clause (via) and sub-clause (vib) of sub-section (2) of section 10”, the words, figures, letters and brackets “Chapter IV of the Income-tax Act other than the provisions under heads of income ‘A—Salaries’ and ‘E—Capital Gains’ thereof, but without deducting the allowances referred to in sub-section (2) of section 32, section 33 and section 34” shall be substituted.

4. Commenced by Act 66 of 1971, S. 4 (w.e.f. 23-12-1971)

Rep. by Act.....S.....of 1974, S. 28 Sch. I

THE ESSENTIAL COMMODITIES (AMENDMENT)
ACT, 1964

No. 47 OF 1964

[24th December, 1964.]

An Act further to amend the Essential Commodities Act, 1955 and the Criminal Law Amendment Act, 1952.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Essential Commodities (Amendment) Act, 1964. Short title, commencement and duration

(2) It shall be deemed to have come into force on the 5th day of November, 1964.

~~(3) It shall cease to have effect on [the 31st day of December, 1966, save as respects things done or omitted to be done before such 10 of 1897. cesser and section 6 of the General Clauses Act, 1897 shall apply upon such cesser as if it had then been repealed by a Central Act.]~~ [the 31st day of December, 1969]

2. In the Essential Commodities Act, 1955, after section 12, the following section shall be inserted, namely:— [the 31st day of December, 1971]

Insertion of new section 12A in Act 10 of 1955.

"12A. (1) If the Central Government is of opinion that a situation has arisen where, in the interests of production, supply or distribution of any essential commodity or trade or commerce therein and other relevant considerations, it is necessary that the contravention of any order made under section 3 in relation to such essential commodity should be tried summarily, the Central Government may, by notification in the Official Gazette specify such order to be a special order for purposes of summary trial under this section, and every such notification shall be laid, as soon as may be after it is issued, before both Houses of Parliament.

Power to try summarily.

1. Subs. by Act 14 of 1967, s. 4 (retrospectively) 355
2. Subs. by Act 36 of 1967, D. 10 (w.e.f. 30-12-67).
3. Subs. by Act 14 of 1970, D. 2 (w.e.f. 31-3-1970).

(2) Where any notification issued under sub-section (1) in relation to a special order is in force, then, notwithstanding anything contained in the Code of Criminal Procedure, 1898, all 5 of 1898, offences relating to the contravention of such special order shall be tried in a summary way and by a magistrate of the first class specially empowered in this behalf by the State Government or by a presidency magistrate, and the provisions of sections 262 to 265 (both inclusive) of the said Code shall, as far as may be, apply to such trial:

Provided that, in the case of any conviction in a summary trial under this section, it shall be lawful for the magistrate to pass a sentence of imprisonment for a term not exceeding one year.

(3) Notwithstanding anything to the contrary contained in the Code of Criminal Procedure, 1898, there shall be no appeal ^{5 of 1898} by a convicted person in any case tried summarily under this section in which the magistrate passes a sentence of imprisonment not exceeding one month, or of fine not exceeding two thousand rupees, or both, whether or not any order of forfeiture of property or an order under section 517 of the said Code is made in addition to such sentence, but an appeal shall lie where any sentence of imprisonment or fine in excess of the aforesaid limits is passed by the magistrate.

(4) Where any notification is issued under sub-section (1) in relation to a special order, all cases relating to the contravention of such special order and pending on the date of the issue of such notification shall, if no witnesses have been examined before the said date, be tried in a summary way under this section, and if any such case is pending before a magistrate who is not competent to try the same in a summary way under this section, it shall be forwarded to a magistrate so competent.”.

3. In the Criminal Law Amendment Act, 1952, after section 8, the following section shall be inserted, namely:—

Insertion
of new
section
8A in
Act 46
of 1952.

Power to
try sum-
marily.

“8A. (1) Where a special Judge tries any offence specified in sub-section (1) of section 6 alleged to have been committed by a public servant in relation to the contravention of any special order referred to in section 12A of the Essential Commodities Act, 1955, then, notwithstanding anything contained in sub-section (1) of section 8 of this Act or section 260 of the Code of Criminal Procedure, 1898, the special Judge shall try the offence 10 of 1955. 5 of 1898.

in a summary way, and the provisions of sections 262 to 265 (both inclusive) of the said Code shall, as far as may be, apply to such trial:

Provided that, in the case of any conviction in a summary trial under this section, it shall be lawful for the special Judge to pass a sentence of imprisonment for a term not exceeding one year.

5 of 1898.

(2) Notwithstanding anything to the contrary contained in this Act or in the Code of Criminal Procedure, 1898, there shall be no appeal by a convicted person in any case tried summarily under this section in which the special Judge passes a sentence of imprisonment not exceeding one month, or of fine not exceeding two thousands rupees, or both, whether or not any order under section 517 of the said Code is made in addition to such sentence, but an appeal shall lie where any sentence of imprisonment or fine in excess of the aforesaid limits is passed by the special Judge.

10 of 1955.

(3) Where any notification is issued under sub-section (1) of section 12A of the Essential Commodities Act, 1955, in relation to a special order, all cases triable summarily under this section in relation to such special order and pending on the date of the issue of such notification shall, if no witnesses have been examined before the said date, be tried by the special Judge in a summary way under this section.”.

3 of 1964.

4. (1) The Essential Commodities (Amendment) Ordinance, 1964, Repeal is hereby repealed.

10 of 1955.

(2) Notwithstanding such repeal, anything done or any action taken under section 12A of the Essential Commodities Act, 1955, or 46 of 1952. section 8A of the Criminal Law Amendment Act, 1952, as inserted by the said Ordinance, shall be deemed to have been done or taken under those sections as inserted by this Act.

Rep. by Act.....S. of 1974, S. 2 & Sch. I

THE OFFICIAL TRUSTEES (AMENDMENT) ACT, 1964

No. 48 OF 1964

[25th December, 1964.]

An Act further to amend the Official Trustees Act, 1913.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Official Trustees (Amendment) Act, 1964.

Omission of Pre-ambles. 2. In the Official Trustees Act, 1913 (hereinafter referred to as 2 of 1913, the principal Act), the Preamble shall be omitted.

Amend-
ment of
section 2. 3. In section 2 of the principal Act, clause (2) shall be omitted.

Inser-
tion of
new sec-
tion 3. 4. In Part I of the principal Act, after section 2, the following section shall be inserted, namely:—

Extent of
jurisdi-
ction
of High
Court. “3. The High Court shall, in respect of proceedings instituted by or against the Official Trustee under this Act or the Indian Trusts Act, 1882, be a competent Court throughout the territories in relation to which it exercises civil appellate jurisdiction: 2 of 1882.

Provided that nothing in this section shall be construed as affecting the jurisdiction of any district court.”

Amend-
ment of
section 4. 5. For sub-section (2) of section 4 of the principal Act, the following sub-section shall be substituted, namely:—

“(2) No person shall be appointed to the office of Official Trustee unless he has been for at least—

(a) seven years, an advocate; or

- (b) seven years, an attorney of a High Court; or
 - (c) ten years, a member of the judicial service of a State;
- or
- (d) five years, a Deputy Official Trustee.”.

6. Section 5 of the principal Act 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) No person shall be appointed as a Deputy unless he has been for at least three years—

- (a) an advocate; or
- (b) an attorney of a High Court; or
- (c) a member of the judicial service of a State.”.

7. In sub-section (3) of section 10 of the principal Act, the words and figures “the Trustees’ and Mortgagees’ Powers Act, 1866, or” shall be omitted.

8. In sub-section (1) of section 12 of the principal Act, for the word “infant”, the word “minor” shall be substituted.

9. In sub-section (2) of section 13 of the principal Act,—

- (a) the words “or Deputy Official Trustee” shall be omitted;
- (b) for the words “the Official Trustee’s personal knowledge”, the words “his personal knowledge” shall be substituted.

10. In section 15 of the principal Act, the words “revenues of the”, wherever they occur, shall be omitted.

11. In section 17 of the principal Act,—

- (a) the proviso to sub-section (1) shall be omitted;
- (b) in sub-section (2), the words “the revenues of” shall be omitted.

12. In section 19 of the principal Act, for clause (a) of sub-section (2), the following clause shall be substituted, namely:—

“(a) whether the accounts have been audited in the prescribed manner, and whether, so far as can be ascertained by such audit, the accounts contain a full and true account of everything which ought to be contained therein;”.

REPEALED

Amend-
ment of
section 25.

13. In section 25 of the principal Act, for the word "interest" the word "income" shall be substituted.

Amend-
ment of
section 30.

14. In section 30 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

"(4) Every rule made by the Central Government 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, 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 Act.....56 of 1974, S.2&S.5.

THE PREVENTION OF FOOD ADULTERATION
(AMENDMENT) ACT, 1964

No. 49 OF 1964

[25th December, 1964.]

An Act further to amend the Prevention of Food Adulteration
Act, 1954.

Be it enacted by Parliament in the Fifteenth Year of the Republic
of India as follows:—

1. (1) This Act may be called the Prevention of Food Adultera- Short title
tion (Amendment) Act, 1964. and com-
mence-
ment.

(2) It shall come into force on such date¹ as the Central Govern-
ment may, by notification in the Official Gazette, appoint.

37 of 1954. 2. In section 2 of the Prevention of Food Adulteration Act, 1954 Amendment
(hereinafter referred to as the principal Act), in clause (vii) and of section 2.
in sub-clause (2) of clause (viii), for the words "the State Govern-
ment", the words "the Central Government or the State Govern-
ment" shall be substituted.

3. In section 3 of the principal Act,—

(i) in sub-section (2),—

(a) for clause (d), the following clause shall be substi-
tuted, namely:—

"(d) one representative each of the Departments of
Food and Agriculture in the Central Ministry of Food and
Agriculture and one representative each of the Central
Ministries of Commerce, Defence, Industry and Supply
and Railways, nominated by the Central Government;"

Amend-
ment of
section 3.

¹1-3-1965 : vide Notification No. G.S.R. 243, dt. 8-2-1965, Gazette of India, Part II,
Sec. 2, p. 291.

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

“(g) two representatives nominated by the Central Government to represent the agricultural, commercial and industrial interests;”;

(c) after clause (h), the following clause shall be inserted, namely:—

“(i) one representative nominated by the Indian Standards Institution referred to in clause (e) of section 2 of the Indian Standards Institution (Certification Marks) Act, 1952.”;

36 of 1952.

(ii) in sub-section (3), for the brackets, letters and word “(g) and (h)”, the brackets, letters and word “(g), (h) and (i)” shall be substituted.

Amendment of section 7. 4. In section 7 of the principal Act, in clause (iv), for the words “with a view to preventing the outbreak or spread of infectious diseases”, the words “in the interest of public health” shall be substituted.

**Substitution of new sections for sections 8 and 9.
Public analysts.**

5. For sections 8 and 9 of the principal Act, the following sections shall be substituted, namely:—

“8. The Central Government or the State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications to be public analysts for such local areas as may be assigned to them by the Central Government or the State Government, as the case may be:

Provided that no person who has any financial interest in the manufacture, import or sale of any article of food shall be appointed to be a public analyst under this section.

Food Inspectors

9. (1) The Central Government or the State Government may, by notification in the Official Gazette, appoint such persons as it thinks fit, having the prescribed qualifications to be food inspectors for such local areas as may be assigned to them by the Central Government or the State Government, as the case may be:

Provided that no person who has any financial interest in the manufacture, import or sale of any article of food shall be appointed to be a food inspector under this section.

45 of 1860.

(2) Every food inspector shall be deemed to be a public servant within the meaning of section 21 of the Indian Penal Code and shall be officially subordinate to such authority as the Government appointing him, may specify in this behalf.”.

6. In section 10 of the principal Act,—

Amendment
of section 10.

(i) in clause (c) of sub-section (1), for the words “with a view to preventing the outbreak or spread of any infectious disease”, the words “in the interest of public health” shall be substituted;

(ii) in sub-section (4), the following proviso shall be inserted, namely:—

“Provided that where the food inspector keeps such article in the safe custody of the vendor he may require the vendor to execute a bond for a sum of money equal to the value of such article with one or more sureties as the food inspector deems fit and the vendor shall execute the bond accordingly.”;

(iii) in sub-section (7), for the words “as far as possible, call not less than two persons to be present at the time when such action is taken and take their signatures”, the words “call one or more persons to be present at the time when such action is taken and take his or their signatures” shall be substituted.

7. For section 14 of the principal Act, the following sections shall be substituted, namely:—

Substitution
of new
sections for
section 14.

“14. No manufacturer, distributor or dealer of any article of food shall sell such article to any vendor unless he also gives a warranty in writing in the prescribed form about the nature and quality of such article to the vendor.

Manufacturers, dis-
tributors
and dealers
to give
warranty.

Explanation.—In this section, in sub-section (2) of section 19 and in section 20A, the expression “distributor” shall include a commission agent.

14A. Every vendor of an article of food shall, if so required, disclose to the food inspector the name, address and other particulars of the person from whom he purchased the article of food.”.

Vendor to
disclose the
name, etc.,
of the person
from whom
the article
of food was
purchased.

8. In section 15 of the principal Act, for the words “The State Government”, the words “The Central Government or the State Government” shall be substituted.

Amendment
of section 15.

**Amend-
ment of
section 16.** 9. For sub-section (1) of section 16 of the principal Act, the following sub-sections shall be substituted, namely:—

"(1) If any person—

- (a) whether by himself or by any other person on his behalf imports into India or manufactures for sale, or stores, sells or distributes any article of food—
 - (i) which is adulterated or misbranded or the sale of which is prohibited by the Food (Health) authority in the interest of public health;
 - (ii) other than an article of food referred to in sub-clause (i), in contravention of any of the provisions of this Act or of any rule made thereunder; or
- (b) prevents a food inspector from taking a sample as authorised by this Act; or
- (c) prevents a food inspector from exercising any other power conferred on him by or under this Act; or
- (d) being a manufacturer of an article of food, has in his possession, or in any of the premises occupied by him, any material which may be employed for the purpose of adulteration; or
- (e) uses any report or certificate of a test or analysis made by the Director of the Central Food Laboratory or by a public analyst or any extract thereof for the purpose of advertising any article of food; or
- (f) whether by himself or by any other person on his behalf gives to the vendor a false warranty in writing in respect of any article of food sold by him,

he shall, in addition to the penalty to which he may be liable under the provisions of section 6, be punishable with imprisonment for a term which shall not be less than six months but which may extend to six years, and with fine which shall not be less than one thousand rupees:

Provided that—

- (i) if the offence is under sub-clause (i) of clause (a) and is with respect to an article of food which is adulterated under sub-clause (l) of clause (i) of section 2 or misbranded under sub-clause (k) of clause (ix) of that section; or

(ii) if the offence is under sub-clause (ii) of clause (a), the court may for any adequate and special reasons to be mentioned in the judgment, impose a sentence of imprisonment for a term of less than six months or of fine of less than one thousand rupees or of both imprisonment for a term of less than six months and fine of less than one thousand rupees.

(1A) If any person in whose safe custody any article of food has been kept under sub-section (4) of section 10, tampers or in any other manner interferes with such article, he shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to two years and with fine which shall not be less than one thousand rupees.

(1B) If any person in whose safe custody any article of food has been kept under sub-section (4) of section 10, sells or distributes such article and such article is found by the magistrate before whom it is produced, to be adulterated with any poisonous or other ingredient under sub-clause (h) of clause (i) of section 2, then, notwithstanding anything contained in sub-section (1A), he shall be punishable with imprisonment for a term of six years and with fine which shall not be less than one thousand rupees.

(1C) If any person contravenes the provisions of section 14 or section 14A, he shall be punishable with imprisonment for a term which may extend to six months and with fine which shall not be less than five hundred rupees.

(1D) If any person convicted of an offence under this Act commits a like offence afterwards, then, without prejudice to the provisions of sub-section (2), the court, before which the second or subsequent conviction takes place, may order the cancellation of the licence, if any, granted to him under this Act and thereupon such licence shall, notwithstanding anything contained in this Act, or in the rules made thereunder, stand cancelled.”.

10. In section 19 of the principal Act.—

(i) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) A vendor shall not be deemed to have committed an offence pertaining to the sale of any adulterated or misbranded article of food if he proves—

(a) that he purchased the article of food—

(i) in a case where a licence is prescribed for the sale thereof, from a duly licensed manufacturer, distributor or dealer;

(ii) in any other case, from any manufacturer, distributor or dealer, with a written warranty in the prescribed form; and
 (b) that the article of food while in his possession was properly stored and that he sold it in the same state as he purchased it.”;
 (ii) in sub-section (3), for the words, brackets and figure “in sub-section (2)”, the words and figures “in section 14” shall be substituted.

11. In section 20 of the principal Act, in sub-section (1), for the words “the State Government or a local authority or a person authorised in this behalf by the State Government or a local authority”, the words “the Central Government or the State Government or a local authority or a person authorised in this behalf, by general or special order, by the Central Government or the State Government or a local authority” shall be substituted.

12. After section 20 of the principal Act, the following section shall be inserted, namely:—

“20A. Where at any time during the trial of any offence under this Act alleged to have been committed by any person, not being the manufacturer, distributor or dealer of any article of food, the court is satisfied, on the evidence adduced before it, that such manufacturer, distributor or dealer is also concerned with that offence, then, the court may, notwithstanding anything contained in sub-section (1) of section 351 of the Code of Criminal Procedure, 1898, or in section 20 proceed against him as ⁵ of 1898. though a prosecution had been instituted against him under section 20.”.

13. In section 23 of the principal Act,—

(i) in clause (a) of sub-section (1), for the words “and the fees payable therefor”, the words “, the fees payable therefor, the deposit of any sum as security for the performance of the conditions of the licence and the circumstances under which such licence or security may be cancelled or forfeited” shall be substituted;

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

“(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 successive sessions, and if, before the

Amend-
ment of
section 20.

Insertion of
new section
20A.

Power of
court to
impeach
manufac-
turer, etc.

Amend-
ment of
section 23.

expiry of the session in which it is so laid or the session immediately following, 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.”.

14. In sub-section (2) of section 24 of the principal Act,—

Amend-
ment
of sec-
tion 24.

(i) in clause (a), the words “and jurisdiction of food inspectors and public analysts” shall be omitted;

(ii) in clause (b), for the words “and the fees payable therefor”, the words “, the fees payable therefor, the deposit of any sum as security for the performance of the conditions of the licences and the circumstances under which such licences or security may be cancelled or forfeited” shall be substituted.

THE APPROPRIATION (RAILWAYS) No. 3 ACT, 1964

No. 50 OF 1964

[25th December, 1964.]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the service of the financial year 1964-65 for the purposes of Railways.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Appropriation (Railways) No. 3 Act, 1964.

Issue of Rs. 10,000 out of the Consolidated Fund of India for the financial year 1964-65. 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 rupees towards defraying the several charges which will come in course of payment during the financial year 1964-65, in respect of the services relating to Railways specified in column 2 of the Schedule.

Appropriation. 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		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
2	Miscellaneous Railways Expenditure	10,000	..	10,000
	TOTAL	10,000	..	10,000

Rep. by Act...~~5~~...of 1974, S. 2 & Sch. I

THE INDIAN TARIFF (AMENDMENT) ACT, 1964

No. 51 OF 1964

[28th December, 1964]

An Act further to amend the Indian Tariff Act, 1934

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title and commencement. 1. (1) This Act may be called the Indian Tariff (Amendment) Act, 1964.

(2) The provisions of clauses (i), (iv) and (v) of section 2 shall come into force on the 1st day of January, 1965, and the remaining provisions shall come into force at once.

Amendment of First Schedule. 2. In the First Schedule to the Indian Tariff Act, 1934,—

32 of 1934.

(i) in Items Nos. 28(4), 28(33), 28(34) and 30(14),—

(a) in the third column headed "Nature of duty", for the word "Protective", wherever it occurs, the word "Revenue" shall be substituted;

(b) in the last column headed "Duration of protective rates of duty", the existing entries shall be omitted;

(ii) after Item No. 28(34), the following Items shall be inserted, namely:—

“28(35)	2-amino-anthraquinone— (a) of British manufacture ; (b) not of British manufacture.	Protective Protective	45 per cent. <i>ad valorem.</i> 55 per cent. <i>ad valorem.</i>	December 31st, 1967. December 31st, 1967.
28(36)	Benzanthrone— (a) of British manufacture ; (b) not of British manufacture.	Protective Protective	65 per cent. <i>ad valorem.</i> 75 per cent. <i>ad valorem.</i>	December 31st, 1967. December 31st, 1967.
28(37)	Beta Oxy Naphthoic Acid— (a) of British manufacture ; (b) not of British manufacture.	Protective Protective	65 per cent. <i>ad valorem.</i> 75 per cent. <i>ad valorem.</i>	December 31st, 1967. December 31st, 1967. “;

(iii) in Item No. 30(1), for sub-item (b), the following sub-item shall be substituted, namely:—

“(b)	Coupling dyes of the Naphthol group— (i) naphthoils ; (ii) fast colour bases ; (iii) bases other than at (ii) above	Protective Protective Revenue	50 per cent. <i>ad valorem.</i> 75 per cent. <i>ad valorem.</i> 50 per cent. <i>ad valorem.</i>	December 31st, 1967. December 31st, 1967. ” ;
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- (iv) in Items Nos. 30(15) and 30(16), in the last column headed "Duration of protective rates of duty", for the word, figures and letters "December 31st, 1964", the word, figures and letters "December 31st, 1967" shall be substituted;
- (v) in Items Nos. 66(a) and 66(1), in the last column headed "Duration of protective rates of duty", for the word, figures and letters "December 31st, 1964", the word, figures and letters "December 31st, 1968" shall be substituted,

Rep. by Act.....56 of 1974, S. 2 & S.I.

THE REPEALING AND AMENDING ACT, 1964

No. 52 OF 1964

[29th December, 1964.]

An Act to repeal certain enactments and to amend certain other enactments.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. This Act may be called the Repealing and Amending Act, 1964. Short title.
2. The enactments specified in the First Schedule are hereby repealed to the extent mentioned in the fourth column thereof. Repeal of certain enactments.
3. The enactments specified in the Second Schedule are hereby amended to the extent and in the manner mentioned in the fourth column thereof. Amendment of certain enactments.
4. The repeal by this Act of any enactment shall not affect any other enactment in which the repealed enactment has been applied, incorporated or referred to; Savings.

and this Act shall not affect the validity, invalidity, effect or consequences of anything already done or suffered, or any right, title, obligation or liability already acquired, accrued or incurred or any remedy or proceeding in respect thereof, or any release or discharge of or from any debt, penalty, obligation, liability, claim or demand, or any indemnity already granted, or the proof of any past act or thing;

nor shall this Act affect any principle or rule of law, or established jurisdiction, form or course of pleading, practice or procedure, or existing usage, custom, privilege, restriction, exemption, office or appointment, notwithstanding that the same respectively may have been in any manner affirmed, or recognised or derived by, in or from any enactment hereby repealed;

nor shall the repeal by this Act of any enactment revive or restore any jurisdiction, office, custom, liability, right, title, privilege, restriction, exemption, usage, practice, procedure or other matter or thing not now existing or in force.

*Effect of
repeal of
amending
enactment.*

5. For the removal of doubts, it is hereby declared that where this Act repeals any enactment by which the text of any other enactment, not being a Central Act, Ordinance or Regulation, was amended by the express omission, insertion or substitution of any matter, the repeal shall not affect the continuance of any such amendment made by the enactment so repealed and in operation at the commencement of this Act.

THE FIRST SCHEDULE

(See section 2)

REPEALS

Year 1	No. 2	Short title 3	Extent of repeal 4
<i>Central Acts</i>			
1954	14	The Barsi Light Railway Company (Transferred Liabilities) Act, 1954.	The whole.
1959	3	The Cinematograph (Amendment) Act, 1959.	The whole.
1959	4	The Delhi Land Reforms (Amendment) Act, 1959.	Sections 2 to 19 and sub-section (1) of section 20.
1959	8	The Workmen's Compensation (Amendment) Act, 1959.	The whole.
1959	9	The Delhi Panchayat Raj (Amendment) Act, 1959.	The whole.
1959	13	The Indian Railways (Amendment) Act, 1959.	The whole.
1959	14	The Reserve Bank of India (Amendment) Act, 1959.	The whole.
1959	15	The Chartered Accountants (Amendment) Act, 1959.	The whole.
1959	16	The Indian Lighthouse (Amendment) Act, 1959.	The whole.
1959	20	The Bengal Finance (Sales Tax) (Delhi Amendment) Act, 1959.	The whole.
1959	21	The Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1959.	The whole.
1959	22	The Census (Amendment) Act, 1959.	The whole.
1959	24	The Pharmacy (Amendment) Act, 1959.	Sections 2 to 17.
1959	25	The International Monetary Fund and Bank (Amendment) Act, 1959.	The whole.
1959	26	The State Bank of India (Amendment) Act, 1959.	The whole.
1959	28	The Road Transport Corporations (Amendment) Act, 1959.	The whole.
1959	30	The Wakf (Amendment) Act, 1959.	The whole.

Year 1	No. 2	Short title 3	Extent of repeal 4
1959	32	The Indian Electricity (Amendment) Act, 1959.	The whole.
1959	33	The Banking Companies (Amendment) Act, 1959.	The whole.
1959	37	The Central Excises and Salt (Amendment) Act, 1959.	Section 2.
1959	38	The State Bank of India (Subsidiary Banks) Act, 1959.	Section 64 and the Third Schedule.
1959	41	The Criminal Law (Amendment) Act, 1959.	Section 2.
1959	44	The Public Debt (Amendment) Act, 1959.	The whole.
1959	45	The Government Savings Banks (Amendment) Act, 1959.	The whole.
1959	49	The Securities Contracts (Regulation) Amendment Act, 1959.	The whole.
1959	50	The Kerala State Legislature (Delegation of Powers) Act, 1959.	The whole.
1959	52	The Indian Penal Code (Amendment) Act, 1959.	The whole.
1959	59	The Mineral Oils (Additional Duties of Excise and Customs) Amendment Act, 1959.	Sections 2 and 3.
1959	60	The Indian Tariff (Amendment) Act, 1959.	The whole.
1959	62	The Mines (Amendment) Act, 1959.	The whole.
1960	1	The Administration of Evacuee Property (Amendment) Act, 1960.	The whole.
1960	2	The Displaced Persons (Compensation and Rehabilitation) Amendment Act, 1960.	Sections 2 to 10.
1960	4	The Imports and Exports (Control) Amendment Act, 1960.	The whole.
1960	5	The Motor Vehicles (Amendment) Act, 1960.	Section 2.
1960	14	The Reserve Bank of India (Amendment) Act, 1960.	The whole.
1960	16	The Estate Duty (Amendment) Act, 1960.	Sections 2 and 3.
1960	17	The Supreme Court (Number of Judges) Amendment Act, 1960.	The whole.
1960	18	The Indian Boilers (Amendment) Act, 1960.	Sections 2 to 20.

Year 1	No. 2	Short title 3	Extent of repeal
			4
1960	20	The Representation of the People (Amendment) Act, 1960.	The whole.
1960	21	The Rubber (Amendment) Act, 1960	The whole.
1960	22	The Cotton Transport (Amendment) Act, 1960.	Sections 2 and 3.
1960	23	The Banking Companies (Amendment) Act, 1960.	The whole.
1960	24	The Delhi Land Holdings (Ceiling) Act, 1960.	Section 28.
1960	25	The Agricultural Produce (Grading and Marking) Amendment Act, 1960.	The whole.
1960	26	The Press and Registration of Books (Amendment) Act, 1960.	The whole.
1960	27	The Evacuee Interest (Separation) Amendment Act, 1960.	The whole.
1960	34	The Plantations Labour (Amendment) Act, 1960.	The whole.
1960	35	The Drugs (Amendment) Act, 1960	The whole.
1960	37	The Banking Companies (Second Amendment) Act, 1960.	Sections 2 to 9.
1960	38	The Central Excises (Conversion to Metric Units) Act, 1960.	Sections 2 to 8 and the First and Second Schedules.
1960	40	The Customs Duties and Cesses (Conversion to Metric Units) Act, 1960.	Sections 2 to 9 and the Schedule.
1960	41	The Standards of Weights and Measures (Amendment) Act, 1960.	The whole.
1960	42	The Indian Trade Unions (Amendment) Act, 1960.	The whole.
1960	44	The Indian Aircraft (Amendment) Act, 1960.	The whole.
1960	45	The Indian Museum (Amendment) Act, 1960.	Sections 2 to 12.
1960	46	The Employees' Provident Funds (Amendment) Act, 1960.	The whole.
1960	51	The Motor Vehicles (Second Amendment) Act, 1960.	The whole.
1960	52	The Indian Post Office (Amendment) Act, 1960.	The whole.
1960	55	The Indian Tariff (Amendment) Act, 1960.	The whole.

Year 1	No. 2	Short title 3	Extent of repeal 4
1960	56	The Code of Criminal Procedure (Amendment) Act, 1960.	The whole.
1960	61	The Preventive Detention (Continuance) Act, 1960.	The whole.
1960	62	The Forward Contracts (Regulation) Amendment Act, 1960.	The whole.
1960	65	The Companies (Amendment) Act, 1960 .	Sections 2 to 207 and 209 to 218.
1960	66	The Industrial Finance Corporation (Amendment) Act, 1960.	The whole.
1961	7	The Banking Companies (Amendment) Act, 1961.	Sections 2 to 5.
1961	8	The Railway Passenger Fares (Repeal) Act, 1961.	The whole.
1961	11	The Insurance (Amendment) Act, 1961 .	The whole.
1961	13	The Orissa State Legislature (Delegation of Powers) Act, 1961.	The whole.
1961	15	The Telegraph Laws (Amendment) Act, 1961.	The whole.
1961	16	The Industrial Employment (Standing Orders) Amendment Act, 1961.	The whole.
1961	17	The Essential Commodities (Amendment) Act, 1961.	The whole.
1961	19	The Medicinal and Toilet Preparations (Excise Duties) Amendment Act, 1961.	The whole.
1961	21	The Delhi Shops and Establishments (Amendment) Act, 1961.	The whole.
1961	24	The Coal Mines (Conservation and Safety) Amendment Act, 1961.	The whole.
1961	29	The Marking of Heavy Packages (Amendment) Act, 1961.	The whole.
1961	31	The Minimum Wages (Amendment) Act, 1961.	The whole.
1961	32	The Khadi and Village Industries Commission (Amendment) Act, 1961.	The whole.
1961	34	The Salt Cess (Amendment) Act, 1961 .	The whole.
1961	39	The Indian Railways (Amendment) Act, 1961.	The whole.
1961	40	The Representation of the People (Amendment) Act, 1961.	The whole.

Year 1	No. 2	Short title 3	Extent of repeal 4
1961	41	The Indian Penal Code (Amendment) Act, 1961.	The whole.
1961	42	The Delhi Municipal Corporation (Amendment) Act, 1961.	The whole.
1961	44	The Indian Standards Institution (Certification Marks) Amendment Act, 1961.	The whole.
1961	47	The Deposit Insurance Corporation Act, 1961.	Section 51 and the Second Schedule.
1961	48	The Coffee (Amendment) Act, 1961	The whole.
1961	50	The High Court Judges (Conditions of Service) Amendment Act, 1961.	The whole.
1961	51	The Industries (Development and Regulation) Amendment Act, 1961.	The whole.
1961	52	The Apprentices Act, 1961	Section 52.
1961	56	The Indian Tariff (Amendment) Act, 1961	The whole.
1961	60	The Visvâ-Bharati (Amendment) Act, 1961	The whole.
1961	61	The Delhi University (Amendment) Act, 1961.	The whole.
<i>Other Enactments</i>			
1944	18	The Patiala State Penal Deductions Ordinance, 2000 BK.	The whole.
1948	2	The Patiala Armed Bands (Arrest and Detention) Ordinance, 2005 BK.	The whole.

THE SECOND SCHEDULE

(See section 3)

AMENDMENTS

Year I	No. 2	Short title 3	Amendments 4
<i>Central Acts</i>			
1898	5	The Code of Criminal Procedure, 1898.	In section 118, the brackets and figure "(i)" at the commencement shall be omitted.
1925	26	The Indian Carriage of Goods by Sea Act, 1925.	(i) In the Preamble— (a) in the first paragraph, the words "including the delegates representing His Majesty" shall be omitted; (b) for the third and fourth paragraphs, the following paragraph shall be substituted, namely:— <p style="padding-left: 40px;">"AND WHEREAS it is expedient that the said rules as so amended and as set out with modifications in the Schedule should, subject to the provisions of this Act, have the force of law with a view to establishing the responsibilities, liabilities, rights and immunities attaching to carriers under bills of lading; It is hereby enacted as follows:—";</p> (ii) In section 7, for the words, figures and brackets "four hundred and forty-six to four hundred and fifty, both inclusive, five hundred and two, and five hundred and three of the Merchant Shipping Act, 1894 (57 & 58 Vict., c. 60), as amended by any subsequent enactment", the following words, figures and brackets shall be substituted, namely:— <p style="padding-left: 40px;">"331 and 352 of the Merchant Shipping Act, 1958 (44 of 1958)".</p>
1925	39	The Indian Succession Act, 1925.	In sub-section (2) of section 213, in clause (ii), for the words "ordinary civil jurisdiction", the words "ordinary original civil jurisdiction" shall be substituted.
1949	24	The Delhi Hotels (Control of Accommodation) Act, 1949.	(i) For sub-section (2) of section 1, the following sub-section shall be substituted, namely: "(2) It extends to the areas which immediately before the 7th April, 1958, were included in the jurisdiction of—

Year I	No. 2	Short title 3	Amendments 4
			(a) the Municipality of New Delhi; (b) the Notified Area Committee, Civil Station, Delhi"; (ii) For the words "Estate Officer", wherever they occur, the words "Director of Estates" shall be substituted.
1949	38	The Chartered Accountants Act, 1949.	In item (9) of Part I of the First Schedule, for the figures "226", the figures "225" shall be substituted.
1956	1	The Companies Act, 1956.	(i) In section 3 (i) (ii) of the Act, as extended to the Union territory of Goa, Daman and Diu, in clause (g), the words, brackets and figures "(Carta Lei of the 11th April, 1901)" shall be omitted; (ii) In clause (c) of sub-section (4) of section 56, for the words "was immaterial" the words "were immaterial" shall be substituted ; (iii) In sub-section (1) of section 620, for the figures "639", the figures and letter "619A" shall be substituted.
1957	61	The Delhi Development Act, 1957.	In sub-section (3) of section 3, in clause (f) for the words "two representatives", the words "three representatives" shall be substituted.
1957	66	The Delhi Municipal Corporation Act, 1957.	(i) In the heading to section 184, the words "Taxes on motor vehicles and" shall be omitted ; (ii) In clause (a) of sub-section (1) of section 397, sub-clauses (ii) and (iii) shall be omitted.
1959	47	The Rajasthan and Madhya Pradesh (Transfer of Territories) Act, 1959.	In the First Schedule, against "Dotada" village, in the column headed "Area in Bighas"— (i) for the figures "926" against Khasara No. 365, the figures "921" shall be substituted ; (ii) for the figures "200" against Khasara No. 367, the figures "205" shall be substituted.
1960	11	The Bombay Reorganisation Act, 1960.	In the Eighth Schedule, under the heading "Part IV—Gujarat", in item 12 below entry 1, for the expression "Koli, Dhor" the expression "Koli Dhor" shall be substituted.

Year 1	No. 2	Short title 3	Amendments 4
1961	25	The Advocates Act, 1961.	In sub-section (5) of section 49A, for the words "under this Act", the words "under this section" shall be substituted.
1962	51	The Defence of India Act, 1962.	In sub-section (2) of section 25, the word "by" occurring after the words "shall not prejudice" shall be omitted.
1962	55	The Manipur (Sales of Motor Spirit and Lubricants) Taxation Act, 1962.	In the first proviso to section 15, for the words "under this sub-section", the words "under this section" shall be substituted.
1963	36	The Limitation Act, 1963.	<p>In the Schedule,—</p> <ul style="list-style-type: none"> (i) in the entry in the first column against article 98, for the words and figures "an order under rule 63 or rule 103," the words and figures "an order referred to in rule 63 or in rule 103" shall be substituted; (ii) in the entry in the third column against article 136, for the word "Where" where that word first occurs, the word "When" shall be substituted.
1963	47	The Specific Relief Act, 1963.	<ul style="list-style-type: none"> (i) In clause (i) of sub-section (3) of section 12, after the word, brackets and letter "clause (b)", the words "pays or has paid" shall be inserted; (ii) In clause (b) of sub-section (1) of section 22, for the words "made to", the words "made by" shall be substituted.

Year 1	No. 2	Short title 3	Amendments 4
	..	<i>Acts in force in the Union territory of Delhi.</i>	
	..	The Punjab Municipal Act, 1911 (Punjab Act 3 of 1911), as in force in the Union territory of Delhi.	Section 151 shall be omitted.
	..	The United Provinces Municipalities Act, 1916 (United Provinces Act 2 of 1916), as in force in the Union territory of Delhi.	Section 248 shall be omitted.

Rep. by Act... 56 of 1974, S. 26 Sch J.

THE PAYMENT OF WAGES (AMENDMENT) ACT, 1964

No. 53 OF 1964

[30th December, 1964.]

An Act further to amend the Payment of Wages Act, 1936.

BE it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title
and com-
mencement.

1. (1) This Act may be called the Payment of Wages (Amendment) Act, 1964.

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

Amend-
ment of
section 1.

2. To sub-section (5) of section 1 of the Payment of Wages Act, 1936 (hereinafter referred to as the principal Act), the following proviso shall be added, namely:—

“Provided that in relation to any industrial establishment owned by the Central Government, with objects not confined to one State, no such notification shall be issued except in consultation with that Government.”.

Amend-
ment of
section 2.

3. In section 2 of the principal Act,—

(i) for clause (i), the following clauses shall be substituted, namely:—

“(i) “employed person” includes the legal representative of a deceased employed person;

¹1-2-1965. vide Notification No. S. O. 377, dated 27-1-1965. Gazette of India, Extraordinary, Pt. II, Sec. 365 p. 73.

(ia) "employer" includes the legal representative of a deceased employer;

63 of 1948.

(ib) "factory" means a factory as defined in clause (m) of section 2 of the Factories Act, 1948 and includes any place to which the provisions of that Act have been applied under sub-section (I) of section 85 thereof;'

(ii) in clause (ii), for sub-clause (a), the following sub-clauses shall be substituted, namely :—

"(a) tramway service, or motor transport service engaged in carrying passengers or goods or both by road for hire or reward;

(aa) air transport service other than such service belonging to, or exclusively employed in the military, naval or air forces of the Union or the Civil Aviation Department of the Government of India;";

(iii) after clause (ii), the following clause shall be inserted, namely:—

35 of 1952.

'(iia) "mine" has the meaning assigned to it in clause (j) of sub-section (1) of section 2 of the Mines Act, 1952;'

(iv) for clause (iii), the following clause shall be substituted, namely:—

69 of 1951.

'(iii) "plantation" has the meaning assigned to it in clause (f) of section 2 of the Plantations Labour Act, 1951.'.

4. In section 3 of the principal Act, in the proviso, for the words "shall be responsible", the words "shall also be responsible" shall be substituted.

Amend-
ment of
section 3.

5. In section 5 of the principal Act,—

(i) to sub-section (1), the following proviso shall be added, namely:—

Amend-
ment of
section 5.

"Provided that in the case of persons employed on a dock, wharf or jetty or in a mine, the balance of wages found due on completion of the final tonnage account of the ship or wagons loaded or unloaded, as the case may be, shall be paid before the expiry of the seventh day from the day of such completion.";

(ii) to sub-section (2), the following proviso shall be added, namely:—

“Provided that where the employment of any person in an establishment is terminated due to the closure of the establishment for any reason other than a weekly or other recognised holiday, the wages earned by him shall be paid before the expiry of the second day from the day on which his employment is so terminated.”;

(iii) in sub-section (3),—

(a) after the brackets and words “(otherwise than in a factory)”, the words “or to persons employed as daily-rated workers in the Public Works Department of the Central Government or the State Government” shall be inserted;

(b) the following proviso shall be inserted at the end, namely:—

“Provided that in the case of persons employed as daily-rated workers as aforesaid, no such order shall be made except in consultation with the Central Government.”;

(iv) in sub-section (4), for the words “All payments”, the words, brackets and figure “Save as otherwise provided in sub-section (2), all payments” shall be substituted.

Amend-
ment of
section 7.

6. In section 7 of the principal Act,—

(i) in sub-section (2),—

(a) in clause (e) and in clause (j), after the words “State Government”, the words “or any officer specified by it in this behalf” shall be inserted;

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

“(f) deductions for recovery of advances of whatever nature (including advances for travelling allowance or conveyance allowance), and the interest due in respect thereof, or for adjustment of over-payments of wages;

(ff) deductions for recovery of loans made from any fund constituted for the welfare of labour in accordance with the rules approved by the State Government, and the interest due in respect thereof;

(fff) deductions for recovery of loans granted for house-building or other purposes approved by the State Government, and the interest due in respect thereof;";

(c) after clause (k), the following clauses shall be inserted, namely:—

"(l) deductions for payment of insurance premia on Fidelity Guarantee Bonds;

(m) deductions for recovery of losses sustained by a railway administration on account of acceptance by the employed person of counterfeit or base coins or mutilated or forged currency notes;

(n) deductions for recovery of losses sustained by a railway administration on account of the failure of the employed person to invoice, to bill, to collect or to account for the appropriate charges due to that administration, whether in respect of fares, freight, demurrage, wharfage and cranage or in respect of sale of food in catering establishments or in respect of sale of commodities in grain shops or otherwise;

(o) deductions for recovery of losses sustained by a railway administration on account of any rebates or refunds incorrectly granted by the employed person where such loss is directly attributable to his neglect or default;";

(ii) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(3) Notwithstanding anything contained in this Act, the total amount of deductions which may be made under sub-section (2) in any wage period from the wages of any employed person shall not exceed—

(i) in cases where such deductions are wholly or partly made for payments to co-operative societies under clause (j) of sub-section (2), seventy-five per cent. of such wages, and

(ii) in any other case, fifty per cent. of such wages:

Provided that where the total deductions authorised under sub-section (2) exceed seventy-five per cent. or, as the case may be, fifty per cent. of the wages, the excess may be recovered in such manner as may be prescribed.

(4) Nothing contained in this section shall be construed as precluding the employer from recovering from the wages of the employed person or otherwise any amount payable by such person under any law for the time being in force other than the Indian Railways Act, 1890.".

9 of 1890.

Amend-
ment of
section
10.

7. In section 10 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

"(1) A deduction under clause (c) or clause (o) of sub-section (2) of section 7 shall not exceed the amount of the damage or loss caused to the employer by the neglect or default of the employed person.

(1A) A deduction shall not be made under clause (c) or clause (m) or clause (n) or clause (o) of sub-section (2) of section 7 until the employed person has been given an opportunity of showing cause against the deduction, or otherwise than in accordance with such procedure as may be prescribed for the making of such deductions."

Amend-
ment of
section
12.

8. In section 12 of the principal Act, after clause (a), the following clause shall be inserted, namely:—

"(aa) recovery of an advance of money given after employment began shall be subject to such conditions as the State Government may impose;".

Insertion
of new
section
12A.

9. After section 12 of the principal Act, the following section shall be inserted, namely:—

Dedu-
ctions
for re-
covery of
loans.

"12A. Deductions for recovery of loans granted under clause (fff) of sub-section (2) of section 7 shall be subject to any rules made by the State Government regulating the extent to which such loans may be granted and the rate of interest payable thereon."

Insertion
of new
section
13A.

10. After section 13 of the principal Act, the following section shall be inserted, namely:—

Mainte-
nance of
registers
and
records.

"13A. (1) Every employer shall maintain such registers and records giving such particulars of persons employed by him, the work performed by them, the wages paid to them, the deductions made from their wages, the receipts given by them and such other particulars and in such form as may be prescribed.

(2) Every register and record required to be maintained under this section shall, for the purposes of this Act, be preserved for a period of three years after the date of the last entry made therein.”.

11. In section 14 of the principal Act, for sub-section (4), the following sub-sections shall be substituted, namely:—
Amendment of
section 14.

“(4) An Inspector may,—

(a) make such examination and inquiry as he thinks fit in order to ascertain whether the provisions of this Act or rules made thereunder are being observed;

(b) with such assistance, if any, as he thinks fit, enter, inspect and search any premises of any railway, factory or industrial establishment at any reasonable time for the purpose of carrying out the objects of this Act;

(c) supervise the payment of wages to persons employed upon any railway or in any factory or industrial establishment;

(d) require by a written order the production at such place, as may be prescribed, of any register or record maintained in pursuance of this Act and take on the spot or otherwise statements of any persons which he may consider necessary for carrying out the purposes of this Act;

(e) seize or take copies of such registers or documents or portions thereof as he may consider relevant in respect of an offence under this Act which he has reason to believe has been committed by an employer;

(f) exercise such other powers as may be prescribed:

Provided that no person shall be compelled under this sub-section to answer any question or make any statement tending to incriminate himself.

5 of 1898.

(4A) The provisions of the Code of Criminal Procedure, 1898 shall, so far as may be, apply to any search or seizure under this sub-section as they apply to any search or seizure made under the authority of a warrant issued under section 98 of the said Code.”.

Insertion
of new
section
14A.

Facili-
ties to be
afforded
to Inspec-
tors.

Amend-
ment of
section 15.

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

“14A. Every employer shall afford an Inspector all reasonable facilities for making any entry, inspection, supervision, examination or inquiry under this Act.”.

13. In section 15 of the principal Act,—

(i) in sub-section (1),—

(a) after the word “appoint”, the following shall be inserted, namely:—

“a presiding officer of any Labour Court or Industrial Tribunal, constituted under the Industrial Disputes Act, 1947 or under any corresponding law relating to ^{14 of 1947.} the investigation and settlement of industrial disputes in force in the State or”;

(b) for the words “of persons employed or paid in that area”, the following shall be substituted, namely:—

“of persons employed or paid in that area, including all matters incidental to such claims:

Provided that where the State Government considers it necessary so to do, it may appoint more than one authority for any specified area and may, by general or special order, provide for the distribution or allocation of work to be performed by them under this Act.”;

(ii) in sub-section (2), for the words “six months”, wherever they occur, the words “twelve months” shall be substituted;

(iii) in sub-section (3), for the words “not exceeding ten rupees in the latter”, the following shall be substituted, namely:—

“not exceeding twenty-five rupees in the latter, and even if the amount deducted or the delayed wages are paid before the disposal of the application, direct the payment of such compensation, as the authority may think fit, not exceeding twenty-five rupees”;

(iv) for sub-section (4), the following sub-sections shall be substituted, namely:—

“(4) If the authority hearing an application under this section is satisfied—

(a) that the application was either malicious or vexatious, the authority may direct that a penalty not

exceeding fifty rupees be paid to the employer or other person responsible for the payment of wages by the person presenting the application; or

(b) that in any case in which compensation is directed to be paid under sub-section (3), the applicant ought not to have been compelled to seek redress under this section, the authority may direct that a penalty not exceeding fifty rupees be paid to the State Government by the employer or other person responsible for the payment of wages.

(4A) Where there is any dispute as to the person or persons being the legal representative or representatives of the employer or of the employed person, the decision of the authority on such dispute shall be final.

(4B) Any inquiry under this section shall be deemed to be a judicial proceeding within the meaning of sections 193, 219 and 228 of the Indian Penal Code."

45 of 1860.

14. In section 16 of the principal Act,—

Amend-
ment of
section 16.

(i) in sub-section (1), after the words "and if", the words "deductions have been made from their wages in contravention of this Act for the same cause and during the same wage period or periods or if" shall be inserted;

(ii) in sub-section (2), for the words, brackets and figures "the maximum compensation that may be awarded under sub-section (3) of section 15 shall be ten rupees per head", the words, brackets and figures "every person on whose behalf such application is presented may be awarded maximum compensation to the extent specified in sub-section (3) of section 15" shall be substituted.

15. In section 17 of the principal Act,—

Amend-
ment of
section 17.

(i) in sub-section (1),—
(a) in clause (a), after the words "three hundred rupees", the words "or such direction has the effect of imposing on the employer or the other person a financial liability exceeding one thousand rupees" shall be inserted;

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

"(b) by an employed person or any legal practitioner or any official of a registered trade union authorised in writing to act on his behalf or any Inspector under this Act, or any other person permitted by the authority to make an application under sub-section (2) of section 15, if the total amount of wages claimed to have been withheld from the employed person exceeds twenty rupees or from the unpaid group to which the employed person belongs or belonged exceeds fifty rupees, or";

(ii) after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) No appeal under clause (a) of sub-section (1) shall lie unless the memorandum of appeal is accompanied by a certificate by the authority to the effect that the appellant has deposited the amount payable under the direction appealed against.";

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(3) Where an employer prefers an appeal under this section, the authority against whose decision the appeal has been preferred may, and if so directed by the court referred to in sub-section (1) shall, pending the decision of the appeal, withhold payment of any sum in deposit with it.

(4) The court referred to in sub-section (1) may, if it thinks fit, submit any question of law for the decision of the High Court and, if it so does, shall decide the question in conformity with such decision.".

Amend-
ment of
section
17A.

16. In section 17A of the principal Act, in sub-section (1), for the words "any official of a registered trade union authorised in writing to act on his behalf", the words, brackets and figures "any legal practitioner or any official of a registered trade union authorised in writing to act on his behalf or any Inspector under this Act or any other person permitted by the authority to make an application under sub-section (2) of section 15" shall be substituted.

Omission
of section
19.

17. Section 19 of the principal Act shall be omitted.

Amend-
ment of
section 20.

18. In section 20 of the principal Act,—

(i) in sub-section (1), for the words and figures "section 5 and sections 7 to 13", the words, figures and brackets "section 5

except sub-section (4) thereof, section 7, section 8 except sub-section (8) thereof, section 9, section 10 except sub-section (2) thereof, and sections 11 to 13" shall be substituted;

(ii) in sub-section (2), for the word and figure "section 6", the words, brackets and figures "sub-section (4) of section 5, section 6, sub-section (8) of section 8, sub-section (2) of section 10" shall be substituted;

(iii) after sub-section (2), the following sub-sections shall be inserted, namely:—

"(3) Whoever being required under this Act to maintain any records or registers or to furnish any information or return—

(a) fails to maintain such register or record; or

(b) wilfully refuses or without lawful excuse neglects to furnish such information or return; or

(c) wilfully furnishes or causes to be furnished any information or return which he knows to be false; or

(d) refuses to answer or wilfully gives a false answer to any question necessary for obtaining any information required to be furnished under this Act;

shall, for each such offence, be punishable with fine which may extend to five hundred rupees.

(4) Whoever—

(as wilfully obstructs an Inspector in the discharge of his duties under this Act; or

(b) refuses or wilfully neglects to afford an Inspector any reasonable facility for making any entry, inspection, examination, supervision, or inquiry authorised by or under this Act in relation to any railway, factory or industrial establishment; or

(c) wilfully refuses to produce on the demand of an Inspector any register or other document kept in pursuance of this Act; or

(d) prevents or attempts to prevent or does anything which he has any reason to believe is likely to prevent any person from appearing before or being

examined by an Inspector acting in pursuance of his duties under this Act;

shall be punishable with fine which may extend to five hundred rupees.

(5) If any person who has been convicted of any offence punishable under this Act is again guilty of an offence involving contravention of the same provision, he shall be punishable on a subsequent conviction with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both:

Provided that for the purpose of this sub-section, no cognizance shall be taken of any conviction made more than two years before the date on which the commission of the offence which is being punished came to the knowledge of the Inspector.

(6) If any person fails or wilfully neglects to pay the wages of any employed person by the date fixed by the authority in this behalf, he shall, without prejudice to any other action that may be taken against him, be punishable with an additional fine which may extend to fifty rupees for each day for which such failure or neglect continues.”.

**Amend-
ment of
section 21.** 19. In section 21 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

“(3A) No court shall take cognizance of any offence punishable under sub-section (3) or sub-section (4) of section 20 except on a complaint made by or with the sanction of an Inspector under this Act.”.

**Insertion
of new
section
22A.**

20. After section 22 of the principal Act, the following section shall be inserted, namely:—

**Protect-
tion of
action
taken in
good faith.**

“22A. No suit, prosecution or other legal proceeding shall lie against the Government or any officer of the Government for anything which is in good faith done or intended to be done under this Act.”.

**Amend-
ment of
section 24.**

21. In section 24 of the principal Act, after the word “railways,” the words “air transport services,” shall be inserted.

22. In section 26 of the principal Act,—Amend-
ment of
section 26

(i) in sub-section (3),—

(a) in clause (a), for the words "and prescribe the form thereof" the following words shall be substituted, namely:—

"prescribe the form thereof and the particulars to be entered in such registers or records";

(b) after clause (i), the following clauses shall be inserted, namely:—

"(ia) prescribe the extent to which loans may be granted and the rate of interest payable thereon with reference to section 12A;

(ib) prescribe the powers of Inspectors for the purposes of this Act;";

(c) in clause (k), the word "and" shall be omitted;

(d) in clause (l), the word "and" shall be inserted at the end;

(e) after clause (l), the following clause shall be inserted, namely:—

"(m) provide for any other matter which is to be or may be prescribed.";

(ii) after sub-section (5), the following sub-section shall be inserted, namely:—

"(6) Every rule made by the Central Government 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 successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, 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 Act.....⁵⁶ of 1974, S. 2, ch. I

THE STANDARDS OF WEIGHTS AND MEASURES
(AMENDMENT) ACT, 1964

No. 54 OF 1964

[30th December, 1964.]

An Act further to amend the Standards of Weights and Measures Act, 1956.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title.

1. This Act may be called the Standards of Weights and Measures (Amendment) Act, 1964.

Amend-
ment of
section 2.

2. In section 2 of the Standards of Weights and Measures Act, ^{89 of 1956.} 1956 (hereinafter referred to as the principal Act), for clause (d), the following clause shall be substituted, namely:—

‘(d) “metre” means the length equal to 1,650,763·73 wavelengths, in vacuum, of the radiation corresponding to the transition between the $2p_{10}$ and $5d_5$ levels of the krypton atom of mass 86;’.

Amend-
ment of
section 3.

3. In sub-section (2) of section 3 of the principal Act, for the words “in terms of the international proto-type of the metre”, the words “by the International Bureau of Weights and Measures” shall be substituted.

Amend-
ment of
section 5.

4. In sub-section (2) of section 5 of the principal Act, for the figures “1/31,556,925·975”, the figures “1/31,556,925·9747” shall be substituted.

Insertion
of new
section
15A.

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

Unit of
length in
naviga-
tion by
sea or
air.

“15A. Notwithstanding anything contained in this Act, a nautical mile which is equal to 1852 metres, may be used as the unit of length in relation to navigation by sea or air.”

Rep. by Act...S.6....of 1974, S.2 & Sch. I.

THE FOREIGN EXCHANGE REGULATION (AMENDMENT) ACT, 1964

No. 55 OF 1964

[30th December, 1964.]

An Act further to amend the Foreign Exchange Regulation Act, 1947.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

1. (1) This Act may be called the Foreign Exchange Regulation (Amendment) Act, 1964. 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 sub-section (2) of section 1 of the Foreign Exchange Regulation Act, 1947 (hereinafter referred to as the principal Act), the words “and to branches and agencies outside India of companies or bodies corporate registered or incorporated in India” shall be inserted at the end. Amendment of section 1.

3. In section 2 of the principal Act,—

2 of 1934. (i) in clause (g), the words, figures and letter “but does not include special bank notes and special one-rupee notes issued under section 28A of the Reserve Bank of India Act, 1934” shall be inserted at the end; Amendment of section 2.

(ii) after clause (g), the following clause shall be inserted, namely:—

‘(gg) “Indian customs waters” means the waters extending into the sea to a distance of twelve nautical miles

¹I-4-1965 Vide Notification No. G.S.R. 537, dated 31-3-1965, Gazette of India, Extraordinary, Pt. II, Sec. 3 (i) p. 151.

measured from the appropriate base line on the coast of India and includes any bay, gulf, harbour, creek or tidal river;'

(iii) in clause (k), after the words and figures "Public Debt Act, 1944," the words and figures "savings certificates to which 18 of 1944 the Government Savings Certificates Act, 1959, applies," shall be 46 of 1959 inserted.

Insertion
of new
sections
2A and 2B.

Officers
of Enfor-
cement.

Entrust-
ment of
functions
of Direc-
tor or
other offi-
cer of En-
force-
ment.

Amend-
ment of
section 4.

Amend-
ment of
section 5.

Amend-
ment of
section 8.

Amend-
ment of
section 10.

4. After section 2 of the principal Act, the following sections shall be inserted, namely:—

"2A. The Central Government may appoint a Director of Enforcement and as many Deputy Directors of Enforcement, Assistant Directors of Enforcement and such other officers as it thinks fit to be officers of Enforcement for the purpose of enforcing the provisions of this Act.

2B. The Central Government may, by order and subject to such limitations and conditions as it thinks fit to impose, authorise any officer of Enforcement, or any officer of customs or any Central Excise Officer or any police officer or any other officer of the Central Government or a State Government to exercise such of the powers and discharge such of the duties of the Director of Enforcement or any other officer of Enforcement under this Act as may be specified in the order."

5. In section 4 of the principal Act, in sub-section (1), for the words "buy or borrow from", the words "buy or otherwise acquire or borrow from" and for the words "sell or lend to", the words "sell or otherwise transfer or lend to" shall be substituted.

6. In sub-section (1) of section 5 of the principal Act, after clause (a), the following clause shall be inserted, namely:—

"(aa) receive, otherwise than through an authorised dealer, any payment by order or on behalf of any person resident outside India;"

7. In section 8 of the principal Act, in sub-section (2), after the words "any gold", the word "jewellery" shall be inserted, and for the words "obtained from an authorised dealer", the words "obtained by him from an authorised dealer" shall be substituted.

8. In sub-section (1) of section 10 of the principal Act, in the opening paragraph, for the words "do or refrain from doing any act with intent to secure—", the words "do or refrain from doing anything or take or refrain from taking any action which has the effect of securing—" shall be substituted

9. In sub-section (2) of section 12 of the principal Act, in the opening paragraph, for the words "do or refrain from doing any act with intent to secure that—", the words "do or refrain from doing anything or take or refrain from taking any action which has the effect of securing that—" shall be substituted.

10. In section 13 of the principal Act, in sub-section (4),—

- (i) in clause (b), the word "or" shall be inserted at the end;
- (ii) after clause (b), the following clause shall be inserted, namely:—

"(c) transfer any share from a register outside India to a register in India."

11. In section 17 of the principal Act,—

(a) in sub-section (1),—

(i) for the words "settle any property, otherwise than by will, so that a person who at the time of the settlement", the words "settle, or make a gift of, any property so that a person who at the time of the settlement or the making of the gift" shall be substituted;

(ii) the words ", other than by will," shall be omitted;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Any settlement or gift made or any power exercised as aforesaid without the permission of the Reserve Bank shall not be invalid merely on the ground that such permission has not been obtained, but no payment or remittance in pursuance of such settlement, gift or power shall be made to, or for the credit of, or on behalf of any person resident outside India, elsewhere than in territories notified by the Reserve Bank, except with the general or special permission of the Reserve Bank which may be granted conditionally or unconditionally."

12. In section 18 of the principal Act, after sub-section (3B), the following sub-section shall be inserted, namely:—

"(3C) Except with the general or special permission of the Central Government or the Reserve Bank, no person resident in India shall give a guarantee in respect of any debt or other obligation or liability of a person resident outside India."

Insertion
of new
sections
18A and
18B.

Restriction
on appoint-
ment of
certain
companies
and firms
as agents
or techni-
cal advi-
sers in
India.

Regula-
tion of
booking
of pas-
sages out-
side India.

Amend-
ment of
section 19.

Insertion
of new
sections
19A to
19F.

Power to
search
suspected
persons.

13. After section 18 of the principal Act, the following sections shall be inserted, namely:—

“18A. Without prejudice to the provisions of section 21 and notwithstanding anything contained in any other provision of this Act, a company (other than a banking company) which is not incorporated under any law in force in India or which is controlled directly or indirectly by persons resident outside India, or any branch or office of any such company in India, or a firm consisting wholly or in part of persons resident outside India, shall not accept appointment as—

(a) agent in India of any person, company or firm in the trading or commercial transactions thereof, or

(b) technical or management adviser in India of any person, company or firm,

except with the general or special permission of the Central Government or the Reserve Bank; and where such appointment is accepted without such permission, it shall be void.

18B. No airline, shipping company or travel agent shall, except with the general or special permission of the Reserve Bank and subject to such conditions, if any, as may be specified therein, book for any person a passage for a journey the whole or any part of which is outside India.”.

14. In section 19 of the principal Act, sub-sections (3) and (4) shall be omitted.

15. Sections 19A and 19B of the principal Act shall be re-numbered as sections 19G and 19H respectively and—

(a) before section 19G as so re-numbered, the following sections shall be inserted, namely:—

“19A. (1) If any officer of Enforcement authorised in this behalf by the Central Government, by general or special order, has reason to believe that any person has secreted about his person any documents which will be useful for or relevant to any proceeding under this Act, he may search that person.

(2) When any officer of Enforcement is about to search any person under the provisions of this section, the officer

of Enforcement shall, if such person so requires, take such person without unnecessary delay to the nearest gazetted officer of Enforcement superior in rank to him or a magistrate.

(3) If such requisition is made, the officer of Enforcement may detain the person making it until he can bring him before the gazetted officer of Enforcement or magistrate referred to in sub-section (2).

(4) The gazetted officer of Enforcement 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.

(5) Before making a search under the provisions of this section, the officer of Enforcement shall call upon two or more persons to attend and witness the search and may issue an order in writing to them or any of them so to do; and the search shall be made in the presence of such persons and a list of all documents seized in the course of such search shall be prepared by such officer or other person and signed by such witnesses.

(6) No female shall be searched by any one excepting a female.

(7) In this section and in sections 19C to 19G, the expression "document" includes Indian currency, foreign exchange and books of account.

19B. (1) If any officer of Enforcement authorised in this behalf by the Central Government, by general or special order, has reason to believe that any person in India or within the Indian customs waters has been guilty of an offence punishable under this Act, he may arrest such person and shall, as soon as may be, inform him of the grounds for such arrest. Power to arrest.

(2) Every person arrested under sub-section (1) shall, without unnecessary delay, be taken to a magistrate.

(3) Where any officer of Enforcement has arrested any person under sub-section (1), he shall, for the purpose of releasing such person on bail or otherwise, have the same powers and be subject to the same provisions as the officer-in-charge of a police station has, and is subject to, under the Code of Criminal Procedure, 1898.

Power to stop and search conveyances.

19C. Where an officer of Enforcement authorised in this behalf by the Central Government, by general or special order, has reason to believe that any aircraft, vehicle or animal in India or any vessel in India or within the Indian customs waters has been, is being, or is about to be, used in the commission of an offence under this Act, or that any documents which will be useful for or relevant to any proceeding under this Act is secreted therein, he may at any time stop any such vehicle or animal or vessel or, in the case of an aircraft, compel it to land, and—

- (a) rummage and search any part of the aircraft, vehicle or vessel;
- (b) examine and search any goods in the aircraft, vehicle or vessel or on the animal;
- (c) seize any such document as is referred to above;
- (d) break open the lock of any door or package for exercising the powers conferred by clauses (a), (b) and (c) if the keys are withheld.

Power to search premises.

19D. (1) If an officer of Enforcement, not below the rank of Assistant Director of Enforcement, has reason to believe that any documents which in his opinion will be useful for or relevant to any proceeding under this Act, are secreted in any place he may authorise any officer of Enforcement to search for and seize or may himself search for and seize such documents.

(2) The provisions of the Code of Criminal Procedure, 1898, relating to searches shall, so far as may be, apply to searches under this section subject to the modification that sub-section (5) of section 165 of the said Code shall have effect as if for the word "Magistrate", wherever it occurs, the words "Director of Enforcement or other officer exercising his powers" were substituted.

5 of 1898.

Power to examine persons.

19E. The Director of Enforcement may, during the course of any inquiry in connection with any offence under this Act,—

- (a) require any person to produce or deliver any document relevant to the inquiry;
- (b) examine any person acquainted with the facts and circumstances of the case.

19F. (1) The Director of Enforcement shall have power to summon any person whose attendance he considers necessary either to give evidence or to produce a document in any inquiry which such officer is making in connection with any offence under this Act.

(2) A summons to produce documents may be for the production of certain specified documents or for the production of all documents of a certain description in the possession or under the control of the person summoned.

(3) All persons so summoned shall be bound to attend either in person or by an authorised agent, as such officer may direct; and all persons so summoned shall be bound to state the truth upon any subject respecting which they are examined or make statements and produce such documents as may be required:

Provided that the exemption under section 132 of the Code of Civil Procedure, 1908, shall be applicable to any requisition for attendance under this section.

(4) Every such inquiry as aforesaid shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code.;

(b) in section 19G as so re-numbered,—

(i) for the words, brackets and figures "Where, in pursuance of an order made under sub-section (2) of section 19 or of a search warrant issued under sub-section (3) of the said section, any book or other document is furnished or seized, and the Director of Enforcement has reasons to believe that the said document would be evidence of the contravention of any of the provisions of this Act or of any rule, direction or order made thereunder, and that it would be necessary to retain the document in his custody, he may so retain the said document for a period not exceeding four months or if, before the expiry of the said period of four months, any proceedings under section 23—", the following shall be substituted, namely:—

"Where in pursuance of an order made under sub-section (2) of section 19 of the provisions of section 19A, 19C or 19D, or of a requisition or summons under section 19E or 19F, any document is furnished or seized and the Director of Enforcement or any other officer of Enforcement has reason to believe that the said document would be evidence of the contravention of any of the provisions of this Act or of any rule, direction or order

5 of 1908.

45 of 1860.

Power to summon persons to give evidence and produce documents.

made thereunder, and that it would be necessary to retain the document in his custody, he may so retain the said document for a period not exceeding one year or if, before the expiry of the said period of one year, any proceedings under section 23—”;

(ii) in clause (a), for the words “including the proceedings before the Appellate Board, if any”, the words “including the proceedings, if any, before the Appellate Board and the High Court” shall be substituted;

(c) after section 19H as so re-numbered, the following sections shall be inserted, namely:—

Prohibition of disclosure of documents or information except in certain cases.

‘19I. (1) If in the course of an inquiry under this Act, the Director of Enforcement is of the opinion that the contents of any document in his possession or control would be useful for, or relevant to, any proceeding which is in progress or may be started under any other law for the time being in force, he may disclose such document or any information contained therein as he thinks fit to an officer duly authorised by or under such other law.

(2) If any officer of Enforcement, except in the discharge in good faith of his duty as such officer in accordance with sub-section (1), or in compliance with any requisition made under any law for the time being in force, discloses any document or information obtained by him in his official capacity in the course of any inquiry under this Act, 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.

Special provision regarding certain dealings in foreign exchange.

19J. (1) If any person is found or is proved to have been in possession of any foreign exchange exceeding in value two hundred and fifty rupees, the burden of proving that the foreign exchange came into his possession lawfully shall be on him.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1898, any police officer not below the rank of Inspector of Police or any other officer of the Central Government or a State Government authorised by the Central Government in this behalf may enter any public place and search and arrest without warrant any person found therein who is reasonably suspected of having committed or of committing or of being about to commit a contravention of sub-section (1) of section 4.

Explanation.—For the purposes of this sub-section, the expression "public place" includes any public conveyance, any hotel, any shop or any other place intended for use by, or accessible to, the public.

(3) Where any person is arrested under sub-section (2) by an officer other than a police officer, such officer shall, without unnecessary delay, take or send the person arrested before a magistrate having jurisdiction in the case or before the officer-in-charge of a police station.

5 of 1898 (4) The provisions of the Code of Criminal Procedure, 1898, shall, subject to the provisions of this section, apply, so far as may be, in relation to any entry, search or arrest, made under this section.

(5) The provisions of this section shall have effect notwithstanding anything inconsistent therewith contained in any other provision of this Act.'

16. In section 22 of the principal Act, for the word, figures and letter "section 19B", the word, figures and letter "section 19H" shall be substituted. Amend-
ment of
section 22.

17. In section 23 of the principal Act,—

(a) in sub-section (1), for the words, figures and brackets "If any person contravenes the provisions of section 4, section 5, section 9 or sub-section (2) of section 12", the following shall be substituted, namely:—

"If any person contravenes the provisions of section 4, section 5, section 9, section 10, sub-section (2) of section 12, section 17, section 18A or section 18B

(b) for sub-section (1A), the following sub-section shall be substituted, namely:—

"(1A) If any person contravenes any of the provisions of this Act or of any rule, direction or order made thereunder, for the contravention of which no penalty is expressly provided, he shall, upon conviction by a court, be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.";

(c) in sub-section (3),—

(i) after clause (a), the following clause shall be inserted, namely:—

"(aa) of any offence punishable under sub-section (2) of section 19I,—

(i) where the offence is alleged to have been committed by an officer of Enforcement not lower in rank than an Assistant Director of Enforcement, except with the previous sanction of the Central Government;

(ii) where the offence is alleged to have been committed by an officer of Enforcement lower in rank than an Assistant Director of Enforcement, except with the previous sanction of the Director of Enforcement, or";

(ii) in clause (b), for the words and figures "or under section 54 of the Indian Income-tax Act, 1922, as applied by 11 of 1922 section 19 of this Act", the words, figures and letter "or section 23F" shall be substituted.

**Amend-
ment of
section
23A.**

18. In section 23A of the principal Act, for the words and figures "under section 19 of the Sea Customs Act, 1878, and all the provisions of that Act shall have effect accordingly, except that section 183 thereof shall have effect as if for the word "shall" therein, the word "may" were substituted", the following shall be substituted, namely:—

"under section 11 of the Customs Act, 1962, and all the provisions of that Act shall have effect accordingly.".

**Amend-
ment of
section
23E.**

19. In section 23E of the principal Act,—

(i) in sub-section (1), for the words "and another member", the words "and two other members" shall be substituted;

(ii) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Any person aggrieved by such order may, after depositing the sum imposed by way of penalty under section 23 and within forty-five days from the date on which the order is sent to the person committing the contravention, prefer an appeal to the Appellate Board:

Provided that the Appellate Board may entertain the appeal—

(a) after the expiry of the said period of forty-five days, if it is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time:

(b) without the deposit being made, if it is satisfied that there is sufficient reason to do so, subject to the condition that the deposit shall be made within such time before the date of the hearing of the appeal as it may allow, and that the appeal shall stand dismissed, if the deposit is not so made.”;

(iii) in sub-section (3), for the words “shall be final”, the words, figures and letters “shall, subject to the provisions of section 23EE, be final” shall be substituted;

(iv) after sub-section (5), the following sub-section shall be inserted, namely:—

“(6) The powers and functions of the Appellate Board may be exercised and discharged by Benches consisting of two members and constituted by the Chairman of the Appellate Board.

Provided that if the members of the Bench differ on any point or points, they shall state the point or points on which they differ and refer the same to the third member for hearing on such point or points and such point or points shall be decided according to the opinion of that member.”.

20. After section 23E of the principal Act, the following sections shall be inserted, namely:—

Insertion
of new
sections
23EE and
23EEE.

Appeal
to the
High
Court.

Correc-
tion of
clerical
errors,
etc.

“23EE. An appeal shall lie to the High Court only on questions of law from any decision or order of the Appellate Board under sub-section (3) or sub-section (4) of section 23E.

23EEE. Clerical or arithmetical mistakes in any decision or order passed by the Appellate Board or the Director of Enforcement under this Act, or errors arising therein from any accidental slip or omission may, at any time, be corrected by the Appellate Board or the Director of Enforcement or his successor in office, as the case may be.”.

21. In section 23F of the principal Act, after the words “Appellate Board”, the words “or the High Court” shall be inserted.

Amendment
of section
23F.

Amend-
ment of
section
24A.

22. In section 24A of the principal Act,—

(a) for the words, brackets and figures “furnished by any person under sub-section (2) of section 19, or has been seized under sub-section (3) of that section from the custody or control of any person,”, the following shall be substituted, namely:—

“furnished by any person under sub-section (2) of section 19, section 19E or section 19F, or has been seized under

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section 19A or section 19C or section 19D from the custody or control of any person;";

(b) after the words "the Court", in the two places where they occur, the words, brackets, letter and figures "or the officer adjudicating under clause (a) of sub-section (1) of section 23" shall be inserted.

Insertion of new section 23. After section 25 of the principal Act, the following section shall be inserted, namely:—

**25A.
Certain officers to assist officers of Enforcement.**

"25A. The following officers are hereby empowered and required to assist officers of Enforcement in the enforcement of this Act, namely:—

- (a) officers of the Customs Department;
- (b) officers of the Central Excise Department;
- (c) officers of Police;
- (d) officers of the Central or State Government employed at any port or airport;
- (e) such other officers of the Central or State Government or a local authority as are specified by the Central Government in this behalf by notification in the Official Gazette.".

**Amend-
ment of
section 27.**

24. In section 27 of the principal Act,—

(a) in sub-section (2), clause (c) shall be re-lettered as clause (d) and before the clause as so re-lettered, the following clause shall be inserted, namely:—

"(c) provide, subject to such conditions as may be prescribed, for the publication of the names and other particulars of persons who have been found guilty of any contravention of the provisions of this Act, or of any rule, order or direction made thereunder;";

(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 comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule, or both Houses agree that the rule should not be made, the

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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 CONSTITUTION (SEVENTEENTH AMENDMENT)
ACT, 1964

[20th June, 1964]

An Act further to amend the Constitution of India.

Be it enacted by Parliament in the Fifteenth Year of the Republic of India as follows:—

Short title. 1. This Act may be called the Constitution (Seventeenth Amendment) Act, 1964.

Amendment of article 31A. 2. In article 31A of the Constitution,—

(i) in clause (1), after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that where any law makes any provision for the acquisition by the State of any estate and where any land comprised therein is held by a person under his personal cultivation, it shall not be lawful for the State to acquire any portion of such land as is within the ceiling limit applicable to him under any law for the time being in force or any building or structure standing thereon or appurtenant thereto, unless the law relating to the acquisition of such land, building or structure, provides for payment of compensation at a rate which shall not be less than the market value thereof.”;

(ii) in clause (2), for sub-clause (a), the following sub-clause shall be substituted and shall be deemed always to have been substituted, namely:—

‘(a) the expression “estate” shall, in relation to any local area, have the same meaning as that expression or its

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local equivalent has in the existing law relating to land tenures in force in that area and shall also include—

(i) any *jagir, inam* or *muafi* or other similar grant and in the States of Madras and Kerala, any *janmam-right*;

(ii) any land held under ryotwari settlement;

(iii) any land held or let for purposes of agriculture or for purposes ancillary thereto, including waste land, forest land, land for pasture or sites of buildings and other structures occupied by cultivators of land, agricultural labourers and village artisans;’.

3. In the Ninth Schedule to the Constitution, after entry 20, the following entries shall be added, namely:—

- “21. The Andhra Pradesh Ceiling on Agricultural Holdings Act, 1961 (Andhra Pradesh Act X of 1961).
22. The Andhra Pradesh (Telangana Area) Tenancy and Agricultural Lands (Validation) Act, 1961 (Andhra Pradesh Act XXI of 1961).
23. The Andhra Pradesh (Telangana Area) Ijara and Kowli Land Cancellation of Irregular Pattas and Abolition of Concessional Assessment Act, 1961 (Andhra Pradesh Act XXXVI of 1961).
24. The Assam State Acquisition of Lands Belonging to Religious or Charitable Institution of Public Nature Act, 1959 (Assam Act IX of 1961).
25. The Bihar Land Reforms (Amendment) Act, 1953 (Bihar Act XX of 1954).
26. The Bihar Land Reforms (Fixation of Ceiling Area and Acquisition of Surplus Land) Act, 1961 (Bihar Act XII of 1962), (except section 28 of this Act).
27. The Bombay Taluqdari Tenure Abolition (Amendment) Act, 1954 (Bombay Act I of 1955).
28. The Bombay Taluqdari Tenure Abolition (Amendment) Act, 1957 (Bombay Act XVIII of 1958).

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29. The Bombay Inams (Kutch Area) Abolition Act, 1958 (Bombay Act XCVIII of 1958).
30. The Bombay Tenancy and Agricultural Lands (Gujarat Amendment) Act, 1960 (Gujarat Act XVI of 1960).
31. The Gujarat Agricultural Lands Ceiling Act, 1960 (Gujarat Act XXVII of 1961).
32. The Sagbara and Mehwassi Estates (Proprietary Rights Abolition, etc.) Regulation, 1962 (Gujarat Regulation I of 1962).
33. The Gujarat Surviving Alienations Abolition Act, 1963 (Gujarat Act XXXIII of 1963), except in so far as this Act relates to an alienation referred to in sub-clause (d) of clause (3) of section 2 thereof.
34. The Maharashtra Agricultural Lands (Ceiling on Holdings) Act, 1961 (Maharashtra Act XXVII of 1961).
35. The Hyderabad Tenancy and Agricultural Lands (Re-enactment, Validation and Further Amendment) Act, 1961 (Maharashtra Act XLV of 1961).
36. The Hyderabad Tenancy and Agricultural Lands Act, 1950 (Hyderabad Act XXI of 1950).
37. The Jenmikaram Payment (Abolition) Act, 1960 (Kerala Act III of 1961).
38. The Kerala Land Tax Act, 1961 (Kerala Act XIII of 1961).
39. The Kerala Land Reforms Act, 1963 (Kerala Act I of 1964).
40. The Madhya Pradesh Land Revenue Code, 1959 (Madhya Pradesh Act XX of 1959).
41. The Madhya Pradesh Ceiling on Agricultural Holdings Act, 1960 (Madhya Pradesh Act XX of 1960).
42. The Madras Cultivating Tenants Protection Act, 1955 (Madras Act XXV of 1955).

43. The Madras Cultivating Tenants (Payment of Fair Rent) Act, 1956 (Madras Act XXIV of 1956).
44. The Madras Occupants of Kudiyiruppu (Protection from Eviction) Act, 1961 (Madras Act XXXVIII of 1961).
45. The Madras Public Trusts (Regulation of Administration of Agricultural Lands) Act, 1961 (Madras Act LVII of 1961).
46. The Madras Land Reforms (Fixation of Ceiling on Land) Act, 1961 (Madras Act LVIII of 1961).
47. The Mysore Tenancy Act, 1952 (Mysore Act XIII of 1952).
48. The Coorg Tenants Act, 1957 (Mysore Act XIV of 1957).
49. The Mysore Village Offices Abolition Act, 1961 (Mysore Act XIV of 1961).
50. The Hyderabad Tenancy and Agricultural Lands (Validation) Act, 1961 (Mysore Act XXXVI of 1961).
51. The Mysore Land Reforms Act, 1961 (Mysore Act X of 1962).
52. The Orissa Land Reforms Act, 1960 (Orissa Act XVI of 1960).
53. The Orissa Merged Territories (Village Offices Abolition) Act, 1963 (Orissa Act X of 1963).
54. The Punjab Security of Land Tenures Act, 1953 (Punjab Act X of 1953).
55. The Rajasthan Tenancy Act, 1955 (Rajasthan Act III of 1955).
56. The Rajasthan Zamindari and Biswedari Abolition Act, 1959 (Rajasthan Act VIII of 1959).
57. The Kumaun and Uttarakhand Zamindari Abolition and Land Reforms Act, 1960 (Uttar Pradesh Act XVII of 1960).
58. The Uttar Pradesh Imposition on Ceiling on Land Holdings Act, 1960 (Uttar Pradesh Act I of 1961).

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59. The West Bengal Estates Acquisition Act, 1953 (West Bengal Act I of 1954).
60. The West Bengal Land Reforms Act, 1955 (West Bengal Act X of 1956).
61. The Delhi Land Reforms Act, 1954 (Delhi Act VIII of 1954).
62. The Delhi Land Holdings (Ceiling) Act, 1960 (Central Act 24 of 1960).
63. The Manipur Land Revenue and Land Reforms Act, 1960 (Central Act 33 of 1960).
64. The Tripura Land Revenue and Land Reforms Act, 1960 (Central Act 43 of 1960).

Explanation.—Any acquisition made under the Rajasthan Tenancy Act, 1955 (Rajasthan Act III of 1955), in contravention of the second proviso to clause (1) of article 31A shall, to the extent of the contravention, be void.”

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