

CONTENTS

No. OF ACT	SHORT TITLE OF THE ACT	PAGE
1.	The Requisitioning and Acquisition of Immovable Property (Amendment) Act, 1970 [Ref.]	1
2.	The Union Duties of Excise (Distribution) Amendment Act, 1970 [Ref.]	2
3.	The Additional Duties of Excise (Goods of Special Importance) Amendment Act, 1970 [Ref.]	4
4.	The Appropriation (Vote on Account) Act, 1970	6
5.	The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970	13
6.	The Press Council (Amendment) Act, 1970 [Ref.]	28
7.	The Appropriation Act, 1970	35
8.	The Manipur Appropriation Act, 1970	38
9.	The Manipur Appropriation (No. 2) Act, 1970	40
10.	The West Bengal Appropriation (Vote on Account) Act, 1970	43
11.	The West Bengal Appropriation Act, 1970	48
12.	The Appropriation (Railways) Act, 1970	51
13.	The Appropriation (Railways) No. 2 Act, 1970	53
14.	The Essential Commodities (Amendment) Continuance Act, 1970 [Ref.]	55
15.	The Calcutta Port (Amendment) Act, 1970 [Ref.]	56
16.	The Haryana and Punjab Agricultural Universities Act, 1970	57
17.	The West Bengal State Legislature (Delegation of Powers) Act, 1970 [Ref.]	82
18.	The Appropriation (No. 2) Act, 1970	83
19.	The Finance Act, 1970	91
20.	The Contingency Fund of India (Amendment) Act, 1970 [Ref.]	136-140
21.	The Central Silk Board (Amendment) Act, 1970 [Ref.]	137-141
22.	The Tea (Amendment) Act, 1970 [Ref.]	139-143
23.	The Indian Soldiers (Litigation) Amendment Act, 1970 [Ref.]	140-144
24.	The Petroleum (Amendment) Act, 1970	141-145
25.	The Merchant Shipping (Amendment) Act, 1970	145-149
26.	The North-Eastern Council Act, 1970 [Ref.]	162-166
27.	The University Grants Commission (Amendment) Act, 1970 [Ref.]	165-166-169
28.	The Supreme Court (Enlargement of Criminal Appellate Jurisdiction) Act, 1970 <i>Not connected to preceding no. 26</i>	168-172
29.	The Special Marriage (Amendment) Act, 1970 [Ref.]	169-173
30.	The Army, Air Force and Naval Law (Amendment) Act, 1970 [Ref.]	170-174
31.	The Dock Workers (Regulation of Employment) Amendment Act, 1970 [Ref.]	171-175
32.	The West Bengal Appropriation (No. 2) Act, 1970	173-177
33.	The Delhi Shops and Establishments (Amendment) Act, 1970 [Ref.]	178-182
34.	The Indian Post Office (Amendment) Act, 1970 [Ref.]	184-185
35.	The Delhi University (Amendment) Act, 1970 [Ref.]	182-186
36.	The Appropriation (No. 3) Act, 1970	183-187
37.	The Contract Labour (Regulation and Abolition) Act, 1970	184-189
38.	The Appropriation (Railways) No. 3 Act, 1970	204-205
39.	The Patents Act, 1970	203-207
40.	The Agricultural Produce Cess (Amendment) Act, 1970 [Ref.]	285-289

NO. OF ACT	SHORT TITLE OF THE ACT	PAGE
41.	The Iron Ore Mines Labour Welfare Cess (Amendment) Act, 1970 [Repeal]	287241
42.	The Taxation Laws (Amendment) Act, 1970 [Repeal]	289243
43.	The Foreign Exchange Regulation (Amendment) Act, 1970 [Repeal]	329333
44.	The Appropriation (No. 4) Act, 1970	330334
45.	The Appropriation (No. 5) Act, 1970	332336
46.	The Appropriation (Railways) No. 4 Act, 1970	334338
47.	The Appropriation (Railways) No. 5 Act, 1970	336340
48.	The Indian Medicine Central Council Act, 1970	338342
49.	The Salaries and Allowances of Officers of Parliament (Amendment) Act, 1970 [Repeal]	364368
50.	The Tea Districts Emigrant Labour (Repeal) Act, 1970	365369
51.	The Central Labour Laws (Extension to Jammu and Kashmir) Act, 1970	366370
52.	The Coal Mines (Conservation and Safety) Amendment Act, 1970 [Repeal]	371375
53.	The State of Himachal Pradesh Act, 1970	374378
54.	The Constitution (Twenty-third Amendment) Act, 1970	397461

TABLE SHOWING EFFECT OF PARLIAMENTARY LEGISLATION OF 1970

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 1970 Act by which affected.
1898	6	Indian Post Office Act, 1898	Sch. I amended s. 45 amended	19, s. 37. 34, s. 2.
1911	2	Indian Patents and Designs Act, 1911.	Long title, preamble, ss. 1, 2, 54, 57, 61, 63, 64, 67, 69, 71A, 76 and 77 amended (w.e.f.)	39, s. 162 and Sch.
			Part I, ss. 55, 56, 59A, 66, 72, 74A 75, 78, 78B, 78C, 78D, 78E and Schedule omitted (w.e.f.)	<i>Ibid.</i> , s. 162 and Sch.
			Ss. 51B, 62, and 78A substituted (w.e.f.).	<i>Ibid.</i> , s. 162 and Sch.
1922	8	Delhi University Act, 1922	s. 4 amended (w.e.f. 20-6-1970)	35, s. 2.
1923	8	Workmen's Compensation Act, 1923.	ss. 1 and 3 amended (w.e.f.)	51, s. 2 and Sch.
1925	4	Indian Soldiers (Litigation) Act, 1925.	ss. 2, 3 and 13 amended.	23, ss. 2, 3 and 4.
1926	16	Trade Unions Act, 1926	ss. 1, 16 and 21A amended (w.e.f.).	51, s. 2 and Sch.
1932	22	Tea Districts Emigrant Labour Act, 1932.	Repealed.	50, s. 2.
1933	2	Children (Pledging of Labour) Act, 1933.	s. 1, amended (w.e.f.)	51, s. 2 and Sch.
1934	30	Petroleum Act, 1934	Long title, preamble, ss. 2, 3, 4, 5, 6, 9, 15, 16, 19, 23 and 28 amended (w.e.f.). ss. 7, 8, 11, and 27 substituted (w.e.f.).	24, ss. 2, 3, 4, 5, 6, 7, 9, 11, 12, 13, 14, and 16. <i>Ibid.</i> , ss. 8, 10 and 15
1934	32	Indian Tariff Act, 1934.	Sch. amended.	19, s. 28 and Sch. II.
1936	4	Payment of Wages Act, 1936	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1938	24	Employers' Liability Act, 1938	s. 1 amended (w.e.f.)	51, s. 2 and Sch.
1938	26	Employment of Children Act, 1938.	ss. 1 and 3B amended (w.e.f.)	51, s. 2 and Sch.
1940	27	Agricultural Produce Cess Act, 1940.	ss. 2, 5, 7, 9 and Sch. amended. ss. 5A and 5B inserted	40, ss. 2, 3, 5, 6 and 7. <i>Ibid.</i> , s. 4.
1942	18	Weekly Holidays Act, 1942	# s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1944	1	Central Excises and Salt Act, 1944.	Sch. I amended.	19, s. 32.
1946	20	Industrial Employment (Standing Orders) Act, 1946.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1947	7	Foreign Exchange Regulation Act, 1947.	s. 19G amended.	43, s. 2.
1947	14	Industrial Disputes Act, 1947	s. 2 amended (w.e.f. 19-7-1969). s. 1 amended (w.e.f.).	5, s. 20. 51, s. 2 and Sch.
1947	32	Coal Mines Labour Welfare Fund Act, 1947.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1970 Act by which affected.
1948	9	Dock Workers (Regulation of Employment) Act, 1948.	s. 3 amended. s. 7A inserted.	31, s. 2. <i>Ibid.</i> , s. 3.
1948	11	Minimum Wages Act, 1948	s. 1 amended (w.e.f.)	51, s. 2 and Sch.
1948	34	Employees' State Insurance Act, 1948.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1948	46	Coal Mines Provident Fund and Bonus Schemes Act, 1948.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1948	61	Central Silk Board Act, 1948	ss. 1, 8, 12 and 13 amended s. 12A, inserted.	21, ss. 2, 3, 4 and 6. <i>Ibid.</i> , s. 5.
1948	63	Factories Act, 1948	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1949	1	Indian Tariff (Amendment) Act, 1949.	ss. 4 and 5 amended.	19, s. 31.
1949	10	Banking Regulation Act, 1949	ss. 34A, 36AD and 51 amended (w.e.f. 19-7-1969).	5, s. 20. <i>Ibid.</i> , s. 20. Sch. V, Para I of Part I and the Explanation deemed never to have been inserted;
1949	46	Banking Companies (Legal Practitioners' Clients' Accounts) Act, 1949.	s. 2 amended (w.e.f. 19-7-1969).	5, s. 20.
1950	40	Army and Air Force (Disposal of Private Property) Act, 1950.	s. 10 amended.	30, s. 2.
1950	43	Representation of the People Act, 1950.	s. 27A, Sch. I and II amended (w.e.f. 25-1-1971).	53, ss. 7 and 16.
1950	49	Contingency Fund of India Act, 1950.	s. 2 amended.	20, s. 2.
1952	12	Coal Mines (Conservation and Safety) Act, 1952.	Long title, ss. 1, 2, 3, 5, 7, 12 and 17 amended. s. 11 substituted (retrospectively): <i>Ibid.</i> , s. 8.	52, ss. 2, 3, 4, 5, 6, 7, 9 and 10.
1952	30	Requisitioning and Acquisition of Immovable Property Act, 1952.	ss. 1 and 6 amended.	1, ss. 2 and 3.
1953	20	Salaries and Allowances of Officers of Parliament Act, 1953.	s. 4 amended (w.e.f. 1-11-1969).	49, s. 2.
1953	29	Tea Act, 1953	ss. 27 and 49 amended s. 26A inserted.	22, ss. 3 and 4. <i>Ibid.</i> , s. 2.
1954	43	Special Marriage Act, 1954	ss. 23 and 27 amended.	29, ss. 2 and 3.
1955	45	Working Journalists (Conditions of Service) and Miscellaneous Provisions Act, 1955.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1956	3	University Grants Commission Act, 1956.	s. 5 substituted (w.e.f.). ss. 6 and 12 amended (w.e.f.). s. 27 inserted (w.e.f.). <i>Ibid.</i> , ss. 3 and 4.	27, s. 2. <i>Ibid.</i> , s. 5.
1956	37	States Reorganisation Act, 1956	s. 15 amended (w.e.f. 25-1-1971).	53, s. 47.
1957	27	Wealth Tax Act, 1957	s. 2 amended (w.e.f. 1-4-1969). ss. 5, 21 and Sch. amended (w.e.f. 1-4-1971). s. 11AA inserted (w.e.f. 1-4-1970). s. 14 amended (w.e.f. 1-4-1970).	19, s. 26. <i>Ibid.</i> , s. 26.

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1970 Act by which affected.
			s. 5 amended (w.e.f. 1-4-1965). ss. 15B, 18, 24, 26, 27, and 46 amended (w.e.f. 1-4-1971).	42 s. 59. 64 and 66.
			ss. 44C and 44D inserted (w.e.f. 1-4-1971).	Ibid., s. 65.
1957	58	Additional Duties of Excise (Goods of Special Importance) Act, 1957.	Long title and Sch. II amended (w.e.f. 1-4-1969)	3, ss. 2 and 3.
			Sch. I amended.	19, s. 35.
1957	62	Navy Act, 1957	s. 176 amended	30, s. 3.
1958	18	Gift Tax Act, 1958	s. 5 amended (w.e.f. 1-4-1971). s. II A renumbered as II A A (w.e.f. 1-4-1970).	19, s. 27. Ibid., s. 27.
			s. II A inserted (w.e.f. 1-4-1970). Sch. substituted (w.e.f. 1-4-1971).	Ibid., s. 27.
			s.s. 23, 25, 26 and 46 amended (w.e.f. 1-4-1971).	42, ss. 67, 68, 69 and 71.
			ss. 44A and 44B inserted (w.e.f. 1-4-1971).	Ibid., s. 70.
1958	43	Trade and Merchandise Marks Act, 1958.	s. 4 amended (w.e.f.).	39, s. 163.
1958	44	Merchant Shipping Act, 1958	ss. 3, 283, 310, 312, 316, 321, 322, 323, 326 and 328 amended (w.e.f. 21-7-1968).	25, ss. 2, 3, 5, 6, 8, 10, 11, 12, 13 and 14.
			ss. 283A and 312A inserted (w.e.f. 21-7-1968).	Ibid., ss. 4 and 7.
			s. 317 substituted (w.e.f. 21-7-1968).	ibid., s. 9
			Part X (Heading) amended (w.e.f.).	Ibid., ss. 15.
			Part XA substituted for s. 352 (w.e.f.).	Ibid., s. 16.
			Part XIA inserted (w.e.f.).	Ibid., s. 17.
			s. 436 amended (w.e.f. 19-12-1970)	Ibid., s. 18.
			s. 460A substituted (w.e.f. 19-12-1970).	Ibid., s. 19.
1959	31	Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1961	25	Advocates Act, 1961	s. 3 amended (w.e.f. 25-1-1971). s. 17 modified in its application to Himachal Pradesh.	53, s. 24. Ibid., s. 24.
1961	27	Motor Transport Workers Act, 1961.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1961	43	Income-tax Act, 1961	ss. 2(14), 37, 45, 47, 80G (5), 80MM, 116, 117, 193, 194A, 195, 212 amended (w.e.f. 1-4-1970).	19, ss. 3, 10, 11, 13, 16, 17, 18, 22, 23, 24 and 25.
			ss. 2 (37A), 11, 16, 80G, 80M, 139 amended (w.e.f. 1-4-1971).	Ibid., ss. 3, 5, 7, 12, 15 and 20.

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1970 Act by which affected.
			s. 10 (20A) inserted (retrospectively).	<i>Ibid.</i> , s. 4.
			ss. 10 (22A) and 54B inserted (w.e.f. 1-4-1970).	<i>Ibid.</i> , ss. 4 and 11.
			ss. 2(16) and 130 substituted (w.c.f. 1-4-1970).	<i>Ibid.</i> , ss. 3 and 19.
			s. 35B amended (retrospectively).	<i>Ibid.</i> , s. 8.
			s. 36 amended (w.e.f. 1-4-1966).	<i>Ibid.</i> , s. 9.
			ss. 13, 80G Explanation 2 and 80L, 164 substituted (w.e.f. 1-4-1971).	<i>Ibid.</i> , ss. 6, 13, 14 and 21.
			ss. 10(2), 10(6) (partly retrospectively), 23, 32, 34, 35, 38, 40, 41, 43, 55, 57, 59, 64, 80A, 89, 139, 141A, 153, 183, 184, 185, 209, 210, 215, 221, s. 234 (partly w.e.f. 1-4-1968) 235 (partly retrospectively), 243, 244, 246, 253, 255, 256, 271, 274, 276, 279, 280ZA, 295, Sch. II and Sch. IV amended (w.e.f. 1-4-1971).	42, ss. 3, 4, 5, 6, 7, 9, 1C, 11, 12, 13, 14, 15, 16, 17, 23, 26, 29, 31, 32, 33, 34, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 53, 54, 55, 56 and 57.
			ss. 2, 10 (5), and 10 (26) amended (retrospectively).	<i>Ibid.</i> , ss. 2 and 3.
			s. 235 Explanation inserted (retrospectively).	<i>Ibid.</i> , s. 41.
			s. 10(30) inserted (w.e.f. 1-4-1969)	<i>Ibid.</i> , s. 3.
			ss. 80B, 80G, 112A(a), and 112A (b) amended (w.e.f. 1-4-1968).	<i>Ibid.</i> , ss. 18, 19, 24 and 40.
			s. 112A and Explanation 1 omitted (w.e.f. 1-4-1969).	<i>Ibid.</i> , s. 24.
			ss. 35D, 35E, 80QQ, 276C, 276D and Sch. VII inserted (w.e.f. 1-4-1971).	<i>Ibid.</i> , ss. 8, 21, 52 and 58.
			s. 80K substituted (w.e.f. 1-4-1968).	<i>Ibid.</i> , s. 20.
			ss. 80V, 119, 140A, 143 and 275 substituted (w.e.f. 1-4-1971).	<i>Ibid.</i> , ss. 22, 25, 27, 30 and 50.
			ss. 141, and 233 omitted (w.e.f. 1-4-1971).	<i>Ibid.</i> , ss. 28 and 39.
1961	47	Deposit Insurance Corporation Act, 1961.	ss. 2 and 13 amended (w.e.f. 19-7-1969).	5, s. 20.
1961	53	Maternity Benefit Act, 1961.	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1961	58	Iron Ore Mines Labour Welfare Cess Act, 1961.	ss. 1 and 8 amended (w.e.f.)	41, ss. 2 and 5.
			s. 1A inserted (w.e.f.).	<i>Ibid.</i> , s. 3.
			s. 2 substituted (w.e.f.).	<i>Ibid.</i> , s. 4.
1962	3	Union Duties of Excise (Distribution) Act, 1962.	Long title amended	2, s. 2.
			ss. 2 and 3 substituted	<i>Ibid.</i> , ss. 3 and 4.
1963	20	Government of Union Territories Act, 1963.	ss. 2 and 44 amended (w.e.f. 25-1-1971)	53, s. 48.
1963	52	Unit Trust of India Act, 1963	s. 32 (1) amended (w.e.f. 1-4-1971) s. 32(2) amended w.e.f. (1-4-1970)	19, s. 38. <i>Ibid.</i> , s. 38.

Year of Act	No. of Act	Short title of Act	How affected	No. and section of 1970 Act by which affected.
1964	7	Companies Profits (Surtax) Act, 1964.	s. 3 amended (w.e.f. 1-4-1970) ss. 12, 14 and 25 amended (w.e.f. 1-4-1971)	19, s. 39. 42, ss. 72, 73, 74.
1964	47	Essential Commodities (Amendment) Act, 1964.	s. 1 amended.	14, s. 2.
1965	21	Payment of Bonus Act, 1965	s. 1 amended (w.e.f.).	51, s. 2 and Sch.
1965	34	Press Council Act, 1965.	Long title, ss. 1, 5, 7, 8, 12, 13, 14, 18, 22 and 23 amended. ss. 2A and 18A inserted s. 4 substituted.	6, ss. 2, 3, 6, 7, 8, 9, 10, 11, 12, 14 and 15. <i>Ibid.</i> , ss. 4, 13. <i>Ibid.</i> , s. 5.
1968	60	State Agricultural Credit Corporations Act, 1968.	ss. 2, 5, 9 and 18 amended (w.e.f. 19-7-1969).	5, s. 20.

II.—*Constitution of India amended*

How affected	Number and section of 1970 Act by which affected
Arts. 330, 332, 333, and 334 amended.	Constitution (Twenty-third Amendment) Act, ss. 2, 3, 4 and 5.
Arts. 210, 239A, Sch. I and Sch. IV amended (w.e.f. 25-1-1971).	53, ss. 4, 5 and 46.

III.—*State Acts amended or repealed*

Year of Act.	No. of Act.	Short title of Act	How affected	Number and section of 1970 Act by which affected
1890	3	Calcutta Port Act, 1890.	s. 35A inserted s. 37 amended	15, s. 2. <i>Ibid.</i> , s. 3.
1954	7	Delhi Shops and Establishments Act, 1954.	ss. 2, 6, 16, 21 and 22 amended. ss. 10 and 24 substituted.	33, ss. 2, 3, 5, 6 and 7. <i>Ibid.</i> , ss. 4 and 8.
1961	32	Punjab Agricultural University Act, 1961.	Repealed.	16, s. 45 (w.e.f. 2-2-1970).

Part III.—*Orders under the Constitution of India amended or otherwise affected*

Short title	How affected	Number and section of 1970 Act by which affected
Constitution (Scheduled Castes) Order, 1950.	Paras 2, 4 and Sch. amended (w.e.f. 25-1-1971).	53, s. 19 and Sch. I.
Constitution (Scheduled Tribes) Order, 1950.	Paras 2, 3 and Sch. amended (w.e.f. 25-1-1971).	<i>Ibid.</i> , s. 20 and Sch. III.
Constitution (Scheduled Castes) (Union Territories) Order, 1951.	Para 4 and Sch. amended (w.e.f. 25-1-1971).	<i>Ibid.</i> , s. 19 and Sch. II.
Constitution (Scheduled Tribes) (Union Territories) Order, 1951.	Para 3 and Sch. amended (w.e.f. 25-1-1971).	<i>Ibid.</i> , s. 20 and Sch. IV.

(viii)
Part IV.—Central Ordinances repealed

Year	No.	Short title	Number and section of 1970 Act by which repealed.
1969	10	Essential Commodities (Amendment) Continuance Ordinance, 1969	14, s. 3.
1970	1	Haryana and Punjab Agricultural Universities Ordinance, 1970.	16, s. 45 (w.e.f. 2-2-1970).
1970	2	Calcutta Port (Amendment) Ordinance, 1970	15, s. 4.
1970	3	Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1970.	5, s. 21 (w.e.f. 14-2-1970).
1970	4	Delhi University (Amendment) Ordinance, 1970	35, s. 3 (w.e.f. 20-6-1970).
1970	5	Foreign Exchange Regulation (Amendment) Ordinance, 1970	43, s. 3.

Ref. by Act 56 of 1974, S. 2 and Sch. I

THE REQUISITIONING AND ACQUISITION OF IMMOVABLE PROPERTY (AMENDMENT) ACT, 1970

No. I OF 1970

[11th March, 1970]

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

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

1. This Act may be called the Requisitioning and Acquisition of Short title. Immovable Property (Amendment) Act, 1970.

2. In section 1 of the Requisitioning and Acquisition of Immovable 30 of 1952. Property Act, 1952 (hereinafter referred to as the principal Act), sub-<sup>Amend-
ment of
section 1.</sup> section (3) shall be omitted.

3. In section 6 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), the Central Government shall release from requisition,—

(a) any property requisitioned or deemed to be requisitioned under this Act before the commencement of the Requisitioning and Acquisition of Immovable Property (Amendment) Act, 1970, on or before the expiry of a period of three years from such commencement;

(b) any property requisitioned under this Act after such commencement, on or before the expiry of a period of three years from the date on which possession of such property was surrendered or delivered to, or taken by, the competent authority under section 4,

unless such property is acquired under section 7 within the period of three years aforesaid.”.

(b) in sub-section (2), after the words “released from requisition”, the words, brackets, figures and letter “under sub-section (1), or sub-section (1A)” shall be inserted.

Repealed by Act 56 of 1974, S. 2 and Sch. I

THE UNION DUTIES OF EXCISE (DISTRIBUTION)
AMENDMENT ACT, 1970

No. 2 OF 1970

[22nd March, 1970]

An Act further to amend the Union Duties of Excise (Distribution) Act, 1962.

Be it enacted by Parliament in the Twenty-first Year of the Republic of India as follows:

Short title. 1. This Act may be called the Union Duties of Excise (Distribution) Amendment Act, 1970.

Amendment of long title. 2. In the long title of the Union Duties of Excise (Distribution) Act, 1962 (hereinafter referred to as the principal Act), for the words, figures 3 of 1962, and letters "dated the 12th day of August, 1965", the words, figures and letters "dated the 31st day of July, 1969" shall be substituted.

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

Definition. 2. In this Act, the expression "distributable Union duties of excise" means twenty per cent. of the net proceeds of the duties of excise levied and collected under the Central Excises and Salt Act, 1944, and of the duties of excise levied and collected under the Mineral Products (Additional Duties of Excise and Customs) Act, 1958, and includes, in respect of the financial years 1972-73 and 1973-74, twenty per cent. of the special duties of excise levied and collected under the Finance Acts of the respective years.'

Substitution of new section for section 3. 4. For section 3 of the principal Act and the provisos thereto, the following section shall be substituted, namely:—

Distribution of a part of Union duties of excise 3. During each financial year commencing on and after the 1st day of April, 1969, there shall be paid out of the Consolidated Fund of India to each of the States specified in column 1 of the Table below

Repealed

such percentage of the distributable Union duties of excise as is set among the States. out against it in column 2:—

TABLE

State	Percentage
Andhra Pradesh	7.15
Assam	2.51
Bihar	13.81
Gujarat	4.17
Haryana	1.49
Jammu and Kashmir	1.12
Kerala	4.28
Madhya Pradesh	8.48
Maharashtra	7.93
Mysore	4.65
Nagaland	0.08
Orissa	4.72
Punjab	2.17
Rajasthan	5.28
Tamil Nadu	6.50
Uttar Pradesh	18.82
West Bengal	6.84."

Ref. by Ad. 56 of 1974, s. 2 and Sch. I

THE ADDITIONAL DUTIES OF EXCISE (GOODS OF SPECIAL IMPORTANCE) AMENDMENT ACT, 1970

No. 3 OF 1970

[22nd March, 1970]

An Act further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957.

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

Short title
and com-
mencement.

1. (1) This Act may be called the Additional Duties of Excise (Goods of Special Importance) Amendment Act, 1970.

(2) It shall be deemed to have come into force on the 1st day of April, 1969.

Amend-
ment of
long title.

2. In the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (hereinafter referred to as the principal Act), in the long title, 58 of 1957, for the figures, letters and words "12th day of August, 1965", the figures, letters and words "31st day of July, 1969" shall be substituted.

Amend-
ment of
Second
Schedule.

3. In the Second Schedule to the principal Act,—

(a) in paragraph 1, the words "silk fabrics," shall be omitted

(b) in paragraph 2,—

(i) for the figures "1966", the figures "1969" shall be substituted;

(ii) in clause (a), for the figures "1.5", the figures "0.83" shall be substituted;

(iii) in clause (b), for the figures "0.05", the figures "0.09" shall be substituted;

(iv) in clause (c), in sub-clause (ii), for the figures "97.45", the figures "97.03" shall be substituted;

(v) in the first proviso, for the words "silk fabrics, woollen fabrics and rayon or artificial silk fabrics", the words "woollen fabrics, rayon or artificial silk fabrics or one or more of them" shall be substituted;

(vi) the provisos below the Table shall be omitted;

Repealed

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

TABLE

¹ State	² Rupees in lakhs	³ Percentage
Andhra Pradesh	235·24	8·13
Assam	85·08	2·47
Bihar	130·16	8·40
Gujarat	323·45	6·33
Haryana	65·49	1·70
Kerala	95·08	4·84
Madhya Pradesh	155·17	6·34
Maharashtra	637·77	13·89
Mysore	100·10	6·00
Orissa	85·10	3·13
Punjab	96·07	2·98
Rajasthan	90·10	4·42
Tamil Nadu	285·34	9·63
Uttar Pradesh	575·81	12·99
West Bengal	280·41	8·75"

THE APPROPRIATION (VOTE ON ACCOUNT)
ACT, 1970

No. 4 OF 1970

[28th March, 1970]

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 1970-71.

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

1. This Act may be called the Appropriation (Vote on Account) Act, Short title: 1970.

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 two thousand nine hundred and eighty-five crores, twenty-five lakhs and fifty-nine thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71.

Withdrawal
of Rs. 29,85
25,59,000
from and out
of the Con-
solidated
Fund of
India for the
financial year
1970-71.

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)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Defence	30,95,000	..	30,95,000
2	Defence Services, Effective—Army	1,31,14,83,000	1,43,000	1,31,16,26,000
3	Defence Services, Effective—Navy	9,71,50,000	7,000	9,71,57,000
4	Defence Services, Effective—Air Force	35,25,00,000	17,000	35,25,17,000
5	Defence Services, Non-Effective	7,66,33,000	..	7,66,33,000
6	Ministry of Education and Youth Services	19,37,000	..	19,37,000
7	Education	11,45,75,000	..	11,45,75,000
8	Archaeology	27,29,000	..	27,29,000
9	Survey of India	1,00,75,000	..	1,00,75,000
10	Grants to Council of Scientific and Industrial Research	3,42,21,000	..	3,42,21,000
11	Other Revenue Expenditure of the Ministry of Education and Youth Services	75,51,000	..	75,51,000
12	External Affairs	4,42,19,000	1,000	4,42,20,000
13	Other Revenue Expenditure of the Ministry of External Affairs	3,80,27,000	..	3,80,27,000
14	Ministry of Finance	57,38,000	..	57,38,000
15	Customs	1,69,52,000	8,000	1,69,60,000
16	Union Excise Duties	2,89,87,000	8,000	2,89,95,000
17	Taxes on Income including Corporation Tax, etc.	3,15,95,000	33,000	3,16,28,000
18	Stamps	78,10,000	..	78,10,000
19	Audit	4,65,00,000	8,33,000	4,73,33,000
20	Currency and Coinage	2,75,39,000	..	2,75,39,000
21	Mints	60,01,000	..	60,01,000
22	Kolar Gold Mines	1,15,52,000	..	1,15,52,000
23	Pensions and other Retirement Benefits	2,50,36,000	6,45,000	2,56,81,000
24	Opium Factories and Alkaloid Works	4,64,38,000	1,000	4,64,39,000
25	Other Revenue Expenditure of the Ministry of Finance	5,37,46,000	..	5,37,46,000
26	Grants-in-aid to State and Union Territory Governments	82,52,19,000	37,18,00,000	1,19,70,19,000
27	Miscellaneous Adjustments between the Central and State and Union Territory Governments	6,82,000	..	6,82,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
28	Pre-partition Payments . . .	17,000	1,14,000	1,31,000
	CHARGED.—Interest on Debt and Other Obligations and Reduction or Avoidance of Debt . . .		99,58,95,000	99,58,95,000
	CHARGED.—Payments of States' Share of Union Excise Duties . . .		29,45,45,000	29,45,45,000
29	Ministry of Food, Agriculture, Community Development and Co-operation . . .	34,20,000	..	34,20,000
30	Agriculture . . .	2,43,84,000	..	2,43,84,000
31	Payments to Indian Council of Agricultural Research . . .	3,06,17,000	..	3,06,17,000
32	Forest . . .	33,44,000	..	33,44,000
33	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation . . .	8,39,41,000	..	8,39,41,000
34	Ministry of Foreign Trade . . .	8,84,000	..	8,84,000
35	Foreign Trade . . .	14,13,11,000	..	14,13,11,000
36	Other Revenue Expenditure of the Ministry of Foreign Trade . . .	1,27,94,000	..	1,27,94,000
37	Ministry of Health and Family Planning and Works, Housing and Urban Development . . .	12,13,000	..	12,13,000
38	Medical and Public Health . . .	4,33,01,000	..	4,33,01,000
39	Public Works . . .	7,11,94,000	6,30,000	7,18,24,000
40	Stationery and Printing . . .	2,52,88,000	1,000	2,52,89,000
41	Other Revenue Expenditure of the Ministry of Health and Family Planning and Works, Housing and Urban Development . . .	48,88,000	..	48,88,000
42	Ministry of Home Affairs . . .	30,81,000	..	30,81,000
43	Cabinet . . .	12,28,000	..	12,28,000
44	Administration of Justice . . .	43,000	5,01,000	5,44,000
45	Police . . .	11,51,35,000	..	11,51,35,000
46	Census . . .	1,04,64,000	..	1,04,64,000
47	Statistics . . .	69,56,000	..	69,56,000
48	Privy Purses and Allowances of Indian Rulers . . .	38,000	1,19,60,000	1,19,98,000
49	Territorial and Political Pensions . . .	4,80,000	..	4,80,000
50	Delhi . . .	8,53,93,000	4,04,000	8,57,97,000
51	Chandigarh . . .	1,20,47,000	4,44,000	1,24,91,000
52	Andaman and Nicobar Islands . . .	1,55,23,000	1,000	1,55,24,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
53	Tribal Areas	4,62,61,000	..	4,62,61,000
54	Dadra and Nagar Haveli Area . . .	11,41,000	..	11,41,000
55	Laccadive, Minicoy and Amindivi Islands	22,20,000	..	22,20,000
56	Other Revenue Expenditure of the Ministry of Home Affairs	2,19,31,000	..	2,19,31,000
57	Ministry of Industrial Development, Internal Trade and Company Affairs	16,11,000	..	16,11,000
58	Industries	92,55,000	37,00,000	1,23,55,000
59	Salt	12,37,000	..	12,37,000
60	Other Revenue Expenditure of the Ministry of Industrial Development, Internal Trade and Company Affairs	2,65,85,000	..	2,65,85,000
61	Ministry of Information and Broadcasting	4,36,000	..	4,36,000
62	Broadcasting	2,11,48,000	..	2,11,48,000
63	Other Revenue Expenditure of the Ministry of Information and Broadcasting	1,34,94,000	..	1,34,94,000
64	Ministry of Irrigation and Power	7,48,000	..	7,48,000
65	Multi-purpose River Schemes	53,11,000	..	53,11,000
66	Other Revenue Expenditure of the Ministry of Irrigation and Power	1,69,98,000	..	1,69,98,000
67	Ministry of Labour, Employment and Rehabilitation	14,90,000	..	14,90,000
68	Director General, Mines Safety	10,18,000	..	10,18,000
69	Labour and Employment	3,11,14,000	1,000	3,11,15,000
70	Expenditure on Displaced Persons	1,31,05,000	6,000	1,31,11,000
71	Other Revenue Expenditure of the Ministry of Labour, Employment and Rehabilitation	1,76,000	..	1,76,000
72	Ministry of Law	15,98,000	..	15,98,000
73	Other Revenue Expenditure of the Ministry of Law	34,12,000	..	34,12,000
74	Ministry of Petroleum and Chemicals and Mines and Metals	8,98,000	..	8,98,000
75	Geological Survey	1,87,52,00	..	1,87,52,000
76	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals and Mines and Metals	2,85,03,000	30,000	2,85,33,000

I No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
77	Ministry of Shipping and Transport .	24,24,000	..	24,24,000
78	Roads	3,79,97,000	68,000	3,80,65,000
79	Mercantile Marine	72,16,000	..	72,16,000
80	Lighthouses and Lightships	23,83,000	..	23,83,000
81	Other Revenue Expenditure of the Ministry of Shipping and Transport.	84,22,000	..	84,22,000
82	Ministry of Steel and Heavy Engineering	4,39,000	..	4,39,000
83	Other Revenue Expenditure of the Ministry of Steel and Heavy Engineering	16,32,000	..	16,32,000
84	Ministry of Supply	16,84,000	..	16,84,000
85	Supplies and Disposals	73,08,000	..	73,08,000
86	Other Revenue Expenditure of the Ministry of Supply	7,38,000	..	7,38,000
87	Ministry of Tourism and Civil Aviation	4,20,000	..	4,20,000
88	Meteorology	83,53,000	..	83,53,000
89	Aviation	2,36,68,000	..	2,36,68,000
90	Other Revenue Expenditure of the Ministry of Tourism and Civil Aviation	72,06,000	..	72,06,000
91	Department of Atomic Energy	5,36,000	..	5,36,000
92	Other Revenue Expenditure of the Department of Atomic Energy	6,37,36,000	..	6,37,36,000
93	Department of Communications	2,75,000	..	2,75,000
94	Overseas Communications Service	72,57,000	..	72,57,000
95	Posts and Telegraphs (Working Expenses)	41,44,56,000	2,000	41,44,58,000
96	Posts and Telegraphs—Dividend to General Revenues, Appropriations to Reserve Funds and Repayments of Loans from General Revenues	6,32,13,000	..	6,32,13,000
97	Other Revenue Expenditure of the Department of Communications	7,50,000	..	7,50,000
98	Department of Parliamentary Affairs	2,14,000	..	2,14,000
99	Department of Social Welfare	3,37,000	..	3,37,000
100	Other Revenue Expenditure of the Department of Social Welfare	1,57,41,000	..	1,57,41,000
101	Planning Commission	25,28,000	..	25,28,000
102	Lok Sabha	46,44,000	14,000	46,58,000
103	Rajya Sabha	18,18,000	12,000	18,30,000

No. of Vote	Services and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consolida- ted Fund		
		Rs.	Rs.	Rs.	
	CHARGED.—<i>Staff, Household and Allowances of the President</i>	..	6,98,000	6,98,000	
104	Secretariat of the Vice-President	55,000	55,000
	CHARGED.—<i>Union Public Service Commission</i>	..	17,42,000	17,42,000	
105	Defence Capital Outlay	23,16,67,000	3,33,000	23,20,00,000	
106	Capital Outlay of the Ministry of Education and Youth Services	75,09,000	75,09,000
107	Capital Outlay on the India Security Press	7,41,000	7,41,000
108	Capital Outlay on Currency and Coinage	2,43,61,000	2,43,61,000
109	Capital Outlay on Mints	8,36,000	8,36,000
110	Capital Outlay on Kolar Gold Mines	23,77,000	23,77,000
111	Commututed Value of Pensions	1,18,87,000	42,000	1,19,29,000	
112	Other Capital Outlay of the Ministry of Finance	40,33,03,000	40,33,03,000
113	Capital Outlay on Grants to State Governments for Development	5,11,99,000	5,11,99,000
114	Loans and Advances by the Central Government	95,56,98,000	1,41,17,26,000	2,36,74,24,000	
	CHARGED.—<i>Repayment of Debt</i>	..	18,96,75,83,000	18,96,75,83,000	
115	Purchase of Foodgrains and Fertilizers	14,97,95,000	17,000	14,98,12,000	
116	Other Capital Outlay of the Ministry of Food, Agriculture, Community Development and Co-operation	11,21,19,000	18,000	11,21,37,000	
117	Capital Outlay of the Ministry of Foreign Trade	4,39,000	4,39,000
118	Capital Outlay on Public Works	1,77,67,000	83,000	1,78,50,000	
119	Delhi Capital Outlay	1,15,09,000	2,92,000	1,18,01,000	
120	Other Capital Outlay of the Ministry of Health and Family Planning and Works, Housing and Urban Development	3,55,89,000	3,55,89,000
121	Capital Outlay in Union Territories and Tribal Areas	4,43,23,000	34,42,000	4,77,65,000	
122	Other Capital Outlay of the Ministry of Home Affairs	35,50,000	35,50,000
123	Capital Outlay of the Ministry of Industrial Development, Internal Trade and Company Affairs	1,07,03,000	1,07,03,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
124	Capital Outlay of the Ministry of Information and Broadcasting .	88,63,000	..	88,63,000
125	Capital Outlay on Multi-purpose River Schemes . . .	3,34,29,000	..	3,34,29,000
126	Other Capital Outlay of the Ministry of Irrigation and Power . . .	4,25,45,000	..	4,25,45,000
127	Capital Outlay of the Ministry of Labour Employment and Rehabilitation .	92,58,000	1,000	92,59,000
128	Capital Outlay of the Ministry of Petroleum and Chemicals and Mines and Metals . . .	17,59,99,000	..	17,59,99,000
129	Capital Outlay on Roads . . .	9,10,57,000	25,000	9,10,82,000
130	Capital Outlay on Ports . . .	1,41,90,000	..	1,41,90,000
131	Other Capital Outlay of the Ministry of Shipping and Transport . . .	2,75,48,000	..	2,75,48,000
132	Capital Outlay of the Ministry of Steel and Heavy Engineering . . .	14,67,12,000	..	14,67,12,000
133	Capital Outlay on Aviation . . .	1,81,62,000	84,000	1,82,46,000
134	Other Capital Outlay of the Ministry of Tourism and Civil Aviation . . .	2,25,17,000	..	2,25,17,000
135	Capital Outlay of the Department of Atomic Energy . . .	9,05,48,000	..	9,05,48,000
136	Capital Outlay on Posts and Telegraphs (Not met from Revenue) . . .	14,71,17,000	..	14,71,17,000
137	Other Capital Outlay of the Department of Communications . . .	30,63,000	3,000	30,66,000
TOTAL		7,78,52,46,000	22,06,73,13,000	29,85,25,59,00

THE BANKING COMPANIES (ACQUISITION AND TRANSFER OF UNDERTAKINGS) ACT, 1970

No. 5 OF 1970

[31st March, 1970]

An Act to provide for the acquisition and transfer of the undertakings of certain banking companies, having regard to their size, resources, coverage and organisation, in order to control the heights of the economy and to meet progressively, and serve better, the needs of development of the economy in conformity with national policy and objectives and for matters connected therewith or incidental thereto.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.
short title and commencement.
- (2) The provisions of this Act (except section 21, which shall come into force on the appointed day) shall be deemed to have come into force on the 19th day of July, 1969.
2. In this Act, unless the context otherwise requires,—
Definitions.
 - (a) "appointed day" means the 14th day of February, 1970, being the day on which the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1970, was promulgated;
 - (b) "banking company" does not include a foreign company within the meaning of section 591 of the Companies Act, 1956;
 - (c) "commencement of this Act" means the 19th day of July, 1969;
 - (d) "corresponding new bank", in relation to an existing bank, means the body corporate specified against such bank in column 2 of the First Schedule;
 - (e) "Custodian" means the person who becomes, or is appointed, a Custodian under section 7;

3 of 1970.
1 of 1956.

(f) "existing bank" means a banking company specified in column 1 of the First Schedule, being a company the deposits of which, as shown in the return as on the last Friday of June, 1969, furnished to the Reserve Bank under section 27 of the Banking Regulation Act, 1949, were not less than rupees fifty crores;

10 of 1949.

(g) "Schedule" means a Schedule to this Act;

(h) words and expressions used herein and not defined but defined in the Banking Regulation Act, 1949, have the meanings respectively assigned to them in that Act.

10 of 1949.

CHAPTER II

TRANSFER OF THE UNDERTAKINGS OF EXISTING BANKS

Establishment of corresponding new banks and business thereof.

3. (1) On the commencement of this Act, there shall be constituted such corresponding new banks as are specified in the First Schedule.

(2) The paid-up capital of every corresponding new bank constituted under sub-section (1) shall, until any provision is made in this behalf in any scheme made under section 9, be equal to the paid-up capital of the existing bank in relation to which it is the corresponding new bank.

(3) The entire capital of each corresponding new bank shall stand vested in, and allotted to, the Central Government.

(4) Every corresponding new bank shall be a body corporate with 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 sue and be sued in its name.

(5) Every corresponding new bank shall carry on and transact the business of banking as defined in clause (b) of section 5 of the Banking Regulation Act, 1949, and may engage in one or more forms of business specified in sub-section (1) of section 6 of that Act.

10 of 1949.

(6) Every corresponding new bank shall establish a reserve fund to which shall be transferred the share premiums and the balance, if any, standing to the credit of the reserve fund of the existing bank in relation to which it is the corresponding new bank, and such further sums, if any, as may be transferred in accordance with the provisions of section 17 of the Banking Regulation Act, 1949.

10 of 1949.

Under-taking of existing banks to vest in corresponding new banks.

4. On the commencement of this Act, the undertaking of every existing bank shall be transferred to, and shall vest in, the corresponding new bank.

General effect of vesting.

5. (1) The undertaking of each existing bank shall be deemed to include all assets, rights, powers, authorities and privileges and all property, movable and immovable, cash balances, reserve funds, investments and all other rights and interests in, or arising out of, such property as were immediately before the commencement of this Act in the ownership, possession, power or control of the existing bank in relation to the undertaking, whether within or without India, and all books of

accounts, registers, records and all other documents of whatever nature relating thereto and shall also be deemed to include all borrowings, liabilities and obligations of whatever kind then subsisting of the existing bank in relation to the undertaking.

(2) If, according to the laws of any country outside India, the provisions of this Act by themselves are not effective to transfer or vest any asset or liability situated in that country which forms part of the undertaking of an existing bank to, or in, the corresponding new bank, the affairs of the existing bank in relation to such asset or liability shall, on and from the commencement of this Act, stand entrusted to the chief executive officer for the time being of the corresponding new bank, and the chief executive officer may exercise all powers and do all such acts and things as may be exercised or done by the existing bank for the purpose of effectively transferring such assets and discharging such liabilities.

(3) The chief executive officer of the corresponding new bank shall, in exercise of the powers conferred on him by sub-section (2), take all such steps as may be required by the laws of any such country outside India for the purpose of effecting such transfer or vesting, and may either himself or through any person authorised by him in this behalf realise any asset and discharge any liability of the existing bank.

(4) Unless otherwise expressly provided by this Act, 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 commencement of this Act and to which the existing bank is a party or which are in favour of the existing bank shall be of as full force and effect against or in favour of the corresponding new bank, and may be enforced or acted upon as fully and effectually as if in the place of the existing bank the corresponding new bank had been a party thereto or as if they had been issued in favour of the corresponding new bank.

(5) If, on the appointed day, any suit, appeal or other proceeding of whatever nature in relation to any business of the undertaking which has been transferred under section 4, is pending by or against the existing bank, the same shall not abate, be discontinued or be, in any way, prejudicially affected by reason of the transfer of the undertaking of the existing bank or of anything contained in this Act but the suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the corresponding new bank.

(6) Nothing in this Act shall be construed as applying to the assets, rights, powers, authorities and privileges and property, movable and immovable, cash balances and investments in any country outside India (and other rights and interests in, or arising out of, such property) and borrowings, liabilities and obligations of whatever kind subsisting at the commencement of this Act, of any existing bank operating in that country if, under the laws in force in that country, it is not permissible for a banking company, owned or controlled by Government, to carry on the business of banking there.

CHAPTER III

PAYMENT OF COMPENSATION

**Payment
of com-
pensation.**

6. (1) Every existing bank shall be given by the Central Government such compensation in respect of the transfer, under section 4, to the corresponding new bank of the undertaking of the existing bank as is specified against each such bank in the Second Schedule.

(2) The amount of compensation referred to in sub-section (1) shall be given to every existing bank, at its option,—

(a) in cash (to be paid by cheque drawn on the Reserve Bank) in three equal annual instalments, the amount of each instalment carrying interest at the rate of four per cent. per annum from the commencement of this Act, or

(b) in saleable or otherwise transferable promissory notes or stock certificates of the Central Government issued and repayable at par, and maturing at the end of—

(i) ten years from the commencement of this Act and carrying interest from such commencement at the rate of four and a half per cent. per annum, or

(ii) thirty years from the commencement of this Act and carrying interest from such commencement at the rate of five and a half per cent. per annum, or

(c) partly in cash (to be paid by cheque drawn on the Reserve Bank) and partly in such number of securities specified in sub-clause (i) or sub-clause (ii), or both, of clause (b), as may be required by the existing bank, or

(d) partly in such number of securities specified in sub-clause (i) of clause (b) and partly in such number of securities specified in sub-clause (ii) of that clause, as may be required by the existing bank.

(3) The first of the three equal annual instalments referred to in clause (a) of sub-section (2) shall be paid, and the securities referred to in clause (b) of that sub-section shall be issued, within sixty days from the date of receipt by the Central Government of the option referred to in that sub-section, or where no such option has been exercised, from the latest date before which such option ought to have been exercised.

(4) The option referred to in sub-section (2) shall be exercised by every existing bank before the expiry of a period of three months from the appointed day (or within such further time, not exceeding three months, as the Central Government may, on the application of the existing bank, allow) and the option so exercised shall be final and shall not be altered or rescinded after it has been exercised.

(5) Any existing bank which omits or fails to exercise the option referred to in sub-section (2), within the time specified in sub-section (4), shall be deemed to have opted for payment in securities specified in sub-clause (i) of clause (b) of sub-section (2).

(6) Notwithstanding anything contained in this section, any existing bank may, before the expiry of three months from the appointed day (or within such further time, not exceeding three months, as the Central Government may, on the application of the existing bank, allow) make an application in writing to the Central Government for an interim payment of an amount equal to seventy-five per cent. of the amount of the paid-up capital of such bank, as on the commencement of this Act, indicating therein whether the payment is desired in cash or in securities specified in sub-section (2), or in both.

(7) The Central Government shall, within sixty days from the receipt of the application referred to in sub-section (6), make the interim payment to the existing bank in accordance with the option indicated in such application.

(8) The interim payment made to an existing bank under sub-section (7) shall be set off against the total amount of compensation payable to such existing bank under this Act and the balance of the compensation remaining outstanding after such payment shall be given to the existing bank in accordance with the option exercised, or deemed to have been exercised, under sub-section (4) or sub-section (5), as the case may be:

Provided that where any part of the interim payment is obtained by an existing bank in cash, the payment so obtained shall be set off, in the first instance, against the first instalment of the cash payment referred to in sub-section (2), and in case the payment so obtained exceeds the amount of the first instalment, the excess amount shall be adjusted against the second instalment and the balance of such excess amount, if any, against the third instalment of the cash payment.

22 of 1969.

(9) Any payment purported to have been made to an existing bank under sub-section (3) of section 15 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1969, shall be deducted by the Central Government from the amount of the interim payment made to such existing bank under sub-section (7), or where no such interim payment has been made, from the total amount of the compensation due to such existing bank, and the amount so deducted shall be paid by the Central Government to the corresponding new bank.

CHAPTER IV

MANAGEMENT OF CORRESPONDING NEW BANKS

7. (1) The head office of each corresponding new bank shall be at such place as the Central Government may, by notification in the Official Gazette, specify in this behalf, and, until any such place is so specified, shall be at such place at which the head office of the existing bank, in relation to which it is the corresponding new bank, is on the commencement of this Act, located.

Head
office and
management.

(2) The general superintendence, direction and management of the affairs and business of a corresponding new bank shall vest in a Board of Directors which shall be entitled to exercise all such powers and do all such acts and things as the corresponding new bank is authorised to exercise and do.

(3) (a) As soon as may be after the appointed day, the Central Government shall, in consultation with the Reserve Bank, constitute the first Board of Directors of a corresponding new bank, consisting of not more than seven persons, to be appointed by the Central Government, and every director so appointed shall hold office until the Board of Directors of such corresponding new bank is constituted in accordance with the scheme made under section 9:

Provided that the Central Government may, if it is of opinion that it is necessary in the interests of the corresponding new bank so to do, remove a person from the membership of the first Board of Directors and appoint any other person in his place.

(b) Every member of the first Board of Directors (not being an officer of the Central Government or of the Reserve Bank) shall receive such remuneration as is equal to the remuneration which a member of the Board of Directors of the existing bank was entitled to receive immediately before the commencement of this Act.

(4) Until the first Board of Directors is appointed by the Central Government under sub-section (3), the general superintendence, direction and management of the affairs and business of a corresponding new bank shall vest in a Custodian, who shall be the chief executive officer of that bank and may exercise all powers and do all acts and things as may be exercised or done by that bank.

(5) The Chairman of an existing bank holding office as such immediately before the commencement of this Act, shall be the Custodian of the corresponding new bank and shall receive the same emoluments as he was receiving immediately before such commencement:

Provided that the Central Government may, if the Chairman of an existing bank declines to become, or to continue to function as, a Custodian of the corresponding new bank, or, if it is of opinion that it is necessary in the interests of the corresponding new bank so to do, appoint any other person as the Custodian of a corresponding new bank and the Custodian so appointed shall receive such emoluments as the Central Government may specify in this behalf.

(6) The Custodian shall hold office during the pleasure of the Central Government.

Corresponding new banks to be guided by the directions of the Central Government.

8. Every corresponding new bank shall, in the discharge of its functions, be guided by such directions in regard to matters of policy involving public interest as the Central Government may, after consultation with the Governor of the Reserve Bank, give.

Power of Central Government to make scheme.

9. (1) The Central Government may, after consultation with the Reserve Bank, make a scheme for carrying out the provisions of this Act.

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

- (a) the capital structure of the corresponding new bank, so however that the paid-up capital of any such bank shall not be in excess of rupees fifteen crores;
- (b) the constitution of the Board of Directors, by whatever name called, of the corresponding new bank and all such matters in connection therewith or incidental thereto as the Central Government may consider to be necessary or expedient;
- (c) the reconstitution of any corresponding new bank into two or more corporations, the amalgamation of any corresponding new bank with any other corresponding new bank or with another banking institution, the transfer of the whole or any part of the undertaking of a corresponding new bank to any other banking institution or the transfer of the whole or any part of the undertaking of any other banking institution to a corresponding new bank;
- (d) such incidental, consequential and supplemental matters as may be necessary to carry out the provisions of this Act.

(3) Every Board of Directors of a corresponding new bank, constituted under any scheme made under sub-section (1), shall include—

- (a) representatives of the employees, and of depositors, of such bank, and
- (b) such other persons as may represent the interests of each of the following categories, namely, farmers, workers and artisans, to be elected or nominated in such manner as may be specified in the scheme.

(4) The Central Government may, after consultation with the Reserve Bank, make a scheme to amend or vary any scheme made under sub-section (1).

(5) Every scheme 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 expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the scheme or both Houses agree that the scheme should not be made, the scheme shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that scheme.

CHAPTER V

MISCELLANEOUS

10. (1) Every corresponding new bank shall cause its books to be closed and balanced on the 31st day of December of each year and shall appoint, with the previous approval of the Reserve Bank, auditors for the audit of its accounts.
- Closure of
accounts
and
disposal
of profits.

(2) Every auditor of a corresponding new bank shall be a person who is qualified to act as an auditor of a company under section 226 of the Companies Act, 1956, and shall receive such remuneration as the Reserve Bank may fix in consultation with the Central Government.

(3) Every auditor shall be supplied with a copy of the annual balance-sheet and profit and loss account and a list of all books kept by the corresponding new bank; and it shall be the duty of the auditor to examine the balance-sheet and profit and loss account with the accounts and vouchers relating thereto, and in the performance of his duties, the auditor—

(a) shall have, at all reasonable times, access to the books, accounts and other documents of the corresponding new bank,

(b) may, at the expense of the corresponding new bank, employ accountants or other persons to assist him in investigating such accounts, and

(c) may, in relation to such accounts, examine the Custodian or any officer or employee of the corresponding new bank.

(4) Every auditor of a corresponding new bank shall make a report to the Central Government upon the annual balance-sheet and accounts and in every such report shall state—

(a) whether, in his opinion, the balance-sheet is a full and fair balance-sheet containing all the necessary particulars and is properly drawn up so as to exhibit a true and fair view of the affairs of the corresponding new bank, and in case he had called for any explanation or information, whether it has been given and whether it is satisfactory;

(b) whether or not the transactions of the corresponding new bank, which have come to his notice, have been within the powers of that bank;

(c) whether or not the returns received from the offices and branches of the corresponding new bank have been found adequate for the purpose of his audit;

(d) whether the profit and loss account shows a true balance of profit or loss for the period covered by such account; and

(e) any other matter which he considers should be brought to the notice of the Central Government.

(5) The report of the auditor shall be verified, signed and transmitted to the Central Government.

(6) The auditor shall also forward a copy of the audit report to the corresponding new bank and to the Reserve Bank.

(7) After making provision for bad and doubtful debts, depreciation in assets, contributions to staff and superannuation funds and all other matters for which provision is necessary under any law, or which are usually provided for by banking companies, a corresponding new bank shall transfer the balance of profits to the Central Government.

(8) The Central Government shall cause every auditor's report and report on the working and activities of each corresponding new bank to be laid for not less than thirty days before each House of Parliament as soon as may be after each such report is received by the Central Government.

13 of 1961. 11. For the purposes of the Income-tax Act, 1961, every corresponding new bank shall be deemed to be an Indian company and a company in which the public are substantially interested.

Corresponding new bank deemed to be an Indian company.

Removal of Chairman from office.

12. (1) Every person holding office, immediately before the commencement of this Act, as Chairman of an existing bank shall, if he becomes Custodian of the corresponding new bank, be deemed, on such commencement, to have vacated office as such Chairman.

(2) Save as otherwise provided in sub-section (1), every officer or other employee of an existing bank shall become, on the commencement of this Act, an officer or other employee, as the case may be, of the corresponding new bank and shall hold his office or service in that bank on the same terms and conditions and with the same rights to pension, gratuity and other matters as would have been admissible to him if the undertaking of the existing bank had not been transferred to and vested in the corresponding new bank and continue to do so unless and until his employment in the corresponding new bank is terminated or until his remuneration, terms or conditions are duly altered by the corresponding new bank.

(3) For the persons who immediately before the commencement of this Act were the trustees for any pension, provident, gratuity or other like fund constituted for the officers or other employees of an existing bank, there shall be substituted as trustees such persons as the Central Government may, by general or special order, specify.

14 of 1947

(4) Notwithstanding anything contained in the Industrial Disputes Act, 1947, or in any other law for the time being in force, the transfer of the services of any officer or other employee from an existing bank to a corresponding new bank shall not entitle such officer or other employee to any compensation under this Act or any other law for the time being in force and no such claim shall be entertained by any court, tribunal or other authority.

13. (1) Every corresponding new bank shall observe, except as otherwise required by law, the practices and usages customary among bankers, and, in particular, it shall not divulge any information relating to or to the affairs of its constituents except in circumstances in which it is, in accordance with law or practices and usages customary among bankers, necessary or appropriate for the corresponding new bank to divulge such information.

Obligations as to fidelity and secrecy.

(2) Every director, member of a local board or a committee, or auditor, adviser, officer or other employee of a corresponding new bank shall, before entering upon his duties, make a declaration of fidelity and secrecy in the form set out in the Third Schedule.

(3) Every Custodian of a corresponding new bank shall, as soon as possible, make a declaration of fidelity and secrecy in the form set out in the Third Schedule.

Custodian
to be pub-
lic ser-
vant.

14. Every Custodian of a corresponding new bank shall be deemed to be a public servant for the purposes of Chapter IX of the Indian Penal Code.

45 of 1860

Certain
defects
not to
invalidate
acts or
proceed-
ings.

15. (1) All acts done by the Custodian, acting in good faith, shall, notwithstanding any defect in his appointment or in the procedure, be valid.

(2) No act or proceeding of any Board of Directors or a local board or committee of a corresponding new bank shall be invalid merely on the ground of the existence of any vacancy in, or defect in the constitution of, such board or committee, as the case may be.

(3) All acts done by a person acting in good faith as a director or member of a local board or committee of a corresponding new bank shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in any law for the time being in force:

Provided that nothing in this section shall be deemed to give validity to any act by a director or member of a local board or committee of a corresponding new bank after his appointment has been shown to the corresponding new bank to be invalid or to have terminated.

Indemnity.

16. (1) Every Custodian of a corresponding new bank and every officer of the Central Government or of the Reserve Bank and every officer or other employee of a corresponding new bank, shall be indemnified by such bank against all losses and expenses incurred by him in or in relation to the discharge of his duties except such as have been caused by his own wilful act or default.

(2) A director or member of a local board or committee of a corresponding new bank shall not be responsible for any loss or expense caused to such bank by the insufficiency or deficiency of the value of, or title to, any property or security acquired or taken on behalf of the corresponding new bank, or by the insolvency or wrongful act of any customer or debtor, or by anything done in or in relation to the execution of the duties of his office, unless such loss, expense, insufficiency or deficiency was due to any wilful act or default on the part of such director or member.

17. Any reference to any existing bank in any law, other than this Act, or in any contract or other instrument shall, in so far as it relates to the undertaking which has been transferred by section 4, be construed as a reference to the corresponding new bank.

References
to exist-
ing banks
on and
from
the com-
mencement
of this
Act.

18. No provision of law relating to winding up of corporations shall apply to a corresponding new bank and no corresponding new bank shall be placed in liquidation save by order of the Central Government and in such manner as it may direct.

Dissolu-
tion.

19. (1) The Board of Directors of a corresponding new bank may, after Power consultation with the Reserve Bank and with the previous sanction of the Central Government, make regulations, not inconsistent with the provisions of this Act or any scheme made thereunder, to provide for all matters for which provision is 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, the regulations may provide for all or any of the following matters, namely:—

(a) the powers, functions and duties of local boards and restrictions, conditions or limitations, if any, subject to which they may be exercised or performed, the formation and constitution of local committees and committees of local board (including the number of members of any such committee), 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) the manner in which the business of the local boards shall be transacted and the procedure in connection therewith;

(c) the delegation of powers and functions of the board of directors of a corresponding new bank to the general manager, director, officer or other employee of that bank;

(d) the conditions or limitations subject to which the corresponding new bank may appoint advisers, officers or other employees and fix their remuneration and other terms and conditions of service;

(e) the duties and conduct of advisers, officers or other employees of the corresponding new bank;

(f) the establishment and maintenance of superannuation, pension, provident or other funds for the benefit of officers or other employees of the corresponding new bank or of the dependants of such officers or other employees and the granting of superannuation allowances, annuities and pensions payable out of such funds;

(g) the conduct and defence of legal proceedings by or against the corresponding new bank and the manner of signing pleadings;

(h) the provision of a seal for the corresponding new bank and the manner and effect of its use;

(i) the form and manner in which contracts binding on the corresponding new bank may be executed;

(j) the conditions and the requirements subject to which loans or advances may be made or bills may be discounted or purchased by the corresponding new bank;

(k) the persons or authorities who shall administer any pension, provident or other fund constituted for the benefit of officers or other employees of the corresponding new bank or their dependants;

(l) the preparation and submission of statements of programmes of activities and financial statements of the corresponding new bank and the period for which and the time within which such statements and estimates are to be prepared and submitted; and

(m) generally for the efficient conduct of the affairs of the corresponding new bank.

(3) Until any regulation is made under sub-section (1), the articles of association of the existing bank and every regulation, rule, bye-law or order made by the existing bank shall, if in force at the commencement of this Act, be deemed to be the regulations made under sub-section (1) and shall have effect accordingly and any reference therein to any authority of the existing bank shall be deemed to be a reference to the corresponding authority of the corresponding new bank and until any such corresponding authority is constituted under this Act, shall be deemed to refer to the Custodian.

Amend.
ment of
certain
enact-
ments.

20. (1) In the Banking Regulation Act, 1949,—

10 of 1949.

(a) in section 34A, in sub-section (3), for the words "and any subsidiary bank", the words, figures and brackets "a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and any subsidiary bank" shall be substituted;

(b) in section 36AD, in sub-section (3), for the words "and any subsidiary bank", the words, figures and brackets "a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and any subsidiary bank" shall be substituted;

(c) in section 51, for the words "or any other banking institution notified by the Central Government in this behalf", the words, figures and brackets "or any corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, or any other banking institution notified by the Central Government in this behalf" shall be substituted;

(d) in the Fifth Schedule, in Part I of paragraph 1, in clause (e), the *Explanations* shall be deemed never to have been inserted.

(2) In the Industrial Disputes Act, 1947, in section 2, in clause (bb), for the words "and any subsidiary bank", the words, figures and brackets "a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, and any subsidiary Bank" shall be substituted.

14 of 1947

(3) In the Banking Companies (Legal Practitioners' Clients' Accounts) Act, 1949, in section 2, in clause (a), for the words "and any subsidiary bank", the words, figures and brackets "a corresponding new bank constituted under section 3 of the Banking Companies (Acquisi-

46 of 1949.

tion and Transfer of Undertakings) Act, 1970, and any subsidiary bank" shall be substituted.

47 of 1961.

(4) In the Deposit Insurance Corporation Act, 1961,—

(a) in section 2,—

(i) after clause (e), the following clause shall be inserted, namely:—

'(ee) "corresponding new bank" means a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;';

(ii) in clause (g),—

(a) for the words "or a banking company", the words "a corresponding new bank or a banking company", and

(b) for the words "with a banking company", the words "with a corresponding new bank or with a banking company",

shall be substituted;

(iii) in clause (i), after the words "banking company", the words "or a corresponding new bank" shall be inserted;

(b) section 13 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) The provisions of clauses (a), (b), (c), (d) and (h) of sub-section (1) shall apply to a corresponding new bank as they apply to a banking company.".

60 of 1968.

(5) In the State Agricultural Credit Corporations Act, 1968,—

(a) in section 2, after clause (i), the following clause shall be inserted, namely:—

'(ii) "corresponding new bank" means a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970;';

(b) after the words "subsidiary banks" or "subsidiary bank", as the case may be, occurring in clause (d) of sub-section (3) of section 5, in clause (b) of section 9 and in the proviso to section 18, the words "corresponding new banks" or "corresponding new bank", as the case may be, shall be inserted.

21. (1) The Banking Companies (Acquisition and Transfer of Under-
3 of 1970. takings) Ordinance, 1970, is hereby repealed. Repeal
and savings.

(2) Notwithstanding such repeal and notwithstanding any judgment, decree or order of any court or tribunal,—

(a) any action taken, or purported to have been taken, or anything done, or purported to have been done, between the 19th day of July, 1969, and the 10th day of February, 1970, by any corresponding new bank purported to have been constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969, or the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1969, or by any person purporting to act

8 of 1969.
22 of 1969.

on behalf of such bank and any right, obligation or liability acquired or incurred, between the said dates, by or on behalf of such corresponding new bank shall be deemed to have been taken, done, acquired or incurred under the provisions of this Act by or on behalf of the corresponding new bank constituted thereunder;

(b) any action taken, or purported to have been taken, or anything done, or purported to have been done, between the 10th day of February, 1970, and the appointed day, by an existing bank or by any person acting on behalf of such bank, and any right, obligation or liability acquired or incurred, between the said dates, by or on behalf of such existing bank shall be deemed to have been taken, done, acquired or incurred under the provisions of this Act by or on behalf of the corresponding new bank constituted thereunder;

(c) anything done or any action taken, including any order made, notification issued or directions given under the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1970, shall be deemed to have been done, taken, made, issued or given, as the case may be, under the corresponding provisions of this Act.

(3) Any suit, appeal or other proceeding of whatever nature instituted on or after the 19th day of July, 1969, by or against a corresponding new bank purported to have been constituted by the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance, 1969, or the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1969, shall not abate, be discontinued, or be, in any way, prejudicially affected by reason of the expiry of the said Ordinance or the invalidation of the said Act, as the case may be, but such suit, appeal or other proceeding may be continued, prosecuted and enforced by or against the corresponding new bank as if such suit, appeal or other proceeding had been instituted by or against the corresponding new bank constituted under this Act.

8 of 1969.

22 of 1969.

THE FIRST SCHEDULE

(See sections 2, 3 and 4)

Existing bank Column 1	Corresponding new bank Column 2
The Central Bank of India Limited	Central Bank of India.
The Bank of India Limited	Bank of India.
The Punjab National Bank Limited	Punjab National Bank.
The Bank of Baroda Limited	Bank of Baroda.
The United Commercial Bank Limited	United Commercial Bank.
Canara Bank Limited	Canara Bank.
United Bank of India Limited	United Bank of India.
Dena Bank Limited	Dena Bank.
Syndicate Bank Limited	Syndicate Bank.
The Union Bank of India Limited	Union Bank of India.
Allahabad Bank Limited	Allahabad Bank.
The Indian Bank Limited	Indian Bank.
The Bank of Maharashtra Limited	Bank of Maharashtra.
The Indian Overseas Bank Limited	Indian Overseas Bank.

THE SECOND SCHEDULE
(See section 6)

Name of existing bank	Amount of compensation (in lakhs of rupees)
The Central Bank of India Limited	.. 1750
The Bank of India Limited	.. 1470
The Punjab National Bank Limited	.. 1020
The Bank of Baroda Limited	.. 840
The United Commercial Bank Limited	.. 830
Canara Bank Limited	.. 360
United Bank of India Limited	.. 420
Dena Bank Limited	.. 360
Syndicate Bank Limited	.. 360
The Union Bank of India Limited	.. 310
Allahabad Bank Limited	.. 310
The Indian Bank Limited	.. 230
The Bank of Maharashtra Limited	.. 230
The Indian Overseas Bank Limited	.. 250

THE THIRD SCHEDULE

[See sub-sections (2) and (3) of section 12]

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 Custodian, irector, member of Local Board, member of Local Committee, auditor, adviser, officer or other employee (as the case may be) of the* and which properly relate to the office or position in the said* held by me.

I allow any such person to inspect or have access to any books or documents communicated to any person not legally entitled thereto any information relating to the affairs of the*

or to the affairs of any person having any dealing with the* ; 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* and relating to the business of the*

or to the business of any person having any dealing with the*

*Name of corresponding new bank to be filled in.

Ref. by Act 56 of 1974, s. 2 and Sch. I

THE PRESS COUNCIL (AMENDMENT) ACT, 1970

No. 6 OF 1970

[31st March, 1970]

An Act further to amend the Press Council Act, 1965.

BE it enacted by Parliament in the Twenty-first Year of the Republic of India as follows:

Short title.

Amend-
ment of
long title.

1. This Act may be called the Press Council (Amendment) Act, 1970.

2. In the long title to the Press Council Act, 1965 (hereinafter referred to as the principal Act), after the word "newspapers", the words "and news agencies" shall be inserted.

Amend-
ment of
section 1.

3. In section 1 of the principal Act, in sub-section (2), the words "except the State of Jammu and Kashmir" shall be omitted.

Insert-
ion of
new sec-
tion 2A.

4. In Chapter I, after section 2 of the principal Act, the following section shall be inserted, namely:—

Rule of
construc-
tion res-
pecting
enact-
ments
not ex-
tending
to
Jammu
and
Kashmir.

"2A. Any reference in this Act to a law which is not in force in the State of Jammu and Kashmir shall, in relation to that State, be construed as a reference to the corresponding law, if any, in force in that State."

Substitu-
tion of
new
sections
for sec-
tion 4.

5. For section 4 of the principal Act, the following sections shall be substituted, namely:—

Composi-
tion of
the
Council.

4. (1) The Council shall consist of a Chairman and twenty-six other members.

(2) The Chairman shall be a person nominated by a committee (hereinafter referred to as the Nominating Committee) consisting of the Chairman of the Council of States, the Chief Justice of India and the Speaker of the House of the People.

(3) Of the other members—

(a) thirteen shall be nominated by the Nominating Committee from among the working journalists, of whom six shall be editors of newspapers and the remaining seven shall be working journalists other than editors, so, however, that the number of such editors and working journalists other than editors in relation to newspapers published in Indian languages shall, in either case, be not less than three;

(b) six shall be nominated by the Nominating Committee from among persons who own or carry on the business of management of newspapers, of whom—

(i) one each shall be a representative of big newspapers, medium newspapers and small newspapers published in Indian languages, and

(ii) one each shall be a representative of big newspapers, medium newspapers and small newspapers published in any other language;

(c) one shall be nominated by the Nominating Committee from among persons who manage news agencies;

(d) three shall be persons having special knowledge or practical experience in respect of education and science, law, and literature and culture of whom respectively one shall be nominated by the University Grants Commission, one by the Bar Council of India and one by the Sahitya Academy;

(e) three shall be members of Parliament of whom two shall be nominated by the Speaker from among members of the House of the People and one shall be nominated by the Chairman from among members of the Council of States:

Provided that no working journalist who owns, or carries on the business of management of, any newspaper shall be eligible for nomination under clause (a):

Provided further that not more than one person interested in any newspaper or group of newspapers under the same control or management shall be eligible for nomination under clause (a) or clause (b).

Explanation.—For the purposes of clause (b), a "newspaper" shall be deemed to be—

(i) "big newspaper" if the circulation thereof exceeds fifty thousand copies for each issue;

Repealed

(ii) "medium newspaper" if the circulation thereof exceeds fifteen thousand copies but does not exceed fifty thousand copies for each issue;

(iii) "small newspaper" if the circulation thereof does not exceed fifteen thousand copies for each issue.

(4) Before making any nomination under clause (a), clause (b) or clause (c) of sub-section (3), the Nominating Committee shall, in the prescribed manner, invite panels of names comprising twice the number of members to be nominated from such associations of persons of the categories referred to in the said clause (a), clause (b) or clause (c) as may be notified in this behalf by the Council:

Provided that until the Council notifies any such association, the Nominating Committee may nominate members to represent any of the categories referred to in clause (a), clause (b) or clause (c) of sub-section (3) after consultation with any such other association of persons of the category concerned or with such other individuals or interests concerned as it thinks fit.

(5) Where any association of persons referred to in sub-section (4) fails to forward a panel of names when invited to do so under that sub-section, the Nominating Committee may invite such panels of names in the like manner from any other association of persons of the category concerned or may nominate members after consultation with such other individuals or interests concerned as it thinks fit.

(6) Save as otherwise provided, no person shall be eligible for nomination under clause (a), clause (b) or clause (c) of sub-section (3) unless his name is included in the panel of names under sub-section (4) or sub-section (5), as the case may be.

(7) The names of persons nominated under this section shall be forwarded to the Central Government and shall be notified by that Government in the Official Gazette and every such nomination shall take effect from the date on which it is so notified.

Power
to re-
view
nomina-
tions
under
certain
cases.

Amend-
ment of
section
5,

4A. Subject to such conditions as may be prescribed, the Nominating Committee shall have power to review any nomination made by it on a representation made to it by any association referred to in sub-section (4) or sub-section (5) of section 4 or by any person aggrieved by such nomination or otherwise.

6. In section 5 of the principal Act,—

(a) in sub-section (1A),—

- (i) for the words, figures and letters "until the 31st day of March, 1970", the words, figures, letters and brackets "until the 30th day of September, 1970 or until the Council is reconstituted in accordance with the provisions of section 4 as amended by the Press Council (Amendment) Act, 1970, whichever is earlier" shall be substituted;

Repealed

of 1970]

Press Council (Amendment)

31

(ii) for the words, figures and letters "before the 31st day of March, 1970," the words, figures and letters "before the 30th day of September, 1970 or before the date on which the Council is reconstituted, as the case may be," shall be substituted;

(b) in sub-section (2), for the words, brackets and letters "chosen as a member under clause (a) or clause (b)", the words, brackets and letters "nominated as a member under clause (a), clause (b) or clause (c)" shall be substituted;

(c) in sub-section (3), for the words, brackets and letter "chosen under clause (d)", the words, brackets and letter "nominated under clause (e)", and for the word "chosen", where it occurs for the second time, the word "nominated" shall be substituted;

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

"(3A) A member shall be deemed to have vacated his seat if he is absent without excuse, sufficient in the opinion of the Council, from three consecutive meetings of the Council.";

(e) for sub-sections (5), (6) and (7), the following sub-sections shall be substituted, namely:—

"(5) Any vacancy arising under sub-section (2), sub-section (3), sub-section (3A) or sub-section (4) or otherwise shall be filled, as soon as may be, by nomination made by the same authority by which and in the same manner in which the member vacating office was nominated and the member so nominated shall hold office for the remaining period for which the member in whose place he is nominated, would have held office.

(6) A retiring member shall be eligible for re-nomination for not more than one term."

7. In section 7 of the principal Act, after the words "The Council", the words "or any committee thereof" shall be inserted. Amend-
ment of
section 7.

8. Section 8 of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely:— Amend-
ment of
section 7.

"(2) The Council shall have the power to co-opt as members of any committee constituted under sub-section (1) such other number of persons, not being members of the Council, as it thinks fit.

(3) Any such member shall have the right to attend any meeting of the committee on which he is so co-opted and to take part in the discussions thereat, but shall not have the right to vote and shall not be a member for any other purpose."

9. In section 12 of the principal Act,—

Amend-
ment of
section 12.

(1) in sub-section (1), after the word "newspapers", the words "and news agencies" shall be inserted;

(2) in sub-section (2),—

(a) in clause (a), after the word "newspapers", the words "and news agencies" shall be inserted:

Repealed

32

Press Council (Amendment)

[ACT 6]

(b) in clause (b) and clause (c), after the word "newspapers", wherever it occurs, the words "news agencies" shall be inserted;

(c) for clause (f), the following clause shall be substituted, namely:—

"(f) to keep under review cases of assistance received by any newspaper or news agency in India from any foreign source including such cases as are referred to it by the Central Government or are brought to its notice by any individual, association of persons or any other organisation:

Provided that nothing in this clause shall preclude the Central Government from dealing with any case of assistance received by a newspaper or news agency in India from any foreign source in any other manner it thinks fit;"

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

'(g) to undertake studies of foreign newspapers, including those brought out by any Embassy or other representative in India of a foreign State, their circulation and impact.

Explanation.—For the purpose of this clause, the expression "foreign State" has the meaning assigned to it in section 87A of the Code of Civil Procedure, 1908;'

5 of 1908.

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

"(i) to promote a proper functional relationship among all classes of persons engaged in the production or publication of newspapers or in news agencies:

Provided that nothing in this clause shall be deemed to confer on the Council any functions in regard to disputes to which the Industrial Disputes Act, 1947, applies;"

14 of 1947.

(f) in clause (j), after the word "newspapers", in both the places where it occurs, the words "or news agencies" shall be inserted.

Amend-
ment of
section 13.

10. In section 13 of the principal Act,—

(a) in sub-section (1),—

(i) after the word "newspaper", where it occurs for the first and the second time, the words "or news agency" shall be inserted;

(ii) for the words "censure the newspaper, the editor or journalist, as the case may be", the words "warn, admonish or censure the newspaper, the news agency, the editor or the journalist or disapprove the conduct of the editor or the journalist, as the case may be" shall be substituted;

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

“(1A) If the Council is of the opinion that it is necessary or expedient in the public interest so to do, it may require any newspaper to publish therein in such manner as the Council thinks fit, any particular relating to any inquiry under this section against a newspaper or news agency, an editor or a journalist working therein, including the name of such newspaper, news agency, editor or journalist.”;

(c) in sub-section (3), after the words, brackets and figure “under sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A), as the case may be,” shall be inserted.

11. In section 14 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:— Amend-
ment of
section 14.

5 of 1908.

“(1) For the purpose of performing its functions or holding any inquiry under this Act, the Council shall have the same powers throughout India as are vested in a civil court while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely:—

- (a) summoning and enforcing the attendance of persons and examining them on oath;
- (b) requiring the discovery and production of documents;
- (c) receiving evidence on affidavits;
- (d) requisitioning any public record or copies thereof from any court or office;
- (e) issuing commissions for the examination of witnesses or documents;
- (f) any other matter which may be prescribed.

(2) Nothing in sub-section (1) shall be deemed to compel any newspaper, news agency, editor or journalist to disclose the source of any news or information published by that newspaper or received or reported by that news agency, editor or journalist.”.

12. In section 18 of the principal Act,— Amend-
ment of
section 18.

(a) after the words “standards of newspapers”, the words “and news agencies” shall be inserted;

(b) after the words “copies thereof”, the words and figures “together with the statement of accounts audited in the manner prescribed under section 19” shall be inserted.

13. After section 18 of the principal Act, the following section shall be inserted, namely:— Inser-
tion of
new sec-
tion 18A.

“18A. Without prejudice to the provisions of section 18, the Council may prepare at any time during the course of a year, a report giving a summary of such of its activities during the year as it considers of public importance and copies thereof shall be forwarded to

Repealed

the Central Government and the Government shall cause the same to be laid before both Houses of Parliament.”.

Amend-
ment of
section 22.

14. In sub-section (2) of section 22 of the principal Act,—

- (a) in clause (a), after the words “may be invited under”, the words, brackets and figure “sub-section (4) or” shall be inserted;
- (b) after clause (a), the following clause shall be inserted, namely:—

“(aa) the conditions subject to which, and the manner in which, a representation for review of a nomination may be made;”;

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

“(cc) matters referred to in clause (f) of sub-section (1) of section 14 which may be prescribed;”.

Amend-
ment of
section 23.

15. In section 23 of the principal Act,—

- (a) in clause (a), after the words “meetings of the Council”, the words “or any committee thereof” shall be inserted;

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

“(d) delegating to the Chairman or the Secretary, subject to such conditions as it may think fit to impose, any of its powers under sub-section (3) of section 16;

(e) any other matter for which under this Act provision may be made by regulations.”.

THE APPROPRIATION ACT, 1970

No. 7 OF 1970

[31st March, 1970]

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 1969-70.

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

1. This Act may be called the Appropriation Act, 1970.

Short title.

2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of three hundred and eighty-three crores, sixteen lakhs and twenty-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1969-70, in respect of the services specified in column 2 of the Schedule.

Issue of Rs. 3,83,16,21,000 out of the Consolidated Fund of India for the year 1969-70.

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.
5	Defence Services— Non-Effective	1,85,00,000	..	1,85,00,000
16	Union Excise Duties	27,46,000	..	27,46,000
19	Audit	20,00,000	..	20,00,000
20	Currency and Coinage	35,00,000	..	35,00,000
21	Mint	4,48,000	3,79,000	8,27,000
23	Pensions and Other Retirement Benefits	17,65,000	2,69,000	50,34,000
24	Opium	1,08,17,000	..	1,08,17,000
25	Other Revenue Expenditure of the Ministry of Finance	1,000	..	1,000
26	Grants-in-aid to State and Union Territory Governments	15,84,00,000	..	15,84,00,000
	CHARGED.—Payments of States' Share of Union Excise Duties	..	19,10,82,000	19,10,82,000
29	Ministry of Food, Agriculture, Community Development and Co-operation	5,62,000	..	5,62,000
33	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation	12,21,60,000	..	12,21,60,000
34	Ministry of Foreign Trade and Supply	10,33,000	..	10,33,000
37	Other Revenue Expenditure of the Ministry of Foreign Trade and Supply	15,53,000	..	15,53,000
40	Public Works	2,71,94,000	76,000	2,72,70,000
42	Other Revenue Expenditure of the Ministry of Health and Family Planning and Works, Housing and Urban Development	10,00,000	..	10,00,000
43	Ministry of Home Affairs	8,60,000	..	8,60,000
44	Cabinet	4,90,000	..	4,90,000
46	Police	9,49,46,000	..	9,49,46,000
47	Census	35,71,000	..	35,71,000
49	Privy Purses and Allowances of Indian Rulers	7,000	9,000	16,000
50	Territorial and Political Pensions	1,79,000	..	1,79,000
51	Delhi	3,79,51,000	2,50,000	3,82,01,000
52	Chandigarh	63,05,000	4,01,000	67,06,000
53	Andaman and Nicobar Islands	2,06,11,000	3,000	2,06,14,000
54	Tribal Areas	3,69,96,000	..	3,69,96,000
59	Industries	5,00,000	..	5,00,000
62	Ministry of Information and Broadcasting	2,20,000	..	2,20,000
64	Other Revenue Expenditure of the Ministry of Information and Broadcasting	9,98,000	..	9,98,000

No. of Vote	Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
66	Multi-purpose River Schemes . . .	1,000	..	1,000
75	Ministry of Petroleum and Chemicals and Mines and Metals . . .	2,39,000	..	2,39,000
77	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals and Mines and Metals . . .	61,71,000	4,000	61,75,000
78	Ministry of Shipping and Transport . . .	90,000	..	90,000
80	Mercantile Marine	9,000	9,000
83	Ministry of Steel and Heavy Engineering . . .	2,50,000	..	2,50,000
87	Aviation . . .	57,82,000	..	57,82,000
90	Other Revenue Expenditure of the Department of Atomic Energy . . .	4,50,01,000	..	4,50,01,000
93	Posts and Telegraphs—Working Expenses . . .	10,51,29,000	..	10,51,29,000
	CHARGED.—Union Public Service Commission	1,71,000	1,71,000
103	Defence Capital Outlay . . .	2,000	..	2,000
109	Comuted Value of Pensions . . .	32,43,000	33,000	32,76,000
112	Loans and Advances by the Central Government . . .	5,000	2,65,00,00,000	2,65,00,05,000
114	Other Capital Outlay of the Ministry of Food, Agriculture, Community Development and Co-operation . . .	9,16,65,000	..	9,16,65,000
119	Capital Outlay in Union Territories and Tribal Areas . . .	1,13,55,000	1,03,65,000	2,17,20,000
120	Other Capital Outlay of the Ministry of Home Affairs . . .	55,50,000	..	55,50,000
121	Capital Outlay of the Ministry of Industrial Development, Internal Trade and Company Affairs . . .	1,000	..	1,000
124	Other Capital Outlay of the Ministry of Irrigation and Power . . .	3,000	..	3,000
125	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation . . .	60,34,000	..	60,34,000
126	Capital Outlay of the Ministry of Petroleum and Chemicals and Mines and Metals . . .	1,48,58,000	..	1,48,58,000
128	Capital Outlay on Ports	9,11,000	9,11,000
129	Other Capital Outlay of the Ministry of Shipping and Transport . . .	40,01,000	..	40,01,000
132	Other Capital Outlay of the Ministry of Tourism and Civil Aviation . . .	1,81,66,000	..	1,81,66,000
134	Capital Outlay on Posts and Telegraphs (Not met from Revenue) . . .	10,18,00,000	..	10,18,00,000
	TOTAL . . .	97,76,59,000	2,85,39,62,000	3,83,16,21,000

THE MANIPUR APPROPRIATION ACT, 1970

No. 8 OF 1970

[31st March, 1970]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the Union territory of Manipur for the services of the financial year 1969-70.

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

Short title.

1. This Act may be called the Manipur Appropriation Act, 1970.

Issue of Rs. 64,07,400 from and out of the Consolidated Fund of the Union territory of Manipur for the financial year 1969-70.

2. From and out of the Consolidated Fund of the Union territory of Manipur 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 sixty-four lakhs, seven thousand and four hundred rupees towards defraying the several charges which will come in course of payment during the financial year 1969-70, in respect of the services 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 the Union territory of Manipur 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 Consolidated Fund	Total
		Rs.	Rs.	Rs.
8	Interest on Debt and Other Obligations	..	16,16,000	16,16,000
9	Parliament, State and Union territories Legislature	82,000	..	82,000
12	Jails	1,82,000	..	1,82,000
16	Medical	3,00,000	..	3,00,000
25	Irrigation	1,00,000	..	1,00,000
26	Electricity	4,50,000	..	4,50,000
31	Pensions and Other Retirement Benefits	1,86,000	..	1,86,000
37	Capital Outlay on Minor Irrigation	82,000	..	82,000
42	Capital Outlay on Road Transport	4,00,000	..	4,00,000
44	Repayment of Loans	..	23,09,400	23,09,400
48	Loans and Advances	7,00,000	..	7,00,000
	TOTAL	24,82,000	39,25,400	64,07,400

THE MANIPUR APPROPRIATION (No. 2) ACT, 1970

No. 9 OF 1970

[31st March, 1970]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the Union territory of Manipur for the services of the financial year 1970-71.

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

1. This Act may be called the Manipur Appropriation (No. 2) Act, Short title.
1970.
2. From and out of the Consolidated Fund of the Union territory of Manipur 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 twenty-two crores, fifty-eight lakhs, eighty-two thousand and seven hundred rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services specified in column 2 of the Schedule.
Issue of Rs. 22,58,82,700 out of the Consolidated Fund of the Union territory of Manipur for the financial year 1970-71.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the Union territory of Manipur by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.
Appropriation

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
1	Land Revenue	18,00,000	..	18,00,000
2	State Excise	2,00,000	..	2,00,000
3	Taxes on Vehicles	1,20,000	..	1,20,000
4	Sales Tax	1,06,000	..	1,06,000
5	Other Taxes and Duties	3,000	..	3,000
6	Stamps	25,000	..	25,000
7	Registration	72,000	..	72,000
	<i>Interest on Debt and Other Obliga-</i> <i>tions</i>	..	71,74,000	71,74,000
8	Parliament, State and Union territories Legislature	12,45,800	32,200	12,78,000
9	General Administration	77,29,600	1,55,900	78,85,500
10	Administration of Justice	4,15,000	50,000	4,75,000
11	Jails	5,34,000	..	5,34,000
12	Police	3,29,87,000	13,000	3,30,00,000
13	Civil Supplies	2,40,000	..	2,40,000
14	Education	4,18,01,000	..	4,18,01,000
15	Medical	56,88,000	..	56,88,000
16	Public Health	32,72,000	..	32,72,000
17	Agriculture and Fisheries	42,70,000	..	42,70,000
18	Animal Husbandry	19,29,400	..	19,29,400
19	Co-operation	10,24,000	..	10,24,000
20	Industries	18,20,900	..	18,20,900
21	Community Development	22,80,000	..	22,80,000
22	Labour	3,90,000	..	3,90,000
23	Statistics	5,90,000	..	5,90,000
24	Irrigation	4,50,000	..	4,50,000
25	Electricity	52,49,000	..	52,49,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
26	Public Works (Original Works and Repairs)	72,00,000	..	72,00,000
27	Public Works (Establishments)	1,42,32,700	31,300	1,42,64,000
28	Road Transport	62,00,000	..	62,00,000
29	Famine Relief	1,00,000	..	1,00,000
30	Pensions and Other Retirement Benefits	4,06,000	..	4,06,000
31	Stationery and Printing	6,50,000	..	6,50,000
32	Forest	14,20,000	..	14,20,000
33	Miscellaneous	51,41,000	500	51,41,500
34	Capital Outlay on Public Health	10,00,000	..	10,00,000
35	Capital Outlay on Minor Irrigation	5,50,000	..	5,50,000
36	Capital Outlay on Flood Control	13,00,000	..	13,00,000
37	Capital Outlay on Electricity	80,53,000	..	80,53,000
38	Capital Outlay on Roads	1,60,00,000	..	1,60,00,000
39	Capital Outlay on Buildings	1,26,40,000	..	1,26,40,000
40	Capital Outlay on Road Transport	12,00,000	..	12,00,000
41	Capital Outlay on State Trading	2,08,29,000	..	2,08,29,000
	<i>Repayment of Loans</i>	..	23,09,400	23,09,400
42	Capital Outlay on Industries	14,50,000	..	14,50,000
43	Capital Outlay on Co-operation	4,93,000	..	4,93,000
44	Loans and Advances	30,00,000	..	30,00,000
	TOTAL	21,61,16,400	97,66,300	22,58,82,700

THE WEST BENGAL APPROPRIATION (VOTE ON
ACCOUNT) ACT, 1970

No. OF 1970

[cvst March 1970.]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of West Bengal for the services of a part of the financial year 1970-71.

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

1. This Act may be called the West Bengal Appropriation (Vote on Account) Act, 1970.

Short title.

2. From and out of the Consolidated Fund of the State of West Bengal there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one hundred and forty crores, eighty-two lakhs and ninety-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71.

Withdrawal of
Rs. 1,40,82,
91,000
from and
out of the
Consolidat-
ed Fund
for the
State of
West
Bengal
of the
financial
year 1970-
71.

3. The sums authorised to be withdrawn from and out of the Consolidated Fund of the State of West Bengal 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
1	Taxes on Income other than Corporation Tax	3,74,000	1,000	3,75,000
	Land Revenue	2,55,24,000	40,000	2,55,64,000
	Other Miscellaneous Compensations and Assignments	10,98,000	1,50,000	12,48,000
2	Payment of Compensation to Land-holders, etc., on the Abolition of the Zamindari System	1,15,00,000	..	1,15,00,000
3	State Excise Duties	34,76,000	..	34,76,000
4	Taxes on Vehicles	8,03,000	..	8,03,000
5	Sales Tax	26,75,000	1,000	26,76,000
6	Other Taxes and Duties	8,54,000	..	8,54,000
7	Stamps	9,53,000	..	9,53,000
8	Registration Fees	27,89,000	..	27,89,000
9	Interest on Debt and Other Obligations	23,33,000	9,55,90,000	9,79,23,000
11	Parliament, State/Union Territory Legislature	20,13,000	13,000	20,26,000
12	General Administration	2,68,78,000	6,74,000	2,75,52,000
13	Administration of Justice	82,64,000	27,31,000	1,09,95,000
14	Jails	79,91,000	..	79,91,000
15	Police	9,49,60,000	..	9,49,60,000
16	Miscellaneous Departments—Fire Services	28,25,000	..	28,25,000
17	Miscellaneous Departments—Excluding Fire Services	2,29,00,000	1,000	2,29,01,000
18	Scientific Departments	26,000	..	26,000
19	Education	22,65,65,000	..	22,65,65,000
20	Medical	7,60,84,000	..	7,60,84,000
21	Public Health	3,85,22,000	..	3,85,22,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
	Agriculture—Agriculture . . .	5,53,93,000	1,000	5,53,94,000
22	Capital Outlay on Schemes of Agricultural Improvement and Research	95,48,000	..	95,48,000
23	Agriculture—Fisheries . . .	24,15,000	..	24,15,000
	Animal Husbandry	74,34,000	..	74,34,000
24	Capital Outlay on Schemes of Government Trading—Greater Calcutta Milk Supply Scheme . . .	2,91,34,000	..	2,91,34,000
25	Co-operation	48,58,000	..	48,58,000
	Industries—Industries	1,01,99,000	43,000	1,02,42,000
26	Capital Outlay on Industrial and Economic Development	53,83,000	..	53,83,000
	Industries—Cottage Industries	75,39,000	..	75,39,000
27	Capital Outlay on Industrial and Economic Development—Cottage Industries	2,84,000	..	2,84,000
28	Industries—Cinchona	22,25,000	..	22,25,000
	Interest on Debt and Other Obligations—Community Development Projects, National Extension Service and Local Development Works	7,65,000	7,65,000
	Community Development Projects, National Extension Service and Local Development Works	1,67,80,000	..	1,67,80,000
	Capital Outlay on Other Works—Community Development Projects, National Extension Service and Local Development Works	3,77,000	..	3,77,000
29	Loans for Community Development Projects, National Extension Service and Local Development Works	22,29,000	22,29,000
	Loans and Advances under Community Development Projects, National Extension Service and Local Development Works	2,17,000	..	2,17,000
30	Labour and Employment	1,84,37,000	..	1,84,37,000
31	Miscellaneous Social and Developmental Organisations—Welfare of Scheduled Tribes and Castes and Other Backward Classes	76,22,000	..	76,22,000
32	Miscellaneous Social and Developmental Organisations—Excluding Welfare of Scheduled Tribes and Castes and Other Backward Classes	61,66,000	..	61,66,000

No. of Vote	Service and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
	Multi-purpose River Schemes . . .	2,67,10,000	..	2,67,10,000
	Irrigation, Navigation, Embankment and Drainage Works (Commercial) . . .	33,91,000	..	33,91,000
	Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial) . . .	1,46,42,000	2,000	1,46,44,000
33	Capital Outlay on Multi-purpose River Schemes . . .	95,63,000	..	95,63,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Commercial) . . .	14,22,000	..	14,22,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial) . . .	14,26,000	..	14,26,000
34	Public Works	5,52,52,000	7,95,000	5,60,47,000
	Greater Calcutta Development Schemes	24,68,000	..	24,68,000
35	Capital Outlay on Greater Calcutta Development Scheme	65,33,000	..	65,33,000
36	Ports and Pilotage	6,38,000	..	6,38,000
	Road and Water Transport Schemes	26,68,000	..	26,68,000
37	Capital Outlay on Road and Water Transport Schemes	2,42,000	..	2,42,000
38	Famine Relief	2,00,00,000	..	2,00,00,000
	Pensions and Other Retirement Benefits	1,09,88,000	1,59,000	1,11,47,000
39	Payments of Commuted Value of Pensions	2,82,000	3,000	2,85,000
40	Privy Purses and Allowances of Indian Rulers	10,000	..	10,000
41	Stationery and Printing	39,08,000	..	39,08,000
42	Forest	95,14,000	..	95,14,000
43	Miscellaneous—Contributions	2,01,84,000	2,46,000	2,04,30,000
44	Miscellaneous—Sports	8,49,000	..	8,49,000
45	Miscellaneous—Civil Defence	62,61,000	..	62,61,000
	Miscellaneous—Other Miscellaneous Expenditure	2,09,59,000	7,000	2,09,66,000
46	Capital Outlay on Other Works	1,83,31,000	8,300	1,84,14,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
47	Interest on Debt and Other Obligations—Expenditure on Displaced Persons	1,21,00	1,21,000
	Miscellaneous—Irrecoverable Loans to Displaced Persons Written Off.	67,33,000	..	67,33,000
	Miscellaneous—Expenditure on Displaced Persons . . .	1,55,01,000	..	1,55,01,000
	Capital Outlay on Other Works—Expenditure on Displaced Persons	24,00,000	33,000	24,33,000
	Loans for Displaced Persons	..	72,55,000	72,55,000
	Loans and Advances to Displaced Persons . . .	20,00,000	..	20,00,000
48	Pre-partition Payments . . .	1,000	..	1,000
50	Capital Outlay on Multi-purpose River Schemes—Damodar Valley Project . . .	3,61,46,000	..	3,61,46,000
51	Capital Outlay on Public Works . . .	2,42,78,000	..	2,42,78,000
52	Capital Outlay on Schemes of Government Trading . . .	1,43,27,000	1,000	1,43,28,000
53	Permanent Debt	5,16,50,000	5,16,50,000
	Loans from Central Government (Excluding Loans for Community Development Projects, etc. and Displaced Persons)	11,48,15,000	11,48,15,000
	Other Loans	25,82,000	25,82,000
54	Loans and Advances by State/Union Territory Governments . . .	4,72,55,000	..	4,72,55,000
GRAND TOTAL . . .		1,12,83,00,000	27,99,91,000	1,40,82,91,000

THE WEST BENGAL APPROPRIATION ACT, 1970

NO. II OF 1970

[31st March, 1970]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of West Bengal for the services of the financial year 1969-70.

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

Short title.

Issue of
Rs. 63,54,90,
721 from
and out
of the
Consoli-
dated
Fund
of the
State of
West
Bengal
for the
financial
year
1969-70.

Approp-
riation.

1. This Act may be called the West Bengal Appropriation Act, 1970.

2. From and out of the Consolidated Fund of the State of West Bengal 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 sixty-three crores, fifty-four lakhs, ninety thousand, seven hundred and twenty-one rupees towards defraying the several charges which will come in course of payment during the financial year 1969-70, in respect of the services specified in column 2 of the Schedule.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of West Bengal 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 Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
3	State Excise Duties . . .	68,000	..	68,000
4	Taxes on Vehicles . . .	1,72,000	..	1,72,000
8	Registration Fees . . .	5,05,000	..	5,05,000
11	Parliament, State/Union Territory Legislature	9,87,000	..	9,87,000
12	General Administration . . .	6,72,000	..	6,72,000
13	Administration of Justice	6,30,000	6,30,000
15	Police . . .	1,15,44,000	11,550	1,15,55,550
16	Miscellaneous Departments—Fire Services . . .	2,87,000	..	2,87,000
17	Miscellaneous Departments—Excluding Fire Services . . .	51,57,000	..	51,57,000
18	Scientific Departments . . .	5,000	..	5,000
19	Education . . .	1,97,68,000	16,000	1,97,84,000
20	Medical . . .	57,86,000	..	57,86,000
21	Public Health	3,334	3,334
23	Agriculture—Fisheries	47,395	47,395
24	Capital Outlay on Schemes of Government Trading—Greater Calcutta Milk Supply Scheme . . .	54,36,000	..	54,36,000
26	Capital Outlay on Industrial and Economic Development
28	Industries—Cinchona . . .	2,32,000	..	2,32,000
29	Interest on Debt and Other Obligations—Community Development Projects, National Extension Service and Local Development Works	13,000	13,000
31	Public Debt—Loans for Community Development Projects, National Extension Service and Local Development Works	1,00,000	1,00,000
32	Miscellaneous Social and Developmental Organisations—Welfare of Scheduled Tribes and Castes and Other Backward Classes . . .	5,96,000	..	5,96,000
33	Miscellaneous Social and Developmental Organisations—Excluding Welfare of Scheduled Tribes and Castes and Other Backward Classes . . .	9,96,000	..	9,96,000
	Multi-purpose River Schemes . . .	27,71,000	..	27,71,000
	Irrigation, Navigation, Embankment and Drainage Works (Commercial) . . .	4,20,000	..	4,20,000
	Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial) . . .	2,23,77,000	25,000	2,24,02,000
	Capital Outlay on Multi-purpose River Schemes . . .	66,90,000	..	66,90,000

I No. of Vote	Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
34	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Commercial)	1,17,37,000	..	1,17,37,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	8,37,000	..	8,37,000
36	Public Works	1,24,64,000	5,08,000	1,29,72,000
38	Ports and Pilotage	1,60,000	..	1,60,000
39	Famine Relief	2,76,55,000	..	2,76,55,000
41	Pensions and Other Retirement Benefits	19,24,000	..	19,24,000
	Payments of Commuted Value of Pensions	2,45,000	..	2,45,000
42	Stationery and Printing	2,72,000	..	2,72,000
44	Forest	..	7,498	7,498
45	Miscellaneous—Other Miscellaneous Expenditure	44,43,000	..	44,43,000
	Capital Outlay on Other Works	3,17,000	..	3,17,000
49	Miscellaneous—Irrecoverable Loans to Displaced Persons Written Off	1,00,00,000	..	1,00,00,000
	Miscellaneous—Expenditure on Displaced Persons	8,19,000	..	8,19,000
50	Public Debt—Loans for Displaced Persons	..	96,54,000	96,54,000
	Capital Outlay on Public Works	..	4,07,520	4,07,520
51	Capital Outlay on Schemes of Government Trading	2,54,17,000	66,423	2,54,83,423
	Public Debt—
52	Floating Debt	..	42,00,00,000	42,00,00,000
	Loans from Central Government (excluding Loans for Community Development Projects, etc., and Displaced Persons)	..	1,18,86,000	1,18,86,000
53	Other Loans	..	37,23,000	37,23,000
	Loans and Advances by State/Union Territory Governments	76,33,000	..	76,33,000
TOTAL		18,83,92,001	44,70,98,720	63,54,90,721

THE APPROPRIATION (RAILWAYS) ACT, 1970

No. 12 OF 1970

[31st March, 1970]

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 1970-71 for the purposes of Railways.

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

1. This Act may be called the Appropriation (Railways) Act, 1970. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one thousand seven hundred and two crores, forty-one lakhs and five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services relating to railways specified in column 2 of the Schedule. Issue of Rs. 17,02, 41,05,000 out of the Consolidated Fund of India for the financial year 1970-71
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.

THE SCHEDULE

(See sections 2 and 3)

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lided Fund	Total
1	Railway Board . . .	Rs. 1,50,46,000	Rs. ..	Rs. 1,50,46,000
2	Miscellaneous Expenditure . . .	6,36,99,000	3,00,000	6,39,99,000
3	Payments to Worked Lines and Others . . .	17,02,000	..	17,02,000
4	Working Expenses—Adminis- tration . . .	78,22,78,000	20,000	78,22,98,000
5	Working Expenses—Repairs and Maintenance . . .	2,59,38,92,000	10,000	2,59,39,02,000
6	Working Expenses—Operating Staff . . .	1,58,89,57,000	..	1,58,89,57,000
7	Working Expenses—Opera- tion (Fuel) . . .	1,65,68,55,000	..	1,65,68,55,000
8	Working Expenses—Operation Other than Staff and Fuel . . .	50,19,62,000	55,26,000	50,74,88,000
9	Working Expenses—Miscella- neous Expenses . . .	36,04,49,000	16,16,000	36,20,65,000
10	Working Expenses—Staff Welfare . . .	25,55,21,000	..	25,55,21,000
11	Working Expenses—Approp- riation to Depreciation Reserve Fund . . .	1,00,00,00,000	..	1,00,00,00,000
11A	Working Expenses—Approp- riation to Pension Fund . . .	15,00,00,000	..	15,00,00,000
12	Dividend to General Revenues . . .	1,67,09,64,000	..	1,67,09,64,000
13	Open Line Works (Revenue) . . .	9,01,71,000	..	9,01,71,000
14	Construction of New Lines . . .	36,08,05,000	2,000	36,08,07,000
15	Open Line Works—Capital Depreciation Reserve Fund and Development Fund . . .	5,69,19,12,000	10,06,000	5,69,29,18,000
16	Pensionary Charges—Pension Fund . . .	7,95,45,000	..	7,95,45,000
17	Repayment of Loans from General Revenues and interest thereon—Develop- ment Fund . . .	2,15,72,000	..	2,15,72,000
18	Appropriation to Development Fund . . .	5,74,59,000	..	5,74,59,000
19	Appropriation to Revenue Re- serve Fund . . .	3,63,13,000	..	3,63,13,000
20	Payments towards Amortisa- tion of Over-capitalisation, Repayment of Loans from General Revenues and in- terest thereon—Revenue Reserve Fund . . .	3,65,23,000	..	3,65,23,000
	TOTAL . . .	17,01,56,25,000	84,80,000	17,02,41,05,000

THE APPROPRIATION (RAILWAYS) No. 2 ACT, 1970
No. 13 OF 1970

[31st March, 1970]

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 1969-70 for the purposes of railways.

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

1. This Act may be called the Appropriation (Railways) No. 2 Act, 1970. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of twenty-five crores, thirty-five lakhs and fifty-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1969-70 in respect of the services relating to railways specified in column 2 of the Schedule. Issue of Rs. 25,35,51,000 out of the Consolidated Fund of India for the financial year 1969-70.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
2	Miscellaneous Expenditure . . .	19,97,000	1,000	19,98,000
3	Payments to Worked Lines and Others	77,000	..	77,000
4	Working Expenses—Administration . . .	32,05,000	2,00,000	34,05,000
5	Working Expenses—Repairs and Maintenance . . .	9,84,87,000	1,53,000	9,86,40,000
6	Working Expenses—Operating Staff	74,000	74,000
7	Working Expenses—Operation (Fuel)	6,64,79,000	27,000	6,65,06,000
8	Working Expenses—Operation other than Staff and Fuel . . .	4,12,22,000	4,99,000	4,17,21,000
9	Working Expenses—Miscellaneous Expenses . . .	2,24,95,000	11,95,000	2,36,90,000
10	Working Expenses—Staff Welfare	4,000	4,000
14	Construction of New Lines . . .	1,000	4,66,000	4,67,000
15	Open Line Works Capital, Depreciation Reserve Fund and Development Fund . . .	3,000	23,24,000	23,27,000
16	Pensionary Charges—Pension Fund . . .	1,41,31,000	..	1,41,31,000
20	Payments towards Amortisation of over-capitalisation . . .	5,11,000	..	5,11,000
	TOTAL . . .	24,86,08,000	49,43,000	25,35,51,000

Repealed by Ad 56 of 1971, S.2 and S.C.R.

THE ESSENTIAL COMMODITIES (AMENDMENT)
CONTINUANCE ACT, 1970

No. 14 OF 1970

[31st March, 1970]

An Act to continue the Essential Commodities (Amendment) Act, 1964 for a further period.

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

1. This Act may be called the Essential Commodities (Amendment) Continuance Act, 1970. Short title:

2. The duration of the Essential Commodities (Amendment) Act, 1964, continues further extended for the period up to and including the 31st day of December, 1971, and accordingly that Act shall have effect subject to the modification that in section 1 of that Act, in sub-section (3), for the words, figures and letters "the 31st day of December, 1969", the words, figures and letters "the 31st day of December, 1971" shall be substituted. Act 47 of 1964.

3. (1) The Essential Commodities (Amendment) Continuance Ordinance, 1969, is hereby repealed. Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under section 12A of the Essential Commodities Act, 1955, or section 8A of the Criminal Law Amendment Act, 1952, as continued by the said Ordinance, shall be deemed to have been done or taken under those sections as continued by this Act as if this Act had come into force on the 30th day of December, 1969. 10 of 1955.
46 of 1952.

Repealed by Act 56 of 1974. S. 2 and Sch. 2

THE CALCUTTA PORT (AMENDMENT) ACT, 1970

NO. 15 OF 1970

[31st March, 1970]

An Act further to amend the Calcutta Port Act, 1890.

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

Short title.

insertion of new section 35A in Bengal Act 3 of 1890.

Power of Commissioners to undertake certain works.

Amendment of section 37.

Repeal and saving.

1. This Act may be called the Calcutta Port (Amendment) Act, 1970.

2. In the Calcutta Port Act, 1890 (hereinafter referred to as the principal Act), after section 35, the following section shall be inserted, namely:—

“35A. The Commissioners may undertake to carry out on behalf of any person (including any State Government) any works or services or any class of works or services on such terms and conditions as may be agreed upon between the Commissioners and such person.”.

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

“(3) Nothing in this section shall apply to any work referred to in section 35A.”.

4. (1) The Calcutta Port (Amendment) Ordinance, 1970, is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act as if this Act had come into force on the 2nd day of February, 1970.

THE HARYANA AND PUNJAB AGRICULTURAL
UNIVERSITIES ACT, 1970

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title and commencement.
2. Definitions.

CHAPTER II

ESTABLISHMENT OF CORRESPONDING UNIVERSITIES

3. Dissolution of the existing University and establishment of Haryana and Punjab Agricultural Universities.
4. Incorporation.
5. Territorial limits.
6. Headquarters.
7. Objects of a corresponding University.
8. Admission to a corresponding University.
9. Powers of a corresponding University.
10. Visitations.

CHAPTER III

MANAGEMENT OF A CORRESPONDING UNIVERSITY

11. Authorities and officers of a corresponding University.
12. Chancellor.
13. Constitution, powers and duties of the Board of a corresponding University.
14. Powers and duties of the Board.
15. The Vice-Chancellor.
16. Powers and duties of the Vice-Chancellor.
17. The Registrar.
18. Comptroller.
19. The Estate Officer.
20. Director of Student Welfare.
21. Deans of colleges.
22. The Librarian.
23. Academic Council.

*Arrangement of Sections***CHAPTER IV****COLLEGES****SECTIONS**

24. The colleges.
25. Experiment Stations for research.
26. Agricultural Extension Education.

CHAPTER V**SERVICES**

27. Retirement and other conditions of service.
28. Provident fund.
29. Appointment of salaried officers.
30. Temporary arrangements.

CHAPTER VI**STATUTES AND REGULATIONS**

31. Statutes.
32. Statutes how made.
33. Regulations.

CHAPTER VII**ACCOUNTS AND AUDIT**

34. Accounts and audit.

CHAPTER VIII**MISCELLANEOUS**

35. Division of assets and liabilities.
36. Legal proceedings.
37. Transfer of employees.
38. Membership of corresponding University bodies.
39. Annual Report.
40. Construction of references to existing University in any document, etc.
41. Obligations to be discharged by the Punjab Agricultural University.
42. Proportion of cost to be borne by the Government of Himachal Pradesh.
43. Settlement of unresolved disputes.
44. Power to remove difficulties.
45. Repeals and saving.

**THE HARYANA AND PUNJAB AGRICULTURAL
UNIVERSITIES ACT, 1970**

No. 16 of 1970

[2nd April, 1970]

An Act to provide for the establishment of two independent Agricultural Universities in place of the Punjab Agricultural University constituted by the Punjab Agricultural University Act, 1961, and for matters consequential on, or connected with the establishment of those independent Agricultural Universities.

WHEREAS, for the development of agriculture in the States of Haryana and Punjab, it is expedient to provide for the establishment of two independent Agricultural Universities in place of the Punjab Agricultural University constituted by the Punjab Agricultural University Act, 1961;

AND WHEREAS, the Legislatures of the States of Haryana and Punjab have passed resolutions in terms of clause (1) of article 252 of the Constitution in relation to the above-mentioned matter and matters ancillary thereto in so far as such matters are matters enumerated in List II in the Seventh Schedule to the Constitution;

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Haryana and Punjab Agricultural Universities Act, 1970. Short title
and com-
mencement.

(2) It shall be deemed to have come into force on the 2nd day of February, 1970.

2. In this Act, and in all Statutes made thereunder, unless the context otherwise requires,— Definitions.

(a) "Academic Council" means, in relation to a corresponding University, the Academic Council of that University;

(b) "agriculture" includes the basic and applied science of soil and water management, crop and live-stock production and management, home sciences and the betterment of rural people;

(c) "appropriate Government" means,—

(i) in relation to the Haryana Agricultural University, the Government of the State of Haryana;

(ii) in relation to the Punjab Agricultural University, the Government of the State of Punjab;

(d) "Board", in relation to a corresponding University, means the Board of Management of that University;

(e) "college" means a constituent college of a corresponding University;

(f) "corresponding University" means,—

(i) in relation to the territories to which the functions of the Haryana Agricultural University extend, that University;

(ii) in relation to the territories to which the functions of the Punjab Agricultural University extend, that University;

(g) "existing University" means the Punjab Agricultural University constituted by section 3 of the Punjab Agricultural University ^{Punjab Act} 32 of 1961.

(h) "library" means a library established or maintained by a corresponding University;

(i) "prescribed" means prescribed by the Statutes of a corresponding University;

(j) "Statutes" and "Regulations" mean, respectively, the Statutes and Regulations made by a corresponding University under this Act;

(k) "transferred territories" means the territories added to the Union territory of Himachal Pradesh by sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966; ^{31 of 1966.}

(l) "Vice-Chancellor" means the Vice-Chancellor of a corresponding University.

CHAPTER II

ESTABLISHMENT OF CORRESPONDING UNIVERSITIES

Dissolution of the existing University and establishment of Haryana and Punjab Agricultural Universities. 3. As from the commencement of this Act, the existing University shall stand dissolved and there shall be established in its place two independent Agricultural Universities, to be known respectively as the Haryana Agricultural University and the Punjab Agricultural University.

Incorporation. 4. (1) Each of the Agricultural Universities mentioned in section 3 shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property, and to contract, and may, by its name, sue and be sued.

(2) Each body corporate referred to in sub-section (1) shall consist of the Chancellor and the Vice-Chancellor of that University, the members of the Board, the Academic Council and all persons, who may hereafter become or be appointed as such officers or members, so long as they continue to hold such office or membership.

5. (1) The Haryana Agricultural University shall function within the territories of the State of Haryana and the Punjab Agricultural University shall function within such other territories to which the functions of the existing University extended immediately before the commencement of this Act:

Provided that on the establishment of a University in the Union territory of Himachal Pradesh, the Punjab Agricultural University shall cease to function in the transferred territories.

(2) Until a University is established in the Union territory of Himachal Pradesh, the Agricultural College at Palampur in the transferred territories shall, notwithstanding the dissolution of the existing University, continue to be a college of the Punjab Agricultural University and shall cease to be such college on the establishment of a University in those territories.

(3) On the establishment of a University in the Union territory of Himachal Pradesh, the assets and liabilities of the Punjab Agricultural University pertaining to the Agricultural College at Palampur, all research, training and extension centres, and any other property, of the Punjab Agricultural University located in the said Union territory shall stand transferred to, and shall vest in, such University.

6. (1) The headquarters of the Haryana Agricultural University shall be at Hissar, and the headquarters of the Punjab Agricultural University shall be at Ludhiana, or at such other place as the appropriate Government may direct.

(2) Each corresponding University shall establish an office at the place at which the seat of the appropriate Government is located.

7. Each corresponding University shall be deemed to be established and incorporated for the following objects, namely:—

(a) making provision for imparting education in different branches of study, particularly agriculture, veterinary and animal science, agricultural engineering, home sciences and other allied sciences;

(b) furthering the advancement of learning and prosecution of research, particularly in agriculture and other allied sciences;

(c) undertaking the extension of such sciences to the rural people of the territories within which the University is required by this Act to function;

(d) such other purposes as the appropriate Government may, by notification in the Official Gazette, direct.

8. (1) Each corresponding University shall, subject to the provisions of this Act and the Statutes, be open to all persons:

Provided that nothing herein shall require any such University to admit to any course of study a number of students larger than the prescribed number.

Territorial limits.

Objects of a corresponding University.

Admission to a corresponding University.

(2) The appropriate Government may direct the corresponding University to reserve in any college seats for women, Scheduled Castes, Scheduled Tribes or such educationally backward classes of citizens as may be specified by that Government in this behalf, and where such direction has been given, the corresponding University shall make the reservations accordingly:

Provided that no such person shall be entitled to be admitted to a corresponding University unless he meets the standards laid down by the corresponding University.

Powers of a
corresponding
University .

9. Each corresponding University shall have the following powers, namely:—

- (a) to provide for graduate and post-graduate instructions in agriculture, veterinary and animal sciences, agricultural engineering, home sciences and other allied sciences and in such other branches of learning as the University may deem fit;
- (b) to make provision for instructions in applied fields, research and the dissemination of the findings of research and technical information through an extension education programme;
- (c) to institute degrees, diplomas and other academic distinctions;
- (d) to hold examinations and to grant and confer degrees, diplomas and other academic distinctions to and on persons who shall have—
 - (i) pursued a prescribed course of study; or
 - (ii) carried out research in the University, or in an institution recognised in this behalf by the University, under the prescribed conditions;
 - (e) to confer honorary degrees or other distinctions in the prescribed manner and under the prescribed conditions;
 - (f) to provide lectures and instructions for field workers, village leaders and other persons not enrolled as regular students of the University and to grant certificates to them when deemed desirable;
 - (g) to co-operate with other Universities and authorities in such manner and for such purposes as the University may determine;
 - (h) to institute teaching, research and extension education posts required by the University and to appoint persons to such posts;
 - (i) to create administrative, ministerial and other posts and to make appointments thereto;
 - (j) to institute and award fellowships, scholarships and prizes in accordance with the Statutes;
 - (k) to institute and maintain residential accommodation for students of the University;
 - (l) to supervise and control the residential accommodation and to regulate the discipline of the students of the University and to make arrangements for promoting their health and welfare;

(m) to institute and receive such fees and other charges as may be prescribed; and

(n) to do all such acts and things, whether incidental to the powers aforesaid or not, as may be requisite in order to further the objects of the University.

10. (1) The Chancellor of a corresponding University may cause an inspection to be made by such person as he may direct, of the corresponding University, its buildings, laboratories, and equipment and of any institution maintained by that University, and may cause an inquiry to be made in respect of any matter connected with the administration and the finances of that University.

(2) The Chancellor of a corresponding University shall, in every case, give notice to the University of his intention to cause an inspection or inquiry to be made, and, on receipt of such notice, that University shall be entitled to appoint a representative who shall have the right to be present, and heard, at such inspection or inquiry.

(3) The Chancellor of a corresponding University may address the Board of the University with reference to the result of such inspection or inquiry with such advice as he may offer regarding the action to be taken.

(4) The Board shall communicate to the Chancellor such action as it proposes to take or has taken as the result of such inspection or inquiry.

(5) If the Board does not, within a reasonable time, take action to the satisfaction of the Chancellor, he may, after considering any explanation furnished or representation made by the Board, issue such directions as he may deem fit, and the Board shall comply with such directions.

CHAPTER III

MANAGEMENT OF A CORRESPONDING UNIVERSITY

11. The following shall be the authorities and officers of each corresponding University, namely:—

Authorities
and officers
of a cor-
responding
University.

(a) Authorities of a corresponding University—

(i) Board;

(ii) Academic Council;

(iii) Board of Studies; and

(iv) Such other authorities as may be declared by the Statutes to be authorities of the University.

(b) Officers of the corresponding University—

(i) Chancellor;

(ii) Vice-Chancellor;

(iii) Dean of Post-Graduate Studies;

(iv) Deans of the colleges;

(v) Director of Research;

(vi) Director of Agricultural Extension Education;

(vii) Director of Students Welfare;

(viii) Registrar;

(ix) Comptroller;

(x) Estate Officer;

(xi) Librarian; and

(xii) Such other persons in the service of the University as may be declared by the Statutes to be officers of the University.

Chancellor.

12. (1) The Governor of the State of Haryana shall be the Chancellor of the Haryana Agricultural University and the Governor of the State of Punjab shall be the Chancellor of the Punjab Agricultural University.

(2) The Chancellor of a corresponding University shall, by virtue of his office, be the Head of that University and shall, when present, preside at a convocation of that University.

(3) The Chancellor of a corresponding University shall have such other powers as are specified in this Act or as may be prescribed.

*Constitution,
powers and
duties of
the Board
of a cor-
responding
University.*

13. (1) The appropriate Government shall, within a period of one year from the commencement of this Act, establish a Board for the management of the corresponding University.

(2) The Board of the Haryana Agricultural University shall consist of—

(a) the Vice-Chancellor;

(b) the Chief Secretary to the Government of the State of Haryana;

(c) the Secretaries to the Government of the State of Haryana in the Departments of—

(i) Agriculture;

(ii) Finance; and

(iii) Community Development;

(d) persons, not being officials, appointed by the Government of the State of Haryana from amongst the following categories of persons, namely:—

(i) one from amongst persons who are, in the opinion of that Government, eminent agricultural scientists with a background of agricultural research or education;

(ii) two from amongst persons who are, in the opinion of that Government, progressive farmers or live-stock breeders having experience of, and interest in, scientific farming and live-stock improvement;

(iii) one from amongst persons who are, in the opinion of that Government, distinguished industrialists, businessmen, manufacturers or live-stock breeders, associated with agricultural development; and

(iv) one from amongst women who are, in the opinion of that Government, outstanding social workers, preferably with a background of rural advancement.

(3) The Board of the Punjab Agricultural University shall consist of—

(a) the Vice-Chancellor;

(b) the Chief Secretary to the Government of the State of Punjab;

(c) the Secretaries to the Government of the State of Punjab in the Departments of—

(i) Agriculture; and

(ii) Finance;

(d) the Director of Agriculture, Punjab;

(e) the Director of Animal Husbandry, Punjab;

(f) one nominee of the Indian Council of Agricultural Research;

(g) two nominees of the Government of the Union territory of Himachal Pradesh;

(h) persons, not being officials, appointed by the Government of the State of Punjab from amongst the following categories of persons, namely:—

(i) two from amongst persons who are, in the opinion of that Government, eminent agricultural scientists with a background of agricultural research or education;

(ii) two from amongst persons who are, in the opinion of that Government, progressive farmers or live-stock breeders having experience of, and interest in, scientific farming and live-stock improvement;

(iii) one from amongst persons who are, in the opinion of that Government, distinguished industrialists, businessmen, manufacturers or live-stock breeders, associated with agricultural development; and

(iv) one from amongst women who are, in the opinion of that Government, outstanding social workers, preferably with a background of rural advancement.

(4) The Board of the Haryana Agricultural University shall associate with its meeting the following persons as technical advisers, but the persons so associated shall not be entitled to vote at any such meeting:—

- (a) the Director of Agriculture, Haryana;
- (b) the Director of Animal Husbandry, Haryana; and
- (c) two officers appointed by the Board of that University from amongst the Deans or Directors of that University.

(5) The term of office of the members of the Board, other than the official members, shall be three years:

Provided that two members of the Board, not being official members, shall retire at the end of each year.

(6) The members of the Board, other than the official members, shall determine, by lots, the members who shall retire at the end of each year.

(7) A member of the Board may resign his office by a notice in writing, addressed to the Chancellor of the corresponding University.

(8) If, for any reason, a vacancy occurs in the office of a member of the Board, the appropriate Government may fill the vacancy by appointing another person thereto in accordance with the provisions of this section.

(9) No act or proceeding of the Board shall be invalid merely on the ground of the existence of any vacancy in, or defect in the constitution of, such Board.

(10) Four members of the Board, in the case of the Haryana Agricultural University, and five members of the Board, in the case of the Punjab Agricultural University, shall be a quorum for a meeting of the Board:

Provided that if a meeting of the Board is adjourned for want of a quorum, no quorum shall be necessary at the next meeting for the transaction of the same business.

(11) The Chancellor shall be the Honorary Chairman of the Board and the Vice-Chancellor, the Working Chairman.

(12) The members of the Board shall not be entitled to receive any remuneration for the performance of their functions under this Act except such daily and travelling allowances as may be prescribed:

Provided that nothing herein shall affect the emoluments or other conditions of service of the Vice-Chancellor.

(13) On the commencement of this Act, the members of the Board of Management of the existing University shall be deemed to have vacated their offices as such.

**Powers and
duties of the
Board.**

14. The powers and duties of the Board shall be as follows:-

(a) to approve the budget submitted by the Vice-Chancellor;

(b) to hold and control the property and funds of the University and issue any general directive on behalf of the University;

- (c) to accept or transfer any property on behalf of the University;
 - (d) to administer funds placed at the disposal of the University for specific purposes;
 - (e) to invest moneys belonging to the University;
 - (f) to appoint the officers, teachers and other employees of the University in the prescribed manner;
 - (g) to direct the form and use of the common seal of the University;
 - (h) to appoint such committees as it may deem necessary for its proper functioning;
 - (i) to borrow money for capital improvements and make suitable arrangements for its repayment;
 - (j) to appoint the Vice-Chancellor subject to the provisions of section 15;
 - (k) to meet at such times and as often as the Board may deem necessary:
- Provided that regular meetings of the Board shall be held at least once in every two months;
- (l) to regulate and determine all matters concerning the University in accordance with this Act and the Statutes, and to exercise such powers and to discharge such duties as may be conferred on or imposed upon the Board by this Act or the Statutes.

15. (1) The Vice-Chancellor shall be a whole-time officer of the corresponding University and shall be appointed by the Board in the prescribed manner: The Vice-Chancellor.

Provided that where the members of the Board are not unanimous with regard to the selection of the person proposed to be appointed as the Vice-Chancellor, the appointment shall be made by the Chancellor of the concerned corresponding University:

Provided further that the first Vice-Chancellor of the Haryana Agricultural University shall be appointed by the Government of the State of Haryana:

Provided also that the person holding office immediately before the commencement of this Act as the Vice-Chancellor of the existing University shall be deemed to be the first Vice-Chancellor of the Punjab Agricultural University and shall hold such office for the unexpired portion of his term of office as the Vice-Chancellor of the existing University.

(2) The term of office of the Vice-Chancellor shall be four years and he shall be eligible for re-appointment.

(3) The emoluments and other conditions of service of the Vice-Chancellor shall be such as may be prescribed and shall not be varied to his disadvantage after his appointment.

(4) When a vacancy occurs, or is likely to occur, in the office of the Vice-Chancellor by reason of leave taken by the holder of such office or any cause other than the expiry of the term of office, the Registrar shall report the fact forthwith to the Board, and such vacancy shall be filled in accordance with the provisions of sub-section (1).

(5) Until the vacancy is filled under sub-section (4) or until such time as the Board designates an acting Vice-Chancellor, the senior-most Dean, in the case of the Haryana Agricultural University, or the Registrar, in the case of the Punjab Agricultural University, as the case may be, shall carry on the current duties of the office of the Vice-Chancellor.

(6) The Vice-Chancellor may relinquish office by resignation in writing addressed to the Board and ordinarily delivered to the Secretary of the Board at least two months prior to the date on which the Vice-Chancellor wishes to be relieved.

Powers and
duties of
the Vice-
Chancellor

16. (1) The Vice-Chancellor shall be the principal executive and academic officer of the corresponding University and the Chairman of the Academic Council and shall, in the absence of the Chancellor, preside at a convocation of the corresponding University and shall confer degrees on persons entitled to receive them.

(2) The Vice-Chancellor shall exercise control over the affairs of the corresponding University and shall be responsible for the due maintenance of discipline at that University.

(3) The Vice-Chancellor shall convene meetings of the Academic Council unless he temporarily delegates this power to some other officer of the corresponding University.

(4) Without prejudice to the powers conferred by this Act on the appropriate Government, the Vice-Chancellor shall ensure the faithful observance of the provisions of this Act and the Statutes and he shall exercise all such powers as may be necessary in that behalf.

(5) The Vice-Chancellor shall be responsible for the presentation of the budget and the statement of accounts to the Board.

(6) In any emergency, which, in the opinion of the Vice-Chancellor, requires immediate action to be taken, he shall take such action as he deems necessary and shall, at the earliest opportunity, report the action taken to the officer, authority or other body for confirmation who or which in the ordinary course would have dealt with the matter, but nothing in this sub-section shall be deemed to empower the Vice-Chancellor to incur any expenditure not duly authorised and provided for in the budget.

(7) Where any action by the Vice-Chancellor under sub-section (6) affects any person in the service of the corresponding University to his disadvantage, such action shall not be taken unless the person concerned has been given a reasonable opportunity of being heard, and the person against whom any action is proposed to be taken may prefer an appeal to the Board within thirty days of the date on which the action proposed to be taken against him is communicated to him.

(8) Subject as aforesaid, the Vice-Chancellor shall give effect to the orders of the Board regarding the appointment, suspension and dismissal of officers, teachers and other employees of the corresponding University.

(9) The Vice-Chancellor shall be responsible for the close co-ordination and integration of teaching, research and extension education.

(10) The Vice-Chancellor shall exercise such other powers as may be prescribed.

(11) The salary and allowances payable to the officers, teachers and other employees of the corresponding University shall be determined by the Vice-Chancellor with the approval of the Board.

17. (1) The Registrar of a corresponding University shall be a whole-time officer of that University and shall be appointed by the Vice-Chancellor of that University with the approval of the Board. The Registrar.

(2) The Registrar of a corresponding University shall receive such remuneration and other emoluments as may be prescribed and shall not, during the tenure of his office, accept any remuneration or emolument other than the prescribed remuneration or emolument.

(3) The powers and duties of the Registrar of a corresponding University shall be as follows:—

(a) to be responsible for the custody of the records and the common seal of the University;

(b) to be the *ex officio* Secretary to the Academic Council and to the Board and to place before such Council and Board all such information as may be necessary for the transaction of business of the Council or the Board, as the case may be;

(c) to receive applications for admission into the University;

(d) to keep a permanent record of all syllabi, curricula and informations connected therewith;

(e) to make arrangements for the conduct of such examinations as may be prescribed and to be responsible for the due execution of all processes connected therewith;

(f) to perform such other duties as may be prescribed or required, from time to time, by the Vice-Chancellor.

18. (1) The Comptroller of a corresponding University shall be a whole-time officer of that University and shall be appointed by the Vice-Chancellor of that University with the approval of the Board. Comptroller.

(2) The Comptroller shall manage the property and investments of the corresponding University and advise it in regard to its financial policy.

(3) The Comptroller shall be responsible to the Vice-Chancellor for all accounting matters of the corresponding University including the preparation and presentation of its Budget and statement of accounts.

(4) The Comptroller shall receive such remuneration as may be prescribed and shall not, during the tenure of his office, receive any remuneration or other emolument other than the prescribed remuneration.

(5) The Comptroller shall—

(a) ensure that expenditure, not authorised in the budget, is not incurred by the corresponding University except by way of investment; and

(b) disallow any expenditure not warranted by the terms of any Statute or for which provision is required to be made by the Statute but has not been so made.

(6) All moneys belonging to the corresponding University shall be kept in a Scheduled Bank approved by the Board.

The Estate Officer.

19. The Estate Officer of a corresponding University, who shall be appointed by the Vice-Chancellor with the approval of the Board, shall be responsible for the custody, maintenance and management of all the buildings, lawns, gardens and other properties of the University.

Director of Student Welfare.

20. (1) The Director of Student Welfare of a corresponding University shall be a whole-time officer of that University and shall be appointed by the Vice-Chancellor with the approval of the Board.

(2) The Director of Student Welfare shall have the following duties, namely :—

- (a) to make arrangements for the housing of students;
- (b) to direct a programme of student-counselling;
- (c) to arrange for the employment of students in accordance with the plans approved by the Vice-Chancellor;
- (d) to supervise the extra-curricular activities of students;
- (e) to assist in the placement of graduates of the University; and
- (f) to organise and maintain contact with the Alumni Association of the University.

Deans of colleges.

21. (1) Each college shall have a Dean who shall be a whole-time officer and shall be appointed by the Vice-Chancellor with the approval of the Board.

(2) The Dean shall be responsible to the Vice-Chancellor for all matters concerning his college.

(3) The Dean shall be responsible for the organisation and the conduct of resident instruction of the Departments of the college.

The Librarian.

22. (1) The Librarian of a corresponding University shall be appointed by the Vice-Chancellor with the approval of the Board and shall be in charge of the library.

(2) The Librarian shall be responsible to the Vice-Chancellor for all matters concerning the library.

Academic Council.

23. (1) The Academic Council shall be in charge of the academic affairs of the University and shall, subject to the provisions of this Act and the Statutes, superintend, direct and control, and be responsible for the maintenance of standards of instruction, education and examinations and other matters connected with the obtaining of degrees and shall exercise such other powers and perform such other duties as may be prescribed.

(2) Without prejudice to the generality of the foregoing power, the Academic Council shall have power—

- (a) to advise the Vice-Chancellor on all academic matters, including the control and management of the libraries;
- (b) to co-opt at its meetings such Heads of Departments as it may consider necessary;
- (c) to make recommendations to the Vice-Chancellor for the institution of the Professorships, Associate Professorships, Assistant Professorships and teacherships and other teaching posts and in regard to the duties and emoluments thereof;
- (d) to formulate, modify or revise schemes for the constitution or reconstitution of departments of teaching, research and extension;
- (e) to make regulations regarding the admission of students to the University;
- (f) to make regulations regarding examinations conducted by the University and the conditions on which students shall be admitted to such examinations;
- (g) to make regulations relating to courses of study leading to degrees, diplomas and certificates;
- (h) to make recommendations regarding post-graduate teaching, research and extension;
- (i) to make recommendations regarding the qualifications to be prescribed for teachers in the University;
- (j) to exercise such other powers and perform such other duties as may be conferred or imposed on it by or under the provisions of this Act.

(3) The Academic Council shall consist of—

- (a) the Vice-Chancellor;
- (b) the Deans of the colleges of the University;
- (c) the Dean of Post-Graduate Studies;
- (d) the Director of Extension Education;
- (e) the Director of Research;
- (f) the Head of one Department from each college, to be selected by the respective college.

(4) The term of office of the members specified in clause (f) of subsection (3) shall be two years.

CHAPTER IV

COLLEGES

24. (1) The following colleges shall be the constituent colleges of The colleges, the Haryana Agricultural University, namely:—

- (a) the College of Agriculture at Hissar;
- (b) the College of Veterinary Medicine at Hissar;

- (c) the College of Animal Sciences at Hissar;
- (d) the College of Basic Sciences and the Humanities and such other colleges as may be established by the University after the commencement of this Act; and
- (e) such Central Government institutions of agricultural research, technical and extension education in the State of Haryana as may desire to be integrated as colleges of the Haryana Agricultural University.

(2) The following colleges shall be the constituent colleges of the Punjab Agricultural University, namely:—

- (a) the College of Agriculture at Ludhiana;
- (b) the College of Agricultural Engineering at Ludhiana;
- (c) the College of Basic Sciences and the Humanities at Ludhiana;
- (d) the College of Home Sciences at Ludhiana;
- (e) the College of Veterinary Medicine at Ludhiana;
- (f) until a University is established in the Union territory of Himachal Pradesh, the Agricultural College at Palampur;
- (g) such other colleges as may be established by the University after the commencement of this Act; and
- (h) such Central Government institutions of agricultural research, technical and extension education in the State of Punjab as may desire to be integrated as colleges of the Punjab Agricultural University.

(3) (a) There shall be a Board of Studies for each college of a corresponding University and where there is more than one college in a branch of learning, there may be one Board of Studies for all the colleges in that branch of learning.

(b) The Deans of various colleges shall be the Chairmen of the respective Boards of Studies and the Heads of Departments of the colleges shall be members thereof.

(c) Where there is a Board of Studies for more than one college in a branch of learning, the Deans shall act as Chairmen of the Board of Studies by rotation according to seniority for a period of one year each.

(d) The Vice-Chancellor may nominate to the Board of Studies such other teachers of related subjects or sciences from the same or other colleges, as he may deem fit.

(e) The duties of such Boards of Studies shall be to prescribe syllabi so as to ensure integrated and well-balanced courses of study.

(4) Every college shall comprise such Departments as may be prescribed and each Department shall be assigned such subjects of study as the Academic Council may deem fit.

(5) There shall be a Head of each Department who shall be responsible to the Dean, for resident instruction, to the Director of Research, for research, and to the Director of Extension Education, for extension education.

(6) The Head of each Department shall be selected by the Vice-Chancellor and appointed by him with the approval of the Board.

(7) The duties, powers and functions of the Heads of Departments shall be such as may be prescribed.

25. (1) Subject to the provisions of this Act and the Statutes, Experiment Stations shall be established under each corresponding University, which shall be responsible for research, both fundamental and applied, and research activities shall be concentrated as far as possible at the Central Research Stations and other Regional Research and Testing Stations in the different agro-climatic zones of the State.

Experiment
Stations for
research.

(2) There shall be a Director of Research in each corresponding University, who shall be responsible to the Vice-Chancellor and who shall be appointed by the Vice-Chancellor in consultation with the Deans and with the approval of the Board.

(3) The Director of Research shall be a whole-time officer trained in Agriculture and shall initiate, guide and co-ordinate the research programme of the corresponding University and its outlying sub-stations.

26. (1) In relation to the territories to which the functions of a corresponding University extend, such University shall be responsible for—

Agricultural
Extension
Education.

(a) the agricultural extension functions which are primarily educational in nature; and

(b) imparting training to the future Extension Officers for the National Extension Blocks and instructors for the Extension Training Centres.

(2) All Extension Specialists, in relation to any subject-matter, shall be the members of the staff of their respective subject-matter sections in each corresponding University and work in close co-ordination with the Departments of Agriculture, Development and Co-operatives.

(3) The Director of Extension Education shall be a whole-time officer technically trained in agriculture and shall be appointed by the Vice-Chancellor in consultation with the Deans and with the approval of the Board.

(4) The Director of Extension Education shall be responsible to the Vice-Chancellor and shall develop programmes for assisting farmers and housewives in applying results of scientific investigations to the solution of their problems.

CHAPTER V

SERVICES

Retirement
and other
conditions
of services.

27. The age of retirement and other conditions of service of every officer, teacher or other employee of a corresponding University shall be such as may be prescribed.

Provident
Fund.

28. Each corresponding University shall constitute gratuity and provident fund for the benefit of its officers, teachers and other employees in such manner, and subject to such conditions, as may be prescribed.

Appointment
of salaried
officers.

29. Subject to the provisions of this Act, the members of the technical staff of a corresponding University shall be selected by the Head of the Department in consultation with the members of the Department concerned, recommended by the Dean or the Director of Research or the Director of Extension Education, as the case may be, and appointed by the Vice-Chancellor with the approval of the Board.

Temporary
arrange-
ments.

30. The Vice-Chancellor may, until such time as the authorities of the corresponding University are duly constituted, temporarily appoint any such officer of that University as such University is authorised by this Act to appoint.

CHAPTER VI

STATUTES AND REGULATIONS

Statutes.

31. Subject to the provisions of this Act, the Statutes of a corresponding University may provide for any matter and shall, in particular, provide for the following:—

- (a) the constitution, powers and duties of the authorities of the University;
- (b) the election, appointment, and continuance in office of the members of the authorities of the University and of the officers, teachers and other employees of the University including the filling up of vacancies and all other matters relating to these authorities and officers, teachers and other employees for which it may be necessary or desirable to provide;
- (c) the designation, the manner of appointment, the powers, and the duties of the officers of the University;
- (d) the classification and the manner of appointment of teachers;
- (e) the constitution of gratuity or provident fund or both for the benefit of officers, teachers and other employees of the University;
- (f) the institution of degrees and diplomas;
- (g) the conferment of honorary degrees;
- (h) the establishment, amalgamation, sub-division and abolition of Departments;
- (i) the establishment, and the abolition of hostels maintained by the University;

- (j) the institution of fellowships, scholarships, medals and prizes;
- (k) the maintenance of a register of graduates;
- (l) the admission of students to the University and their enrolment and continuance as such;
- (m) the courses of study to be laid down for degrees and diplomas of the University;
- (n) the conditions under which students shall be admitted to the degree, diploma or other courses and the manner in which the examinations are to be held and the eligibility for the award of degrees and diplomas;
- (o) the conditions of residence of the students of the University and the levy of fees for residence in hostels maintained by the University;
- (p) the recognition and supervision of hostels not maintained by the University;
- (q) the number, qualifications, emoluments, and other conditions of service of officers, teachers and other employees of the University and the preparation and the maintenance of record of their services and activities;
- (r) the fees which may be charged by the University;
- (s) the remuneration and allowances, including travelling and daily allowances, to be paid to persons employed on the business of University;
- (t) the conditions for the award of fellowships, scholarships, medals and prizes, stipends and fee concessions;
- (u) all other matters which by this Act are to be or may be provided for by the Statutes.

Punjab Act
32 of 1961.

32. (1) The Statutes made by the existing University under section 30 ^{Statutes how made.} of the Punjab Agricultural University Act, 1961, and in force immediately before the commencement of this Act shall, in so far as they are not inconsistent with the provisions of this Act, and subject to such adaptations and modifications as may be notified by the appropriate Government, be the first Statutes of a corresponding University.

(2) The Board may, from time to time, make new or additional Statutes and may amend or repeal the Statutes in the manner hereinafter provided in this section.

(3) The Academic Council may propose to the Board the draft of Statutes and such draft shall be considered by the Board at its next meeting:

Provided that the Academic Council shall not propose the draft of any Statute or any amendment of a Statute affecting the status, powers or constitution of any authority of the University until such authority has been given an opportunity to express its opinion upon the proposal, and any opinion so expressed shall be considered by the Board.

(4) The Board may consider any such draft as is referred to in subsection (3) and pass the proposed Statute or reject or return it to the

Academic Council for re-consideration either in whole or in part, together with any amendment which it may suggest.

(5) (a) Any member of the Board may propose to the Board the draft of any Statute and the Board may either accept or reject the proposal if it relates to a matter not falling within the purview of the Academic Council.

(b) In case such a draft relates to a matter within the purview of the Academic Council, the Board shall refer it for consideration to the Academic Council, which may either report to the Board that it does not approve the proposal, which, then, shall be deemed to have been rejected by the Board or submit the draft to the Board in such form as the Academic Council may approve, and the provisions of this section shall apply in the case of the draft submitted by any member of the Board as they apply in the case of a draft presented to the Board by the Academic Council.

Regulations. 33. (1) Any authority of a corresponding University may make Regulations consistent with this Act and the Statutes for—

- (a) laying down the procedure to be observed at its meetings and the number of members required to form a quorum;
- (b) providing for all matters which by this Act and the Statutes are to be provided for by the Regulations; and
- (c) providing for any other matter solely concerning the authority and not provided for by this Act and the Statutes.

(2) Every authority of the corresponding University shall make Regulations providing for the giving of notice to the members of such authority of the dates of meetings and of the business to be transacted at meetings and for keeping of records of the proceedings of the meetings.

(3) The Academic Council may, subject to the provisions of the Statutes, make Regulations providing for courses of study, system of examinations, and degrees and diplomas of a corresponding University after receiving drafts of the same from the Board of Studies concerned.

(4) The Academic Council may not alter a draft received from the Board of Studies, but may reject or return it to the Board of Studies for further consideration together with the suggestions of the Academic Council.

(5) The Board may direct the amendment, in such manner as it may specify, of any Regulation made under this section or the annulment of any Regulation made under sub-section (1).

(6) Notwithstanding anything contained in this section, the Regulations made by the existing University under section 31 of the Punjab Agricultural University Act, 1961 and in force immediately before the commencement of this Act shall, in so far as they are not inconsistent with the provisions of this Act and subject to such adaptations and modifications as may be notified by the appropriate Government, be the first Regulations of each corresponding University.

CHAPTER VII

ACCOUNTS AND AUDIT

34. (1) Each corresponding University shall have a general fund to which shall be credited—^{to Accounts and audit.}

- (a) income from fees, endowments and grants and from properties of the University including Hostels, Experiment Stations and Farms;
- (b) contributions and grants which may be made by the appropriate Government on such conditions which it may impose; and
- (c) other contributions, grants, donations and benefactions.

(2) Each corresponding University shall constitute a Finance Committee consisting of—

(a) the Vice-Chancellor;

(b) the Comptroller;

(c) a member chosen by the Board from amongst the official members;

(d) a member chosen by the Board from amongst the non-official members.

(3) The powers and duties of the Finance Committee of a corresponding University shall be as follows:—

(a) to examine the annual accounts of the University and to advise the Board thereon;

(b) to examine the annual budget estimates and to advise the Board thereon;

(c) to review the financial position of the University from time to time;

(d) to make recommendations to the University on all matters relating to the finances of the University;

(e) to make recommendations to the Board on all proposals involving expenditure for which no provision has been made in the budget or which involves expenditure in excess of the amount provided in the budget.

(4) The accounts and the balance-sheet shall be submitted by the Vice-Chancellor through the Board to the appropriate Government which shall cause them to be audited by the Examiner, Local Fund Accounts.

(5) The accounts, when audited, shall be printed and copies thereof together with audit report, shall be submitted by the Vice-Chancellor to the Board, which shall forward them to the appropriate Government with such comments as it may deem fit and that Government shall cause a copy of the audited accounts together with its comments thereon to be laid before the State Legislature.

CHAPTER VIII

MISCELLANEOUS

Division of assets and liabilities.

35. On the commencement of this Act, the assets and liabilities of the existing University shall stand transferred to, and shall vest in, the Haryana Agricultural University and the Punjab Agricultural University and shall be apportioned between such Universities in accordance with the following principles, namely:—

- (a) (i) any asset of the existing University which is, immediately before the commencement of this Act, in the State of Haryana, and every right to such property, shall stand transferred to, and shall vest in, the Haryana Agricultural University;
- (ii) every other asset and every right thereto shall stand transferred to, and shall vest in, the Punjab Agricultural University;
- (b) (i) every liability of the existing University which is relatable to any unit or asset in the State of Haryana shall, if subsisting immediately before the commencement of this Act, be the liability of the Haryana Agricultural University;
- (ii) every other liability of the existing University, if subsisting on such commencement, shall be the liability of the Punjab Agricultural University;
- (c) the cash balances (whether in the form of cash, bank or security deposits) and reserve funds held by the existing University, immediately before the commencement of this Act, shall, after deducting all the liabilities of the existing University up to such commencement, be apportioned between the Haryana Agricultural University and the Punjab Agricultural University in the ratio of 40:60;
- (d) every contract made by the existing University before the commencement of this Act shall, if subsisting at such commencement, be deemed to have been made—
 - (i) in the case of a contract which is relatable to any asset or unit of the existing University in the State of Haryana, by the Haryana Agricultural University;
 - (ii) in any other case, by the Punjab Agricultural University;
- (e) every share, debenture, bond and other investment made by the existing University shall be valued on the basis of average market value thereof during one year immediately before the commencement of this Act, and the value so determined shall be apportioned between the Haryana Agricultural University and the Punjab Agricultural University in the ratio of 40:60;
- (f) every borrowing made by the existing University before the commencement of this Act shall, if the liability is subsisting on such commencement, be repaid together with the interest due thereon by the Haryana Agricultural University and the Punjab Agricultural University in the ratio of 40:60;
- (g) the Provident Fund and accruals thereto of every officer or other employee of the existing University shall stand transferred to the corresponding University in which he has been posted on the date of the commencement of this Act.

Explanation.—For the purposes of this section, “asset” shall be deemed to include all property, movable and immovable, rights, powers, authorities and privileges, and all other rights and interests arising out of such property as were immediately before the commencement of this Act in the ownership, possession, power or control of the existing University, and all books of accounts, registers, records and all other documents of whatever nature relating thereto and shall also be deemed to include all obligations of whatever kind then subsisting of the existing University.

36. If, at the commencement of this Act, any suit, appeal or other proceeding of whatever nature is pending by or against the existing University, the same shall not abate, be discontinued or be in any way prejudicially affected by reason of the dissolution of the existing University, but the suit, appeal or other proceeding may be continued, prosecuted or enforced by or against—

(a) the Haryana Agricultural University, if it relates to any property or unit of the existing University in the State of Haryana; and

(b) in any other case, the Punjab Agricultural University.

37. (1) Save as otherwise provided in section 13, all officers and other employees of the existing University holding office as such immediately before the commencement of this Act shall, on such commencement, become the officers or other employees of the corresponding University and such officers or other employees shall be divided between those Universities in accordance with the following principles, namely:—

(a) those officers or other employees of the existing University who are holding office in, or in connection with, any property or unit of the existing University in the State of Haryana shall become the officers or other employees of the Haryana Agricultural University;

(b) every other officer or other employee of the existing University, shall become the officer or other employee of the Punjab Agricultural University.

(2) Every officer or other employee of the existing University shall, on and from the commencement of this Act, hold his office or service in the corresponding University on the same terms and conditions and with the same rights to pension, provident fund, gratuity and other matters as would have been admissible to him if the existing University had not been dissolved, and continue to do so unless and until his employment in the corresponding University is duly terminated or until his remuneration and terms or conditions of service are duly altered by the corresponding University.

(3) For the persons who, immediately before the commencement of this Act, were the trustees for pension, provident, gratuity or other like fund, constituted for the officers or other employees of the existing University, there shall be substituted as trustees such persons as the appropriate Government may, by general or special order, specify.

(4) Notwithstanding anything contained in the Industrial Disputes Act, 1947, or any other law for the time being in force, the transfer of the services of any officer or other employee from the existing University to a corresponding University shall not entitle such officer or other employee to any compensation, whether under this Act or under any other

law for the time being in force, and no such claim shall be entertained by any court, tribunal or other authority.

Membership of corresponding University bodies.

38. (1) All casual vacancies among the members (other than *ex officio* members) of any authority or body of each corresponding University shall be filled, as soon as possible, by the person or body who or which appointed or nominated the member, whose place became vacant, and the person appointed or nominated to a casual vacancy shall be a member of such authority or body for the remaining period of the term for which the person whose place he fills would have been a member.

(2) A person, who is a member of any authority of a corresponding University as a representative of another body, whether of that University or not, shall retain his seat on that authority so long as he continues to be a member of the body by which he was appointed or nominated and thereafter till his successor is duly appointed or elected.

(3) No act or proceeding of any authority or body of a corresponding University shall be invalid by reason merely of the existence of any vacancy or defect in the constitution of such authority or body.

(4) If any question arises whether any person has been duly appointed as, or is entitled to be, a member of any authority of a corresponding University subordinate to the Board or whether any decision of the corresponding University is in accordance with this Act and the Statutes, the question shall be referred to the appropriate Government whose decision thereon shall be final.

Annual Report.

39. (1) The Annual Report of a corresponding University shall be prepared under the directions of the Vice-Chancellor and submitted to the Board at least one month before the annual meeting at which it is to be considered.

(2) The Board shall, after consideration of the Annual Report, forward a copy thereof to the appropriate Government.

(3) On receipt of a copy of the Annual Report referred to in sub-section (1), the appropriate Government shall cause a copy of such Report, together with its comments thereon, to be laid before the State Legislature.

(4) Notwithstanding the dissolution of the existing University, the Annual Report of the existing University for the year 1969-70 shall be prepared under the directions of the Vice-Chancellor of the Punjab Agricultural University and the Board of that University shall, after consideration of the Annual Report, forward a copy thereof to the appropriate Government.

Construction of references to existing University in any document, etc.

40. Any reference to the existing University in any law, other than this Act, or in any contract or other instrument shall be construed,—

(a) if such reference relates to any asset or property of the existing University in the State of Haryana, as a reference to the Haryana Agricultural University; and

(b) in any other case, as a reference to the Punjab Agricultural University.

41. Any obligation incurred, before the commencement of this Act, obligations by the existing University to confer any degree or other academic distinction on, or to issue any diploma or other certificate to, any person or to grant any copy of any degree, diploma, certificate, marks-sheet or other document to any person shall, on such commencement, be the obligation of the Punjab Agricultural University.

42. In consideration of the maintenance, by the Punjab Agricultural University, of a campus at Palampur, the Government of the Union territory of Himachal Pradesh shall bear a portion of the cost of the Punjab Agricultural University and the quantum of such cost shall be determined by the Central Government having regard to the benefit derived by that Union territory.

43. (1) If any dispute arises by reason of the dissolution of the existing University, such dispute shall be resolved in the first instance by the Vice-Chancellors of the corresponding Universities and in the event of the failure of such Vice-Chancellors to arrive at an agreed solution with regard to any such dispute, the matter shall be referred to the Secretary to the Government of India in the Ministry dealing with Agriculture and the decision thereon of such Secretary shall be final.

(2) If, on the establishment of a University in the Union territory of Himachal Pradesh, any dispute arises with regard to the transfer of assets or liabilities pertaining to the Agricultural College at Palampur or the research, training and extension centres, or property, of the Punjab Agricultural University located in the said Union territory or with regard to the transfer of the officers or other employees of such College or centres to the University established in the Union territory of Himachal Pradesh, such dispute shall be resolved in the first instance by the Vice-Chancellor of the Punjab Agricultural University and the Chief Secretary to the Government of the Union territory of Himachal Pradesh and in the event of their failure to arrive at an agreed solution with regard to any such dispute, the matter shall be referred to the Secretary to the Government of India in the Ministry dealing with Agriculture and the decision thereon of such Secretary shall be final.

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

Provided that no such power shall be exercised after the expiry of the period of two years from the commencement of this Act.

Punjab Act 32 of 1961. **45.** (1) The Punjab Agricultural University Act, 1961, is hereby repealed.

to of 1897. **(2)** The provisions of the General Clauses Act, 1897, shall apply to the repeal of the said Act as if the said Act were a Central Act.

1 of 1970. **(3)** The Haryana and Punjab Agricultural Universities Ordinance, 1970, is hereby repealed.

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

Rep by Act 56 of 1974, S 9 and Sch. I

THE WEST BENGAL STATE LEGISLATURE (DELEGATION OF POWERS) ACT, 1970

No. 17 OF 1970

[29th April, 1970]

An Act to confer on the President the power of the Legislature of the State of West Bengal to make laws.

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

Short title.

1. This Act may be called the West Bengal State Legislature (Delegation of Powers) Act, 1970.

Definition.

2. In this Act, "Proclamation" means the Proclamation issued on the 19th day of March, 1970, under article 356 of the Constitution, by the President, and published with the notification of the Government of India in the Ministry of Home Affairs No. G.S.R. 490 of the said date.

Conferment on the President of the power of the State Legislature to make laws.

3. (1) The power of the Legislature of the State of West Bengal 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.

(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:

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 forty members of the House of the People nominated by the Speaker and twenty members of the Council of States nominated by the Chairman.

(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.

(4) Either House of Parliament may, by resolution, passed within thirty days from the date on which the Act has been laid before it under sub-section (3), which period may be comprised in one session or in two successive sessions, 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):

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.

THE APPROPRIATION (No. 2) ACT, 1970

No. 18 OF 1970

[10th May, 1970]

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 1970-71.

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

1. This Act may be called the Appropriation (No. 2) Act, 1970. Short title
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate [inclusive of the sums specified in column 3 of the Schedule to the Appropriation (Vote on Account) Act, 1970] to the sum of sixteen thousand, three hundred and twenty-five crores, seventy-six lakhs and four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71 in respect of the services specified in column 2 of the Schedule.
Issue of Rs. 1,63,25,76,04,000
out of the
Consolidated
Fund of India
for the year
1970-71.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding			Total
		Voted by Parliament	Charged on the Consolidated Fund		
		Rs.	Rs.	Rs.	
1	Ministry of Defence . . .	1,85,68,000	..	1,85,68,000	
2	Defence Services, Effective—Army . . .	7,86,89,00,000	8,60,000	7,86,97,60,000	
3	Defence Services, Effective—Navy . . .	58,29,00,000	40,000	58,29,40,000	
4	Defence Services, Effective—Air Force . . .	2,11,50,00,000	1,00,000	2,11,51,00,000	
5	Defence Services, Non-Effective . . .	45,98,00,000	..	45,98,00,000	
6	Ministry of Education and Youth Services . . .	1,16,19,000	..	1,16,19,000	
7	Education . . .	68,74,48,000	..	68,74,48,000	
8	Archaeology . . .	1,63,76,000	..	1,63,76,000	
9	Survey of India . . .	6,04,47,000	..	6,04,47,000	
10	Grants to Council of Scientific and Industrial Research . . .	20,53,25,000	..	20,53,25,000	
11	Other Revenue Expenditure of the Ministry of Education and Youth Services . . .	4,53,03,000	..	4,53,03,000	
12	External Affairs . . .	26,53,16,000	5,000	26,53,21,000	
13	Other Revenue Expenditure of the Ministry of External Affairs . . .	22,81,62,000	..	22,81,62,000	
14	Ministry of Finance . . .	3,44,29,000	..	3,44,29,000	
15	Customs . . .	10,17,14,000	50,000	10,17,64,000	
16	Union Excise Duties . . .	17,39,20,000	50,000	17,39,70,000	
17	Taxes on Income including Corporation Tax, etc. . .	18,95,71,000	1,99,000	18,97,70,000	
18	Stamps . . .	4,68,62,000	..	4,68,62,000	
19	Audit . . .	27,90,00,000	50,00,000	28,40,00,000	
20	Currency and Coinage . . .	16,52,36,000	..	16,52,36,000	
21	Mint . . .	3,60,05,000	..	3,60,05,000	

[P. 1970]

Appropriation (No. 2)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
22	Kolar Gold Mines . . .	6,93,13,000	..	6,93,13,000
23	Pensions and Other Retirement Benefits . . .	10,01,45,000	25,81,000	10,27,26,000
24	Opium Factories and Alkaloid Works . . .	5,64,93,000	1,000	5,64,94,000
25	Other Revenue Expenditure of the Ministry of Finance	32,24,76,000	..	32,24,76,000
26	Grants-in-aid to State and Union Territory Governments . . .	4,95,13,12,000	1,48,72,00,000	6,43,85,12,000
27	Miscellaneous Adjustments between the Central and State and Union Territory Governments . . .	40,94,000	..	40,94,000
28	Pre-partition Payments	1,01,000	6,82,000	7,83,000
	CHARGED.—Interest on Debt and Other Obligations and Reduction or Avoidance of Debt	5,97,53,70,000	5,97,53,70,000
	CHARGED.—Payments of States' Share of Union Excise Duties	3,53,45,46,000	3,53,45,46,000
29	Ministry of Food, Agriculture, Community Development and Co-operation . . .	2,05,22,000	..	2,05,22,000
30	Agriculture . . .	14,63,03,000	..	14,63,03,000
31	Payments to Indian Council of Agricultural Research . . .	18,37,00,000	..	18,37,00,000
32	Forest . . .	2,00,64,000	..	2,00,64,000
33	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation . . .	50,35,02,000	..	50,35,02,000
34	Ministry of Foreign Trade . . .	53,01,000	..	53,01,000
35	Foreign Trade . . .	84,78,66,000	..	84,78,66,000
36	Other Revenue Expenditure of the Ministry of Foreign Trade . . .	7,67,64,000	..	7,67,64,000
37	Ministry of Health and Family Planning and Works, Housing and Urban Development . . .	72,77,000	..	72,77,000
38	Medical and Public Health . . .	25,98,06,000	..	25,98,06,000
39	Public Works . . .	42,71,61,000	37,78,000	43,09,39,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
40	Stationery and Printing	15,17,30,000	2,000	15,17,32,000
41	Other Revenue Expenditure of the Ministry of Health and Family Planning and Works, Housing and Urban Development	2,93,28,000	..	2,93,28,000
42	Ministry of Home Affairs	1,84,85,000	..	1,84,85,000
43	Cabinet	73,66,000	..	73,66,000
44	Administration of Justice	2,55,000	30,07,000	32,62,000
45	Police	69,08,09,000	..	69,08,09,000
46	Census	6,27,81,000	..	6,27,81,000
47	Statistics	4,17,39,000	..	4,17,39,000
48	Privy Purses and Allowances of Indian Rulers	1,51,000	4,78,40,000	4,79,91,000
49	Territorial and Political Pensions	28,81,000	..	28,81,000
50	Delhi	51,23,61,000	24,25,000	51,47,86,000
51	Chandigarh	7,22,80,000	26,68,000	7,49,48,000
52	Andaman and Nicobar Islands	9,31,38,000	4,000	9,31,42,000
53	Tribal Areas	27,75,65,000	..	27,75,65,000
54	Dadra and Nagar Haveli Area	68,46,000	..	68,46,000
55	Laccadive, Minicoy and Amindiv. Islands	1,33,20,000	..	1,33,20,000
56	Other Revenue Expenditure of the Ministry of Home Affairs	13,15,89,000	..	13,15,89,000
57	Ministry of Industrial Development, Internal Trade and Company Affairs	96,68,000	..	96,68,000
58	Industries	5,55,33,000	1,86,00,000	7,41,33,000
59	Salt	74,22,000	..	74,22,000
60	Other Revenue Expenditure of the Ministry of Industrial Development, Internal Trade and Company Affairs	15,87,12,000	..	15,87,12,000
61	Ministry of Information and Broadcasting	26,16,000	..	26,16,000
62	Broadcasting	12,68,88,000	..	12,68,88,000
63	Other Revenue Expenditure of the Ministry of Information and Broadcasting	8,09,63,000	..	8,09,63,000
64	Ministry of Irrigation and Power	44,87,000	..	44,87,000

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
65	Multi-purpose River Schemes	3,18,67,000	..	3,18,67,000
66	Other Revenue Expenditure of the Ministry of Irrigation and Power	10,19,86,000	..	10,19,86,000
67	Ministry of Labour, Employ- ment and Rehabilitation	89,42,000	..	89,42,000
68	Director General Mines Safety	61,11,000	..	61,11,000
69	Labour and Employment	18,66,83,000	5,000	18,66,88,000
70	Expenditure on Displaced Persons	7,86,31,000	37,000	7,86,68,000
71	Other Revenue Expenditure of the Ministry of Labour, Employment and Rehabili- tation	10,57,000	..	10,57,000
72	Ministry of Law	95,87,000		95,87,000
73	Other Revenue Expenditure of the Ministry of Law	2,04,74,000		2,04,74,000
74	Ministry of Petroleum and Chemicals and Mines and Metals	53,86,000		53,86,000
75	Geological Survey	11,25,10,000		11,25,10,000
76	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals and Min ^{es} and Metals	17,08,94,000	1,84,000	17,10,78,000
77	Ministry of Shipping and Transport	1,45,42,000		1,45,42,000
78	Roads	22,79,82,000	4,70,000	22,83,92,000
79	Mercantile Marine	4,32,94,000	..	4,32,94,000
80	Lighthouses and Lightships	1,43,01,000	..	1,43,01,000
81	Other Revenue Expenditure of the Ministry of Shipping and Transport	5,05,34,000		5,05,34,000
82	Ministry of Steel and Heavy Engineering	26,34,000	..	26,34,000
83	Other Revenue Expenditure of the Ministry of Steel and Heavy Engineering	97,94,000	..	97,94,000
84	Ministry of Supply	1,01,06,000	..	1,01,06,000
85	Supplies and Disposals	4,38,47,000	..	4,38,47,000
86	Other Revenue Expenditure of the Ministry of Supply	44,29,000	..	44,29,000
87	Ministry of Tourism and Civil Aviation	25,21,000	..	25,21,000
88	Meteorology	5,01,21,000	..	5,01,21,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
89	Aviation . . .	Rs. 14,20,05,000	Rs. ..	Rs. 14,20,05,000
90	Other Revenue Expenditure of the Ministry of Tourism and Civil Aviation . . .	4,52,22,000	..	4,52,22,000
91	Department of Atomic Energy . . .	32,16,000	..	32,16,000
92	Other Revenue Expenditure of the Department of Atomic Energy . . .	38,24,16,000	..	38,24,16,000
93	Department of Communications . . .	16,49,000	..	16,49,000
94	Overseas Communications Service . . .	4,35,44,000	..	4,35,44,000
95	Posts and Telegraphs (Working Expenses) . . .	2,48,67,36,000	10,000	2,48,67,46,000
96	Posts and Telegraphs—Dividend to General Revenues, Appropriation to Reserve Funds and Repayments of Loans from General Revenues . . .	37,92,76,000	..	37,92,76,000
97	Other Revenue Expenditure of the Department of Communications . . .	45,00,000	..	45,00,000
98	Department of Parliamentary Affairs . . .	12,86,000	..	12,86,000
99	Department of Social Welfare . . .	20,20,000	..	20,20,000
100	Other Revenue Expenditure of the Department of Social Welfare . . .	9,44,45,000	..	9,44,45,000
101	Planning Commission . . .	1,51,69,000	..	1,51,69,000
102	Lok Sabha . . .	2,74,83,000	8,000	2,75,66,000
103	Rajya Sabha . . .	1,09,07,000	74,000	1,09,81,000
	CHARGED.— <i>Staff, Household and Allowances of the Presidents</i>	41,87,000	41,87,000
104	Secretariat of the Vice-President . . .	3,30,000	..	3,30,000
	CHARGED.— <i>Union Public Service Commission</i>	1,04,51,000	1,04,51,000
105	Defence Capital Outlay . . .	1,39,00,00,000	20,00,000	1,39,20,00,000
106	Capital Outlay of the Ministry of Education and Youth Services . . .	4,50,51,000	..	4,50,51,000
107	Capital Outlay on the India Security Press . . .	44,46,000	..	44,46,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
108	Capital Outlay on Currency and Coinage . . .	14,61,68,000	..	14,61,68,000
109	Capital Outlay on Mints . . .	50,18,000	..	50,18,000
110	Capital Outlay on Kolar Gold Mines . . .	1,42,60,000	..	1,42,60,000
111	Commututed Value of Pensions . . .	7,13,24,000	2,50,000	7,15,74,000
112	Other Capital Outlay of the Ministry of Finance . . .	41,98,16,000	..	41,98,16,000
113	Capital Outlay on Grants to State Governments for Development . . .	30,71,96,000	..	30,71,96,000
114	Loans and Advances by the Central Government . . .	4,98,41,87,000	8,47,03,54,000	13,45,45,41,000
	CHARGED.—Repayment of Debt	99,97,61,98,000	99,97,61,98,000
115	Purchase of Foodgrains and Fertilizers . . .	89,87,70,000	1,01,000	89,88,71,000
116	Other Capital Outlay of the Ministry of Food, Agriculture, Community Development and Co-operation . . .	67,27,16,000	1,10,000	67,28,26,000
117	Capital Outlay of the Ministry of Foreign Trade . . .	26,36,000	..	26,36,000
118	Capital Outlay on Public Works . . .	10,66,00,000	5,00,000	10,71,00,000
119	Delhi Capital Outlay . . .	6,47,50,000	17,50,000	6,65,00,000
120	Other Capital Outlay of the Ministry of Health and Family Planning and Works, Housing and Urban Development . . .	21,35,33,000	..	21,35,33,000
121	Capital Outlay in Union Territories and Tribal Areas . . .	26,50,79,000	2,06,50,000	28,57,29,000
122	Other Capital Outlay of the Ministry of Home Affairs . . .	2,13,00,000	..	2,13,00,000
123	Capital Outlay of the Ministry of Industrial Development, Internal Trade and Company Affairs . . .	6,42,20,000	..	6,42,20,000
124	Capital Outlay of the Ministry of Information and Broadcasting . . .	5,31,81,000	..	5,31,81,000
125	Capital Outlay on Multi-purpose River Schemes . . .	20,05,72,000	..	20,05,72,000
126	Other Capital Outlay of the Ministry of Irrigation and Power . . .	25,52,70,000	..	25,52,70,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
127	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation . . .	5,55,47,000	5,000	5,55,52,000
128	Capital Outlay of the Ministry of Petroleum and Chemicals and Mines and Metals . . .	1,05,59,92,000	..	1,05,59,92,000
129	Capital Outlay on Roads . . .	54,63,41,000	1,50,000	54,64,91,000
130	Capital Outlay on Ports . . .	8,51,40,000	..	8,51,40,000
131	Other Capital Outlay of the Ministry of Shipping and Transport . . .	16,52,87,000	..	16,52,87,000
132	Capital Outlay of the Ministry of Steel and Heavy Engineering. . . .	88,02,75,000	..	88,02,75,000
133	Capital Outlay on Aviation . . .	10,89,72,000	5,00,000	10,94,72,000
134	Other Capital Outlay of the Ministry of Tourism and Civil Aviation . . .	13,51,00,000	..	13,51,00,000
135	Capital Outlay of the Department of Atomic Energy . . .	54,32,89,000	..	54,32,89,000
136	Capital Outlay on Posts and Telegraphs (Not met from Revenue) . . .	88,27,00,000	..	88,27,00,000
137	Other Capital Outlay of the Department of Communications . . .	1,83,80,000	20,000	1,84,00,000
	TOTAL . . .	43,68,45,67,000	1,19,57,30,37,000	1,63,25,76,04,000

THE FINANCE ACT, 1970

ARRANGEMENT OF SECTIONS

SECTIONS

CHAPTER I

PRELIMINARY

1. Short title and commencement.

CHAPTER II

RATES OF INCOME-TAX

2. Income-tax.

CHAPTER III

INCOME-TAX

3. Amendment of section 2.
4. Amendment of section 10.
5. Amendment of section 11.
6. Substitution of new section for section 13.
7. Amendment of section 16.
8. Amendment of section 35B.
9. Amendment of section 36.
10. Amendment of section 37.
11. Amendment of Chapter IV-E relating to capital gains
12. Amendment of section 80C.
13. Amendment of section 80G.
14. Substitution of new section for section 80L.
15. Amendment of section 80M.
16. Amendment of section 80MM.
17. Amendment of section 116.
18. Amendment of section 117.
19. Substitution of new section for section 130.
20. Amendment of section 139.
21. Substitution of new section for section 164.
22. Amendment of section 193.
23. Amendment of section 194A.
24. Amendment of section 195.
25. Amendment of section 212.

CHAPTER IV
OTHER DIRECT TAXES

SECTIONS

26. Amendment of Act 27 of 1957.
27. Amendment of Act 18 of 1958.

CHAPTER V
INDIRECT TAXES

28. Amendment of Act 32 of 1934.
29. Special duties of customs.
30. Regulatory duties of customs.
31. Amendment of Act 1 of 1949.
32. Amendment of Act 1 of 1944.
33. Special duties of excise on certain goods.
34. Regulatory duties of excise.
35. Amendment of Act 58 of 1957.
36. Discontinuance of salt duty.

CHAPTER VI
MISCELLANEOUS

37. Amendment of Act 6 of 1898.
38. Amendment of Act 52 of 1963.
39. Amendment of Act 7 of 1964.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE FINANCE ACT, 1970

No. 19 OF 1970

[14th May, 1970]

An Act to give effect to the financial proposals of the Central Government for the financial year 1970-71.

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

CHAPTER I
PRELIMINARY

1. (1) This Act may be called the Finance Act, 1970.
- (2) Save as otherwise provided in this Act, sections 2 to 27 (both inclusive) and sections 38 and 39 shall be deemed to have come into force on the 1st day of April, 1970.

Short title
and com-
mence-
ment.

CHAPTER II
RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 1970, 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 D of that Part apply, shall be increased by a surcharge for purposes of the Union and in the cases to which Paragraph C applies, also by a special surcharge for purposes of the Union, calculated in each case in the manner provided therein.
- (2) In making any assessment for the assessment year commencing on the 1st day of April, 1970, 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 income-tax payable by it shall be the aggregate of the income-tax calculated—

- (i) on the amount of profits and gains from life insurance business so included, at the rate applicable in the case of the Life Insurance Corporation of India, in accordance with Paragraph E of Part I of the First Schedule, to that part of its total income which consists of profits and gains from life insurance business; and

31 of 1956.

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

(3) In cases to which Chapter XII of the Income-tax Act, 1961 (hereinafter referred to as 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.

(4) In cases in which tax has to be deducted under sections 193, 194, 194A and 195 of the Income-tax Act at the rates in force, the deduction shall be made at the rates specified in Part II of the First Schedule.

(5) In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the rate or rates specified in Part III of the First Schedule.

(6) For the purposes of this section and the First Schedule,—

(a) "company in which the public are substantially interested" means a company which is such a company as is referred to in section 108 of the Income-tax Act;

(b) "domestic company" means an Indian company, or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment year commencing on the 1st day of April, 1970, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income in accordance with the provisions of section 194 of that Act;

(c) "industrial company" means a company which is mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining.

Explanation.—For the purposes of this clause, a company shall be deemed to be mainly engaged in the business of generation or distribution of electricity or any other form of power or in the construction of ships or in the manufacture or processing of goods or in mining, if the income attributable to any one or more of the aforesaid activities included in its total income of the previous year (as computed before making any deduction under Chapter VIA of the Income-tax Act) is not less than fifty-one per cent. of such total income;

(d) "tax free security" means any security of the Central Government issued or declared to be income-tax free, or any security of a State Government issued income-tax free, the income-tax whereon is payable by the State Government;

(e) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings, respectively, assigned to them in that Act.

CHAPTER III

INCOME-TAX

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

(a) in clause (14), for sub-clause (iii), the following sub-clause shall be substituted, namely:—

Amend-
ment of
section 11.

“(iii) agricultural land in India, not being land situate—

(a) in any area which is comprised within the jurisdiction of a municipality (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee, or by any other name) or a cantonment board and which has a population of not less than ten thousand according to the last preceding census of which the relevant figures have been published before the first day of the previous year; or

(b) in any area within such distance, not being more than eight kilometres, from the local limits of any municipality or cantonment board referred to in item (a), as the Central Government may, having regard to the extent of, and scope for, urbanisation of that area and other relevant considerations, specify in this behalf by notification in the Official Gazette;”;

(b) for clause (16), the following clause shall be substituted, namely:—

“(16) “Commissioner” means a person appointed to be a Commissioner of Income-tax under sub-section (1) of section 117, and includes a person appointed to be an Additional Commissioner of Income-tax under that sub-section’;

(c) in clause (37A), in sub-clause (i), for the words, figures and letter ‘computation of the “advance tax” payable under Chapter XVII-C, the rate or rates of income-tax specified in this behalf in the Finance Act of the relevant year’, the following shall be substituted with effect from the 1st day of April, 1971, namely:—

‘computation of the “advance tax” payable under Chapter XVII-C in a case not falling under section 164, the rate or rates of income-tax specified in this behalf in the Finance Act of the relevant year, and for the purposes of computation of the “advance tax” payable under Chapter XVII-C in a case falling under section 164, the rate specified in that section or the rate or rates of income-tax specified in this behalf in the Finance Act of the relevant year, whichever is applicable’.

Amend-
ment of
section 10.

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

(a) after clause (20), the following clause shall be, and shall be deemed always to have been, inserted, namely:—

“(20A) any income of an authority constituted in India by or under any law enacted either for the purpose of dealing with and satisfying the need for housing accommodation or for the purpose of planning, development or improvement of cities, towns and villages, or for both;”;

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

“(22A) any income of a hospital or other institution for the reception and treatment of persons suffering from illness or mental defectiveness or for the reception and treatment of persons during convalescence or of persons requiring medical attention or rehabilitation, existing solely for philanthropic purposes and not for purposes of profit;”.

Amendment
of section
III.

5. In section 11 of the Income-tax Act,—

(a) in sub-section (1),—

(i) in clause (a), the words “and, where any such income is accumulated for application to such purposes in India, to the extent to which the income so accumulated is not in excess of twenty-five per cent. of the income from the property or rupees ten thousand, whichever is higher;” shall be omitted with effect from the 1st day of April, 1971;

(ii) in clause (b), the words “and where any such income is finally set apart for application to such purposes in India, to the extent to which the income so set apart is not in excess of twenty-five per cent. of the income from the property held under trust in part;” shall be omitted with effect from the 1st day of April, 1971;

(iii) for the *Explanation*, the following *Explanation* shall be substituted with effect from the 1st day of April, 1971, namely:—

Explanation.—For the purposes of clauses (a) and (b), if in the previous year, the income applied to charitable or religious purposes in India falls short of the income derived during that year from property held under trust, or, as the case may be, held under trust in part, by any amount, so much of the income applied to such purposes in India during the period of three months immediately following the previous year as does not exceed the said amount may, at the option of the person in receipt of the income [such option to be exercised in writing before the expiry of the time allowed under sub-section (1) or sub-section (2) of section 139, whether fixed originally or on extension, for furnishing the return of income], be deemed to be income applied to such purposes during the previous year, and the income so

deemed to have been applied shall not be taken into account in calculating the amount of income applied to such purposes during the immediately following previous year.”;

(b) for sub-section (2), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

“(2) Where any income referred to in clause (a) or clause (b) of sub-section (1) read with the *Explanation* to that sub-section is not applied or is not deemed to have been applied to charitable or religious purposes in India during the previous year but is accumulated, or finally set apart, for application to such purposes in India, such income shall not be included in the total income of the previous year of the person in receipt of the income provided the following conditions are complied with, namely:—

(a) such person specifies, by notice in writing given to the Income-tax Officer in the prescribed manner, the purpose for which the income is being accumulated or set apart and the period for which the income is to be accumulated or set apart, which shall in no case exceed ten years;

(b) the money so accumulated or set apart is—

18 of 1944.

(i) invested in any Government security as defined in clause (2) of section 2 of the Public Debt Act, 1944 or in any other security which may be approved by the Central Government in this behalf, or

10 of 1949.

(ii) deposited in any account with the Post Office Savings Bank [including deposits made under the Post Office (Time Deposits) Rules, 1970], or a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution referred to in section 51 of that Act) or a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank), or

(iii) deposited in an account with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36.”;

(c) for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

“(3) Any income referred to in sub-section (2) which—

(a) is applied to purposes other than charitable or religious purposes as aforesaid or ceases to be accumulated or set apart for application thereto, or

(b) ceases to remain invested in any security referred to in sub-clause (i) or deposited in any account referred to in sub-clause (ii) or sub-clause (iii) of clause (b) of that sub-section, or

(c) is not utilised for the purpose for which it is so accumulated or set apart during the period referred to in clause (a) of that sub-section or in the year immediately following the expiry thereof.

shall be deemed to be the income of such person of the previous year in which it is so applied or ceases to be so accumulated or set apart or ceases to remain so invested or deposited or, as the case may be, of the previous year immediately following the expiry of the period aforesaid.”;

(d) in sub-section (4), the words, brackets and figure “and exclude from the total income of the previous year of the person in shall be omitted with effect from the 1st day of April, 1971.

Substitution of new-section of section 13. Section 11 not to apply in certain cases.

6. For section 13 of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 1971, namely:—

‘13. (1) Nothing contained in section 11 shall operate so as to exclude from the total income of the previous year of the person in receipt thereof—

(a) any part of the income from the property held under a trust for private religious purposes which does not enure for the benefit of the public;

(b) in the case of a trust for charitable purposes or a charitable institution created or established after the commencement of this Act, any income thereof if the trust or institution is created or established for the benefit of any particular religious community or caste

(c) in the case of a trust for charitable or religious purposes or a charitable or religious institution, any income thereof—

(i) if such trust or institution has been created or established after the commencement of this Act and under the terms of the trust or the rules governing the institution, any part of such income ensures, or

(ii) if any part of such income or any property of the trust or institution (whenever created or established) is during the previous year used or applied,

directly or indirectly for the benefit of any person referred to in sub-section (3);

Provided that in the case of a trust or institution created or established before the commencement of this Act, the provisions of sub-clause (ii) shall not apply to any use or application, whether directly or indirectly, of any part of such income or any property of the trust or institution for the benefit of any person referred to in sub-section (3), if such use or application is by way of compliance with a mandatory term of the trust or a mandatory rule governing the institution:

Provided further that in the case of a trust for religious purposes or a religious institution (whenever created or established) or a trust for charitable purposes or a charitable institution created or established before the commencement of this Act, the provisions of sub-clause (ii) shall not apply to any use or application, whether directly or indirectly, of any part of such income or any property of the trust or institution for the benefit of any person referred to in sub-section (3) in so far as such use or application relates to any period before the 1st day of June, 1970.

(2) Without prejudice to the generality of the provisions of clause (c) of sub-section (1), the income or the property of the trust or institution or any part of such income or property shall, for the purposes of that clause, be deemed to have been used or applied for the benefit of a person referred to in sub-section (3),—

(a) if any part of the income or property of the trust or institution is, or continues to be, lent to any person referred to in sub-section (3) for any period during the previous year without either adequate security or adequate interest or both;

(b) if any land, building or other property of the trust or institution is, or continues to be, made available for the use of any person referred to in sub-section (3), for any period during the previous year without charging adequate rent or other compensation;

(c) if any amount is paid by way of salary, allowance or otherwise during the previous year to any person referred to in sub-section (3) out of the resources of the trust or institution for services rendered by that person to such trust or institution and the amount so paid is in excess of what may be reasonably paid for such services;

(d) if the services of the trust or institution are made available to any person referred to in sub-section (3) during the previous year without adequate remuneration or other compensation;

(e) if any share, security or other property is purchased by or on behalf of the trust or institution from any person referred to in sub-section (3) during the previous year for consideration which is more than adequate;

(f) if any share, security or other property is sold by or on behalf of the trust or institution to any person referred to in sub-section (3) during the previous year for consideration which is less than adequate;

(g) if a substantial portion of the income or property of the trust or institution is diverted during the previous year in favour of any person referred to in sub-section (3); or

(h) if any funds of the trust or institution are, or continue to remain, invested for any period during the previous year (not being a period before the 1st day of January, 1971) in any concern in which any person referred to in sub-section (3) has a substantial interest.

(3) The persons referred to in clause (c) of sub-section (1) and sub-section (2) are the following, namely:—

(a) the author of the trust or the founder of the institution;

(b) any person who has made a substantial contribution to the trust or institution;

(c) where such author, founder or person is a Hindu undivided family, a member of the family;

(d) any relative of any such author, founder, person or member as aforesaid;

(e) any concern in which any of the persons referred to in clauses (a), (b), (c) and (d) has a substantial interest.

(4) Notwithstanding anything contained in clause (c) of sub-section (1), in a case where the aggregate of the funds of the trust or institution invested in a concern in which any person referred to in sub-section (3) has a substantial interest, does not exceed five per cent. of the capital of that concern, the exemption under section 11 shall not be denied in relation to any income other than the income arising to the trust or the institution from such investment, by reason only that the moneys of the trust or the institution have been invested in a concern in which such person has a substantial interest.

Explanation 1.—For the purposes of section 11 and 12 and this section, "trust" includes any other legal obligation and for the purposes of this section "relative" also includes a lineal descendant of a brother or sister.

Explanation 2.—A trust or institution created or established for the benefit of Scheduled Castes, backward classes, Scheduled Tribes or women and children shall not be deemed to be a trust or institution created or established for the benefit of a religious community or caste within the meaning of clause (b) of sub-section (1).

Explanation 3.—For the purposes of this section, a person shall be deemed to have a substantial interest in a concern,—

(i) in a case where the concern is a company, if its shares (not being shares entitled to a fixed rate of dividend whether with or without a further right to participate in profits) carrying not less than twenty per cent. of the voting power are, at any

time during the previous year, owned beneficially by such person or partly by such person and partly by one or more of the other persons referred to in sub-section (3);

(ii) in the case of any other concern, if such person is entitled, or such person and one or more of the other persons referred to in sub-section (3) are entitled in the aggregate, at any time during the previous year, to not less than twenty per cent. of the profits of such concern.'

7. In section 16 of the Income-tax Act, for clause (iv), the following clause shall be substituted with effect from the 1st day of April, 1971, namely:—

Amend-
ment of
section
16.

"(iv) where the assessee is not in receipt of a conveyance allowance, whether as such or as part of his salary, in respect of expenditure on travelling for the purposes of his employment, a sum calculated in respect of each calendar month or part thereof comprised in the period of his employment during the previous year, on the basis provided hereunder, namely:—

- | | |
|--|-----------|
| (a) where the assessee owns a motor car which is used for the purposes of his employment | Rs. 200; |
| (b) where the assessee owns a motor cycle, scooter or other moped which is used for the purposes of his employment | Rs. 60; |
| (c) in any other case | Rs. 35,". |

8. In section 35B of the Income-tax Act, in sub-section (1), for sub-clause (iii) of clause (b), the following sub-clause shall be, and shall be deemed always to have been, substituted, namely:—

Amend-
ment of
section
35B.

"(iii) distribution, supply or provision outside India of such goods, services or facilities, not being expenditure incurred in India in connection therewith or expenditure (wherever incurred) on the carriage of such goods to their destination outside India or on the insurance of such goods while in transit;".

9. In section 36 of the Income-tax Act, in clause (viii) of sub-section (1), the following *Explanation* shall be deemed to have been inserted at the end with effect from the 1st day of April, 1966, namely:—

Amend-
ment of
section
36.

Explanation.—For the removal of doubts, it is hereby declared that in the case of a financial corporation to which sub-clause (a) applies, if the amount carried to the reserve account referred to in this clause in the accounts of the previous year relevant to the assessment year commencing on the 1st day of April, 1966, falls short of twenty-five per cent. of the total income and the amount transferred to such reserve account in the accounts of the immediately succeeding previous year exceeds the amount in respect of which the corporation is entitled to the deduction under this clause for the assessment year commencing on the 1st day of April, 1967, an amount

Amend-
ment of
section
37.

equal to such excess shall, for the purpose of allowing the deduction under this clause, be deemed to have been transferred to the reserve account in the accounts of the first-mentioned previous year;".

10. In section 37 of the Income-tax Act,—

(a) in the *Explanation* to sub-section (2A), for the words "For the purposes of this sub-section", the words, brackets, figure and letter "For the purposes of this sub-section and sub-section (2B)" shall be substituted;

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

"(2B) Notwithstanding anything contained in this section, no allowance shall be made in respect of expenditure in the nature of entertainment expenditure incurred within India by any assessee after the 28th day of February, 1970.";

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

'(4) Notwithstanding anything contained in sub-section (1) or sub-section (3),—

(i) no allowance shall be made in respect of any expenditure incurred by the assessee after the 28th day of February, 1970, on the maintenance of any residential accommodation in the nature of a guest house (such residential accommodation being hereafter in this sub-section referred to as "guest house");

(ii) in relation to the assessment year commencing on the 1st day of April, 1971, or any subsequent assessment year, no allowance shall be made in respect of depreciation of any building used as a guest house or depreciation of any assets in a guest house:

Provided that the aggregate of the expenditure referred to in clause (i) and the amount of any depreciation referred to in clause (ii) shall, for the purposes of this sub-section, be reduced by the amount, if any, received from persons using the guest house:

Provided further that nothing in this sub-section shall apply in relation to any guest house maintained as a holiday home if such guest house—

(a) is maintained by an assessee who has throughout the previous year employed not less than one hundred whole-time employees in a business or profession carried on by him; and

(b) is intended for the exclusive use of such employees while on leave.

Explanation.—For the purposes of this sub-section,—

(i) residential accommodation in the nature of a guest house shall include accommodation hired or reserved by the assessee in a hotel for a period exceeding one hundred and eighty-two days during the previous year; and

(ii) the expenditure incurred on the maintenance of a guest house shall, in a case where the residential accommodation has been hired by the assessee, include also the rent paid in respect of such accommodation.”

11. In Chapter IV-E of the Income-tax Act,—

(a) in section 45, for the words and figures “sections 53 and 54”, the words, figures and letter “sections 53, 54 and 54B” shall be substituted;

(b) in section 47, after clause (vii), the following clause shall be inserted, namely:—

“(viii) any transfer of agricultural land in India effected before the 1st day of March, 1970.”;

(c) after section 54A, the following section shall be inserted, namely:—

“54B. Where the capital gain arises from the transfer of a Capital asset being land which, in the two years immediately preceding the date on which the transfer took place, was being used by the assessee or a parent of his for agricultural purposes, and the assessee has, within a period of two years after that date, purchased any other land for being used for agricultural purposes, then, instead of the capital gain being charged to income-tax as income of the previous year in which the transfer took place, it shall be dealt with in accordance with the following provisions of this section, ‘that is to say,—

(i) if the amount of the capital gain is greater than the cost of the land so purchased (hereinafter referred to as the new asset), the difference between the amount of the capital gain and the cost of the new asset shall be charged under section 45 as the income of the previous year; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be nil; or

(ii) if the amount of the capital gain is equal to or less than the cost of the new asset, the capital gain shall not be charged under section 45; and for the purpose of computing in respect of the new asset any capital gain arising from its transfer within a period of three years of its purchase, the cost shall be reduced by the amount of the capital gain.”.

12. In section 80C of the Income-tax Act,—

(a) in sub-section (2), after clause (f), the following clause shall be inserted with effect from the 1st day of April, 1971, namely:—

“(g) where the assessee is an association of persons or a body of individuals consisting only of husband and wife governed

by the system of community of property in force in the Union territories of Dadra and Nagar Haveli and Goa, Daman and Diu—

(i) any sums paid in the previous year by the assessee out of its income chargeable to tax—

(1) to effect or to keep in force an insurance on the life of any member of such association or body or on the life of any child of any of the members of such association or body; or

(2) to effect or to keep in force a contract for a deferred annuity on the life of any member of such association or body or any child of any of the members of such association or body, notwithstanding that such contract contains a provision for the exercise by the insured of an option to receive a cash payment in lieu of the payment of the annuity; or

(3) as a contribution to any provident fund referred to in sub-clause (iv) of clause (a);

(ii) any sums deposited in the previous year by such association or body out of its income chargeable to tax in a 10-year account or a 15-year account under the Post Office Savings Bank (Cumulative Time Deposits) Rules, 1959 "as amended from time to time.";

(b) in sub-section (3), for the words, brackets and letters "clauses (a) and (b)", the words, brackets and letters "clauses (a), (b) and (g)" shall be substituted with effect from the 1st day of April, 1971;

(c) in sub-section (4), after clause (iii), the following clause shall be inserted with effect from the 1st day of April, 1971, namely:—

"(iv) in the case of an association of persons or a body of individuals referred to in clause (g) of sub-section (2), thirty per cent. of the gross total income of such association or body, or fifteen thousand rupees, whichever is less."

13. In section 80G of the Income-tax Act,—

(a) in clause (i) of sub-section (5), after the word, brackets and figures "clause (22)", the words, brackets, figures and letter "or clause (22A)" shall be inserted;

(b) for *Explanation 2*, the following *Explanation* shall be substituted with effect from the 1st day of April, 1971, namely:—

"Explanation 2.—For the removal of doubts, it is hereby declared that a deduction to which the assessee is entitled in respect of any donation made to an institution or fund to which sub-section (5) applies shall not be denied merely on either or both of the following grounds, namely:—

(i) that, subsequent to the donation, any part of the income of the institution or fund has become chargeable to tax due to non-compliance with any of the provisions of section 11;

(ii) that, under clause (c) of sub-section (1) of section 13, the exemption under section 11 is denied to the institution or fund in relation to any income arising to it from any in-

Amend-
ment of
section
80G.

vestment referred to in clause (h) of sub-section (2) of section 13 where the aggregate of the funds invested by it in a concern referred to in the said clause (h) does not exceed five per cent. of the capital of that concern.”.

14. For section 80L of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 1971, namely:—

Substitution of new section for section 80L.

“80L. (1) Where the gross total income of an assessee includes any income by way of—

(i) interest on any security of the Central Government or a State Government (not being interest payable under section 280D in respect of any annuity deposit made under Chapter XXIIA);

(ii) interest on such debentures, issued by any co-operative society (including a co-operative land mortgage bank or a co-operative land development bank) or any other institution or authority, as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(iii) interest on deposits under any scheme framed by the Central Government and notified by it in this behalf in the Official Gazette;

(iv) dividends from any Indian company;

52 of 1963.

(v) income received in respect of units from the Unit Trust of India established under the Unit Trust of India Act, 1963;

10 of 1949.

(vi) interest on deposits with a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act) or a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank); or

(vii) interest on deposits with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36,

there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction as specified hereunder, namely:—

(a) in a case where the amount of such income does not exceed in the aggregate three thousand rupees, the whole of such amount; and

(b) in any other case, three thousand rupees.

(2) In a case where the assessee is entitled also to the deduction under section 80K in relation to the whole or any part of the income by way of dividends referred to in clause (iv) of sub-section (1), only so much of such income by way of dividends as may remain after the deduction under section 80K shall be taken into account for the purpose of allowing the deduction under sub-section (1)."

Amend-
ment of
section
80M.

15. In section 80M of the Income-tax Act, for sub-section (2), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

"(2) Where a company to which this section applies is entitled also to the deduction in respect of income by way of dividends under section 80K or section 80L, the deduction under sub-section (1) shall be allowed in respect of income by way of dividends referred to therein as reduced by the aggregate of the deductions, if any, in respect of income by way of dividends under section 80K and section 80L."

Explanation.—For the purposes of this section, the deduction in respect of income by way of dividends under section 80L shall be taken to be so much of the amount of the deduction under that section as may be in excess of the aggregate of the items of income referred to in clauses (i), (ii), (iii), (v), (vi) and (vii) of sub-section (1) of that section.”

Amend-
ment of
section
80MM.

16. In section 80MM of the Income-tax Act, in sub-section (1), for the portion beginning with the words “under an agreement” and ending with the words “total income of the assessee”, the following shall be substituted, namely:—

“under an agreement entered into by the assessee with such person on or after the 1st day of April, 1969 and approved by the Central Government in this behalf, there shall be allowed a deduction from such income of an amount equal to forty per cent. thereof, in computing the total income of the assessee:

Provided that the application for such approval is made to the Central Government before the 1st day of October of the relevant assessment year.”

Amend-
ment of
section
116.

17. In section 116 of the Income-tax Act, for clause (c), the following clause shall be substituted, namely:—

“(c) Commissioners of Income-tax and Additional Commissioners of Income-tax.”

18. In section 117 of the Income-tax Act, in sub-section (1), after the words "Directors of Inspection, Commissioners of Income-tax", the words "Additional Commissioners of Income-tax," shall be inserted.

Amend-
ment of
section
117.

19. For section 130 of the Income-tax Act, the following section shall be substituted, namely:—

Substi-
tution of
new sec-
tion for
section
130.

"130. (1) In respect of any function to be performed by a Commissioner under any provision of this Act in relation to an assessee, the Commissioner referred to therein shall,—

(a) in a case where only one Commissioner has jurisdiction over such assessee, be such Commissioner;

(b) in a case where two or more Commissioners have concurrent jurisdiction over such assessee, be the Commissioner empowered to perform such function by the Board.

(2) Subject to the provisions of sub-section (1), for the purposes of sections 253, 254, 256, 263 and 264, the Commissioner referred to therein shall, in relation to an assessee, be the Commissioner having for the time being jurisdiction over the assessee.”.

20. In section 139 of the Income-tax Act, after sub-section (4), the following sub-section shall be inserted with effect from the 1st day of April, 1971, namely:—

Amend-
ment of
section
139.

"(4A) Every person in receipt of income derived from property held under trust or other legal obligation wholly for charitable or religious purposes, or in part only for such purposes, shall, if the total income in respect of which he is assessable as a representative assessee [the total income for this purpose being computed under this Act without giving effect to the provisions of sub-section (1) of section 11] exceeds the maximum amount which is not chargeable to income-tax, furnish a return of such income of the previous year in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed and all the provisions of this Act shall, so far as may be, apply as if it were a return required to be furnished under sub-section (1).”.

21. For section 164 of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 1971, namely:—

Substi-
tution of
new sec-
tion for
section
164.

"164. (1) Subject to the provisions of sub-sections (2) and (3), where any income in respect of which the persons mentioned in clauses (iii) and (iv) of sub-section (1) of section 160 are liable as

Charge
of tax
where
share of

beneficiaries unknown.

representative assessees or any part thereof is not specifically receivable on behalf or for the benefit of any one person or where the individual shares of the persons on whose behalf or for whose benefit such income or such part thereof is receivable are indeterminate or unknown (such income, such part of the income and such persons being hereafter in this section referred to as "relevant income", "part of relevant income" and "beneficiaries", respectively), tax shall be charged—

- (i) as if the relevant income or part of relevant income were the total income of an association of persons, or
- (ii) at the rate of sixty-five per cent., whichever course would be more beneficial to the revenue:

Provided that in a case where—

(i) none of the beneficiaries has any other income chargeable under this Act; or

(ii) the relevant income or part of relevant income is receivable under a trust declared by will; or

(iii) the relevant income or part of relevant income is receivable under a trust created before the 1st day of March, 1970 by a non-testamentary instrument and the Income-tax Officer is satisfied, having regard to all the circumstances existing at the relevant time, that the trust was created *bona fide* exclusively for the benefit of the relatives of the settlor, or where the settlor is a Hindu undivided family, exclusively for the benefit of the members of such family, in circumstances where such relatives or members were mainly dependent on the settlor for their support and maintenance; or

(iv) the relevant income is receivable by the trustees on behalf of a provident fund, superannuation fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying on a business or profession exclusively for the benefit of persons employed in such business or profession,

tax shall be charged as if the relevant income or part of relevant income were the total income of an association of persons.

(2) In the case of relevant income which is derived from property held under trust wholly for charitable or religious purposes, tax shall be charged on so much of the relevant income as is not exempt under section 11, as if the relevant income not so exempt were the income of an association of persons.

(3) In a case where the relevant income is derived from property held under trust in part only for charitable or religious purposes and either the relevant income applicable to purposes other than charitable or religious purposes (or any part thereof) is not specifically receivable on behalf of any one person or the individual shares of the beneficiaries in the income so applicable are indeterminate or unknown, the tax chargeable on the relevant income shall be either—

(a) the tax which would be chargeable if the whole of the relevant income (as reduced by the income, if any, which is

exempt under section 11) were the total income of an association of persons; or

(b) the aggregate of—

(i) the tax which would be chargeable on that part of the relevant income which is applicable to charitable or religious purposes (as reduced by the income, if any, which is exempt under section 11) as if such part (or such part as so reduced) were the total income of an association of persons; and

(ii) the tax on that part of the relevant income which is applicable to purposes other than charitable or religious purposes, and in respect of which the shares of the beneficiaries are indeterminate or unknown, at the rate of sixty-five per cent.,

whichever course would be more beneficial to the revenue;

Provided that in a case where—

(i) none of the beneficiaries in respect of the part of the relevant income which is not applicable to charitable or religious purposes has any other income chargeable under this Act; or

(ii) the relevant income is receivable under a trust declared by will; or

(iii) the relevant income is receivable under a trust created before the 1st day of March, 1970, by a non-testamentary instrument and the Income-tax Officer is satisfied, having regard to all the circumstances existing at the relevant time, that the trust, to the extent it is not for charitable or religious purposes, was created *bona fide* exclusively for the benefit of the relatives of the settlor, or where the settlor is a Hindu undivided family, exclusively for the benefit of the members of such family in circumstances where such relatives or members were mainly dependent on the settlor for their support and maintenance,

tax shall be charged as if the relevant income (as reduced by the income, if any, which is exempt under section 11) were the total income of an association of persons.'

22. In section 193 of the Income-tax Act, in the proviso, after clause (ii), the following clauses shall be inserted, namely:—

Amendment of
section
193.

"(iia) any interest payable on 7-Year National Savings Certificates (IV Issue); or

(iib) any interest payable on such debentures, issued by any co-operative society (including a co-operative land mortgage bank or a co-operative land development bank) or any other institution or authority, as the Central Government may, by notification in the Official Gazette, specify in this behalf; or".

Amend-
ment of
section
194A.

23. In section 194A of the Income-tax Act, in sub-section (3), after clause (v), the following clauses shall be inserted, namely:—

“(vi) to such income credited or paid in respect of deposits under any scheme framed by the Central Government and notified by it in this behalf in the Official Gazette;

“(vii) to such income credited or paid in respect of deposits with a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act), or with a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank).”.

10 of 1949.

Amend-
ment of
section
195.

24. In section 195 of the Income-tax Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

“(3) Subject to rules made under sub-section (5), any person entitled to receive any interest or other sum on which income-tax has to be deducted under sub-section (1) may make an application in the prescribed form to the Income-tax Officer for the grant of a certificate authorising him to receive such interest or other sum without deduction of tax under that sub-section, and where any such certificate is granted, every person responsible for paying such interest or other sum to the person to whom such certificate is granted shall, so long as the certificate is in force, make payment of such interest or other sum without deducting tax thereon under sub-section (1).

“(4) A certificate granted under sub-section (3) shall remain in force till the expiry of the period specified therein or, if it is cancelled by the Income-tax Officer before the expiry of such period, till such cancellation.

“(5) The Board may, having regard to the convenience of assessees and the interests of revenue, by notification in the Official Gazette, make rules specifying the cases in which, and the circumstances under which, an application may be made for the grant of a certificate under sub-section (3) and the conditions subject to which such certificate may be granted and providing for all other matters connected therewith.”.

Amend-
ment of
section
212.

25. In section 212 of the Income-tax Act, to sub-section (3A), the following proviso shall be added, namely:—

“Provided that in a case where the Commissioner is satisfied that, having regard to the nature of the business carried on by the assessee and the date of expiry of the previous year in respect of such business, it will be difficult for the assessee to furnish the estimate required to be furnished by him in accordance with the provisions of this sub-section before the date on which the last instalment of advance tax is due in his case, he may, if the assessee pays the advance tax demanded from him under section 210 before such date, extend the date for furnishing such estimate up to a period of thirty days immediately following the last date of the previous year in respect of that business, and where the date is so extended, the assessee shall pay, on or before the date so extended, the amount by which the amount of advance tax already paid by him falls short of the advance tax payable in accordance with his estimate.”.

CHAPTER IV
OTHER DIRECT TAXES

26. In the Wealth-tax Act, 1957,—

(a) in section 2, to sub-clause (2) of clause (e), the following proviso shall be added and shall be deemed to have been added with effect from the 1st day of April, 1969, namely:—

Amend
ment of
Act 27
of 1957.

“Provided that, in relation to the State of Jammu and Kashmir, this sub-clause shall have effect subject to the modification that for the assets specified in items (i) to (iii) of this sub-clause, the assets specified in items (i) to (v) of sub-clause (1) shall be substituted and the other provisions of this Act shall be construed accordingly;”;

(b) in section 5,—

(i) in sub-section (1),—

(1) for the words “Wealth-tax shall not be payable by an assessee in respect of the following assets”, the words, brackets, figure and letter “Subject to the provisions of sub-section (1A), wealth-tax shall not be payable by an assessee in respect of the following assets” shall be substituted with effect from the 1st day of April, 1971;

(2) for clause (iv), the following clause shall be substituted with effect from the 1st day of April, 1971, namely:—

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

Provided that, where the value of such house or part exceeds one hundred thousand rupees, the amount that shall not be included in the net wealth of the assessee under this clause shall be one hundred thousand rupees;”;

(3) after clause (iva), the following clause shall be inserted with effect from the 1st day of April, 1971, namely:—

“(ivb) one building or one group of buildings owned by a cultivator of, or receiver of rent or revenue out of, agricultural land:

Provided that such building or group of buildings is on or in the immediate vicinity of the land and is required by the cultivator or the receiver of rent or revenue, by reason of his connection with the land, as dwelling house, store-house or outhouse;”;

(4) in clause (xv), for the words “fixed deposits”, the word “deposits” shall be substituted with effect from the 1st day of April, 1971;

(5) after clause (xxi), the following clauses shall be inserted with effect from the 1st day of April, 1971, namely:—

“(xxii) any security of the Central Government or a State Government [not being a security referred to in clause (xvi) or clause (xvia)];

“(xxiii) any shares [not being shares referred to in clause (xx)] held by the assessee in any Indian company where the assessee is an individual or a Hindu undivided family;

(xxiv) such debentures, issued by any co-operative society (including a co-operative land mortgage bank or a co-operative land development bank) or any other institution or authority, as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(xxv) units in the Unit Trust of India established under the Unit Trust of India Act, 1963;

52 of 1963

(xxvi) any deposits with a banking company to which the Banking Regulation Act, 1949, applies (including any bank or banking institution referred to in section 51 of that Act), or with a co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank or a co-operative land development bank);

10 of 1949

(xxvii) any deposits with a financial corporation which is engaged in providing long-term finance for industrial development in India and which is approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36 of the Income-tax Act.”;

(ii) after sub-section (1), the following sub-section shall be inserted with effect from the 1st day of April, 1971, namely:—

“(1A) Nothing contained in sub-section (1) shall operate to exclude from the net wealth of the assessee any assets referred to in clauses (xv), (xvi), (xxii), (xxiii), (xxiv), (xxv), (xxvi) and (xxvii) [not being deposits under the Post Office Savings Bank (Cumulative Time Deposits) Rules, 1959], to the extent the value thereof exceeds in the aggregate, a sum of one hundred and fifty thousand rupees:

Provided that where the assets include any assets referred to in clause (xv) or clause (xvi) [not being deposits under the Post Office Savings Bank (Cumulative Time Deposits) Rules, 1959] which have been held by the assessee continuously from a date prior to the 1st day of March, 1970 and the value of the assets so included exceeds the limit of one hundred and fifty thousand rupees by any amount, such limit shall be raised by the said amount.”;

(iii) in sub-section (3), for the words, brackets and figures “clause (xvi) and clause (xix)”, the words, brackets and figures “clauses (xv), (xvi), (xix), (xxii), (xxiii), (xxiv), (xxv), (xxvi) and (xxvii)” shall be substituted with effect from the 1st day of April, 1971;

(c) after section 11A, the following section shall be inserted, namely:—

“11AA. In respect of any function to be performed by a Commissioner under any provision of this Act in relation to an assessee, the Commissioner referred to therein shall,—

(a) in a case where only one Commissioner has jurisdiction over such assessee, be such Commissioner;

(b) in a case where two or more Commissioners have concurrent jurisdiction over such assessee, be the Commissioner empowered to perform such function by the Board.”;

Commissioner competent to perform any function or functions.

(d) in section 14, to sub-section (1), the following proviso shall be added, namely:—

“Provided that in the case of a person whose net wealth or the net wealth of any other person in respect of which he is assessable under this Act includes the value of any assets held in a business or profession and the time (whether fixed originally or on extension) for furnishing the return of his total income or, as the case may be, of the total income of the other person aforesaid for the said assessment year under sub-section (1) or sub-section (2) or sub-section (3) of section 139 of the Income-tax Act, expires on or after the 30th day of June aforesaid, the return in respect of such net wealth for the assessment year may be furnished before the expiry of the time for furnishing such return of income.”;

(e) in section 21, for sub-section (4), the following sub-section shall be substituted with effect from the 1st day of April, 1971, namely:—

“(4) Notwithstanding anything contained in this section, where the shares of the persons on whose behalf or for whose benefit any such assets are held are indeterminate or unknown, the wealth-tax shall be levied upon and recovered from the court of wards, administrator-general, official trustee, receiver, manager, or other person aforesaid as if the persons on whose behalf or for whose benefit the assets are held were an individual who is a citizen of India and resident in India for the purposes of this Act, and—

(a) at the rates specified in Part I of the Schedule in the case of an individual; or

(b) at the rate of one and one-half per cent., whichever course would be more beneficial to the revenue:

Provided that in a case where—

(i) such assets are held under a trust declared by will; or

(ii) such assets are held under a trust created before the 1st day of March, 1970, by a non-testamentary instrument and the Wealth-tax Officer is satisfied, having regard to all the circumstances existing at the relevant time, that the trust was created *bona fide* exclusively for the benefit of the relatives of the settlor or where the settlor is a Hindu undivided family, exclusively for the benefit of the members of such family, in circumstances where such relatives or members were mainly dependent on the settlor for their support and maintenance; or

(iii) such assets are held by the trustees on behalf of a provident fund, superannuation fund, gratuity fund, pension fund or any other fund created *bona fide* by a person carrying on a business or profession exclusively for the benefit of persons employed in such business or profession,

wealth-tax shall be charged at the rates specified in Part I of the Schedule in the case of an individual.”;

(f) in the Schedule,—

(i) for Part I, the following Part shall be substituted with effect from the 1st day of April, 1971, namely:—

'PART I'

Paragraph A

(1) In the case of every individual:—

Rate of tax

- (a) where the net wealth does not exceed Rs. 1,00,000 Nil;
- (b) where the net wealth exceeds Rs. 1,00,000 but does not exceed Rs. 5,00,000 1 per cent. of the amount by which the net wealth exceeds Rs. 1,00,000;
- (c) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000 Rs. 4,000 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
- (d) where the net wealth exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000 Rs. 14,000 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000;
- (e) where the net wealth exceeds Rs. 15,00,000 but does not exceed Rs. 20,00,000 Rs. 29,000 plus 4 per cent. of the amount by which the net wealth exceeds Rs. 15,00,000;
- (f) where the net wealth exceeds Rs. 20,00,000 Rs. 49,000 plus 5 per cent. of the amount by which the net wealth exceeds Rs. 20,00,000.

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

Rate of tax

- (a) where the net wealth does not exceed Rs. 2,00,000 Nil;
- (b) where the net wealth exceeds Rs. 2,00,000 but does not exceed Rs. 5,00,000 1 per cent. of the amount by which the net wealth exceeds Rs. 2,00,000;
- (c) where the net wealth exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000 Rs. 3,000 plus 2 per cent. of the amount by which the net wealth exceeds Rs. 5,00,000;
- (d) where the net wealth exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000 Rs. 13,000 plus 3 per cent. of the amount by which the net wealth exceeds Rs. 10,00,000;
- (e) where the net wealth exceeds Rs. 15,00,000 but does not exceed Rs. 20,00,000 Rs. 28,000 plus 4 per cent. of the amount by which the net wealth exceeds Rs. 15,00,000;
- (f) where the net wealth exceeds Rs. 20,00,000 Rs. 48,000 plus 5 per cent. of the amount by which the net wealth exceeds Rs. 20,00,000.

(3) In addition, in the case of every individual and Hindu undivided family, where the net wealth of the individual or Hindu undivided family includes the value of any asset, being building or land (other than business premises) or any right in such building or land, situated in an urban area (such asset being hereafter in this Part referred to as urban asset):—

Rate of tax

- (a) where the total value of urban assets determined in accordance with the rules in Paragraph B does not exceed Rs. 5,00,000 Nil;
- (b) where the total value of urban assets determined in accordance with the rules in Paragraph B exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000 5 per cent. of the amount by which such total value exceeds Rs. 5,00,000;
- (c) where the total value of urban assets determined in accordance with the rules in Paragraph B exceeds Rs. 10,00,000 Rs. 25,000 plus 7 per cent. of the amount by which such total value exceeds Rs. 10,00,000.

Paragraph B

Rule 1.—In this Part,—

(i) “business premises” means any building or land or part of such building or land, or any right in building or land or part thereof, owned by the assessee and used throughout the previous year for the purposes of his business or profession, and includes any building used for the purpose of residence of persons employed in the business or any building used for the welfare of such persons as a hospital, creche, school, canteen, library, recreational centre, shelter, rest-room or lunch-room, but does not include any premises in the nature of a guest house;

(ii) “previous year”, in relation to a business or profession, means the period which would be the previous year if an assessment of the profits and gains of such business or profession were to be made under the Income-tax Act for the assessment year;

(iii) “urban area” means,—

(a) any area which is comprised within the jurisdiction of a municipality (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee or by any other name) or a cantonment board and which has a population of not less than ten thousand according to the last preceding census of which the relevant figures have been published before the valuation date; or

(b) any area within such distance, not being more than eight kilometres, from the local limits of any municipality or cantonment board referred to in sub-clause (a), as the Central Government may, having regard to the extent of, and scope for, urbanisation of that area and other relevant considerations, specify in this behalf by notification in the Official Gazette.

Rule 2.—In determining, for the purposes of item (3) of Paragraph A, the value of any urban asset,—

(a) any debt (whether secured or not) incurred for the purpose of acquiring, improving, constructing, repairing, renewing or reconstructing such asset shall be deducted from the gross value of such asset;

(b) other debts which are deductible in computing the net wealth shall be deducted from the gross value of such asset [as reduced by the debts, if any, under clause (a)] only if, and to the extent that, such debts exceed the aggregate gross value of assets other than urban assets.

Rule 3.—Where the net wealth of the assessee includes the value of his interest as a partner in a firm or as a member of an association of persons and the assets of such firm or association include any urban assets, then, notwithstanding anything contained in the Indian Partnership Act, 1932, or in any other law for the time being in force, the interest of the assessee in such firm or association, to the extent specified in the *Explanation* below, shall be deemed to be an urban asset and the provisions of item (3) of Paragraph A shall apply accordingly.

9 of 1932.

Explanation.—The extent of the interest of the assessee in a firm or association deemed to be an urban asset as aforesaid shall be a sum which bears to the value of the whole of the interest of the assessee in the firm or association the same proportion which the net value of the urban assets of the firm or association (determined under rule 2 as if they were urban assets belonging to an individual or a Hindu undivided family) bears to the net wealth of the firm or, as the case may be, the association, computed as if such firm or association were an individual.

Rule 4.—Where the net wealth of the assessee includes the value of any share (not being a share issued for full cash consideration where the holder of the share is not entitled, in the event of liquidation, to participate in the surplus assets) in a company which is not a company in which the public are substantially interested [within the meaning of clause (18) of section 2 of the Income-tax Act] and the assets of such company include any urban assets, then, notwithstanding anything contained in the Companies Act, 1956, or in any other law for the time being in force, the value of such share, to the extent specified in the *Explanation* below, shall be deemed to be an urban asset and the provisions of item (3) of Paragraph A shall apply accordingly.

1 of 1956.

Explanation.—The extent to which the value of the share in a company is to be deemed to be an urban asset as aforesaid shall be a sum which bears to the value of such share the same proportion which the net value of the urban assets of the company (determined under rule 2 as if they were urban assets belonging to an individual or a Hindu undivided family) bears to the net wealth of the company; ~~and it is hereby further declared that Rule 2 appearing after PART II shall be omitted and shall be deemed to have been omitted with effect from the 1st day of April, 1969.~~

27. In the Gift-tax Act, 1958,—

(a) in sub-section (2) of section 5, for the words "ten thousand", the words "five thousand" shall be substituted with effect from the 1st day of April, 1971; Amend-
ment of
Act 18 of
1958.

(b) section 11A shall be re-numbered as section 11AA, and before the section as so re-numbered, the following section shall be inserted, namely:—

"11A. In respect of any function to be performed by a Commissioner under any provision of this Act, in relation to an assessee, the Commissioner referred to therein shall,—

(a) in a case where only one Commissioner has jurisdiction over such assessee, be such Commissioner;

(b) in a case where two or more Commissioners have concurrent jurisdiction over such assessee, be the Commissioner empowered to perform such function by the Board.";

(c) for the Schedule, the following Schedule shall be substituted with effect from the 1st day of April, 1971, namely:—

"THE SCHEDULE

(See section 3)

RATES OF GIFT-TAX

(1) Where the value of all taxable gifts does not exceed Rs. 20,000	5 per cent. of the value of such gifts;
(2) where the value of all taxable gifts exceeds Rs. 20,000 but does not exceed Rs. 50,000	Rs. 1,000 plus 10 per cent. of the amount by which the value of such gifts exceeds Rs. 20,000;
(3) where the value of all taxable gifts exceeds Rs. 50,000 but does not exceed Rs. 1,00,000	Rs. 4,000 plus 15 per cent. of the amount by which the value of such gifts exceeds Rs. 50,000;
(4) where the value of all taxable gifts exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000	Rs. 11,500 plus 20 per cent. of the amount by which the value of such gifts exceeds Rs. 1,00,000;
(5) where the value of all taxable gifts exceeds Rs. 2,00,000 but does not exceed Rs. 5,00,000	Rs. 31,500 plus 25 per cent. of the amount by which the value of such gifts exceeds Rs. 2,00,000;
(6) where the value of all taxable gifts exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000	Rs. 1,06,500 plus 30 per cent. of the amount by which the value of such gifts exceeds Rs. 5,00,000;
(7) where the value of all taxable gifts exceeds Rs. 10,00,000 but does not exceed Rs. 15,00,000	Rs. 2,56,500 plus 40 per cent. of the amount by which the value of such gifts exceeds Rs. 10,00,000;
(8) where the value of all taxable gifts exceeds Rs. 15,00,000 but does not exceed Rs. 20,00,000	Rs. 4,56,500 plus 50 per cent. of the amount by which the value of such gifts exceeds Rs. 15,00,000;
(9) where the value of all taxable gifts exceeds Rs. 20,00,000	Rs. 7,06,500 plus 75 per cent. of the amount by which the value of such gifts exceeds Rs. 20,00,000."

CHAPTER V

INDIRECT TAXES

**Amend-
ment of
Act 32 of
1934.**

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

**Special
duties of
customs.**

29. (1) In the case of goods chargeable with a duty of customs which is specified in the First Schedule to the Tariff Act, or in that Schedule as amended by this Act or a subsequent Central Act, if any, 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 special duty of customs equal to ten 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 30 of this Act shall not be included.

(2) Sub-section (1) shall cease to have effect after the 31st day of March, 1971, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply 10 of 1897 upon such cesser as if the said sub-section had then been repealed by a Central Act.

**Re-
gulatory
duties
of
customs.**

30. (1) With a view to regulating or bringing greater economy in imports, there shall be levied and collected, with effect from such date, and at such rate, as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all or any of the goods mentioned in the First Schedule to the Tariff Act, or in that Schedule as amended by this Act or a subsequent Central Act, if any, a regulatory duty of customs not exceeding—

(a) twenty-five 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) ten 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 and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1971, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply 10 of 1897 upon such cesser as if the said sub-section had then been repealed by a Central Act.

(3) The regulatory 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

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.

31. In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1970", the figures "1971" shall be substituted.

32. In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(i) in Item No. 1, for the entries in the third column against sub-items (1) and (2), the entries "Thirty per cent. *ad valorem.*" and "Fifteen per cent. *ad valorem.*" shall, respectively, be substituted;

(ii) for Item No. 1A, the following Item shall be substituted, namely:—

"1A. CONFECTIONERY, COCOA POWDER AND CHOCOLATES IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER, NAMELY:—

(1) Boiled sweets, toffees, caramels, candies, nuts (including almonds) and fruit kernels coated with sweetening agent, and chewing gums. Eighty paise per kilo gram.

(2) Cocoa powder. Ten per cent. *ad valorem.*

(3) Drinking chocolates, chocolates in the form of granules or powder. Ten per cent. *ad valorem.*

(4) Chocolates in the form of blocks, slabs, tablets, Eighty paise per kilo-bars, pastilles or croquettes or in any other form, not otherwise specified, whether or not containing nuts, fruit kernels or fruits.

(iii) after Item No. 1B, the following Items shall be inserted, namely:—

"1C. FOOD PRODUCTS, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER, THE FOLLOWING, NAMELY :—

- (1) Biscuits.
- (2) Pasteurised butter.
- (3) Pasteurised or processed cheese.

1D. AERATED WATERS, WHETHER OR NOT FLAVOURED OR SWEETENED AND WHETHER OR NOT CONTAINING VEGETABLE OR FRUIT JUICE OR FRUIT PULP.

Ten per cent.
ad valorem.

1E. GLUCOSE AND DEXTROSE.

Ten per cent.
ad valorem.

(iv) for Item No. 2, the following Item shall be substituted, namely:—

2. COFFEE—

(1) coffee, cured.

Eighty-five rupees per quintal.

(2) coffee commercially known as "instant coffee".

Ten Percent
ad valorem plus
the duty for the time being leviable under sub-item (1) of this Item on coffee, cured, used in the manufacture of such "instant coffee", if not already paid.

Explanation.—For the purposes of sub-item (1), "coffee" means the seed of the coffee tree (*coffea*), whether with or without husk, whether cured or uncured, but does not include the seed while still attached to the tree.

(v) for Item No. 3, the following Item shall be substituted, namely:—

3. TEA—

"Tea" includes all varieties of the product known commercially as tea, and also includes green tea and "instant tea".

Not exceeding two rupees per kilogram as the Central Government may, by notification in the Official Gazette, fix.

(1) Tea, all varieties except package tea and "instant tea" falling within sub-items (2) and (3), respectively, of this Item.

One rupee and twenty-five paise per kilogram plus the duty for the time being leviable under sub-item (1) of this Item, if not already paid.

(2) Package tea, that is to say, tea packed in any kind of container containing not more than 27 kilograms net of tea but excluding "instant tea".

Ten per cent.
ad valorem plus
the duty for the time being leviable on tea falling under sub-item (1) of this Item, if not al-

(3) "Instant tea."

ready paid and if such tea is used in the manufacture of such "instant tea";

(vi) in Item No. 4, under "II. Manufactured tobacco—", for the entry in the third column against sub-item (2), the entry "One hundred and fifty per cent. *ad valorem*." shall be substituted;

(vii) in Item No. 6, for the entry in the third column, the entry "Seven hundred and twenty rupees per kilolitre at fifteen degrees of Centigrade thermometer." shall be substituted;

(viii) in Item No. 14A, for the entry in the third column, the entry "Ten per cent. *ad valorem*." shall be substituted;

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

"14AA. CHEMICALS, THE FOLLOWING, NAMELY:—	Ten per cent. <i>ad valorem</i> .";
---	--

(1) Calcium carbide.

(2) Bleaching paste and bleaching powder.

(3) Sodium hydrosulphite.

(x) in Item No. 14B, for the entry in the third column, the entry "Ten per cent. *ad valorem*." shall be substituted;

(xi) after Item No. 16A, the following Item shall be inserted, namely:—

"16AA. SYNTHETIC RUBBER, INCLUDING BUTADIENE ACRYLONITRILE RUBBER, STYRENE BUTADIENE RUBBER AND BUTYL RUBBER; SYNTHETIC RUBBER LATEX, INCLUDING PRE-VULCANISED SYNTHETIC RUBBER LATEX.	Three hundred rupees per tonne.";
--	-----------------------------------

(xii) in Item No. 19, in sub-item I (1), after the word "lappet", the words "butta fabrics, round mesh mosquito netting," shall be inserted;

(xiii) in Item No. 22, for the entry in the third column against sub-item (1), the entry "Ten per cent. *ad valorem*." shall be substituted;

(xiv) in Item No. 23B, for the entries in the third column against each of the sub-items (2) and (3), the entry "Twenty-five per cent. *ad valorem*." shall be substituted;

(xv) in Item No. 26AA,—

(a) in sub-item (ia), for the words "angles, channels", the words "angles other than slotted angles, channels other than slotted channels" shall be substituted;

(b) in sub-item (ii), after the word "channels", the words "other than slotted channels" shall be inserted;

(xvi) for Item No. 27, the following Item shall be substituted, namely:—

"27 ALUMINIUM—

(a) (i) in any crude form including ingots, bars, blocks, slabs, billets, shots and pellets;

Twenty-five
per cent.
ad valorem.

- (ii) wire bars, wire rods and castings, not otherwise specified. Twenty-five per cent *ad valorem.*
- (b) Manufactures, the following namely, plates, sheets, circles and strips in any form or size, not otherwise specified. Twenty-five per cent. *ad valorem.*
- (c) Foils, that is a product of thickness (excluding any backing) not exceeding 0.15 millimetre. Twenty per cent. *ad valorem.*
- (d) Pipes and tubes, other than extruded pipes and tubes. Twenty-five per cent. *ad valorem.*
- (e) Extruded shapes and sections including extruded pipes and tubes. Twenty-five per cent. *ad valorem.*";

(xvii) in Item No. 28, for the entry in the third column, the entry "Four hundred rupees per metric tonne." shall be substituted;

(xviii) in Item No. 29A, for the entries in the third column against sub-items (1), (2) and (3), the entries "Forty per cent. *ad valorem.*", "Forty per cent. *ad valorem.*" and "Fifty per cent. *ad valorem.*" shall, respectively, be substituted;

(xix) after Item No. 33C, the following Item shall be inserted, namely:—

'33D. OFFICE MACHINES AND APPARATUS, INCLUDING TYPE-WRITERS, CALCULATING MACHINES, CASH REGISTERS, CHEQUE-WRITING MACHINES, ACCOUNTING MACHINES, STATISTICAL MACHINES, COMPUTERS (INCLUDING CENTRAL PROCESSING UNITS AND PERIPHERAL DEVICES), INTER-COM DEVICES (BUT EXCLUDING TELEPHONES), TELEPRINTERS AND AUXILIARY MACHINES FOR USE WITH SUCH MACHINES, WHETHER IN ASSEMBLED OR UNASSEMBLED CONDITION.' Ten per cent. *ad valorem.*

Explanation.—The term "office machines and apparatus" shall be construed so as to include all machines and apparatus used in offices, shops, factories, workshops, educational institutions, railway stations, hotels and restaurants for doing office work, for data processing and for transmission and reception of messages.;

(xx) in Item No. 40, for the entry in the second column, the following entry shall be substituted, namely:—

"STEEL FURNITURE MADE PARTLY OR WHOLLY OF STEEL, IN OR IN RELATION TO THE MANUFACTURE OF WHICH ANY PROCESS IS ORDINARILY CARRIED ON WITH THE AID OF POWER, WHETHER IN ASSEMBLED OR UNASSEMBLED CONDITION AND PARTS OF SUCH STEEL FURNITURE (BUT EXCLUDING SLOTTED ANGLES AND CHANNELS MADE OF STEEL).";

(xxi) after Item No. 43, the following Items shall be inserted, namely:—

44	SPARKING PLUGS	Ten per cent. <i>ad valorem.</i>
45	SAFETY RAZOR BLADES MADE OF STAINLESS STEEL.	Ten per cent. <i>ad valorem.</i>
46	METAL CONTAINERS ORDINARILY INTENDED FOR PACKAGING OF GOODS FOR SALE, INCLUDING CASKS, DRUMS, CANS, BOXES, GAS CYLINDERS AND PRESSURE CONTAINERS BUT EXCLUDING COLLAPSIBLE TUBULAR CONTAINERS MADE OF ALUMINIUM	Ten per cent. <i>ad valorem.</i>
47	SLOTTED ANGLES AND CHANNELS MADE OF STEEL.	Ten per cent. <i>ad valorem plus</i> the excise duty for the time being leviable on angles and channels under sub-item (ia) or, as the case maybe, sub-item (ii) of Item No 26-AA, if not already paid.
48	SAFES, STRONG-BOXES, STRONG-ROOM LINGS AND STRONG-ROOM DOORS (WHETHER OR NOT WITH DOOR FRAMES), AND CASH AND DEED BOXES AND THE LIKE, OF BASE METAL.	Ten per cent. <i>ad valorem.</i>

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

Special duties of excise on certain goods.

(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 the First Schedule to the Central Excises Act, a special duty of excise equal to ten 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 sub-items II(1), and II(2) of Item No. 37 of that Schedule, a special duty of excise equal to twenty per cent. of the total amount so chargeable on such goods; and

(c) as respects goods comprised in sub-item II(1) of Item No. 4 and Items Nos. 18, 18A(1), 18B, 20, 29A, 33A and sub-items (2) and (3) of Item No. 34 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, 1971, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

10 of 1897.

(3) The 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 duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of duties of excise on such goods under that Act or those rules.

**Regula-
tory
duties of
excise.**

34. (1) With a view to regulating or bringing greater economy in consumption, there shall be levied and collected, with effect from such date, and at such rate, as may be specified in this behalf by the Central Government by notification in the Official Gazette, on all or any of the goods mentioned in the First Schedule to the Central Excises Act as amended by this Act or any subsequent Central Act, a regulatory duty of excise which shall not exceed 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 and different rates may be specified by the Central Government for different kinds of goods.

(2) Sub-section (1) shall cease to have effect after the 15th day of May, 1971, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897, shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

10 of 1897.

(3) The 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 duties of excise leviable under this section in respect of any goods as they apply in relation to the levy and collection of the duties of excise on such goods under that Act or those rules.

(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.

35. In the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957,—

Amend-
ment of
Act 58
of 1957.

(i) in Item No. 1, for the entry in the third column, the entry “Seven and a half per cent. *ad valorem*.” shall be substituted;

(ii) in item No. 19, in sub-item I (1), after the word “lappet,” the words “butta fabrics, round mesh mosquito netting,” shall be inserted;

(iii) in Item No. 22, for the entry in the third column against sub-item (1), the entry “Two and a half per cent. *ad valorem*.” shall be substituted.

36. For the year beginning on the 1st day of April, 1970, no duty Discon- under the Central Excises Act, or the Tariff Act shall be levied in respect of salt manufactured in, or imported into, India.

Discon-
tinuance
of salt
duty.

CHAPTER VI

MISCELLANEOUS

37. In the First Schedule to the Indian Post Office Act, 1898,—

Amend-
ment of
Act 6
of 1898

(a) for the sub-heading “Book, Pattern and Sample packets” and the entries thereunder, the following shall be substituted, namely:—

“Book, Pattern and Sample packets

For the first fifty grams or fraction thereof	20 paise
---	----------

For every additional twenty-five grams, or fraction thereof, in excess of fifty grams	10 paise”;
---	------------

(b) for the sub-heading “Parcels” and the entries thereunder, the following shall be substituted, namely:—

“Parcels

For a weight not exceeding four hundred grams	90 paise
---	----------

For every four hundred grams, or fraction thereof, exceeding four hundred grams	90 paise”.
---	------------

38. In section 32 of the Unit Trust of India Act, 1963,—

Amend-
ment of
Act 52 of
1963.

(a) in sub-section (1), clause (b) shall be omitted with effect from the 1st day of April, 1971;

(b) in sub-section (2), in clause (c), for the words “one thousand rupees” in both the places where they occur, the words “three thousand rupees” shall be substituted.

39. In section 3 of the Companies (Profits) Surtax Act, 1964, after the words “Director of Inspection, Commissioner of Income-tax”, the words “Additional Commissioner of Income-tax,” shall be inserted.

Amend-
ment of
Act 7 of
1964.

THE FIRST SCHEDULE

(See section 2)

PART I

INCOME-TAX AND SURCHARGES ON INCOME-TAX

Paragraph A

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

- | | |
|---|--|
| (1) where the total income does not exceed Rs. 5,000 | 5 per cent. of the total income; |
| (2) where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000 | Rs. 250 plus 10 per cent. of the amount by which the total income exceeds Rs. 5,000; |
| (3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000 | Rs. 750 plus 17 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | Rs. 1,600 plus 23 per cent. of the amount by which the total income exceeds Rs. 15,000; |
| (5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 | Rs. 2,750 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000; |
| (6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 | Rs. 4,250 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 50,000 | Rs. 6,250 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000; |
| (8) where the total income exceeds Rs. 50,000 but does not exceed Rs. 70,000 | Rs. 16,250 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (9) where the total income exceeds Rs. 70,000 but does not exceed Rs. 1,00,000 | Rs. 28,250 plus 65 per cent. of the amount by which the total income exceeds Rs. 70,000; |
| (10) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,50,000 | Rs. 47,750 plus 70 per cent. of the amount by which the total income exceeds Rs. 1,00,000; |
| (11) where the total income exceeds Rs. 2,50,000 | Rs. 1,52,750 plus 75 per cent. of the amount by which the total income exceeds Rs. 2,50,000. |

Provided that for the purposes of this Paragraph, in the case of a person not being a non-resident—

(i) no income-tax shall be payable on a total income not exceeding the following limit, namely:—

(a) Rs. 7,000 in the case of every Hindu undivided family which at any time during the previous year satisfies either of the following two conditions, namely:—

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

(2) 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;

(b) Rs. 4,000 in every other case;

(ii) where such person is an individual whose total income does not exceed Rs. 10,000 and who has, during the previous year, incurred any expenditure for the maintenance of any one or more of his parents or grand-parents mainly dependent on him, the income-tax computed at the rate hereinbefore specified shall be reduced by so much of the amount specified hereunder, as does not exceed the amount of income-tax so computed:—

(a) Rs. 145 . . . in the case of an unmarried individual;

(b) Rs. 220 . . . in the case of a married individual who has no child mainly dependent on him;

(c) Rs. 240 . . . in the case of a married individual who has one child mainly dependent on him;

(d) Rs. 260 . . . in the case of a married individual who has more than one child mainly dependent on him;

so, however, that in the case of a married individual whose spouse has a total income exceeding Rs. 4,000, this clause shall have effect as if for the amounts of Rs. 220, Rs. 240 and Rs. 260, the amounts of Rs. 145, Rs. 165 and Rs. 185 had, respectively, been substituted;

(iii) where such person is an individual not falling under clause (ii) or a Hindu undivided family, the income-tax computed at the rate hereinbefore specified shall be reduced by so much of the amount specified hereunder, as does not exceed the amount of income-tax so computed:—

(a) Rs. 125 . . . in the case of an unmarried individual;

(b) Rs. 200 . . . in the case of a married individual who has no child mainly dependent on him or a Hindu undivided family which has no minor coparcener;

(c) Rs. 220

in the case of a married individual who has one child mainly dependent on him or a Hindu undivided family which has one minor coparcener mainly supported from the income of such family;

(d) Rs. 240

in the case of a married individual who has more than one child mainly dependent on him or a Hindu undivided family which has more than one minor coparcener mainly supported from the income of such family,

so, however, that in the case of a married individual whose spouse has a total income exceeding Rs. 4,000, this clause shall have effect as if for the amounts of Rs. 200, Rs. 220 and Rs. 240, the amounts of Rs. 125, Rs. 145 and Rs. 165 had, respectively, been substituted;

(iv) (A) where such person is an individual whose total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 and who has, during the previous year, incurred any expenditure for the maintenance of any one or more of his parents or grand-parents mainly dependent on him, the income-tax payable by him in respect of such total income shall not exceed the aggregate of—

(1) the income-tax which would have been payable by the individual if his total income had been Rs. 10,000, and

(2) forty per cent. of the amount by which the total income of the individual exceeds Rs. 10,000;

(B) where such person is not an individual whose case falls under sub-clause (A) and the total income of such person does not exceed Rs. 20,000, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds the limit specified in sub-clause (a) or, as the case may be, sub-clause (b) of clause (i) of this proviso.

Explanation.—For the purposes of clause (ii) and sub-clause (A) of clause (iv) of this proviso, a parent or grand-parent of an individual shall not be treated as being mainly dependent on such individual if the income of the parent or, as the case may be, the grand-parent from all sources in respect of the previous year exceeds one thousand rupees.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

(i) where the total income does not exceed Rs. 10,000

15 per cent. of the total income;

- (2) where the total income exceeds Rs. 1,500 *plus* 25 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 20,000. Rs. 4,000 *plus* 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

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

Paragraph C

In the case of every registered firm,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 10,000 Nil;
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000. 4 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000. Rs. 600 *plus* 6 per cent. of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000. Rs. 2,100 *plus* 12 per cent. of the amount by which the total income exceeds Rs. 50,000;
- (5) where the total income exceeds Rs. 1,00,000. Rs. 8,100 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharges on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of surcharges for purposes of the Union calculated as specified heretofore:—

- (a) in the case of a registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income, a surcharge calculated at the rate of ten per cent. of the amount of income-tax computed at the rate hereinbefore specified;
- (b) in the case of any other registered firm, a surcharge calculated at the rate of twenty per cent. of the amount of income-tax computed at the rate hereinbefore specified; and
- (c) a special surcharge calculated at the rate of ten per cent. on the aggregate of the following amounts, namely:—

- (i) the amount of income-tax computed at the rate hereinbefore specified; and

(ii) the amount of the surcharge calculated in accordance with clause (a), or, as the case may be, clause (b), of this sub-paragraph.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

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

Paragraph E

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

31 of 1956.

Rates of income-tax

- (i) on that part of its total income which consists of profits and gains from life insurance business 52.5 per cent;
- (ii) on the balance, if any, of the total income applicable, in accordance with Paragraph F of this Part, to the total income of a domestic company which is a company in which the public are substantially interested.

Paragraph F

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

Rates of Income-tax

I. In the case of a domestic company—

- (1) where the company is a company in which the public are substantially interested,—

- (i) in a case where the total income does not exceed Rs. 50,000 45 per cent. of the total income;

Rates of income-tax

- (ii) in a case where the total income exceeds Rs. 50,000 55 per cent. of the total income;

- (2) Where the company is not a company in which the public are substantially interested,—

- (i) in the case of an industrial company—

- (a) on so much of the total income as does not exceed Rs. 10,00,000 55 per cent.;

- (b) on the balance, if any, of the total income 60 per cent.;
- (ii) in any other case 65 per cent. of the total income;

Provided that the income-tax payable by a domestic company, being a company in which the public are substantially interested, the total income of which exceeds Rs. 50,000, shall not exceed the aggregate of—

- (a) the income-tax which would have been payable by the company if its total income had been Rs. 50,000 (the income of Rs. 50,000 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) eighty per cent. of the amount by which its total income exceeds Rs. 50,000.

II. In the case of a company other than a domestic company—

- (i) on so much of the total income as consists of—

(a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, or

(b) 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 where such agreement has, in either case, been approved by the Central Government 50 per cent.;

- (ii) on the balance, if any, of the total income 70 per cent.

PART II

Rates for deduction of tax at source in certain cases

In every case in which under the provisions of sections 193, 194, 194A and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to deduction, at the following rates:—

	Income-tax	
	Rate of income-tax	Rate of surcharge

i. In the case of a person other than a company—

- (a) where the person is resident—

- (i) on income by way of interest other than “Interest on securities” 10 per cent. Nil

Income-tax

Rate of income-tax	Rate of surcharge
-----------------------	----------------------

<p>(ii) on any other income (excluding interest payable on a tax free security)</p> <p>(b) where the person is not resident in India—</p> <p>(i) on the whole income (excluding interest payable on a tax free security)</p>	<p>20 per cent. 2 per cent.</p> <p>income-tax at 30 per cent and surcharge at 3 per cent. of the amount of the income</p> <p><i>or</i></p> <p>income-tax and surcharge on income-tax in respect of the income at the rates prescribed in Paragraph A of Part III of this Schedule, if such income had been the total income.</p> <p>whichever is higher;</p> <p>15 per cent. 1.5 per cent.</p>
<p>2. In the case of a company—</p> <p>(a) where the company is a domestic company—</p> <p>(i) on income by way of interest other than "Interest on securities"</p>	<p>20 per cent. Nil</p>
<p>(ii) on any other income (excluding interest payable on a tax free security)</p>	<p>22 per cent. Nil</p>
<p>(b) where the company is not a domestic company—</p> <p>(i) on the income by way of dividends payable by an Indian company as is referred to in clause (a) (i) of sub-section (1) of section 80M of the Income-tax Act</p>	<p>14 per cent. Nil</p>
<p>(ii) on the income by way of dividends payable by any domestic company other than a company referred to in (i) hereinabove</p>	<p>24.5 per cent. Nil</p>
<p>(iii) on the income by way of royalties payable by an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, and which has been approved by the Central Government</p>	<p>50 per cent. Nil</p>
<p>(iv) on the income by way of fees payable by an Indian concern for</p>	

	Income-tax	Rate of income-tax	Rate of surcharge
rendering technical services 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		50 per cent.	<i>Nil</i>
(v) on the income by way of interest payable on a tax free security		44 per cent.	<i>Nil</i>
(vi) on any other income		70 per cent.	<i>Nil</i>

PART III

Rates for calculating or charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" or any payment referred to in sub-section (9) of section 80E and computing "advance tax".

In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 of the said Act or deducted under section 192 of the said Act from income chargeable under the head "Salaries" or deducted under sub-section (9) of section 80E of the said Act from any payment referred to in the said sub-section (9) or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed, at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so calculated, charged, deducted or computed at the following rate or rates:—

Paragraph A

In the case of every individual or Hindu undivided family or unregistered firm or other association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of Income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 5,000 | Nil; |
| (2) where the total income exceeds Rs. 5,000 but does not exceed Rs. 10,000 | 10 per cent. of the amount by which the total income exceeds Rs. 5,000; |
| (3) where the total income exceeds Rs. 10,000 but does not exceed Rs. 15,000 | Rs. 500 plus 17 per cent. of the amount by which the total income exceeds Rs. 10,000; |

(4) where the total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 Rs. 1,350 plus 23 per cent. of the amount by which the total income exceeds Rs. 15,000;

(5) where the total income exceeds Rs. 20,000 but does not exceed Rs. 25,000 Rs. 2,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000;

(6) where the total income exceeds Rs. 25,000 but does not exceed Rs. 30,000 Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000;

(7) where the total income exceeds Rs. 30,000 but does not exceed Rs. 40,000 Rs. 6,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000

(8) where the total income exceeds Rs. 40,000 but does not exceed Rs. 60,000 Rs. 11,000 plus 60 per cent. of the amount by which the total income exceeds Rs. 40,000;

(9) where the total income exceeds Rs. 60,000 but does not exceed Rs. 80,000 Rs. 23,000 plus 70 per cent. of the amount by which the total income exceeds Rs. 60,000;

(10) where the total income exceeds Rs. 80,000 but does not exceed Rs. 1,00,000 Rs. 37,000 plus 75 per cent. of the amount by which the total income exceeds Rs. 80,000;

(11) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 2,00,000 Rs. 52,000 plus 80 per cent. of the amount by which the total income exceeds Rs. 1,00,000;

(12) where the total income exceeds Rs. 2,00,000 Rs. 1,32,000 plus 85 per cent. of the amount by which the total income exceeds Rs. 2,00,000 :

Provided that for the purposes of this Paragraph, in the case of a Hindu undivided family which at any time during the previous year relevant to the assessment year commencing on the 1st day of April, 1971, satisfies either of the following two 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,—

(i) no income-tax shall be payable on a total income not exceeding Rs. 7,000;

(ii) where the total income exceeds Rs. 7,000 but does not exceed Rs. 7,660, the income-tax payable thereon shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 7,000.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- (1) where the total income does 15 per cent. of the total income; not exceed Rs. 10,000
- (2) where the total income exceeds Rs. 1,500 *plus* 25 per cent. of the amount by which the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000
- (3) where the total income exceeds Rs. 4,000 *plus* 40 per cent. of the amount by which the total income exceeds Rs. 20,000.

Surcharge on income-tax

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

Paragraph C

In the case of every registered firm,—

Rates of income-tax

- (1) where the total income does Nil; not exceed Rs. 10,000
- (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 25,000 4 per cent. of the amount by which the total income exceeds Rs. 10,000;
- (3) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 Rs. 600 *plus* 6 per cent. of the amount by which the total income exceeds Rs. 25,000;
- (4) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 Rs. 2,100 *plus* 12 per cent. of the amount by which the total income exceeds Rs. 50,000;
- (5) where the total income exceeds Rs. 1,00,000 Rs. 8,100 *plus* 20 per cent. of the amount by which the total income exceeds Rs. 1,00,000.

Surcharges on income-tax

The amount of income-tax computed at the rate hereinbefore specified shall be increased by the aggregate of surcharges for purposes of the Union calculated as specified hereunder:—

- (a) in the case of a registered firm whose total income includes income derived from a profession carried on by it and the income so included is not less than fifty-one per cent. of such total income, a surcharge calculated at the rate of ten per cent. of the amount of income-tax computed at the rate hereinbefore specified;
- (b) in the case of any other registered firm, a surcharge calculated at the rate of twenty per cent. of the amount of income-tax computed at the rate hereinbefore specified; and

(c) a special surcharge calculated at the rate of ten per cent. on the aggregate of the following amounts, namely:—

(i) the amount of income-tax computed at the rate hereinbefore specified; and

(ii) the amount of the surcharge calculated in accordance with clause (a), or, as the case may be, clause (b), of this subparagraph.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 50 per cent.

Surcharge on income-tax

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

Paragraph E

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

31 of 1956.

Rates of income-tax

(i) on that part of its total income 52·5 per cent.; which consists of profits and gains from life insurance business

(ii) on the balance, if any, of the total income

the rate of income-tax applicable, in accordance with Paragraph F of this Part, to the total income of a domestic company which is a company in which the public are substantially interested.

Paragraph F

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

31 of 1956.

Rates of income-tax

I. In the case of a domestic company—

(i) where the company is a company in which the public are substantially interested,—

(i) in a case where the total 45 per cent. of the total income; income does not exceed Rs. 50,000

(ii) in a case where the total 55 per cent. of the total income; income exceeds Rs. 50,000

(2) where the company is not a company in which the public are substantially interested,—

(i) in the case of an industrial company—

(a) on so much of the 55 per cent.; total income as does not exceed Rs. 10,00,000

(b) on the balance, if any, of the total income

(ii) in any other case 65 per cent. of the total income:

Provided that the income-tax payable by a domestic company, being a company in which the public are substantially interested, the total income of which exceeds Rs. 50,000, shall not exceed the aggregate of—

(a) the income-tax which would have been payable by the company if its total income had been Rs. 50,000 (the income of Rs. 50,000 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) eighty per cent. of the amount by which its total income exceeds Rs. 50,000.

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of—

(a) royalties received from an Indian concern in pursuance of an agreement made by it with the Indian concern after the 31st day of March, 1961, or

(b) 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 where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 70 per cent.

THE SECOND SCHEDULE

(See section 28)

PART I

In the First Schedule to the Tariff Act,—

(i) in Item No. 22(3),—

(1) for the entry in the fourth column against sub-item (a), the entry "Rs. 45.00 per litre." shall be substituted;

(2) for the entry in the fourth column against sub-item (b), the entry "Rs. 30.00 per litre." shall be substituted;

(ii) in Item No. 22(4), for the entry in the fourth column against sub-item (a), the entry "Rs. 60.00 per litre or 200 per cent. *ad valorem*, whichever is higher." shall be substituted;(iii) in Item No. 73(23), for the entry in the fourth column, the entry "100 per cent. *ad valorem*." shall be substituted;

(iv) Item No. 82(4) and the entries relating thereto shall be omitted;

(v) in Item No. 87B, for the entry in the fourth column, against sub-item (i), the entry "60 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 manufacture of		Duration of protective rates of duty
				The United Kingdom	A British Colony	
I	2	3	4	5	6	7

In the First Schedule to the Tariff Act, for Item No. 82(3), the following Item shall be substituted, namely:—

- 82(3) (a) 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. Revenue 100 per cent. *ad valorem*.
- (b) Articles made of plastics, the following, namely: tubes, rods, sheets, foils, sticks, other rectangular or profile shapes, whether laminated or not, and whether rigid or flexible including lay flat tubings and polyvinyl chloride sheets. Revenue 100 per cent. *ad valorem*.

Rep'd by Act 56 of 1974, S.2 and Sct.3

THE CONTINGENCY FUND OF INDIA (AMENDMENT)
ACT, 1970

No. 20 OF 1970

[21st May, 1970]

An Act to amend the Contingency Fund of India Act, 1950.

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

Short title. 1. This Act may be called the Contingency Fund of India (Amendment) Act, 1970.

Amendment of section 2. 2. In section 2 of the Contingency Fund of India Act, 1950, for the 49 of 1950. words "fifteen crores of rupees", the words "thirty crores of rupees" shall be substituted.

Ref. by Act 56 of 1974, S. 2a & Sch. I

THE CENTRAL SILK BOARD (AMENDMENT)
ACT, 1970

No. 21 OF 1970

[23rd May, 1970]

An Act further to amend the Central Silk Board Act, 1948.

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

1. This Act may be called the Central Silk Board (Amendment) Act, 1970. Short title.
2. In the Central Silk Board Act, 1948 (hereinafter referred to as the principal Act), in section 1, in sub-section (2), the words "except the State of Jammu and Kashmir" shall be omitted. Amendment of section 1.
3. In section 8 of the principal Act,
 - (a) in sub-section (2)—
 - (i) in clause (b), for the words "reeling of silkworm cocoons", the words "reeling or, as the case may be, spinning of silkworm cocoons and silk waste" shall be substituted;
 - (ii) clause (c) shall be omitted;
 - (b) in sub-section (3)—
 - (i) clause (b) shall be omitted;
 - (ii) in clause (c), the word "other" shall be omitted.Amendment of section 8.
4. In section 12 of the principal Act, for sub-sections (2) and (3), the following sub-sections shall be substituted, namely:
 - "(2) The accounts of the Board shall be audited by the Comptroller and Auditor-General of India at such intervals as may be specified 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, privileges and authority in connection with such audit as the Comptroller and Auditor-General of India 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.Amendment of section 12.

(4) The accounts of the Board as certified by the Comptroller and Auditor-General of India or any 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 a copy of the same to be laid before each House of Parliament.

(5) A copy of the accounts of the Board as so certified together with the audit report thereon shall be forwarded simultaneously to the Board.”.

5. After section 12 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section
12A.

Annual
report.

“12A. The Board shall prepare for every financial year a report of its activities and achievements during that year and submit the report to the Central Government in such form and on or before such date as may be prescribed, and that Government shall cause a copy of the report to be laid before each House of Parliament.”.

Amend-
ment of
section 13.

6. In section 13 of the principal Act,—

(a) in sub-section (2)—

(i) in clause (viii), the words “and the audit of such accounts” shall be omitted;

(ii) after clause (viii), the following clause shall be inserted, namely:—

“(viiia) the form of the annual report of the Board and the date on or before which it shall be submitted to the Central Government;”;

(b) 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.”.

Ref by Acts of 1974, 5, 2 and Sch I

THE TEA (AMENDMENT) ACT, 1970

No. 22 OF 1970

[23rd May, 1970]

An Act further to amend the Tea Act, 1953.

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

1. This Act may be called the Tea (Amendment) Act, 1970. Short title.
2. In the Tea Act, 1953 (hereinafter referred to as the principal Act),
29 of 1953, after section 26, the following section shall be inserted, namely:— Insertion of new section 26A.

“26A. The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Board by way and loans of grants or loans such sums of money as the Central Government may consider necessary.” Grants by the Central Government to the Board.
3. In section 27 of the principal Act, in sub-section (1), after clause (a), Amend-
the following clause shall be inserted, namely:— ment of section 27.

“(aa) any sum of money that may be paid to the Board by way of grants or loans under section 26A;”.
4. In section 49 of the principal Act, for sub-section (3), the follow-
ing sub-section shall be substituted, namely:— Amend-
ment of section 49.

“(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 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.”.

Ref by Act 56 of 1974, S. 2 and Sch P

THE INDIAN SOLDIERS (LITIGATION) AMENDMENT ACT, 1970

No. 23 OF 1970

[29th May, 1970]

An Act further to amend the Indian Soldiers (Litigation) Act, 1925.

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

Short title.

1. This Act may be called the Indian Soldiers (Litigation) Amendment Act, 1970.

Amend-
ment of
section 2.

2. In the Indian Soldiers (Litigation) Act, 1925 (hereinafter referred to as the principal Act), in section 2,—

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

(a) "Court" means a Court other than a Criminal Court and includes any such tribunal or other authority as may be specified by the Central Government by notification in the Official Gazette being a tribunal or authority which is empowered by law to receive evidence on any matter pending before it and on the basis of such evidence to determine, after hearing the parties before it, the rights and obligations of the parties in relation to such matter;"

(ii) in clause (b), the words and figures "or the Navy Act, 1957" shall be added at the end;

(iii) after clause (d), the following clause shall be inserted, namely:—

"(e) any reference to a decree or order of a Court shall be deemed to include a reference to a judgment, determination or award of a Court."

Amend-
ment of
section 3.

3. In section 3 of the principal Act, in clause (a), the words "or at any such place within India as may be specified by the Central Government by notification in the Official Gazette" shall be added at the end.

Amend-
ment of
section 13.

4. In section 13 of the principal Act, the words "after consulting the High Court concerned," shall be omitted.

THE PETROLEUM (AMENDMENT) ACT, 1970

No. 24 OF 1970

[29th May, 1970]

An Act further to amend the Petroleum Act, 1934.

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

1. (1) This Act may be called the Petroleum (Amendment) Act, 1970. 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.

30 of 1934. 2. In the Petroleum Act, 1934 (hereinafter referred to as the principal Act), in the long title and preamble, the words "and other inflammable substances" shall be omitted. Amendment of long title and preamble.

3. In section 2 of the principal Act,—
(a) for clause (b), the following clauses shall be substituted, namely:— Amendment of section 2.

(b) "petroleum Class A" means petroleum having a flash-point below twenty-three degrees Centigrade;

(bb) "petroleum Class B" means petroleum having a flash-point of twenty-three degrees Centigrade and above but below sixty-five degrees Centigrade;

(bbb) "petroleum class C" means petroleum having a flash-point of sixty-five degrees Centigrade and above but below ninety-three degrees Centigrade;

(b) in clause (c), for the word "flashing-point", the word "flash-point" shall be substituted;

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

(d) "to transport petroleum" means to move petroleum from one place to another in India and includes moving from one

1. 1.8.1976; Notifn. No. S.O. 294 dated 30.6.1976

place to another in India across a territory which is not part of India;—

**Amend-
ment of
section 3.** 4. In sub-section (2) of section 3 of the principal Act, for the words "any dangerous petroleum", the words and letter "petroleum Class A" shall be substituted.

**Amend-
ment of
section 4.** 5. In section 4 of the principal Act,—

(a) for the words "dangerous petroleum" wherever they occur, the words and letter "petroleum Class A" shall be substituted;

(b) in clause (1), the words "including the charging of fees for any services rendered in connection with the import, transport and storage of petroleum" shall be inserted at the end.

**Amend-
ment of
section 5.** 6. In clause (b) of sub-section (2) of section 5 of the principal Act, for the words "dangerous petroleum", the words and letter "petroleum Class A" shall be substituted.

**Amend-
ment of
section 6.** 7. In section 6 of the principal Act,—

(a) for the words "dangerous petroleum" wherever they occur, the words and letter "petroleum Class A" shall be substituted;

(b) in clause (a) of the proviso, for the words "two gallons", the words "ten litres" shall be substituted.

**Substitu-
tion of
new
sections
for sec-
tions 7
and 8.** 8. For sections 7 and 8 of the principal Act, the following sections shall be substituted, namely:—

**No
licences
needed for
transport
or storage
of limited
quantities
of petro-
leum
Class B or
petroleum
Class C.**

"7. Notwithstanding anything contained in this Chapter, a person need not obtain a licence for the transport or storage of—

(i) petroleum Class B if the total quantity in his possession at any one place does not exceed two thousand and five hundred litres and none of it is contained in a receptacle exceeding one thousand litres in capacity; or

(ii) petroleum Class C if the total quantity in his possession at any one place does not exceed forty-five thousand litres and such petroleum is transported or stored in accordance with the rules made under section 4.

**No licence
needed for
import,
transport
or storage**

8. (1) Notwithstanding anything contained in this Chapter, a person need not obtain a licence for the import, transport or storage of petroleum Class A not intended for sale if the total quantity in his possession does not exceed thirty litres.

(2) Petroleum Class A possessed without a licence under this section shall be kept in securely stoppered receptacles of glass, stoneware or metal which shall not, in the case of receptacles of glass or stoneware, exceed one litre in capacity or, in the case of receptacles of metal, exceed twenty-five litres in capacity.".

of small quantities of petroleum
Class A.

9. In section 9 of the principal Act,—

(a) in sub-section (1),—

(i) for the words "dangerous petroleum" in both places where they occur, the words and letter "petroleum Class A" shall be substituted;

(ii) for the words "twenty gallons" in both places where they occur, the words "one hundred litres" shall be substituted;

(b) in sub-section (2),—

(i) for the words "The dangerous petroleum", the words and letter "Petroleum Class A" shall be substituted;

(ii) for the words "six gallons", the words "thirty litres" shall be substituted.

10. For section 11 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 11.

"11. Nothing in this Chapter shall apply to any petroleum which has its flash-point not below ninety-three degrees Centigrade."

Exemption of heavy oils.

11. In sub-section (1) of section 15 of the principal Act, for the word "flashing-point", the word "flash-point" shall be substituted.

Amendment of section 15.

12. In sub-section (1) of section 16 of the principal Act, for the word "flashing-point", the word "flash-point" shall be substituted.

Amendment of section 16.

13. In section 19 of the principal Act,—

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

"(1) The testing officer after testing samples of petroleum shall make out a certificate in the prescribed form, stating whether the petroleum is petroleum Class A or petroleum Class B or petroleum Class C, and if the petroleum is petroleum Class B or petroleum Class C, the flash-point of the petroleum.";

(b) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) A certificate given under this section shall be admitted as evidence in any proceedings which may be taken under this

Amendment of section 19.

Act in respect of the petroleum from which the samples were taken, and shall, until the contrary is proved, be conclusive proof, that the petroleum is petroleum Class A or petroleum Class B or petroleum Class C, and, if the petroleum is petroleum Class B or petroleum Class C, of its flash-point.”.

Amend-
ment of
section 23.

14. In section 23 of the principal Act,—

- (a) in sub-section (1); for the words “with fine which may extend to five hundred rupees”, the words “with simple imprisonment which may extend to one month, or with fine which may extend to one thousand rupees, or with both” shall be substituted;
- (b) in sub-section (2), for the words “with fine which may extend to two thousand rupees”, the words “with simple imprisonment which may extend to three months, or with fine which may extend to five thousand rupees, or with both” shall be substituted.

Substitu-
tion of
new sec-
tion for
section 27.

15. For section 27 of the principal Act, the following section shall be substituted, namely:—

Notice of
accidents
with
petroleum.

“27. Whenever there occurs in or about, or in connection with, any place in which petroleum is refined, blended or kept, or any carriage or vessel either conveying petroleum or on or from which petroleum is being loaded or unloaded, any accident by explosion or by fire as a result of the ignition of petroleum or petroleum vapour attended with loss of human life or serious injury to person or property, or of a description usually attended with such loss or injury, the occupier of the place or the person for the time being in charge of the petroleum or the person in charge of the carriage or the master of the vessel, as the case may be, shall, within such time and in such manner as may be prescribed, give notice thereof and of the attendant loss of human life, or injury to person or property, if any, to the nearest Magistrate or to the officer in charge of the nearest police station and to the Chief Inspector of Explosives in India.”.

Amend-
ment of
section 28.

16. In sub-section (3) of section 28 of the principal Act, the words “in a Presidency-town” shall be omitted.

THE MERCHANT SHIPPING (AMENDMENT) ACT, 1970

NO. 25 OF 1970

[31st May, 1970]

An Act further to amend the Merchant Shipping Act, 1958.

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

1. (1) This Act may be called the Merchant Shipping (Amendment) Act, 1970. Short title and commencement.

(2) This section and sections 2 to 14 (both inclusive) shall be deemed to have come into force on the 21st day of July, 1968 and the remaining sections of this Act shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different sections.

~~44 of 1958.~~ 2. In section 3 of the Merchant Shipping Act, 1958 (hereinafter referred to as the principal Act),— Amendment of section 3.

(a) in clause (5),—

(i) in sub-clause (a), the words “or is deemed to have been declared” shall be omitted;

(ii) in sub-clause (b), for the words “article twenty-one”, the words “article thirty-two” shall be substituted;

(b) for clause (14), the following clause shall be substituted, namely:—

‘(14) “free board” means the distance measured vertically downwards, amidships, from the upper edge of the deck line to the upper edge of the related load line;’

(c) for clause (20), the following clause shall be substituted, namely:—

‘(20) “Load Line Convention” means the International Convention on Load Lines signed in London on the 5th day of April, 1966, as amended from time to time;’

3. In section 283 of the principal Act, the brackets and figure “(1)”, in the first place where they occur, and sub-section (2), shall be omitted. Amendment of section 283.

~~1~~ The provisions of section 15 and section 16 shall come into force on 15-9-1972: vide Notifn. No. S.O. 2535, dt. 2-9-1972, Gaz. of India, Pt. II, Sec. 3(ii), p-3532-3533.

Insertion
of new
section
283A.

Defini-
tions.

4. After section 283 of the principal Act, and before the sub-heading "Construction of Ships", the following section shall be inserted, namely:—

'283A. (1) In this Part, unless the context otherwise requires,—

(a) "existing ship" or "existing vessel" means a ship or vessel which is not a new ship or a new vessel,

(b) "new ship" or "new vessel" means a ship or vessel whose keel is laid or which is at a similar stage of construction on or after the material date as defined in sub-section (2).

(2) For the purposes of sub-section (1) "material date",—

(i) in relation to an Indian ship, means the 21st July, 1968;

(ii) in relation to a foreign ship belonging to a country to which the Load Line Convention applies, means the date as from which it is declared under section 283 that the Government of such country has accepted the Load Line Convention or, as the case may be, that the said Convention has been applied to such country.

Amend-
ment of
section
310.

5. In section 310 of the principal Act,—

(a) in sub-section (2), for clause (a), the following clause shall be substituted, namely:—

"(a) any sailing vessel, being an existing vessel of less than one hundred and fifty tons gross, or a new vessel of less than twenty-four metres in length, and in either case employed in plying coastwise between ports situated within India, Pakistan, Burma and Ceylon;"

(b) in sub-section (3), for clause (d), the following clauses shall be substituted, namely:

"(d) any coasting ship, being an existing ship of less than one hundred and fifty tons gross or a new ship of less than twenty-four metres in length."

Provided that any such ship does not carry cargo;

(e) any ship which embodies features of a novel kind, if the Central Government is satisfied that the application of the provisions of this Part relating to load lines to such a ship might seriously impede research into development of such features and their incorporation in ships and the Central Government and the Governments of the countries to be visited by the ship are satisfied that the ship complies with safety requirements which are adequate for the purposes for which the ship is intended and are such as to ensure the overall safety of the ship;

(f) any ship which is not normally engaged on voyages to ports outside India but which in exceptional circumstances is required to undertake such voyages if the Central Government is satisfied that the ship complies with safety requirements which are adequate for such voyage."

6. In section 312 of the principal Act,—

Amend-
ment of
section
312.

(a) in sub-section (1), for the words, figures and letters "after section the 30th day of June, 1932", the words, figures and letters "on or after the 21st day of July, 1968" shall be substituted;

(b) in sub-section (2),—

(i) for the words, figures and letters "before the 1st day of July, 1932", the words, figures and letters "before the 21st day of July, 1968" shall be substituted;

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

"(c) the load lines are in the position required by clause (e) of sub-section (1)."

7. After section 312 of the principal Act, the following section shall be inserted, namely:

Insertion
of new
section
312A.

"312A. Where any survey under this Part of a ship for the purpose of assignment and marking of load lines has been completed, then, notwithstanding anything contained in this Act, the owner, agent or master of the ship shall not make or cause to be made any alteration in the structure, equipment, arrangements, material or scantlings covered by the survey without the prior written permission of the Central Government or a person authorised by that Government in this behalf".

Alter-
ations
after
survey.

8. In section 316 of the principal Act, in sub-section (1), for clause (a), the following clauses shall be substituted, namely:

Amend-
ment of
section
316.

'(a) in the case of an existing ship which is of one hundred and fifty tons gross or more or a new ship of twenty-four metres or more in length, and which in either case carries cargo or passengers, a certificate to be called "an international load line certificate";

(aa) in the case of a ship which is exempted under clause (e) or clause (f) of sub-section (3) of section 310, a certificate to be called "an international load line exemption certificate"; and'.

9. For section 317 of the principal Act, the following section shall be substituted, namely:

Substitu-
tion of
new sec-
tion for
section
317.

"317. (1) Every certificate issued in respect of a ship under clause (a) or clause (b) of sub-section (1) of section 316 and every certificate issued under clause (aa) of that sub-section to a ship referred to in clause (e) of sub-section (3) of section 310 shall be in force for a period of five years from the date of its issue or for such shorter period as may be specified in the certificate but subject to the provisions of this Part, a new certificate may be issued in respect of such ship:

Duration
and can-
cellation
of certi-
ficates.

Provided that where it is not possible to issue such new certificate to any ship before the expiry of its existing certificate, the Central Government or any other person authorised by it to issue such certificate may, on being satisfied that no alterations affecting the ship's

free board have been made in the structure, equipment, arrangements, material or scantlings, after the last survey of the ship under sub-section (5), extend the validity of the existing certificate for such period not exceeding five months as the Central Government or such person may deem fit.

(2) Every certificate issued under clause (aa) of sub-section (1) of section 316 to a ship referred to in clause (f) of sub-section (3) of section 310 shall cease to be valid upon the completion of the voyage in respect of which such certificate was issued.

(3) Notwithstanding anything contained in the foregoing provisions of this section, any certificate issued in respect of a ship under sub-section (1) of section 316 shall cease to be valid when the ship ceases to be an Indian ship.

(4) The Central Government may, by order in writing, cancel any certificate issued in respect of a ship under sub-section (1) of section 316 if it is satisfied that—

(a) material alterations such as would necessitate assignment of an increased free board have taken place in the hull or superstructure of the ship,

(b) the fittings and appliances for the protection of openings, the guard rails, freeing ports, or the means of access to the crew's quarters are not maintained in an effective condition.

(c) the structural strength of the ship is lowered to such an extent as to render the ship unsafe,

(d) the markings of the deck line and load lines on the ship have not been properly maintained.

Provided that no such order shall be made unless the person concerned has been given a reasonable opportunity to represent his case.

(5) The owner of every ship in respect of which any certificate has been issued under sub-section (1) of section 316 shall, so long as the certificate remains in force, cause the ship to be surveyed in the prescribed manner once at least in each year during the period commencing three months before and ending three months after the anniversary date of issue of the certificate for the purpose of determining whether the certificate should, having regard to the provisions of sub-section (4), remain in force:

Provided that the Central Government may, if satisfied in any case for reasons to be recorded in writing that it is necessary or expedient so to do, extend by order in writing the time within which a ship shall be caused to be so surveyed.

(6) If the owner fails to cause the ship to be surveyed as aforesaid, the Central Government may, after giving the owner a reasonable opportunity to represent his case and without prejudice to any other action that may be taken under this Act in respect of such failure, cancel the certificate.

(7) Notwithstanding anything contained in sub-section (1), any international load line certificate issued or renewed under this Act before the date of publication of the Merchant Shipping (Amend-

25 of 1970.

ment) Act, 1970, in the Official Gazette and in force on that date, shall continue to be in force,—

(a) for the unexpired portion of the period for which such certificate had been issued or, as the case may be, renewed; or

(b) for a period of two years from the commencement of this section,

whichever is shorter.

(8) Where any certificate has ceased to be valid or been cancelled under this section, the Central Government may require the owner or master of the ship to which the certificate relates to deliver up the certificate as it directs and the ship may be detained until such requirement has been complied with.

(9) On the survey of any ship in pursuance of this section, there shall be paid by the owner of the ship such fee as may be prescribed.”.

10. Section 321 of the principal Act shall be re-numbered as sub-section (1) of that section, and—

Amend-
ment of
section
321.

(a) in sub-section (1) as so re-numbered, for the word “registered”, the words “registered or to be registered” shall be substituted; and

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

“(2) The Central Government shall, as soon as may be, after the issue of a certificate in respect of a ship under sub-section (1), forward to the Government at whose request such certificate was issued a copy each of the certificate, the survey report used in computing the free board of the ship and of the computations.”.

11. In section 322 of the principal Act, for the words “load line certificate”, in both the places where they occur, the words “load line certificate or, as the case may be, an international load line exemption certificate” shall be substituted.

Amend-
ment of
section
322.

12. In section 323 of the principal Act,—

Amend-
ment of
section
323.

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

“(1) A surveyor may, at any reasonable time, go on board any ship (other than an Indian ship) carrying cargo or passengers and registered in a country to which the Load Line Convention applies, when such ship is within any port in India, for the purpose of demanding the production of any international load line certificate or, as the case may be, international load line exemption certificate for the time being in force in respect of the ship:

Provided that such ship is an existing ship of one hundred and fifty tons gross or more or a new ship of twenty-four metres or more in length.”;

(b) in sub-section (2),—

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

“(c) that no material alterations as would necessitate the assignment of an increased free board have taken place in the hull or superstructure of the ship;”;

(ii) in clause (d), for the words “in as effective a condition as they were in when the certificate was issued”, the words “in an effective condition” shall be substituted;

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

“(2A) If a valid international load line exemption certificate is produced to the surveyor on demand made under sub-section (1), the surveyor’s powers of inspecting the ship with respect to load lines shall be limited to seeing that the conditions stipulated in the certificate are complied with.”;

(d) in sub-section (3), sub-section (4) and sub-section (5), for the words “on any such inspection”, the words, brackets and figures “on any inspection under sub-section (2) or, as the case may be, sub-section (2A)” shall be substituted;

(e) in sub-section (6), after the words “load line certificate”, the words “or, as the case may be, international load line exemption certificate” shall be inserted.

Amend-
ment of
section
326.

13. In section 326 of the principal Act,—

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

“(a) no ship belonging to a country to which the Load Line Convention applies being an existing ship of one hundred and fifty tons gross or more or being a new ship of twenty-four metres or more in length shall be detained and no proceedings shall be taken against the owner or master thereof by virtue of the said section except after an inspection by a surveyor as provided by section 323; and”;

(b) in clause (b), in sub-clause (i), after the words “load line certificate”, the words “or, as the case may be, an international load line exemption certificate” shall be inserted.

Amend-
ment of
section
328.

14. In section 328 of the principal Act,—

(a) in sub-section (1),—

(i) for the words “, renewal and cancellation of Indian load line certificates”, the words “and cancellation of Indian load line certificates or, as the case may be, international load line exemption certificates” shall be substituted;

(ii) in clause (a), for the words “any such certificate issued in respect of a ship of one hundred and fifty tons gross or more

carrying cargo or passengers", the following shall be substituted, namely:—

"any such certificate issued in respect of a ship carrying cargo or passengers being an existing ship of one hundred and fifty tons gross or more or being a new ship of twenty-four metres or more in length";

(b) in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

"Provided that such direction shall not apply to any ship carrying cargo or passengers being an existing ship of one hundred and fifty tons gross or more or being a new ship of twenty-four metres or more in length if such ship is registered in a country to which the Load Line Convention applies, and is engaged in plying on voyages from or to any port in India to or from any port outside India.".

15. In the heading to Part X of the principal Act, the words "LIMITATION *6" shall be omitted.

Amendment of heading of Part X.

16. For section 352 of the principal Act, the following shall be substituted, namely:—

Insertion of new Part XA.

PART XA

LIMITATION OF LIABILITY

352. In this Part unless the context otherwise requires,—

- (a) "claim" means a personal claim or property claim; Definitions.
- (b) "franc" means a unit consisting of sixty-five and a half milligrams of gold of millesimal fineness nine hundred;
- (c) "Fund", in relation to a vessel, means the limitation Fund constituted under section 352C;
- (d) "liability", in relation to owner of a vessel, includes liability of the vessel herself;
- (e) "occurrence" means an occurrence referred to in sub-section (1) of section 352A;
- (f) "personal claim" means a claim resulting from loss of life or personal injury;
- (g) "property claim" means any claim other than a personal claim arising from an occurrence.

352A. (1) The owner of a sea-going vessel may limit his liability in accordance with the provisions of section 352B in respect of any claim arising from any of the following occurrences unless the occurrence giving rise to the claim resulted from the actual fault or privity of the owner—

- (a) loss of life or personal injury to, any person being carried in the vessel, or loss of, or damage to any property on board the vessel;

Limitation of liability of owner for damages in respect of certain claims.

(b) loss of life of, or personal injury to, any other person (whether on land or on water), loss of or damage to any other property or infringement of any rights—

(i) which is caused by the act, neglect or default of any person on board the vessel for whose act, neglect or default the owner is responsible; or

(ii) which is caused by the act, neglect or default of any person not on board the vessel for whose act, neglect or default the owner is responsible:

Provided that the owner shall be entitled to limit his liability in respect of any claim arising out of any act, neglect or default as is referred to in sub-clause (ii) only when the act, neglect or default is one which occurs in the navigation or the management of the vessel or in the loading, carriage or discharge of cargo or in the embarkation, carriage or disembarkation of its passengers.

(2) The burden of proving that the occurrence giving rise to a claim against the owner of a vessel did not result from his actual fault or privity shall be on the owner.

(3) Nothing in this section shall apply to—

(a) any obligation or liability imposed by any law relating to the removal of wreck and arising from or in connection with the raising, removal or destruction of any vessel which is sunk, stranded or abandoned (including anything which may be on board such vessel) and any obligation or liability arising out of damage caused to harbour works, navigation and navigable waterways;

(b) claims for salvage or to claims for contribution in general average;

(c) any claim by the master or a member of the crew of the vessel or any servant of the owner who is on board the vessel or whose duties are connected with the vessel (including any claim by the legal representative of such master, member of the crew or servant) if the contract of service between the owner and such master or member of the crew or servant is governed by the law of any foreign country and that law either does not set any limit to the liability in respect of such claims or sets a limit exceeding that set to it by section 352B.

(4) Any action on the part of the owner of a vessel to limit his liability under sub-section (1) shall not merely by reason of such action constitute an admission of liability.

(5) An owner of a vessel shall be entitled to limit his liability under sub-section (1) in respect of any occurrence even in cases where his liability arises, without proof of negligence on the part of the owner or of persons for whose conduct he is responsible, by reason of his ownership, possession, custody or control of the vessel.

352B. (1) The amounts to which the owner of a vessel may limit his liability under sub-section (1) of section 352A shall be—Limits of liability

(a) where the occurrence has given rise to property claims only, an aggregate amount not exceeding the amount equivalent to one thousand francs for each ton of the vessel's tonnage;

(b) where the occurrence has given rise to personal claims only, an aggregate amount not exceeding the amount equivalent to three thousand and one hundred francs for each ton of the vessel's tonnage;

(c) where the occurrence has given rise both to personal claims and property claims, an aggregate amount not exceeding the amount equivalent to three thousand and one hundred francs for each ton of the vessel's tonnage of which the first portion of the amount equivalent to two thousand and one hundred francs for each ton of the vessel's tonnage shall be exclusively appropriated to the payment of personal claims and of which the second portion of the amount equivalent to one thousand francs for each ton of the vessel's tonnage shall be appropriated to the payment of property claims:

Provided that in cases where the first portion is insufficient to pay the personal claims in full, the unpaid balance of such claims shall rank rateably with the property claims for payment against the second portion of the amount.

Explanation.—For the purposes of this sub-section, the tonnage of a vessel of less than three hundred tons shall be deemed to be three hundred tons.

(2) The limits set by sub-section (1) to the liabilities mentioned therein shall apply to the aggregate of such liabilities which are incurred on any distinct occasion, and shall so apply in respect of each distinct occasion without regard to any liability incurred on another occasion.

(3) For the purposes of this section a vessel's tonnage shall be determined in such manner as the Central Government may, by general or special order, specify.

(4) The Central Government may from time to time by order determine the amounts which for the purposes of this section are to be taken as equivalent to three thousand and one hundred and one thousand francs respectively.

352C. (1) Where any liability is alleged to have been incurred by the owner of a vessel in respect of claims arising out of an occurrence and the aggregate of the claims exceeds or is likely to exceed the limits of liability of the owner under section 352B, then the owner may apply to the High Court for the setting up of a limitation Fund for the total sum representing such limits of liability.Limitation Fund and consolidation of claims against owners.

(2) The High Court to which the application is made under sub-section (1) may determine the amount of the owner's liability and require him to deposit such amount with the High Court or furnish such security in respect of the amount as in the opinion of the High Court is satisfactory and the amount so deposited or secured shall constitute a limitation Fund for the purposes of the claims referred to in sub-section (1) and shall be utilised only for the payment of such claims.

(3) After the Fund has been constituted, no person entitled to claim against it shall be entitled to exercise any right against any other assets of the owner in respect of his claim against the Fund, if that Fund is actually available for the benefit of the claimant.

(4) Subject to the provisions of this Part, the High Court may distribute the amount constituting the Fund rateably amongst the several claimants and may stay any proceedings pending in any other court in relation to the same matter and may proceed in such manner and subject to such rules of the High Court as to making persons interested parties to the proceedings, and as to the exclusion of any claims which do not come in within a certain time, and as to requiring security from the owner, and as to payment of any costs, as the High Court thinks fit.

(5) Where the owner establishes that he has paid in whole or in part any claim in respect of which he can limit his liability under section 352A, the High Court shall place him in the same position and to the same extent in relation to the Fund as the claimant whose claim he has paid.

(6) Where the owner has established that he may at a later date be required to pay in whole or in part, any of the claims under this Part, which could be settled from the Fund, the High Court may notwithstanding the foregoing provisions of this section order that a sufficient sum may be provisionally set aside for the purpose to enable the owner to enforce his claim against the Fund at a later date in accordance with the provisions of sub-section (4).

(7) If the owner is entitled to make a claim against a claimant arising out of the same occurrence, their respective claims shall be set off against each other and the provisions of this Part shall only apply to the balance, if any.

Release
of ship.
etc.

352D. (1) Where a vessel or other property is detained in connection with a claim which appears to the High Court to be founded on a liability to which a limit set by section 352B applies, or security is given to prevent or obtain release from such detention, the High Court may, and in the circumstances mentioned in sub-section (3) of this section shall, order the release of the vessel, property or security if the conditions specified in sub-section (2) are satisfied; and where the release is ordered, the person on whose application it is ordered shall be deemed to have submitted to the jurisdiction of the High Court to adjudicate upon the claim.

(2) The conditions referred to in sub-section (1) are—

(a) that security which in the opinion of the High Court is satisfactory (in this section referred to as "guarantee") has previously been given whether in India or elsewhere, in respect of the said liability or any other liability incurred on the same

occasion and the High Court is satisfied that if the claim is established, the amount for which the guarantee was given or such part thereof as corresponds to the claim will be actually available to the claimant; and

(b) that either the guarantee is for an amount not less than the said limit or further security is given which, together with the guarantee, is for an amount not less than that limit.

(3) The circumstances referred to in sub-section (1) are that the guarantee was given in a port which, in relation to the claim, is the relevant port (or as the case may be, a relevant port) and that port is in a convention country.

(4) For the purposes of this section—

(a) a guarantee given by the giving of security in more than one country shall be deemed to have been given in the country in which security was last given;

(b) any question whether the amount of any security ... is (either by itself or together with any other amount) not less than any limit set by section 352B shall be decided as at the time at which the security is given;

(c) where part only of the amount for which a guarantee was given will be available to a claimant that part shall not be taken to correspond to his claim if any other part may be available to a claimant in respect of a liability to which no limit is set as mentioned in sub-section (1).

(5) In this section—

(a) "convention country" means any country in respect to which the International Convention relating to the Limitation of the Liability of owners of sea-going ships signed in Brussels on the 10th day of October, 1957, is in force and includes any country to which the Convention extends by virtue of article 14 thereof;

(b) "relevant port", in relation to any claim, means a port where the event giving rise to the claim occurred, or if that event did not occur in that port, the first port of call after the event occurred and includes in relation to a claim for loss of life or personal injury or for damage to cargo, the port of disembarkation or discharge.

352E. The provisions of this Part relating to limitation of liability of owners shall extend and apply to the owners, builders or other persons having an interest in any vessel built in any port or place in India from and including the launching of such vessel until the registration thereof in accordance with the provisions of this Act, as they apply in relation to the owner of a vessel registered under this Act.

352F. (1) Subject to the provisions of sub-section (2), the provisions of this Part relating to limitation of liability of an owner of a vessel in respect of claims arising out of an occurrence shall apply to the charterer, manager and operator of the vessel and to the master, members of the crew and other servants of the owner, charterer, manager or operator acting in the course of their employment in the same manner as they apply in relation to the owner:

Application to ships in course of completion or construction, etc

Application of this Part to charterer, manager, etc., of a vessel,

Provided that the total limits of liability of the owner and all other persons referred to in this sub-section in respect of personal claims and property claims arising on a distinct occasion shall not exceed the amounts determined in accordance with the provisions of section 352B.

(2) The master or a member of the crew of a vessel may limit his liability under sub-section (1) even if the occurrence which gives rise to a claim against him resulted from the actual fault or privity of the master and the members of the crew or any one or more of them:

Provided that where the master or a member of the crew is at the same time the owner, co-owner, charter, manager or operator of a vessel, the provisions of this sub-section shall only apply where such occurrence resulted from any act, neglect or default committed by the master or, as the case may be, the member of the crew in his capacity as master, or as the case may be, as a member of the crew;

17. After Part XI of the principal Act, the following Part shall be inserted, namely:—

PART XIA

PREVENTION OF POLLUTION OF THE SEA BY OIL

Commencement and application.

356A. (1) The provisions of this Part shall take effect from such date as the Central Government may, by notification in the Official Gazette, appoint, and different dates may be appointed for different provisions in respect of tankers and ships other than tankers.

(2) They shall apply to and in relation to—

- (a) tankers of one hundred and fifty tons gross or more; and
- (b) other ships of five hundred tons gross or more.

356B. In this Part, unless the context otherwise requires,—

(a) "Convention" means the International Convention for the Prevention of Pollution of the Sea by Oil, 1954, signed in London on the 12th day of May 1954, as amended from time to time;

(b) "discharge", in relation to oil or oily mixture, means any discharge or escape howsoever caused;

(c) "mile" means a nautical mile of 1,852 metres;

(d) "oil" means,—

(i) crude oil,

(ii) fuel oil,

(iii) marine diesel oil conforming to such specifications as may be prescribed,

(iv) lubricating oil;

(e) "oily mixture" means a mixture with an oil content of hundred parts or more in a million parts of the mixture;

(f) "oil reception facilities", in relation to a port, means facilities for enabling vessels using the port to discharge or deposit oil residues;

Definitions.

(g) "prohibited zone" means any such sea area as may be specified in the rules made under section 356J to be a prohibited zone for the purposes of this Part;

(h) "ship" means any sea-going vessel of any type whatsoever, including floating craft, whether self-propelled or towed by another vessel, making a sea voyage;

(i) "tanker" means a ship in which the greater part of the cargo space is constructed or adopted for the carriage of liquid cargoes in bulk and which is not, for the time being, carrying a cargo other than oil in that part of its cargo space.

356C. (1) No oil or oily mixture shall be discharged from an Indian tanker or other ship within any of the prohibited zones or from a foreign tanker or other ship within the prohibited zone adjoining the territories of India.

(2) The discharge of oil or oily mixture from an Indian ship, other than a tanker or from a foreign ship other than a tanker while such foreign ship is proceeding to any place or port in India, shall, during the period of three years immediately following the commencement of this sub-section, be made as far as practicable from land:

Provided that this sub-section shall not apply to a ship which is proceeding to a port where oil reception facilities are not available.

(3) No oil or oily mixture shall be discharged anywhere at sea from an Indian ship, being a ship of twenty thousand tons gross tonnage or more for which the building contract was entered into on or after the coming into force of this sub-section:

Provided that this sub-section shall not apply in any case where by reason of special circumstances it is impracticable or unreasonable to retain the oil or oily mixture in the ship and the master of the ship reports, as soon as may be, after such discharge the fact in the prescribed form and manner to the Director-General.

356D. Nothing in section 356C shall apply to—

(a) the discharge of oil or oily mixture from a ship for the purpose of securing the safety of a ship, preventing damage to a ship or cargo or saving life at sea;

(b) the escape of oil or of oily mixture resulting from a damage to a ship or unavoidable leakage, if all reasonable precautions have been taken after the occurrence of the damage or discovery of the leakage for the purpose of preventing or minimising the escape;

(c) the discharge of residue arising from the purification or clarification of fuel oil or lubricating oil when such discharge is made as far from land as is practicable;

Prohibitions as to discharge of oil or oily mixture.

Prohibition not to apply in certain cases.

(d) the discharge from the bilges of a ship of oily mixture during the period of twelve months following the date on which this clause comes into force and after the expiration of such period of oily mixture containing no oil other than lubricating oil which has drained or leaked from the machinery spaces in the ship.

**Equipment
in ships
to prevent
oil pollu-
tion.**

356E. For the purpose of preventing or reducing discharges of oil and oily mixtures into the sea, the Central Government may make rules requiring Indian ships to be fitted with such equipment and to comply with such other requirements (including requirement for preventing the escape of fuel oil or heavy diesel oil into bilges) as may be prescribed.

**Oil record
book.**

356F. (1) Every Indian tanker and every other Indian ship which uses oil as fuel shall maintain on board the tanker or such other ship an oil record book.

(2) The form and manner in which the oil record book shall be maintained, the nature of the entries to be made therein, the time and circumstances in which such entries shall be made, the custody and disposal thereof and all other matters relating thereto shall be such as may be prescribed having regard to the provisions of the Convention.

**Inspec-
tion and
control of
ships to
which the
Conven-
tion
applies.**

356G. (1) A surveyor or any person appointed in this behalf may, at any reasonable time, go on board a ship to which any of the provisions of this Part apply, for the purposes of—

- (a) ensuring that the prohibitions, restrictions and obligations imposed by or under this Part are complied with;
- (b) satisfying himself about the adequacy of the measures taken to prevent the escape of oil or oily mixture from the ship;
- (c) ascertaining the circumstances relating to an alleged discharge of oil or oily mixture from the ship in contravention of the provisions of this Part; and
- (d) inspecting the oil record book.

(2) The surveyor or any such person may, if necessary, make, without unduly delaying the ship, a true copy of any entry in the oil record book of the ship and may require the master of the ship to certify the copy to be a true copy and such copy shall be admissible as evidence of the facts stated therein.

**Informa-
tion re-
garding
contra-
vention of
the provi-
sions of
the Con-
vention.**

356H. (1) If, on report from a surveyor or other person authorised to inspect a vessel under section 356G, the Central Government is satisfied that any provision of the Convention has been contravened anywhere by a foreign ship being a ship to which the provisions of the Convention apply, it shall transmit particulars of the alleged contravention to the Government of the country to which the ship belongs.

(2) On receipt of information from the Government of any country which has ratified the Convention that an Indian ship has contravened any provision of the Convention, the Central Government shall investigate the matter and if satisfied that any provision of this Part or any rule made thereunder has been contravened, take appropriate action against the owner or master and intimate such Government of the action so taken.

356I. (1) Notwithstanding anything contained in any other law Oil for the time being in force, in respect of every port in India, the reception powers of the port authority shall include the power to provide oil facilities at ports in India.

(2) A port authority providing oil reception facilities or a person providing such facilities by arrangement with the port authority, may make charges for the use of the facilities at such rates and may impose such conditions in respect of the use thereof as may be approved, by notification in the Official Gazette, by the Central Government in respect of the port.

(3) Where the Central Government is satisfied that there are no oil reception facilities at any port in India or that the facilities available at such port are not adequate for enabling ships calling at such port to comply with the requirements of the Convention, the Central Government may, after consultation with the port authority in charge of such port, direct by order in writing such authority to provide or arrange for the provision of such oil reception facilities as may be specified in the order.

(4) The Central Government may, by notification in the Official Gazette, specify the ports in India having oil reception facilities in accordance with the requirements of the Convention.

Explanation.—For the purpose of this section, “port authority” means,—

38 of 1963.

(a) in relation to any major port to which the provisions of the Major Port Trusts Act, 1963, apply, the Board of Trustees constituted in respect of that port under that Act;

15 of 1908.

(b) in relation to any other port, the Conservator of the Port, within the meaning of section 7 of the Indian Ports Act, 1908.

356J. (1) The Central Government may, having regard to the provisions of the Convention, make rules to carry out the purposes of this Part.

Power to make rules.

(2) In particular and without prejudice to the generality of the provisions of sub-section (1), such rules may—

(a) prescribe the specifications of marine diesel oil for the purposes of clause (d) of section 356B;

(b) specify the areas which shall be deemed to be prohibited zones for the purposes of this Part;

(c) prescribe the form and manner in which the oil record book shall be maintained, the nature of the entries to be made therein, the time and circumstances in which such entries shall be made, the custody and disposal thereof and all other matters relating thereto; and

Amend-
ment of
section
356.

(d) prescribe the manner in which investigation may be made by the Central Government for the purpose of sub-section (2) of section 356H'.

~~18. In section 436 of the principal Act, in sub-section (2), in the table,—~~

(a) in item 102, for the brackets and figure "(5)", in both the places where they occur, the brackets and figure "(8)" shall be substituted;

(b) after item 115A, the following items shall be inserted, namely:

Serial No.	Offences	Section of this Act to which offence has reference	Penalties
"115B	(a) If oil or oily mixture is discharged in contravention of sub-section (1) of section 356C—	356C(1)	The master of the tanker shall be liable to fine which may extend to two thousand rupees.
	(i) where such discharge is from an Indian or a foreign tanker.	356C(1)	The master of the ship or, if the ship is unmanned, the person in charge of the operation shall be liable to fine which may extend to one thousand rupees.
	(ii) where such discharge is from an Indian ship not being a tanker or a foreign ship not being a tanker.	356C(1)	The master of the ship or, if the ship is unmanned, the person in charge of the operation shall be liable to fine which may extend to one thousand rupees.
	(b) If oil or oily mixture is discharged from an Indian ship other than a tanker or from a foreign ship other than a tanker in contravention of sub-section (2) of section 356C.	356C(2)	The master of the ship or, if the ship is unmanned, the person in charge of the operation shall be liable to fine which may extend to one thousand rupees.
	(c) If oil or oily mixture is discharged from an Indian ship in contravention of sub-section (3) of section 356C.	356C(3)	The master of the ship shall be liable to fine which may extend to one thousand rupees.
	(d) If the master of the ship fails to make the report referred to in the proviso to sub-section (3) of section 356C.	356C(3)-proviso	The master of the ship shall be liable to fine which may extend to five hundred rupees.
115C	If an Indian ship is not fitted with equipment prescribed under section 356E.	356E	The owner, master or agent shall be liable to fine which may extend to two thousand rupees and in addition to a fine which may extend to twenty rupees for every day during which the offence continues after conviction.
			Fine which may extend to two thousand rupees.
115D	(a) If the master of an Indian tanker or other ship fails to maintain an oil record book as required by section 356F or contravenes any rule [other than a rule referred to in (b) below] made under that section.	356F(1), 356F(2)	Imprisonment which may extend to six months or fine which may extend to five thousand rupees or both.".
	(b) If any person wilfully destroys or mutilates or renders illegible or prevents the making of, any entry in the oil record book or makes or causes to be made a false entry in such book in contravention of any rule made under section 356F.	356F	

1 See 10th & 19, rep. by Act 56 of 1971, S.2 and
Set 2

19. For section 460A of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 460A.

"460A. (1) If any difficulty arises in giving effect to the provisions of this Act, in so far as they relate to the Safety Convention or to the Load Line Convention or to the Convention referred to in clause (a) of section 356B, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for removing the difficulty and giving effect to the provisions of such Convention:

25 of 1970.

Provided that no order shall be made under this section after the expiry of three years from the date of publication of the Merchant Shipping (Amendment) Act, 1970, in the Official Gazette.

(2) Every order made under this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions."

20. Notwithstanding the retrospective operation of sections 2 to 14 (both inclusive) of this Act no contravention of, or no failure to comply with, any of the provisions of the principal Act as amended by those sections shall render any person guilty of any offence if such contravention or failure—

Certain contraventions, etc., not to be offences.

(i) relates either to any provision inserted in the principal Act by any of the said sections, or to any existing provision thereof, as amended by any of the said sections, and

(ii) occurred on or after the 21st day of July, 1968 and before the date of publication of this Act in the Official Gazette.

Rep. by Act... 84 of 1971, S.8 (w.e.f. 18-9-1970)

THE NORTH-EASTERN COUNCIL ACT, 1970

(No 26 OF 1970)

[31st May, 1970]

An Act to provide for the setting up of a Council for the north-eastern areas of India to be called the North-Eastern Council and for matters connected therewith.

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

Short title and commencement.

Definitions.

Establishment and composition of the North-Eastern Council.

1. (1) This Act may be called the North-Eastern Council Act, 1970.
(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.
2. In this Act, unless the context otherwise requires,—
 - (a) "Council" means the North-Eastern Council established under this Act;
 - (b) "Meghalaya" means the autonomous State known as Meghalaya constituted under section 3 of the Assam Reorganisation (Meghalaya) Act, 1969;
 - (c) "North-East Frontier Agency" has the meaning assigned to it in the North-East Frontier Areas (Administration) Regulation, 1954; and
 - (d) "State" includes Meghalaya, the Union territories of Manipur and Tripura and the North-East Frontier Agency.
3. There shall be a Council to be called the North-Eastern Council which shall consist of the following members, namely:—
 - (a) the Governor of Assam, who shall be the Chairman thereof;
 - (b) the Chief Ministers of Assam and Meghalaya;
 - (c) a Minister each from the State of Assam and from Meghalaya to be nominated by the Governor on the recommendation of the Chief Minister concerned;
 - (d) the Administrators of the Union territories of Manipur and Tripura;
 - (e) the Chief Ministers of Manipur and Tripura; and
 - (f) the person for the time being holding the office of the Adviser to the Governor of Assam for Tribal Areas:

55 of 1969.
Regula-
tion 1 of
1954.

Provided that if at any time the Government of Nagaland expresses its desire to be represented on the Council, the Chief Minister of that State and one other Minister to be nominated by the Governor shall also be members of the Council:

Provided further that if there is no Council of Ministers in any State referred to in this section, the President may, if he deems it necessary so to do, nominate not more than one person to represent the State on the Council for so long as there is no Council of Ministers in such State.

4. (1) The Council shall be an advisory body and may discuss any Functions matter in which some or all of the States represented on the Council of the have a common interest and advise the Government of each State concerned as to the action to be taken on any such matter.

(2) In particular, and without prejudice to the generality of the provisions of sub-section (1), the Council may—

(a) formulate for the States represented thereon a unified and co-ordinated regional plan in respect of such plan schemes for those States as are of common importance to the north-eastern areas of India, such as schemes relating to inter-State communications, common irrigation, power and flood control projects, agricultural production to achieve regional food self-sufficiency and balanced industrial development of the region;

(b) review from time to time the implementation of the schemes included in the regional plan and recommend measures for effecting co-ordination in implementation of the schemes by the Governments of the States concerned;

(c) discuss and make recommendations with regard to—

(i) any other matter of common interest in the field of economic and social planning, and

(ii) any matter concerning inter-State transport.

5. (1) The Council shall meet at such time as the Chairman of the Meetings Council may appoint in this behalf and shall, subject to the other provisions of this section, observe such rules of procedure in regard to transaction of business at its meetings as it may, with the approval of the Central Government, lay down from time to time.

(2) The Chairman or in his absence any other member chosen by the members present from amongst themselves shall preside at a meeting of the Council.

(3) All questions at a meeting of the Council shall be decided by a majority of votes of the members present and in the case of an equality of votes the Chairman, or, in his absence, any other person presiding shall have a second or casting vote.

(4) The proceedings of every meeting of the Council shall be forwarded to the Central Government and also to the Government of each State represented on the Council.

Advisers.

6. (1) The Council shall have the following persons as Advisers to assist the Council in the performance of its duties, namely:—

(a) one person nominated by the Planning Commission; and

(b) one person nominated by the Ministry of the Central Government dealing with Finance.

(2) Every Adviser to the Council shall have the right to take part in the discussions of the Council but shall not have a right to vote at a meeting of the Council.

Co-ordination Committee.

7. (1) There shall be a Committee of the Council called the Co-ordination Committee consisting of—

(a) the Governor of Assam and the Chief Ministers of Assam and Meghalaya;

(b) the Administrators and Chief Ministers of the Union territories of Manipur and Tripura; and

(c) the person for the time being holding the office of the Adviser to the Governor of Assam for Tribal Areas:

Provided that as and when the State of Nagaland is also represented on the Council, the Chief Minister of that State shall be a member of the Committee.

(2) The Governor of Assam shall be the Chairman of the Committee.

(3) It shall be the duty of the Co-ordination Committee to review from time to time the measures taken by the States represented on the Council for the maintenance of security and public order therein and to recommend to the Governments of the States concerned further measures necessary in this regard.

(4) The Committee shall observe such rules of procedure in regard to transaction of business at its meetings as the Council may, with the approval of the Central Government, lay down from time to time.

Office and staff of the Council.

8. (1) The Council shall have a secretarial staff consisting of a Secretary, a Planning Adviser and such other officers and employees as the Central Government may by order determine.

(2) The office of the Council shall be located at such place as may be determined by the Council.

(3) The administrative expenses of the said office, including the salaries and allowances payable to, or in respect of, members of the secretarial staff of the Council, shall be borne by the Central Government out of moneys provided by Parliament for the purpose.

Rep. by Act... 33

of 1970, S/10

THE UNIVERSITY GRANTS COMMISSION (AMENDMENT)
ACT, 1970

No. 27 OF 1970

[3rd June, 1970.]

An Act to amend the University Grants Commission Act, 1956.

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

1. (1) This Act may be called the University Grants Commission (Amendment) Act, 1970. 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.
2. For section 5 of the University Grants Commission Act, 1956 (hereinafter referred to as the principal Act), the following section shall be substituted, namely:— Substitution of new section for section 5.
- “5. (1) The Commission shall consist of—
(i) a Chairman, and
(ii) eleven other members,
to be appointed by the Central Government.
(2) The Chairman shall be chosen from among persons who are not officers of the Central Government or of any State Government.
(3) The other members shall be chosen as follows:—
(a) two members from among the officers of the Central Government to represent that Government;
(b) not less than five members from among persons who are, at the time when they are chosen as members, teachers of Universities;
Provided that no person, who is the Vice-Chancellor of a University or the head of an institution which is eligible under this Act to receive grants from the Commission, shall be chosen to be a member of the Commission;
(c) the remaining number from among—
(i) persons representing industry, commerce or agriculture,

(ii) persons representing engineering, legal, medical or other learned professions, or

(iii) persons who are educationists of repute or who have obtained high academic distinctions, not being persons who are officers or teachers of Universities:

Provided that not less than one-half of the number so chosen shall be from among persons who are not officers of the Central Government or of any State Government.

(4) The Commission may elect from among its members a Vice-Chairman who shall exercise such of the powers and discharge such of the duties of the Chairman as may be prescribed.

(5) Every appointment under this section shall take effect from the date on which it is notified by the Central Government in the Official Gazette."

Amend-
ment of
section 6.

3. In section 6 of the principal Act,—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) A person appointed as Chairman or other member, unless he becomes disqualified for continuing as such under the rules that may be made under this Act, shall—

(a) in the case of Chairman, hold office for a term of five years; and

(b) in the case of any other member, hold office for a term of three years:

Provided that—

(i) a person who has held office as Chairman shall be eligible for further appointment as Chairman or other member, and

(ii) a person who has held office as other member shall be eligible for further appointment as Chairman or member, so, however, that in either case, a person who has held office for two terms, in any capacity, whether as Chairman or other member, shall be ineligible for any further appointment as Chairman or other member."

(ii) to sub-section (4), the following proviso shall be added, namely:—

"Provided that out of the members appointed under clause (ii) of sub-section (1) of section 5, the Central Government may appoint such number of members, not exceeding three, as it may think fit, as whole-time members."

Amendment
of section
12.

4. In section 12 of the principal Act,—

(i) in clause (c), for the words "necessary for the development of such Universities", the words "necessary or appropriate for the

development of such Universities or for the maintenance, or development, or both, of any specified activities of such Universities" shall be substituted;

(ii) after the proviso to clause (c), the following further proviso shall be added, namely:—

27 of 1970.

"Provided further that the Commission shall not give any grant to any University which is established after the commencement of the University Grants Commission (Amendment) Act, 1970, without the previous approval of the Commission and of the Central Government.";

(iii) after clause (c), the following clause shall be inserted, namely:—

"(cc) allocate and disburse out of the Fund of the Commission, such grants to institutions deemed to be Universities in pursuance of a declaration made by the Central Government under section 3, as it may deem necessary, for one or more of the following purposes, namely:—

(i) for maintenance in special cases,

(ii) for development,

(iii) for any other general or specified purpose";.

5. After section 26 of the principal Act, the following section shall be inserted, namely:—

Insertion
of new
section 27.

"27. (1) The Commission may, by regulations made under this Act, delegate to its Chairman, or any other whole-time member or officer, its power of general superintendence and direction over the business transacted by, or in, the Commission, including the powers with regard to the expenditure incurred in connection with the maintenance of the office and internal administration of the Commission.

(2) No regulation shall be made under this section except with the previous approval of the Central Government".

6. Every member of the Commission holding office as such immediately before the commencement of this Act, shall continue to hold such office after such commencement until the reconstitution of the Commission in accordance with the provisions of the principal Act, as amended by this Act:

Transi-
tional pro-
visions.

Provided that the person holding, immediately before the commencement of this Act, the office of the Chairman, shall continue to hold that office by the same tenure and upon the same terms and conditions as he held it immediately before such commencement.

Not Corrected See India Code Vol III-A Pt III Page 113

THE SUPREME COURT (ENLARGEMENT OF CRIMINAL APPELLATE JURISDICTION) ACT, 1970

No. 28 OF 1970

[9th August, 1970.]

An Act to enlarge the appellate jurisdiction of the Supreme Court in regard to criminal matters.

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

Short title and extent.

1. (1) This Act may be called the Supreme Court (Enlargement of Criminal Appellate Jurisdiction) Act, 1970.

(2) It extends to the whole of India ~~except the State of Jammu and Kashmir.~~ C. 496

Enlarged appellate jurisdiction of Supreme Court in regard to criminal matters.

2. Without prejudice to the powers conferred on the Supreme Court by clause (1) of article 134 of the Constitution, an appeal shall lie to the Supreme Court from any judgment, final order or sentence in a criminal proceeding of a High Court in the territory of India if the High Court—

(a) has on appeal reversed an order of acquittal of an accused person and sentenced him to imprisonment for life or to imprisonment for a period of not less than ten years;

(b) has withdrawn for trial before itself any case from any court subordinate to its authority and has in such trial convicted the accused person and sentenced him to imprisonment for life or to imprisonment for a period of not less than ten years.

4. Omitted by Act 37 of 1972, S. 2 (w.e.f. 20-8-1972).

Ref. by Act 56 of 1974, S. 2 and Sch. I

THE SPECIAL MARRIAGE (AMENDMENT) ACT, 1970

No. 29 OF 1970

[12th August, 1970.]

An Act further to amend the Special Marriage Act, 1954.

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

1. This Act may be called the Special Marriage (Amendment) Act, Short title.

~~43 of 1954.~~ 2. In section 23 of the Special Marriage Act, 1954 (hereinafter referred to as the principal Act), in clause (a) of sub-section (1), for the words, figures, brackets and letters "in section 27 [other than the grounds specified in clauses (i) and (j) thereof]", the words, brackets and figures, "in sub-section (1) of section 27" shall be substituted.

3. Section 27 of the principal Act shall be re-numbered as sub-section (1) thereof, and—

(a) in sub-section (1) as so re-numbered,—

- (i) the word "or" at the end of clause (h) shall be omitted;
- (ii) clauses (i) and (j) shall be omitted;

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

"(2) Subject to the provisions of this Act and to the rules made thereunder, either party to a marriage, whether solemnized before or after the commencement of the Special Marriage (Amendment) Act, 1970, may present a petition for divorce to the district court on the ground—

(i) that there has been no resumption of cohabitation as between the parties to the marriage for a period of one year 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 one year or upwards after the passing of a decree for restitution of conjugal rights in a proceeding to which they were parties."

~~29 of 1970.~~

Rep. by Act 56 of 1974, S. 2 and Sch. I

THE ARMY, AIR FORCE AND NAVAL LAW (AMENDMENT)
ACT, 1970

No. 30 OF 1970

[13th August, 1970.]

An Act further to amend the Army and Air Force (Disposal of Private Property) Act, 1950 and the Navy Act, 1957.

Be it enacted by Parliament in the Twenty-first Year of the Republic of India as follows:

Short title.

1. This Act may be called the Army, Air Force and Naval Law (Amendment) Act, 1970.

**Amend-
ment of
section 10
of Act
40 of 1950.**

2. In section 10 of the Army and Air Force (Disposal of Private Property) Act, 1950, for the words "five thousand", the words "ten thousand" shall be substituted.

**Amend-
ment of
section
178 of
Act 62 of
1957.**

3. In clause (b) of section 176 of the Navy Act, 1957, for the words "five thousand rupees in value, the prescribed person may," the words "ten thousand rupees in value and" shall be substituted.

Rep. by Act 56 of 1974, S. 2 and Sch. I

**THE DOCK WORKERS (REGULATION OF EMPLOYMENT)
AMENDMENT ACT, 1970**

No. 31 OF 1970

[28th August, 1970.]

An Act further to amend the Dock Workers (Regulation of Employment) Act, 1948.

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

- 9 of 1948.
1. This Act may be called the Dock Workers (Regulation of Employment) Amendment Act, 1970. Short title.
 2. In section 3 of the Dock Workers (Regulation of Employment) Act, Amendment 1948 (hereinafter referred to as the principal Act), in sub-section (2), after clause (g), the following clause shall be inserted, namely:—

“(gg) for the welfare of the officers and other staff of the Board;”.

3. After section 7 of the principal Act, the following section shall be inserted, namely:—

“7A. (1) If the person committing an offence made punishable by a scheme or any abetment thereof is a company, every person who, at the time the offence or abetment was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence or abetment and shall be liable to be proceeded against and punished accordingly:

Offences by companies.

Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence or abetment was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence or abetment.

(2) Notwithstanding anything contained in sub-section (1) where an offence made punishable by a scheme or any abetment thereof has been committed by a company and it is proved that the offence or abetment has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any

Rescinded

176 Dock Workers (Regulation of Employment) Amendment

director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence or abetment and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purposes of this section,—

(a) "company" means any body corporate and includes a firm and other association of individuals; and

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

THE WEST BENGAL APPROPRIATION (No. 2) ACT, 1970

No. 32 OF 1970

[29th August, 1970]

An Act to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of the State of West Bengal for the services of the financial year 1970-71.

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

1. This Act may be called the West Bengal Appropriation (No. 2) Short title. Act, 1970.
2. From and out of the Consolidated Fund of the State of West Bengal 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 West Bengal Appropriation (Vote on Account) Act, 1970 and of the sums specified in column 3 of the Schedule to the Order made by the President on the 14th day of July, 1970 under article 357 of the Constitution and published with the notification of the Government of India in the Ministry of Finance No. S.O. 2442 of the said date] to the sum of four hundred and fifty-nine crores, eighty-six lakhs and thirty-three thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services specified in column 2 of the Schedule. Issue of Rs. 4,59,86,
33,000 out
of the
Consolidated
Fund of
the State
of West
Bengal
for the
year
1970-71.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of West Bengal 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 Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Taxes on Income other than Corporation Tax . . .	11,21,000	1,000	11,22,000
	Land Revenue . . .	7,65,71,000	1,20,000	7,66,91,000
	Other Miscellaneous Compensations and Assignments . . .	32,95,000	4,50,000	37,45,000
2	Payment of Compensation to Landholders, etc., on the Abolition of the Zamindari System. . .	3,45,00,000	..	3,45,00,000
3	State Excise Duties . . .	1,04,28,000	..	1,04,28,000
4	Taxes on Vehicles . . .	24,09,000	..	24,09,000
5	Sales Tax . . .	80,25,000	1,000	80,26,000
6	Other Taxes and Duties . . .	35,63,000	..	35,63,000
7	Stamps . . .	28,60,000	..	28,60,000
8	Registration Fees . . .	83,67,000	..	83,67,000
9	Interest on Debt and Other Obligations . . .	70,00,000	49,00,69,000	49,70,69,000
10	Appropriation for Reduction or Avoidance of Debt	5,72,63,000	5,72,63,000
11	Parliament, State/Union Territory Legislature . . .	60,39,000	39,000	60,78,000
12	General Administration . . .	7,97,35,000	20,22,000	8,17,57,000
13	Administration of Justice . . .	2,47,92,000	81,92,000	3,29,84,000
14	Jails . . .	2,39,72,000	..	2,39,72,000
15	Police . . .	28,48,79,000	..	28,48,79,000
16	Miscellaneous Departments—Fire Services . . .	84,75,000	..	84,75,000
17	Miscellaneous Departments—Excluding Fire Services . . .	6,87,00,000	2,000	6, 7,02,000
18	Scientific Departments . . .	77,000	..	77,000
19	Education . . .	67,96,94,000	..	67,96,94,000
20	Medical . . .	22,82,51,000	..	22,82,51,000
21	Public Health . . .	11,55,66,000	..	11,55,66,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	Agriculture—Agriculture	16,61,78,000	1,000	16,61,79,000
22	Capital Outlay on Schemes of Agricultural Improvement and Research	2,86,44,000	..	2,86,44,000
23	Agriculture—Fisheries	72,45,000	..	72,45,000
	Animal Husbandry	2,23,02,000	..	2,23,02,000
24	Capital Outlay on Schemes of Government Trading—Greater Calcutta Milk Supply Scheme	8,74,02,000	..	8,74,02,000
25	Co-operation	1,45,74,000	..	1,45,74,000
	Industries—Industries	3,05,97,000	1,28,000	3,07,25,000
26	Capital Outlay on Industrial and Economic Development	1,61,48,000	..	1,61,48,000
	Industries—Cottage Industries	2,26,16,000	..	2,26,16,000
27	Capital Outlay on Industrial and Economic Development Cottage Industries	8,52,000	..	8,52,000
28	Industries—Cinchona	66,74,000	..	66,74,000
	Interest on Debt and Other Obligations—Community Development Projects, National Extension Service and Local Development Works	..	22,96,000	22,96,000
	Community Development Projects, National Extension Service and Local Development Works	5,03,42,000	..	5,03,42,000
29	Capital Outlay on Other Works—Community Development Projects, National Extension Service and Local Development Works	11,30,000	..	11,30,000
	Loans for Community Development Projects, National Extension Service and Local Development Works	..	66,86,000	66,86,000
	Loans and Advances under Community Development Projects, National Extension Service and Local Development Works	6,50,000	..	6,50,000
30	Labour and Employment	5,53,10,000	..	5,53,10,000
31	Miscellaneous Social and Developmental Organisations—Welfare of Scheduled Tribes and Castes and Other Backward Classes	2,28,66,000	..	2,28,66,000

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
32	Miscellaneous Social and Developmental Organisations—Excluding Welfare of Scheduled Tribes and Castes and Other Backward Classes	1,84,99,000	..	1,84,99,000
	Multi-purpose River Schemes	8,01,29,000	..	8,01,29,000
	Irrigation, Navigation, Embankment and Drainage Works (Commercial)	1,01,72,000	..	1,01,72,000
	Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	4,39,25,000	5,000	4,39,30,000
33	Capital Outlay on Multi-purpose River Schemes	2,86,90,000	..	2,86,90,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Commercial)	42,67,000	..	42,67,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	42,79,000	..	42,79,000
34	Public Works	16,57,55,000	23,86,000	16,81,41,000
	Greater Calcutta Development Scheme	1,24,03,000	..	1,24,03,000
35	Capital Outlay on Greater Calcutta Development Scheme	2,46,00,000	..	2,46,00,000
36	Ports and Pilotage	19,15,000	..	19,15,000
37	Road and Water Transport Schemes	80,05,000	..	80,05,000
	Capital Outlay on Road and Water Transport Schemes	7,26,000	..	7,26,000
38	Famine Relief	3,50,12,000	..	3,50,12,000
	Pensions and Other Retirement Benefits	3,29,63,000	4,76,000	3,34,39,000
39	Payments of Commuted Value of Pensions	8,45,000	10,000	8,55,000
40	Privy Purses and Allowances of Indian Rulers	30,000	..	30,000
41	Stationery and Printing	1,17,23,000	..	1,17,23,000
42	Forest	2,85,42,000	..	2,85,42,000
43	Miscellaneous—Contribution	10,95,51,000	7,38,000	11,02,89,000
44	Miscellaneous—Sports	25,48,000	..	25,48,000
45	Miscellaneous—Civil Defence	1,87,32,000	..	1,87,32,000
	Miscellaneous—Other Miscellaneous Expenditure	3,28,77,000	621,000	3,35,38,000
46	Capital Outlay on Other Works	5,49,94,000	2,50,000	5,52,44,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
47	Interest on Debt and Other Obligations—Expenditure on Displaced Persons	3,64,000	3,64,000
	Miscellaneous—Irrecoverable Loans to Displaced Persons written off . . .	2,02,00,000	..	2,02,00,000
	Miscellaneous—Expenditure on Displaced Persons . . .	4,65,02,000	..	4,65,02,000
	Capital Outlay on Other Works—Expenditure on Displaced Persons . . .	72,00,000	1,00,000	73,00,000
	Loans for Displaced Persons	2,17,65,000	2,17,65,000
	Loans and Advances to Displaced Persons . . .	60,00,000	..	60,00,000
48	Pre-partition Payments . . .	1,000	..	1,000
50	Capital Outlay on Multi-purpose River Schemes—Damodar Valley Project . . .	10,84,39,000	..	10,84,39,000
51	Capital Outlay on Public Works . . .	7,28,35,000	..	7,28,35,000
52	Capital Outlay on Schemes of Government Trading . . .	4,29,81,200	1,000	4,29,82,000
53	Permanent Debt	5,16,50,000	5,16,50,000
	Loans from Central Government (Excluding Loans for Community Development Projects, etc., and Displaced Persons)	40,60,46,000	40,60,46,000
	Other Loans	77,45,000	77,45,000
54	Loans and Advances by State/Union Territory Governments . . .	26,25,67,000	..	26,25,67,000
	TOTAL . . .	3,53,98,06,000	1,058 ,27,000	4,59,86,33,000

Ref. by Act 56 of 1974, S. 2 and Sch. I

THE DELHI SHOPS AND ESTABLISHMENTS
(AMENDMENT) ACT, 1970

No. 33 OF 1970

[29th August, 1970]

An Act further to amend the Delhi Shops and Establishments Act, 1954.

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

Short title.

1. This Act may be called the Delhi Shops and Establishments (Amendment) Act, 1970.

Amend-
ment of
section 2.

2. In section 2 of the Delhi Shops and Establishments Act, 1954 (hereinafter referred to as the principal Act),—
Delhi Ac.
VII of
1954.

(a) after clause (1), the following clause shall be inserted, namely:—

“(1A) “apprentice” means a person who is employed, whether on payment of wages or not, for the purpose of being trained in any trade, craft or employment in any establishment;”;

(b) for clause (7), the following clause shall be substituted, namely:—

“(7) “employee” means a person wholly or principally employed, whether directly or otherwise, and whether for wages (payable on permanent, periodical, contract, piece-rate or commission basis) or other consideration, about the business of an establishment and includes an apprentice and any person employed in a factory but not governed by the Factories Act, 1948 63 of 19 and, for the purpose of any matter regulated by this Act, also includes a person discharged or dismissed whose claims have not been settled in accordance with this Act;”;

Amend-
ment of
section 6.

3. In section 6 of the principal Act, for the words “fifteen days”, the words “thirty days” shall be substituted.

4. For section 10 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 10.

“10. (1) The period of work of an adult employee in an establishment each day shall be so fixed that no period of continuous work shall exceed five hours and that no employee shall be required or allowed to work for more than five hours before he has had an interval for rest and meals of at least half an hour.

Interval for rest and meals.

(2) The time for such interval shall be fixed by the employer and intimated to the Chief Inspector a week before such fixation and shall remain operative for a period of not less than three months.”.

5. In section 16 of the principal Act, in sub-section (3),—

Amendment of section 16

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

“(i) The Government may, by notification in the Official Gazette, specify a close day for the purposes of this section and different days may be specified for different classes of shops or commercial establishments or for different areas.”;

(b) clause (ii) shall be omitted and clause (iii) shall be re-numbered as clause (ii).

6. In section 21 of the principal Act, in sub-section (2),—

Amendment of section 21.

(a) after the words “employee himself”, the words “or any official of a registered trade union authorised in writing to act on his behalf” shall be inserted;

(b) for the words “six months”, in both the places where they occur, the words “one year” shall be substituted.

7. In section 22 of the principal Act, for sub-section (1), the following sub-sections shall be substituted, namely:—

Amendment of section 22.

“(1) Every person employed in an establishment shall be entitled—

(a) after every twelve months’ continuous employment, to privilege leave for a total period of not less than fifteen days;

(b) in every year, to sickness or casual leave for a total period of not less than twelve days:

Provided that—

(i) an employee who has completed a period of four months in continuous employment, shall be entitled to not less than five days’ privilege leave for every completed period; and

(ii) an employee who has completed a period of one month in continuous employment, shall be entitled to not less than one day’s casual leave for every month:

Provided further that a watchman or caretaker who has completed a period of twelve months in continuous employment and to whom the provisions of sections 8, 10, 11, 13 and 17 do not apply by virtue of an exemption granted under section 4, shall be entitled to not less than thirty days' privilege leave.

(IA) (i) Privilege leave to which an employee is entitled under clause (a) of sub-section (1) or under any such law, contract, custom or usage, award, settlement or agreement as is referred to in section 3, or any part of such leave, if not availed of by such employee, shall be added to the privilege leave in respect of any succeeding period to which he is so entitled, so however, that the total period of such privilege leave which may be accumulated by such employee shall not at any one time exceed three times the period of privilege leave to which he is entitled after every twelve months' employment under that clause or under such law, contract, custom or usage, award, settlement or agreement.

(ii) Leave admissible under clause (b) of sub-section (1) shall not be accumulated.”.

8. For section 24 of the principal Act, the following section shall be substituted, namely:—

Substitution of
new sec-
tion for
section
24.

Contract-
ing out.

“24. Any Contract or agreement whether made before or after the commencement of the Delhi Shops and Establishments (Amendment) Act, 1970, whereby an employee relinquishes any right conferred by this Act, shall be null and void in so far as it purports to deprive him of such right.”.

Ref. by Act 56 of 1974, S. 9 and Sch. I

THE INDIAN POST OFFICE (AMENDMENT) ACT, 1970

No. 34 OF 1970

[29th August, 1970]

An Act further to amend the Indian Post Office Act, 1898.

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

1. This Act may be called the Indian Post Office (Amendment) Act, Short title. 1970.
2. Section 45 of the Indian Post Office Act, 1898, shall be re-numbered as sub-section (1) of that section, and—
 - (a) in sub-section (1) as so re-numbered, the proviso shall be omitted;
 - (b) after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

“(2) The Central Government may also make rules prescribing the maximum limit of amount up to which postal orders may be issued from time to time.”

Rep. by Act 56 of 1974, S. 9 and Sch. I

THE DELHI UNIVERSITY (AMENDMENT) ACT, 1970

No. 35 OF 1970

[4th September, 1970]

An Act further to amend the Delhi University Act, 1922.

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

Short title and commencement.

1. (1) This Act may be called the Delhi University (Amendment) Act, 1970.
(2) It shall be deemed to have come into force on the 20th day of June, 1970.

Amendment of section 4.

2. In the Delhi University Act, 1922, in section 4, in clause (2),—
(i) in sub-clause (d), the word "or" shall be inserted at the end;
(ii) after sub-clause (d), the following sub-clause shall be inserted, namely:—

"(e) have been registered by the University, subject to such conditions as may be laid down in the Statutes and Ordinances, as external candidates, being persons residing within the territorial limits to which the powers of the University extend,".

Repeal and saving.

3. (1) The Delhi University (Amendment) Ordinance, 1970, is hereby repealed.
(2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance shall be deemed to have been done or taken under the corresponding provisions of this Act.

THE APPROPRIATION (No. 3) ACT, 1970

No. 36 OF 1970

[5th September, 1970]

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 1970-71.

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

1. This Act may be called the Appropriation (No. 3) Act, 1970. Short title.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two hundred and fifteen crores, fifty-seven lakhs and twenty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services specified in column 2 of the Schedule. Issue of Rs. 2,15,57, 24,000 out of the Consolidated Fund of India for the year 1970-71.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year. Appropriation.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
5	Defence Services—Non-Effective		7,000	7,000
9	Survey of India	...	1,000	1,000
22	Kolar Gold Mines	...	11,60,000	11,60,000
25	Other Revenue Expenditure of the Ministry of Finance		1,000	1,000
30	Agriculture	1,000	..	1,000
33	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation	1,20,00,000	..	1,20,00,000
35	Foreign Trade	4,01,000	..	4,01,000
58	Industries	..	25,00,000	25,00,000
60	Other Revenue Expenditure of the Ministry of Industrial Development, Internal Trade and Company Affairs	1,00,000	..	6,00,000
69	Labour and Employment	1,000	..	1,000
70	Expenditure on Displaced Persons	3,00,00,000	..	3,00,00,000
78	Roads	93,00,000	..	93,00,000
79	Mercantile Marine	..	5,000	5,000
85	Supplies and Disposals	..	4,36,000	4,36,000
100	Other Revenue Expenditure of the Department of Social Welfare	15,00,000	..	15,00,000
108	Capital Outlay on Currency and Coinage	1,50,00,00,000	..	1,50,00,00,000
111	Commuted Value of Pensions	1,15,000	..	1,15,000
112	Other Capital Outlay on the Ministry of Finance	43,66,67,000	..	43,66,67,000
114	Loans and Advances by the Central Government	7,32,44,000	..	7,32,44,000
117	Capital Outlay of the Ministry of Foreign Trade	50,00,000	..	50,00,000
127	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation	32,85,000	..	32,85,000
TOTAL		2,15,16,14,000	41,10,000	2,15,57,24,000

THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title, extent, commencement and application.
2. Definitions.

CHAPTER II

THE ADVISORY BOARDS

3. Central Advisory Board.
4. State Advisory Board.
5. Power to constitute committees.

CHAPTER III

REGISTRATION OF ESTABLISHMENTS EMPLOYING CONTRACT LABOUR

6. Appointment of registering officers.
7. Registration of certain establishments.
8. Revocation of registration in certain cases.
9. Effect of non-registration.
10. Prohibition of employment of contract labour.

CHAPTER IV

LICENSING OF CONTRACTORS

11. Appointment of licensing officers.
12. Licensing of contractors.
13. Grant of licences.
14. Revocation, suspension and amendment of licences.
15. Appeal.

CHAPTER V**WELFARE AND HEALTH OF CONTRACT LABOUR****SECTIONS**

16. Canteens.
17. Rest-rooms.
18. Other facilities.
19. First-aid facilities.
20. Liability of principal employer in certain cases.
21. Responsibility for payment of wages.

CHAPTER VI**PENALTIES AND PROCEDURE**

22. Obstructions.
23. Contravention of provisions regarding employment of contract labour.
24. Other offences.
25. Offences by companies.
26. Cognizance of offences.
27. Limitation of prosecutions.

CHAPTER VII**MISCELLANEOUS**

28. Inspecting staff.
29. Registers and other records to be maintained.
30. Effect of laws and agreements inconsistent with this Act.
31. Power to exempt in special cases.
32. Protection of action taken under this Act.
33. Power to give directions.
34. Power to remove difficulties.
- 35. Power to make rules.

THE CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

No. 37 OF 1970

[5th September, 1970]

An Act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Contract Labour (Regulation and Abolition) Act, 1970. Short title, extent, commencement and application.
(2) It extends to the whole of India.
(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act.
(4) It applies—

- (a) to every establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour;
(b) to every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen;

Provided that the appropriate Government may, after giving not less than two months' notice of its intention so to do, by notification in the Official Gazette, apply the provisions of this Act to any establishment or contractor employing such number of workmen less than twenty as may be specified in the notification.

- (5) (a) It shall not apply to establishments in which work only of an intermittent or casual nature is performed.
(b) If a question arises whether work performed in an establishment is of an intermittent or casual nature, the appropriate Government shall decide that question after consultation with the Central Board or, as the case may be, a State Board, and its decision shall be final.

Explanation.—For the purpose of this sub-section, work performed in an establishment shall not be deemed to be of an intermittent nature—

- (i) if it was performed for more than one hundred and twenty days in the preceding twelve months, or
- (ii) if it is of a seasonal character and is performed for more than sixty days in a year.

Definitions.

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

(a) “appropriate Government” means,—

(1) in relation to—

(i) any establishment pertaining to any industry carried on by or under the authority of the Central Government, or pertaining to any such controlled industry as may be specified in this behalf by the Central Government, or

(ii) any establishment of any railway, Cantonment Board, major port, mine or oil-field, or

(iii) any establishment of a banking or insurance company,

the Central Government,

(2) in relation to any other establishment, the Government of the State in which that other establishment is situated;

(b) a workman shall be deemed to be employed as “contract labour” in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer;

(c) “contractor”, in relation to an establishment, means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods or articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a subcontractor;

(d) “controlled industry” means any industry the control of which by the Union has been declared by any Central Act to be expedient in the public interest;

(e) “establishment” means—

(i) any office or department of the Government or a local authority, or

(ii) any place where any industry, trade, business, manufacture or occupation is carried on;

(f) “prescribed” means prescribed by rules made under this Act;

(g) “principal employer” means—

(i) in relation to any office or department of the Government or a local authority, the head of that office or department or such other officer as the Government or the local authority, as the case may be, may specify in this behalf.

- 63 of 1948.
- (ii) in a factory, the owner or occupier of the factory and where a person has been named as the manager of the factory under the Factories Act, 1948, the person so named;
 - (iii) in a mine, the owner or agent of the mine and where a person has been named as the manager of the mine, the person so named;
 - (iv) in any other establishment, any person responsible for the supervision and control of the establishment.

35 of 1952.

Explanation.—For the purpose of sub-clause (iii) of this clause, the expressions "mine", "owner" and "agent" shall have the meanings respectively assigned to them in clause (j), clause (l) and clause (c) of sub-section (1) of section 2 of the Mines Act, 1952;

4 of 1936.

(h) "wages" shall have the meaning assigned to it in clause (vi) of section 2 of the Payment of Wages Act, 1936;

(i) "workman" means any person employed in or in connection with the work of any establishment to do any skilled, semi-skilled or un-skilled manual, supervisory, technical or clerical work for hire or reward, whether the terms of employment be express or implied, but does not include any such person—

(A) who is employed mainly in a managerial or administrative capacity; or

(B) who, being employed in a supervisory capacity draws wages exceeding five hundred rupees per mensem or exercises, either by the nature of the duties attached to the office or by reason of the powers vested in him, functions mainly of a managerial nature; or

(C) who is an out-worker, that is to say, a person to whom any articles or materials are given out by or on behalf of the principal employer to be made up, cleaned, washed, altered, ornamented, finished, repaired, adapted or otherwise processed for sale for the purposes of the trade or business of the principal employer and the process is to be carried out either in the home of the out-worker or in some other premises, not being premises under the control and management of the principal employer.

(2) Any reference in this Act to a law which is not in force in the State of Jammu and Kashmir shall, in relation to that State, be construed as a reference to the corresponding law, if any, in force in that State.

CHAPTER II

THE ADVISORY BOARDS

3. (1) The Central Government shall, as soon as may be, constitute a board to be called the Central Advisory Contract Labour Board (hereinafter referred to as the Central Board) to advise the Central Government on such matters arising out of the administration of this Act as may be referred to it and to carry out other functions assigned to it under this Act.

(2) The Central Board shall consist of—

(a) a Chairman to be appointed by the Central Government;

(b) the Chief Labour Commissioner (Central), *ex officio*;

(c) such number of members, not exceeding seventeen but not less than eleven, as the Central Government may nominate to represent that Government, the Railways, the coal industry, the mining industry, the contractors, the workmen and any other interests which, in the opinion of the Central Government, ought to be represented on the Central Board.

(3) The number of persons to be appointed as members from each of the categories specified in sub-section (2), the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the Central Board shall be such as may be prescribed:

Provided that the number of members nominated to represent the workmen shall not be less than the number of members nominated to represent the principal employers and the contractors.

**State
Advisory
Board.**

4. (1) The State Government may constitute a board to be called the State Advisory Contract Labour Board (hereinafter referred to as the State Board) to advise the State Government on such matters arising out of the administration of this Act as may be referred to it and to carry out other functions assigned to it under this Act.

(2) The State Board shall consist of—

(a) a Chairman to be appointed by the State Government;

(b) the Labour Commissioner, *ex officio*, or in his absence any other officer nominated by the State Government in that behalf;

(c) such number of members, not exceeding eleven but not less than nine, as the State Government may nominate to represent that Government, the industry, the contractors, the workmen and any other interests which, in the opinion of the State Government, ought to be represented on the State Board.

(3) The number of persons to be appointed as members from each of the categories specified in sub-section (2), the term of office and other conditions of service of, the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the State Board shall be such as may be prescribed:

Provided that the number of members nominated to represent the workmen shall not be less than the number of members nominated to represent the principal employers and the contractors.

**Power to
consti-
tute com-
mittees.**

5. (1) The Central Board or the State Board, as the case may be, may constitute such committees and for such purpose or purposes as it may think fit.

(2) The committee constituted under sub-section (1) 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.

(3) The members of a committee shall be paid such fees and allowances for attending its meetings as may be prescribed:

Provided that no fees shall be payable to a member who is an officer of Government or of any corporation established by any law for the time being in force.

CHAPTER III

REGISTRATION OF ESTABLISHMENTS EMPLOYING CONTRACT LABOUR

6. The appropriate Government may, by an order notified in the Appoint-
Official Gazette—
ment of
register-
ing
officers.

(a) appoint such persons, being Gazetted Officers of Government, as it thinks fit to be registering officers for the purposes of this Chapter; and

(b) define the limits, within which a registering officer shall exercise the powers conferred on him by or under this Act.

7. (1) Every principal employer of an establishment to which this Act applies shall, within such period as the appropriate Government may, by notification in the Official Gazette, fix in this behalf with respect to establishments generally or with respect to any class of them, make an application to the registering officer in the prescribed manner for registration of certain establish-
ments.

Provided that the registering officer may entertain any such application for registration after expiry of the period fixed in this behalf, if the registering officer is satisfied that the applicant was prevented by sufficient cause from making the application in time.

(2) If the application for registration is complete in all respects, the registering officer shall register the establishment and issue to the principal employer of the establishment a certificate of registration containing such particulars as may be prescribed.

8. If the registering officer is satisfied, either on a reference made to him in this behalf or otherwise, that the registration of any establishment has been obtained by misrepresentation or suppression of any material fact, or that for any other reason the registration has become useless or ineffective and, therefore, requires to be revoked, the registering officer may, after giving an opportunity to the principal employer of the establishment to be heard and with the previous approval of the appropriate Government, revoke the registration.

9. No principal employer of an establishment, to which this Act applies, shall—
Revoca-
tion of
registra-
tion in
certain
cases.

(a) in the case of an establishment required to be registered under section 7, but which has not been registered within the time fixed for the purpose under that section,

(b) in the case of an establishment the registration in respect of which has been revoked under section 8,

employ contract labour in the establishment after the expiry of the period referred to in clause (a) or after the revocation of registration referred to in clause (b), as the case may be.

Effect of
non-regis-
tration:

Prohibition of employment of contract labour.

10. (1) Notwithstanding anything contained in this Act, the appropriate Government may, after consultation with the Central Board or, as the case may be, a State Board, prohibit, by notification in the Official Gazette, employment of contract labour in any process, operation or other work in any establishment.

(2) Before issuing any notification under sub-section (1) in relation to an establishment, the appropriate Government shall have regard to the conditions of work and benefits provided for the contract labour in that establishment and other relevant factors, such as—

- (a) whether the process, operation or other work is incidental to, or necessary for the industry, trade, business, manufacture or occupation that is carried on in the establishment;
- (b) whether it is of perennial nature, that is to say, it is of sufficient duration having regard to the nature of industry, trade, business, manufacture or occupation carried on in that establishment;
- (c) whether it is done ordinarily through regular workmen in that establishment or an establishment similar thereto;
- (d) whether it is sufficient to employ considerable number of whole-time workmen.

Explanation.—If a question arises whether any process or operation or other work is of perennial nature, the decision of the appropriate Government thereon shall be final.

CHAPTER IV

LICENSING OF CONTRACTORS

Appointment of licensing officers.

11. The appropriate Government may, by an order notified in the Official Gazette,—

- (a) appoint such persons, being Gazetted Officers of Government, as it thinks fit to be licensing officers for the purposes of this Chapter; and
- (b) define the limits, within which a licensing officer shall exercise the powers conferred on licensing officers by or under this Act.

Licensing of contractors.

12. (1) With effect from such date as the appropriate Government may, by notification in the Official Gazette, appoint, no contractor to whom this Act applies, shall undertake or execute any work through contract labour except under and in accordance with a licence issued in that behalf by the licensing officer.

(2) Subject to the provisions of this Act, a licence under sub-section (1) may contain such conditions including, in particular, conditions as to hours of work, fixation of wages and other essential amenities in respect of contract labour as the appropriate Government may deem fit to impose in accordance with the rules, if any, made under section 35

and shall be issued on payment of such fees and on the deposit of such sum, if any, as security for the due performance of the conditions as may be prescribed.

13. (1) Every application for the grant of a licence under sub-section Grant of (1) of section 12 shall be made in the prescribed form and shall contain licences. the particulars regarding the location of the establishment, the nature of process, operation or work for which contract labour is to be employed and such other particulars as may be prescribed.

(2) The licensing officer may make such investigation in respect of the application received under sub-section (1) and in making any such investigation the licensing officer shall follow such procedure as may be prescribed.

(3) A licence granted under this Chapter shall be valid for the period specified therein and may be renewed from time to time for such period and on payment of such fees and on such conditions as may be prescribed.

14. (1) If the licensing officer is satisfied, either on a reference made Revocation, suspension and amendment of licences. to him in this behalf or otherwise, that—

(a) a licence granted under section 12 has been obtained by misrepresentation or suppression of any material fact, or

(b) the holder of a licence has, without reasonable cause, failed to comply with the conditions subject to which the licence has been granted or has contravened any of the provisions of this Act or the rules made thereunder,

then, without prejudice to any other penalty to which the holder of the licence may be liable under this Act, the licensing officer may, after giving the holder of the licence an opportunity of showing cause, revoke or suspend the licence or forfeit the sum, if any, or any portion thereof deposited as security for the due performance of the conditions subject to which the licence has been granted.

(2) Subject to any rules that may be made in this behalf, the licensing officer may vary or amend a licence granted under section 12.

15. (1) Any person aggrieved by an order made under section 7, Appeal. section 8, section 12 or section 14 may, within thirty days from the date on which the order is communicated to him, prefer an appeal to an appellate officer who shall be a person nominated in this behalf by the appropriate Government :

Provided that the appellate officer may entertain the appeal after the expiry of the said period of thirty days, if he is satisfied that the appellant was prevented by sufficient cause from filing the appeal in time.

(2) On receipt of an appeal under sub-section (1), the appellate officer shall, after giving the appellant an opportunity of being heard dispose of the appeal as expeditiously as possible.

CHAPTER V

WELFARE AND HEALTH OF CONTRACT LABOUR

Canteens.

16. (1) The appropriate Government may make rules requiring that in every establishment—

(a) to which this Act applies,

(b) wherein work requiring employment of contract labour is likely to continue for such period as may be prescribed, and

(c) wherein contract labour numbering one hundred or more is ordinarily employed by a contractor,

one or more canteens shall be provided and maintained by the contractor for the use of such contract labour.

(2) Without prejudice to the generality of the foregoing power, such rules may provide for—

(a) the date by which the canteens shall be provided;

(b) the number of canteens that shall be provided, and the standards in respect of construction, accommodation, furniture and other equipment of the canteens; and

(c) the foodstuffs which may be served therein and the charges which may be made therefor.

Rest-rooms.

17. (1) In every place wherein contract labour is required to halt at night in connection with the work of an establishment—

(a) to which this Act applies, and

(b) in which work requiring employment of contract labour is likely to continue for such period as may be prescribed,

there shall be provided and maintained by the contractor for the use of the contract labour such number of rest-rooms or such other suitable alternative accommodation within such time as may be prescribed.

(2) The rest-rooms or the alternative accommodation to be provided under sub-section (1) shall be sufficiently lighted and ventilated and shall be maintained in a clean and comfortable condition.

Other facilities.

18. It shall be the duty of every contractor employing contract labour in connection with the work of an establishment to which this Act applies, to provide and maintain—

(a) a sufficient supply of wholesome drinking water for the contract labour at convenient places;

(b) a sufficient number of latrines and urinals of the prescribed types so situated as to be convenient and accessible to the contract labour in the establishment; and

(c) washing facilities.

First-aid facilities.

19. There shall be provided and maintained by the contractor so as to be readily accessible during all working hours a first-aid box equipped with the prescribed contents at every place where contract labour is employed by him.

20. (1) If any amenity required to be provided under section 16, section 17, section 18 or section 19 for the benefit of the contract labour employed in an establishment is not provided by the contractor within the time prescribed therefor, such amenity shall be provided by the principal employer within such time as may be prescribed.

of prin-
cipal em-
ployer in
certain
cases.

(2) All expenses incurred by the principal employer in providing the amenity may be recovered by the principal employer from the contractor either by deduction from any amount payable to the contractor under any contract or as a debt payable by the contractor.

21. (1) A contractor shall be responsible for payment of wages to each worker employed by him as contract labour and such wages shall be paid before the expiry of such period as may be prescribed.

Respon-
sibility for
payment
of wages.

(2) Every principal employer shall nominate a representative duly authorised by him to be present at the time of disbursement of wages by the contractor and it shall be the duty of such representative to certify the amounts paid as wages in such manner as may be prescribed.

(3) It shall be the duty of the contractor to ensure the disbursement of wages in the presence of the authorised representative of the principal employer.

(4) In case the contractor fails to make payment of wages within the prescribed period or makes short payment, then the principal employer shall be liable to make payment of wages in full or the unpaid balance due, as the case may be, to the contract labour employed by the contractor and recover the amount so paid from the contractor either by deduction from any amount payable to the contractor under any contract or as a debt payable by the contractor.

CHAPTER VI

PENALTIES AND PROCEDURE

22. (1) Whoever obstructs an inspector in the discharge of his duties under this Act or refuses or wilfully neglects to afford the inspector any reasonable facility for making any inspection, examination, inquiry or investigation authorised by or under this Act in relation to an establishment to which, or a contractor to whom, this Act applies, 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.

(2) Whoever wilfully refuses to produce on the demand of an inspector any register or other document kept in pursuance of this Act or prevents or attempts to prevent or does any thing which he has 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 imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both.

Contra-
vention of
provisions
regard-
ing em-
ployment
of con-
tract
labour.

23. Whoever contravenes any provision of this Act or of any rules made thereunder prohibiting, restricting or regulating the employment of contract labour, or contravenes any condition of a licence granted under this Act, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both, and in the case of a continuing contravention with an additional fine which may extend to one hundred rupees for every day during which such contravention continues after conviction for the first such contravention.

Other
offences.

24. If any person contravenes any of the provisions of this Act or of any rules made thereunder for which no other penalty is elsewhere provided, he shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to one thousand rupees, or with both.

Offences
by com-
panies.

25. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, managing agent or any other officer of the company, such director, manager, managing agent or such other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

Explanation.—For the purpose of this section—

(a) "company" means any body corporate and includes a firm or other association of individuals; and

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

Cogniz-
ance of
offences.

26. No court shall take cognizance of any offence under this Act except on a complaint made by, or with the previous sanction in writing of, the inspector and no court inferior to that of a Presidency Magistrate or a magistrate of the first class shall try any offence punishable under this Act.

Limita-
tion of
prose-
cutions.

27. No court shall take cognizance of an offence punishable under this Act unless the complaint thereof is made within three months from the date on which the alleged commission of the offence came to the knowledge of an inspector.

Provided that where the offence consists of disobeying a written order made by an inspector, complaint thereof may be made within six months of the date on which the offence is alleged to have been committed.

CHAPTER VII

MISCELLANEOUS

28. (1) The appropriate Government may, by notification in the Official Gazette, appoint such persons as it thinks fit to be inspectors for the purposes of this Act, and define the local limits within which they shall exercise their powers under this Act.

(2) Subject to any rules made in this behalf, an inspector may, within the local limits for which he is appointed—

(a) enter, at all reasonable hours, with such assistance (if any), being persons in the service of the Government or any local or other public authority as he thinks fit, any premises or place where contract labour is employed, for the purpose of examining any register or record or notices required to be kept or exhibited by or under this Act or rules made thereunder, and require the production thereof for inspection;

(b) examine any person whom he finds in any such premises or place and who, he has reasonable cause to believe, is a workman employed therein;

(c) require any person giving out work and any workman, to give any information, which is in his power to give with respect to the names and addresses of the persons to, for and from whom the work is given out or received, and with respect to the payments to be made for the work;

(d) seize or take copies of such register, record of wages or notices 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 the principal employer or contractor; and

(e) exercise such other powers as may be prescribed.

(3) Any person required to produce any document or thing or to give any information required by an inspector under sub-section (2) shall be deemed to be legally bound to do so within the meaning of section 175 and section 176 of the Indian Penal Code.

45 of 1860.

5 of 1898.

(4) The provisions of the Code of Criminal Procedure, 1898, shall, so far as may be, apply to any search or seizure under sub-section (2) as they apply to any search or seizure made under the authority of a warrant issued under section 98 of the said Code.

29. (1) Every principal employer and every contractor shall maintain such registers and records giving such particulars of contract labour employed, the nature of work performed by the contract labour, the rates of wages paid to the contract labour and such other particulars in such form as may be prescribed.

(2) Every principal employer and every contractor shall keep exhibited in such manner as may be prescribed within the premises of

Registers
and
other
records
to be
maintain-
ed.

the establishment where the contract labour is employed, notices in the prescribed form containing particulars about the hours of work, nature of duty and such other information as may be prescribed.

Effect of laws and agreements inconsistent with this Act.

30. (1) The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law or in the terms of any agreement or contract of service, or in any standing orders applicable to the establishment whether made before or after the commencement of this Act:

Provided that where under any such agreement, contract of service or standing orders the contract labour employed in the establishment are entitled to benefits in respect of any matter which are more favourable to them than those to which they would be entitled under this Act, the contract labour shall continue to be entitled to the more favourable benefits in respect of that matter, notwithstanding that they receive benefits in respect of other matters under this Act.

(2) Nothing contained in this Act shall be construed as precluding any such contract labour from entering into an agreement with the principal employer or the contractor, as the case may be, for granting them rights or privileges in respect of any matter which are more favourable to them than those to which they would be entitled under this Act.

Power to exempt in special cases.

31. The appropriate Government may, in the case of an emergency, direct, by notification in the Official Gazette, that subject to such conditions and restrictions, if any, and for such period or periods, as may be specified in the notification, all or any of the provisions of this Act or the rules made thereunder shall not apply to any establishment or class of establishments or any class of contractors.

Protection of action taken under this Act.

32. (1) No suit, prosecution or other legal proceedings shall lie against any registering officer, licensing officer or any other Government servant or against any member of the Central Board or the State Board, as the case may be, for anything which is in good faith done or intended to be done in pursuance of this Act or any rule or order made thereunder.

(2) No suit or other legal proceeding shall lie against the Government for any 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 rule or order made thereunder.

Power to give directions.

33. The Central Government may give directions to the Government of any State as to the carrying into execution in the State of the provisions contained in this Act.

Power to remove difficulties.

34. If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act, as appears to it to be necessary or expedient for removing the difficulty.

Power to make rules.

35. (1) The appropriate Government may, subject to the condition of previous publication, 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 number of persons to be appointed as members representing various interests on the Central Board and the State Board, the term of their office and other conditions of service, the procedure to be followed in the discharge of their functions and the manner of filling vacancies;

(b) the times and places of the meetings of any committee constituted under this Act, the procedure to be followed at such meetings including the quorum necessary for the transaction of business, and the fees and allowances that may be paid to the members of a committee;

(c) the manner in which establishments may be registered under section 7, the levy of a fee therefor and the form of certificate of registration;

(d) the form of application for the grant or renewal of a licence under section 13 and the particulars it may contain;

(e) the manner in which an investigation is to be made in respect of an application for the grant of a licence and the matters to be taken into account in granting or refusing a licence;

(f) the form of a licence which may be granted or renewed under section 12 and the conditions subject to which the licence may be granted or renewed, the fees to be levied for the grant or renewal of a licence and the deposit of any sum as security for the performance of such conditions;

(g) the circumstances under which licences may be varied or amended under section 14;

(h) the form and manner in which appeals may be filed under section 15 and the procedure to be followed by appellate officers in disposing of the appeals;

(i) the time within which facilities required by this Act to be provided and maintained may be so provided by the contractor and in case of default on the part of the contractor, by the principal employer;

(j) the number and types of canteens, rest-rooms, latrines and urinals that should be provided and maintained;

(k) the type of equipment that should be provided in the first-aid boxes;

(l) the period within which wages payable to contract labour should be paid by the contractor under sub-section (1) of section 21;

204 *Contract Labour (Regulation and Abolition)* [ACT 37 OF 1970]

- (m) the form of registers and records to be maintained by principal employers and contractors;
- (n) the submission of returns, forms in which, and the authorities to which, such returns may be submitted;
- (o) the collection of any information or statistics in relation to contract labour; and
- (p) any other matter which has to be, or may be, prescribed under this Act.

(3) Every rule made by the Central Government under this Act shall be laid as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two 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.

THE APPROPRIATION (RAILWAYS) NO. 3 ACT, 1970

No. 38 OF 1970

[5th September, 1970.]

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 1970-71 for the purposes of railways.

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

1. This Act may be called the Appropriation (Railways) No. 3 Act, Short title. 1970.
2. From and out of the Consolidated Fund of India there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of two lakhs and seventy-three thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services relating to railways specified in column 2 of the Schedule.
3. The sums authorised to be paid and applied from and out of the Consolidated Fund of India by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consol- idated Fund	Total
		Rs.	Rs.	Rs.
2	Miscellaneous Expenditure	2,000		2,000
5	Working Expenses—Repairs and Maintenance	..	6,000	6,000
8	Working Expenses—Operation other than Staff and Fuel	..	74,000	74,000
14	Construction of New Lines—Capital and Depre- ciation Reserve Fund	..	1,91,000	1,91,000
	TOTAL	2,000	2,71,000	2,73,000

THE PATENTS ACT, 1970

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title, extent and commencement.
2. Definitions and interpretation.

CHAPTER II

INVENTIONS NOT PATENTABLE

3. What are not inventions.
4. Inventions relating to atomic energy not patentable.
5. Inventions where only methods or processes of manufacture patentable.

CHAPTER III

APPLICATIONS FOR PATENTS

6. Persons entitled to apply for patents.
7. Form of application.
8. Information and undertaking regarding foreign applications.
9. Provisional and complete specifications.
10. Contents of specifications.
11. Priority dates of claims of a complete specification.

CHAPTER IV

EXAMINATION OF APPLICATIONS

12. Examination of application.
13. Search for anticipation by previous publication and by prior claim.
14. Consideration of report of examiner by Controller.
15. Power of Controller to refuse or require amended applications in certain cases.

SECTIONS

16. Power of Controller to make orders respecting division of application.
17. Power of Controller to make orders respecting dating of application.
18. Powers of Controller in cases of anticipation.
19. Powers of Controller in case of potential infringement.
20. Powers of Controller to make orders regarding substitution of applicants, etc.
21. Time for putting application in order for acceptance.
22. Acceptance of complete specification.
23. Advertisement of acceptance of complete specification.
24. Effect of acceptance of complete specification.

CHAPTER V**OPPOSITION TO GRANT OF PATENT**

25. Opposition to grant of patent.
26. In cases of "obtaining" Controller may treat application as application of opponent.
27. Refusal of patent without opposition.
28. Mention of inventor as such in patent.

CHAPTER VI**ANTICIPATION**

29. Anticipation by previous publication.
30. Anticipation by previous communication to Government.
31. Anticipation by public display, etc.
32. Anticipation by public working.
33. Anticipation by use and publication after provisional specification.
34. No anticipation if circumstances are only as described in sections 29, 30, 31 and 32.

CHAPTER VII**PROVISIONS FOR SECRECY OF CERTAIN INVENTIONS**

35. Secrecy directions relating to inventions relevant for defence purposes.
36. Secrecy directions to be periodically reviewed.
37. Consequences of secrecy directions.
38. Revocation of secrecy directions and extension of time.

SECTIONS

39. Residents not to apply for patents outside India without prior permission.
40. Liability for contravention of section 35 or section 39.
41. Finality of orders of Controller and Central Government.
42. Savings respecting disclosure to Government.

CHAPTER VIII

GRANT AND SEALING OF PATENTS AND RIGHTS CONFERRED THEREBY

43. Grant and sealing of patent.
44. Amendment of patent granted to deceased applicant.
45. Date of patent.
46. Form, extent and effect of patent.
47. Grant of patents to be subject to certain conditions.
48. Rights of patentees.
49. Patent rights not infringed when used on foreign vessels, etc., temporarily or accidentally in India.
50. Rights of co-owners of patents.
51. Power of Controller to give directions to co-owners.
52. Grant of patent to true and first inventor where it has been obtained by another in fraud of him.
53. Term of patent.

CHAPTER IX

PATENTS OF ADDITION

54. Patents of addition.
55. Term of patents of addition.
56. Validity of patents of addition.

CHAPTER X

AMENDMENT OF APPLICATIONS AND SPECIFICATION

57. Amendment of application and specification before Controller.
58. Amendment of specification before High Court.
59. Supplementary provisions as to amendment of application or specification.

*Arrangement of Sections***CHAPTER XI****RESTORATION OF LAPSED PATENTS****SECTIONS**

60. Applications for restoration of lapsed patents.
61. Procedure for disposal of applications for restoration of lapsed patents.
62. Rights of patentees of lapsed patents which have been restored.

CHAPTER XII**SURRENDER AND REVOCATION OF PATENTS**

63. Surrender of patents.
64. Revocation of patents.
65. Revocation of patent or amendment of complete specification on directions from Central Government in cases relating to atomic energy.
66. Revocation of patent in public interest.

CHAPTER XIII**REGISTER OF PATENTS**

67. Register of patents and particulars to be entered therein.
68. Assignments, etc., not to be valid unless in writing and registered.
69. Registration of assignments, transmissions, etc.
70. Power of registered grantee or proprietor to deal with patent.
71. Rectification of register by High Court.
72. Register to be open for inspection.

CHAPTER XIV**PATENT OFFICE AND ITS ESTABLISHMENT**

73. Controller and other officers.
74. Patent office and its branches.
75. Restriction on employees of patent office as to right or interest in patents.
76. Officers and employees not to furnish information, etc.

CHAPTER XV**POWERS OF CONTROLLER GENERALLY**

77. Controller to have certain powers of a civil court.
78. Power of Controller to correct clerical errors, etc.
79. Evidence how to be given and powers of Controller in respect thereof.

SECTIONS

80. Exercise of discretionary powers by Controller.
81. Disposal by Controller of applications for extension of time.

CHAPTER XVI

WORKING OF PATENTS, COMPULSORY LICENCES, LICENCES OF RIGHT AND REVOCATION

82. Definitions of "patented articles" and "patentee".
83. General principles applicable to working of patented inventions.
84. Compulsory licences.
85. Matters to be taken into account in granting compulsory licences.
86. Endorsement of patent with the words "Licences of right".
87. Certain patents deemed to be endorsed with the words "Licences of right".
88. Effect of endorsement of patent with the words "Licences of right".
89. Revocation of patents by the Controller for non-working.
90. When reasonable requirements of the public deemed not satisfied.
91. Power of Controller to adjourn applications for compulsory licences, etc., in certain cases.
92. Procedure for dealing with applications under sections 84, 86 and 89.
93. Powers of Controller in granting compulsory licences.
94. General purposes for granting compulsory licences.
95. Terms and conditions of compulsory licences.
96. Licensing of related patents.
97. Special provision for compulsory licences on notification by Central Government.
98. Order for licence to operate as a deed between parties concerned.

CHAPTER XVII

USE OF INVENTIONS FOR PURPOSES OF GOVERNMENT AND ACQUISITION OF INVENTIONS BY CENTRAL GOVERNMENT

99. Meaning of use of invention for purposes of Government.
100. Power of Central Government to use inventions for purposes of Government.
101. Rights of third parties in respect of use of invention for purposes of Government.
102. Acquisition of inventions and patents by the Central Government.

SECTIONS

103. Reference to High Court of disputes as to use for purposes of Government.

CHAPTER XVIII**SUITS CONCERNING INFRINGEMENT OF PATENTS**

104. Jurisdiction.
105. Power of court to make declaration as to non-infringement.
106. Power of court to grant relief in cases of groundless threats of infringement proceedings.
107. Defences, etc., in suits for infringement.
108. Reliefs in suits for infringement.
109. Right of exclusive licensee to take proceedings against infringement.
110. Right of licensee under section 84 to take proceedings against infringement.
111. Restriction on power of court to grant damages or account of profits for infringement.
112. Restriction on power of court to grant injunction in certain cases.
113. Certificate of validity of specification and costs of subsequent suits for infringement thereof.
114. Relief for infringement of partially valid specification.
115. Scientific advisers.

CHAPTER XIX**APPEALS**

116. Appeals.
117. Procedure for hearing of appeals.

CHAPTER XX**PENALTIES**

118. Contravention of secrecy provisions relating to certain inventions.
119. Falsification of entries in register, etc.
120. Unauthorised claim of patent rights.
121. Wrongful use of words "patent office".
122. Refusal or failure to supply information.
123. Practice by non-registered patent agents.

SECTIONS

124. Offences by companies.

CHAPTER XXI

PATENT AGENTS

125. Register of patent agents.
126. Qualifications for registration as patent agents.
127. Rights of patent agents.
128. Subscription and verification of certain documents by patent agents.
129. Restrictions on practice as patent agents.
130. Removal from register of patent agents and restoration.
131. Power of Controller to refuse to deal with certain agents.
132. Savings in respect of other persons authorised to act as agents.

CHAPTER XXII

INTERNATIONAL ARRANGEMENTS

133. Notification as to convention countries.
134. Notification as to countries not providing for reciprocity.
135. Convention applications.
136. Special provisions relating to convention applications.
137. Multiple priorities.
138. Supplementary provisions as to convention applications.
139. Other provisions of Act to apply to convention applications.

CHAPTER XXIII

MISCELLANEOUS

140. Avoidance of certain restrictive conditions.
141. Determination of certain contracts.
142. Fees.
143. Restrictions upon publication of specifications.
144. Reports of examiners to be confidential.
145. Publication of patented inventions.
146. Power of Controller to call for information from patentees.
147. Evidence of entries, documents, etc.
148. Declaration by infant, lunatic, etc.
149. Service of notices, etc., by post.
150. Security for costs.

SECTIONS

151. Transmission of orders of courts to Controller.
152. Transmission of copies of specifications, etc., and inspection thereof.
153. Information relating to patents.
154. Loss or destruction of patents.
155. Reports of Controller to be placed before Parliament.
156. Patent to bind Government.
157. Right of Government to sell or use forfeited articles.
158. Power of High Courts to make rules.
159. Power of Central Government to make rules.
160. Rules to be placed before Parliament.
161. Special provisions with respect of certain applications deemed to have been refused under Act 2 of 1911.
162. Repeal of Act 2 of 1911 in so far as it relates to patents and savings.
163. Amendment of Act 43 of 1958.

THE SCHEDULE.

THE PATENTS ACT, 1970

No. 39 OF 1970



[19th September, 1970.]

An Act to amend and consolidate the law relating to patents

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Patents Act, 1970.
(2) It extends to the whole of India.
(3) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint:

Provided that different dates may be appointed for different provisions of this Act, and any reference in any such provision to the commencement of this Act shall be construed as a reference to the coming into force of that provision.

2. (1) In this Act, unless the context otherwise requires,—
 - (a) "assignee" includes the legal representative of a deceased assignee, and references to the assignee of any person include references to the assignee of the legal representative or assignee of that person;
 - (b) "Controller" means the Controller General of Patents, Designs and Trade Marks referred to in section 73;
 - (c) "convention application" means an application for a patent made by virtue of section 135;
 - (d) "convention country" means a country notified as such under sub-section (1) of section 133;

Definitions
extent and
commencement.

Definitions
and inter-
pretation.

(e) "district court" has the meaning assigned to that expression by the Code of Civil Procedure, 1908;

5 of 1008.

(f) "exclusive licence" means a licence from a patentee which confers on the licensee, or on the licensee and persons authorised by him, to the exclusion of all other persons (including the patentee), any right in respect of the patented invention, and "exclusive licensee" shall be construed accordingly;

(g) "food" means any article of nourishment and includes any substance intended for the use of babies, invalids or convalescents as an article of food or drink;

(h) "Government undertaking" means any industrial undertaking carried on—

(i) by a department of the Government, or

(ii) by a corporation established by a Central, Provincial or State Act, which is owned or controlled by the Government, or

(iii) by a Government company as defined in section 617 of the Companies Act, 1956,

1 of 1956.

and includes the Council of Scientific and Industrial Research and any other institution which is financed wholly or for the major part by the said Council;

(i) "High Court" means,—

(i) in relation to the Union territory of Delhi ~~and the Union territory of Himachal Pradesh~~, the High Court of Delhi;

(ii) in relation to the Union territory of Manipur and ~~the Union territory of Tripura~~, the High Court of Assam;

(iii) in relation to the Union territory of the Andaman and Nicobar Islands, the High Court at Calcutta;

(iv) in relation to the Union territory of the ~~Laccadive, Minicoy and Aminidivi Islands~~, the High Court of Kerala;

(v) in relation to the Union territory of Goa, Daman and Diu and the Union territory of Dadra and Nagar Haveli, the High Court at Bombay;

(vi) in relation to the Union territory of Pondicherry, the High Court at Madras;

(vii) in relation to the Union territory of Chandigarh, the High Court of Punjab and Haryana; and

*S. 5. by the Laccadive, Minicoy and Aminidivi Islands
(Alteration of Name) Adaptation of Laws Order 1974 (w.e.f. 1.11.1974)*

(viii) in relation to any other State, the High Court for that State;

(j) "invention" means any new and useful—

- (i) art, process, method or manner of manufacture;
- (ii) machine, apparatus or other article;
- (iii) substance produced by manufacture,

and includes any new and useful improvement of any of them, and an alleged invention;

(k) "legal representative" means a person who in law represents the estate of a deceased person;

(l) "medicine or drug" includes—

- (i) all medicines for internal or external use of human beings or animals,
- (ii) all substances intended to be used for or in the diagnosis, treatment, mitigation or prevention of diseases in human beings or animals,
- (iii) all substances intended to be used for or in the maintenance of public health, or the prevention or control of any epidemic disease among human beings or animals,
- (iv) insecticides, germicides, fungicides, weedicides and all other substances intended to be used for the protection or preservation of plants,
- (v) all chemical substances which are ordinarily used as intermediates in the preparation or manufacture of any of the medicines or substances above referred to;

(m) "patent" means a patent granted under this Act and includes for the purposes of sections 44, 49, 50, 51, 52, 54, 55, 56, 57, 58, 63, 65, 66, 68, 69, 70, 78, 134, 140, 153, 154 and 156 and Chapters XVI, XVII, and XVIII, a patent granted under the Indian Patents and Designs Act, 1911;

(n) "patent agent" means a person for the time being registered under this Act as a patent agent;

(o) "patented article" and "patented process" mean respectively an article or process in respect of which a patent is in force;

(p) "patentee" means the person for the time being entered on the register as the grantee or proprietor of the patent;

- (q) "patent of addition" means a patent granted in accordance with section 54;
 - (r) "patent office" means the patent office referred to in section 74;
 - (s) "person" includes the Government;
 - (t) "person interested" includes a person engaged in, or in promoting, research in the same field as that to which the invention relates;
 - (u) "prescribed" means, in relation to proceedings before a High Court, prescribed by rules made by the High Court, and in other cases, prescribed by rules made under this Act;
 - (v) "prescribed manner" includes the payment of the prescribed fee;
 - (w) "priority date" has the meaning assigned to it by section 11;
 - (x) "register" means the register of patents referred to in section 67;
 - (y) "true and first inventor" does not include either the first importer of an invention into India, or a person to whom an invention is first communicated from outside India.
- (Z) In this Act, unless the context otherwise requires, any reference—
- (a) to the Controller shall be construed as including a reference to any officer discharging the functions of the Controller in pursuance of section 73;
 - (b) to the patent office shall be construed as including a reference to any branch office of the patent office.

CHAPTER II

INVENTIONS NOT PATENTABLE

What
are not
inven-
tions.

3. The following are not inventions within the meaning of this Act,—
- (a) an invention which is frivolous or which claims anything obviously contrary to well established natural laws;
 - (b) an invention the primary or intended use of which would be contrary to law or morality or injurious to public health;
 - (c) the mere discovery of a scientific principle or the formulation of an abstract theory;
 - (d) the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant

(e) a substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance;

(f) the mere arrangement or re-arrangement or duplication of known devices each functioning independently of one another in a known way;

(g) a method or process of testing applicable during the process of manufacture for rendering the machine, apparatus or other equipment more efficient or for the improvement or restoration of the existing machine, apparatus or other equipment or for the improvement or control of manufacture;

(h) a method of agriculture or horticulture;

(i) any process for the medicinal, surgical, curative, prophylactic or other treatment of human beings or any process for a similar treatment of animals or plants to render them free of disease or to increase their economic value or that of their products.

4. No patent shall be granted in respect of an invention relating to atomic energy falling within sub-section (1) of section 20 of the Atomic Energy Act, 1962.

Inventions relating to atomic energy not patentable.

5. In the case of inventions—

(a) claiming substances intended for use, or capable of being used, as food or as medicine or drug, or

(b) relating to substances prepared or produced by chemical processes (including alloys, optical glass, semi-conductors and inter-metallic compounds),

no patent shall be granted in respect of claims for the substances themselves, but claims for the methods or processes of manufacture shall be patentable.

Inventions where only methods or processes of manufacture patentable.

CHAPTER III

APPLICATIONS FOR PATENTS

6. (1) Subject to the provisions contained in section 134, an application for a patent for an invention may be made by any of the following persons, that is to say,—

Persons entitled to apply for patents.

(a) by any person claiming to be the true and first inventor of the invention;

(b) by any person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application;

(c) by the legal representative of any deceased person who immediately before his death was entitled to make such an application.

(2) An application under sub-section (1) may be made by any of the persons referred to therein either alone or jointly with any other person.

Form of application.

7. (1) Every application for a patent shall be for one invention only and shall be made in the prescribed form and filed in the patent office.

(2) Where the application is made by virtue of an assignment of the right to apply for a patent for the invention, there shall be furnished with the application, or within such period as may be prescribed after the filing of the application, proof of the right to make the application.

(3) Every application under this section shall state that the applicant is in possession of the invention and shall name the owner claiming to be the true and first inventor; and where the person so claiming is not the applicant or one of the applicants, the application shall contain a declaration that the applicant believes the person so named to be the true and first inventor.

(4) Every such application (not being a convention application) shall be accompanied by a provisional or a complete specification.

Information and undertaking regarding foreign applications.

8. (1) Where an applicant for a patent under this Act is prosecuting either alone or jointly with any other person an application for a patent in any country outside India in respect of the same or substantially the same invention, or where to his knowledge such an application is being prosecuted by some person through whom he claims or by some person deriving title from him, he shall file along with his application—

(a) a statement setting out the name of the country where the application is being prosecuted, the serial number and date of filing of the application and such other particulars as may be prescribed; and

(b) an undertaking that, up to the date of the acceptance of his complete specification filed in India, he would keep the Controller informed in writing, from time to time, of details of the nature referred to in clause (a) in respect of every other application relating to the same or substantially the same invention, if any, filed in any country outside India subsequently to the filing of the statement referred to in the aforesaid clause within the prescribed time.

(2) The Controller may also require the applicant to furnish, as far as may be available to the applicant, details relating to the objections, if any, taken to any such application as is referred to in sub-section (1) on the ground that the invention is lacking in novelty or patentability, the amendments effected in the specifications, the claims allowed in respect thereof and such other particulars as he may require.

9. (1) Where an application for a patent (not being a convention Provisional application) is accompanied by a provisional specification, a complete specification shall be filed within twelve months from the date of filing of the application, and if the complete specification is not so filed the application shall be deemed to be abandoned:

Provided that the complete specification may be filed at any time after twelve months but within fifteen months from the date aforesaid, if a request to that effect is made to the Controller and the prescribed fee is paid on or before the date on which the complete specification is filed.

(2) Where two or more applications in the name of the same applicant are accompanied by provisional specifications in respect of inventions which are cognate or of which one is a modification of another and the Controller is of opinion that the whole of such inventions are such as to constitute a single invention and may properly be included in one patent, he may allow one complete specification to be filed in respect of all such provisional specifications.

(3) Where an application for a patent (not being a convention application) is accompanied by a specification purporting to be a complete specification, the Controller may, if the applicant so requests at any time before the acceptance of the specification, direct that such specification shall be treated for the purposes of this Act as a provisional specification and proceed with the application accordingly.

(4) Where a complete specification has been filed in pursuance of an application for a patent accompanied by a provisional specification or by a specification treated by virtue of a direction under sub-section (3) as a provisional specification, the Controller may, if the applicant so requests at any time before the acceptance of the complete specification, cancel the provisional specification and post-date the application to the date of filing of the complete specification.

10. (1) Every specification, whether provisional or complete, shall describe the invention and shall begin with a title sufficiently indicating the subject-matter to which the invention relates.

(2) Subject to any rules that may be made in this behalf under this Act, drawings may, and shall, if the Controller so requires, be supplied for the purposes of any specification, whether complete or provisional; and any drawings so supplied shall, unless the Controller otherwise directs, be deemed to form part of the specification, and references in this Act to a specification shall be construed accordingly.

(3) If, in any particular case, the Controller considers that an application should be further supplemented by a model or sample of anything illustrating the invention or alleged to constitute an invention, such model or sample as he may require shall be furnished before the acceptance of the application, but such model or sample shall not be deemed to form part of the specification.

(4) Every complete specification shall—

(a) fully and particularly describe the invention and its operation or use and the method by which it is to be performed;

(b) disclose the best method of performing the invention which is known to the applicant and for which he is entitled to claim protection; and

(c) end with a claim or claims defining the scope of the invention for which protection is claimed.

(5) The claim or claims of a complete specification shall relate to a single invention, shall be clear and succinct and shall be fairly based on the matter disclosed in the specification and shall, in the case of an invention such as is referred to in section 5, relate to a single method or process of manufacture.

(6) A declaration as to the inventorship of the invention shall, in such cases as may be prescribed, be furnished in the prescribed form with the complete specification or within such period as may be prescribed after the filing of that specification.

(7) Subject to the foregoing provisions of this section, a complete specification filed after a provisional specification may include claims in respect of developments of, or additions to, the invention which was described in the provisional specification, being developments or additions in respect of which the applicant would be entitled under the provisions of section 6 to make a separate application for a patent.

Priority
dates of
claims
of a com-
plete spe-
cification.

11. (1) There shall be a priority date for each claim of a complete specification.

(2) Where a complete specification is filed in pursuance of a single application accompanied by—

(a) a provisional specification; or

(b) a specification which is treated by virtue of a direction under sub-section (3) of section 9 as a provisional specification,

and the claim is fairly based on the matter disclosed in the specification referred to in clause (a) or clause (b), the priority date of that claim shall be the date of the filing of the relevant specification.

(3) Where the complete specification is filed or proceeded with in pursuance of two or more applications accompanied by such specifications as are mentioned in sub-section (2) and the claim is fairly based on the matter disclosed—

(a) in one of those specifications, the priority date of that claim shall be the date of the filing of the application accompanied by that specification;

(b) partly in one and partly in another, the priority date of that claim shall be the date of the filing of the application accompanied by the specification of the later date.

(4) Where the complete specification has been filed in pursuance of a further application made by virtue of sub-section (1) of section 16 and the claim is fairly based on the matter disclosed in any of the earlier specifications, provisional or complete, as the case may be, the priority date of that claim shall be the date of the filing of that specification in which the matter was first disclosed.

(5) Where, under the foregoing provisions of this section, any claim of a complete specification would, but for the provisions of this sub-section, have two or more priority dates, the priority date of that claim shall be the earlier or earliest of those dates.

(6) In any case to which sub-sections (2), (3), (4) and (5) do not apply, the priority date of a claim shall, subject to the provisions of section 137, be the date of filing of the complete specification.

(7) The reference to the date of the filing of the application or of the complete specification in this section shall, in cases where there has been a post-dating under section 9 or section 17 or, as the case may be, an ante-dating under section 16, be a reference to the date as so post-dated or ante-dated.

(8) A claim in a complete specification of a patent shall not be invalid by reason only of—

(a) the publication or use of the invention so far as claimed in that claim on or after the priority date of such claim; or

(b) the grant of another patent which claims the invention, so far as claimed in the first mentioned claim, in a claim of the same or a later priority date.

CHAPTER IV

EXAMINATION OF APPLICATIONS

12. (1) When the complete specification has been filed in respect of Exam-
an application for a patent, the application and the specification relat- nation
ing thereto shall be referred by the Controller to an examiner for of applica-
making a report to him in respect of the following matters, namely:

(a) whether the application and the specification relating there- to are in accordance with the requirements of this Act and of any rules made thereunder;

(b) whether there is any lawful ground of objection to the grant of the patent under this Act in pursuance of the application;

(c) the result of investigations made under section 13; and

(d) any other matter which may be prescribed.

(2) The examiner to whom the application and the specification relating thereto are referred under sub-section (1) shall ordinarily make the report to the Controller within a period of eighteen months from the date of such reference.

13. (1) The examiner to whom an application for a patent is refer- Search
red under section 12 shall make investigation for the purpose of ascer- for anti-
taining whether the invention so far as claimed in any claim of the cipation
complete specification— by pre-
vious publica-
tion and by prior
claim.

(a) has been anticipated by publication before the date of filing of the applicant's complete specification in any specification filed in pursuance of an application for a patent made in India and dated on or after the 1st day of January, 1912;

(b) is claimed in any claim of any other complete specification published on or after the date of filing of the applicant's complete

specification, being a specification filed in pursuance of an application for a patent made in India and dated before or claiming the priority date earlier than that date.

(2) The examiner shall, in addition, make such investigation as the Controller may direct for the purpose of ascertaining whether the invention, so far as claimed in any claim of the complete specification, has been anticipated by publication in India or elsewhere in any document other than those mentioned in sub-section (1) before the date of filing of the applicant's complete specification.

(3) Where a complete specification is amended under the provisions of this Act before it has been accepted, the amended specification shall be examined and investigated in like manner as the original specification.

(4) The examination and investigations required under section 12 and this section shall not be deemed in any way to warrant the validity of any patent, and no liability shall be incurred by the Central Government or any officer thereof by reason of, or in connection with, any such examination or investigation or any report or other proceedings consequent thereon.

Consideration of report of examiner by Controller.

14. Where, in respect of an application for a patent, the report of the examiner received by the Controller is adverse to the applicant or requires any amendment of the application or of the specification to ensure compliance with the provisions of this Act or of the rules made thereunder, the Controller, before proceeding to dispose of the application in accordance with the provisions hereinafter appearing, shall communicate the gist of the objections to the applicant and shall, if so required by the applicant within the prescribed time, give him an opportunity of being heard.

Power of Controller to refuse or require amendment applications in certain cases.

15. (1) Where the Controller is satisfied that the application or any specification filed in pursuance thereof does not comply with the requirements of this Act or of any rules made thereunder, the Controller may either—

(a) refuse to proceed with the application; or

(b) require the application, specification or drawings to be amended to his satisfaction before he proceeds with the application.

(2) If it appears to the Controller that the invention claimed in the specification is not an invention within the meaning of, or is not patentable under, this Act, he shall refuse the application.

(3) If it appears to the Controller that any invention, in respect of which an application for a patent is made, might be used in any manner contrary to law, he may refuse the application, unless the specification is amended by the insertion of such disclaimer in respect of that use of the invention, or such other reference to the illegality thereof, as the Controller thinks fit,

16. (1) A person who has made an application for a patent under Power this Act may, at any time before the acceptance of the complete specification, if he so desires, or with a view to remedy the objection raised by the Controller on the ground that the claims of the complete specification relate to more than one invention, file a further application in respect of an invention disclosed in the provisional or complete specification already filed in respect of the first mentioned application.

(2) The further application under sub-section (1) shall be accompanied by a complete specification, but such complete specification shall not include any matter not in substance disclosed in the complete specification filed in pursuance of the first mentioned application.

(3) The Controller may require such amendment of the complete specification filed in pursuance of either the original or the further application as may be necessary to ensure that neither of the said complete specifications includes a claim for any matter claimed in the other.

Explanation.—For the purposes of this Act, the further application and the complete specification accompanying it shall be deemed to have been filed on the date on which the complete specification in pursuance of the first mentioned application had been filed, and the further application shall, subject to the determination of the priority date under sub-section (4) of section 11, be proceeded with as a substantive application.

17. (1) Subject to the provisions of section 9, at any time after the filing of an application and before acceptance of the complete specification under this Act, the Controller may, at the request of the applicant made in the prescribed manner, direct that the application shall be post-dated to such date as may be specified in the request, and proceed with the application accordingly:

Provided that no application shall be post-dated under this sub-section to a date later than six months from the date on which it was actually made or would, but for the provisions of this sub-section, be deemed to have been made.

(2) Where an application or specification (including drawings) is required to be amended under clause (b) of sub-section (1) of section 15, the application or specification shall, if the Controller so directs, be deemed to have been made on the date on which the requirement is complied with or where the application or specification is returned to the applicant, on the date on which it is re-filed after complying with the requirement.

18. (1) Where it appears to the Controller that the invention so far as claimed in any claim of the complete specification has been anticipated in the manner referred to in clause (a) of sub-section (1) or sub-section (2) of section 13, he may refuse to accept the complete specification unless the applicant—

(a) shows to the satisfaction of the Controller that the priority date of the claim of his complete specification is not later than the date on which the relevant document was published; or

(b) amends his complete specification to the satisfaction of the Controller.

(2) If it appears to the Controller that the invention is claimed in a claim of any other complete specification referred to in clause (b) of sub-section (1) of section 13, he may, subject to the provisions herein-after contained, direct that a reference to that other specification shall be inserted by way of notice to the public in the applicant's complete specification unless within such time as may be prescribed,—

(a) the applicant shows to the satisfaction of the Controller that the priority date of his claim is not later than the priority date of the claim of the said other specification; or

(b) the complete specification is amended to the satisfaction of the Controller.

(3) If it appears to the Controller, as a result of an investigation under section 13 or otherwise,—

(a) that the invention so far as claimed in any claim of the applicant's complete specification has been claimed in any other complete specification referred to in clause (a) of sub-section (1) of section 13; and

(b) that such other complete specification was published on or after the priority date of the applicant's claim,

then, unless it is shown to the satisfaction of the Controller that the priority date of the applicant's claim is not later than the priority date of the claim of that specification, the provisions of sub-section (2) shall apply thereto in the same manner as they apply to a specification published on or after the date of filing of the applicant's complete specification.

(4) Any order of the Controller under sub-section (2) or sub-section (3) directing the insertion of a reference to another complete specification shall be of no effect unless and until the other patent is granted.

**Powers
of Con-
troller in
case of
potential
infringe-
ment.**

19. (1) If, in consequence of the investigations required by the foregoing provisions of this Act or of proceedings under section 25, it appears to the Controller that an invention in respect of which an application for a patent has been made cannot be performed without substantial risk of infringement of a claim of any other patent, he may direct that a reference to that other patent shall be inserted in the applicant's complete specification by way of notice to the public, unless within such time as may be prescribed—

(a) the applicant shows to the satisfaction of the Controller that there are reasonable grounds for contesting the validity of the said claim of the other patent; or

(b) the complete specification is amended to the satisfaction of the Controller.

(2) Where, after a reference to another patent has been inserted in a complete specification in pursuance of a direction under sub-section (1)—

(a) that other patent is revoked or otherwise ceases to be in force; or

(b) the specification of that other patent is amended by the deletion of the relevant claim; or

(c) it is found, in proceedings before the court or the Controller, that the relevant claim of that other patent is invalid or is not infringed by any working of the applicant's invention,

the Controller may, on the application of the applicant, delete the reference to that other patent.

20. (1) If the Controller is satisfied, on a claim made in the prescribed manner at any time before a patent has been granted, that by virtue of any assignment or agreement in writing made by the applicant or one of the applicants for the patent or by operation of law, the claimant would, if the patent were then granted, be entitled thereto or to the interest of the applicant therein, or to an undivided share of the patent or of that interest, the Controller may, subject to the provisions of this section, direct that the application shall proceed in the name of the claimant or in the names of the claimants and the applicant or the other joint applicant or applicants, accordingly as the case may require.

Powers
of Con-
troller
to make
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tution of
appli-
cants,
etc.

(2) No such direction as aforesaid shall be given by virtue of any assignment or agreement made by one of two or more joint applicants for a patent except with the consent of the other joint applicant or applicants.

(3) No such direction as aforesaid shall be given by virtue of any assignment or agreement for the assignment of the benefit of an invention unless—

(a) the invention is identified therein by reference to the number of the application for the patent; or

(b) there is produced to the Controller an acknowledgment by the person by whom the assignment or agreement was made that the assignment or agreement relates to the invention in respect of which that application is made; or

(c) the rights of the claimant in respect of the invention have been finally established by the decision of a court; or

(d) the Controller gives directions for enabling the application to proceed or for regulating the manner in which it should be proceeded with under sub-section (5).

(4) Where one of two or more joint applicants for a patent dies at any time before the patent has been granted, the Controller may, upon a request in that behalf made by the survivor or survivors, and with the consent of the legal representative of the deceased, direct that the application shall proceed in the name of the survivor or survivors alone.

(5) If any dispute arises between joint applicants for a patent whether or in what manner the application should be proceeded with, the Controller may, upon application made to him in the prescribed manner by any of the parties, and after giving to all parties concerned an opportunity to be heard, give such directions as he thinks fit for enabling the application to proceed in the name of one or more of the parties alone or for regulating the manner in which it should be proceeded with, or for both those purposes, as the case may require.

Time for putting application in order for acceptance.

21. (1) An application for a patent shall be deemed to have been abandoned unless within fifteen months from the date on which the first statement of objections to the application or complete specification is forwarded by the Controller to the applicant or within such longer period as may be allowed under the following provisions of this section the applicant has complied with all the requirements imposed on him by or under this Act, whether in connection with the complete specification or otherwise in relation to the application.

Explanation.—Where the application or any specification or, in the case of a convention application, any document filed as part of the application has been returned to the applicant by the Controller in the course of the proceedings, the applicant shall not be deemed to have complied with such requirements unless and until he has re-filed it.

(2) The period of fifteen months specified in sub-section (1) shall, on request made by the applicant in the prescribed manner and before the expiration of the period so specified, be extended for a further period so requested (hereafter in this section referred to as the extended period), so, however, that the total period for complying with the requirements of the Controller does not exceed eighteen months from the date on which the objections referred to in sub-section (1) are forwarded to the applicant.

(3) If at the expiration of the period of fifteen months specified in sub-section (1) or the extended period—

(a) an appeal to the High Court is pending in respect of the application for the patent for the main invention, or

(b) in the case of an application for a patent of addition, an appeal to the High Court is pending in respect of either that application or the application for the main invention,

the time within which the requirements of the Controller shall be complied with shall, on an application made by the applicant before the expiration of the said period of fifteen months or the extended period, as the case may be, be extended until such date as the High Court may determine.

(4) If the time within which the appeal mentioned in sub-section (3) may be instituted has not expired, the Controller may extend the period of fifteen months, or as the case may be, the extended period, until the expiration of such further period as he may determine:

Provided that if an appeal has been filed during the said further period, and the High Court has granted any extension of time for complying with, the requirements of the Controller, then, the requirements may be complied with within the time granted by the Court.

Acceptance of complete specification.

22. Subject to the provisions of section 21, the complete specification filed in pursuance of an application for a patent may be accepted by the Controller at any time after the applicant has complied with the requirements mentioned in sub-section (1) of that section, and, if not so accepted within the period allowed under that section for compliance with those requirements, shall be accepted as soon as may be thereafter:

Provided that the applicant may make an application to the Controller in the prescribed manner requesting him to postpone acceptance until such date [not being later than eighteen months from the date on which the objections referred to in sub-section (1) of section 21 are forwarded to the applicant] as may be specified in the application, and, if such application is made, the Controller may postpone acceptance accordingly.

23. On the acceptance of a complete specification, the Controller shall give notice thereof to the applicant and shall advertise in the Official Gazette the fact that the specification has been accepted, and thereupon the application and the specification with the drawings (if any) filed in pursuance thereof shall be open to public inspection.

24. On and from the date of advertisement of the acceptance of a complete specification and until the date of sealing of a patent in respect thereof, the applicant shall have the like privileges and rights as if a patent for the invention had been sealed on the date of advertisement of acceptance of the complete specification:

Provided that the applicant shall not be entitled to institute any proceedings for infringement until the patent has been sealed.

CHAPTER V

OPOSITION TO GRANT OF PATENT

25. (1) At any time within four months from the date of advertisement of the acceptance of a complete specification under this Act (or within such further period not exceeding one month in the aggregate as the Controller may allow on application made to him in the prescribed manner before the expiry of the four months aforesaid) any person interested may give notice to the Controller of opposition to the grant of the patent on any of the following grounds, namely:—

(a) that the applicant for the patent or the person under or through whom he claims, wrongfully obtained the invention or any part thereof from him or from a person under or through whom he claims;

(b) that the invention so far as claimed in any claim of the complete specification has been published before the priority date of the claim—

(i) in any specification filed in pursuance of an application for a patent made in India on or after the 1st day of January, 1912; or

(ii) in India or elsewhere, in any other document:

Provided that the ground specified in sub-clause (ii) shall not be available where such publication does not constitute an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29;

(c) that the invention so far as claimed in any claim of the complete specification is claimed in a claim of a complete specification published on or after the priority date of the applicant's claim

and filed in pursuance of an application for a patent in India, being a claim of which the priority date is earlier than that of the applicant's claim;

(d) that the invention so far as claimed in any claim of the complete specification was publicly known or publicly used in India before the priority date of that claim.

Explanation.—For the purposes of this clause, an invention relating to a process for which a patent is claimed shall be deemed to have been publicly known or publicly used in India before the priority date of the claim if a product made by that process had already been imported into India before that date except where such importation has been for the purpose of reasonable trial or experiment only;

(e) that the invention so far as claimed in any claim of the complete specification is obvious and clearly does not involve any inventive step, having regard to the matter published as mentioned in clause (b) or having regard to what was used in India before the priority date of the applicant's claim;

(f) that the subject of any claim of the complete specification is not an invention within the meaning of this Act, or is not patentable under this Act;

(g) that the complete specification does not sufficiently and clearly describe the invention or the method by which it is to be performed;

(h) that the applicant has failed to disclose to the Controller the information required by section 8 or has furnished the information which in any material particular was false to his knowledge;

(i) that in the case of a convention application, the application was not made within twelve months from the date of the first application for protection for the invention made in a convention country by the applicant or a person from whom he derives title,

but on no other ground.

(2) Where any such notice of opposition is duly given, the Controller shall notify the applicant and shall give to the applicant and the opponent an opportunity to be heard before deciding the case.

(3) The grant of a patent shall not be refused on the ground stated in clause (c) of sub-section (1) if no patent has been granted in pursuance of the application mentioned in that clause; and for the purpose of any inquiry under clause (d) or clause (e) of that sub-section, no account shall be taken of any secret use.

26. (1) Where in any opposition proceeding under this Act—

(a) the Controller finds that the invention, so far as claimed in any claim of the complete specification, was obtained from the opponent in the manner set out in clause (a) of sub-section (1) of section 25 and refuses the application on that ground, he may, on request by such opponent made in the prescribed manner, direct that the application shall proceed in the name of the opponent as if the application and the specification had been filed by the opponent on the date on which they were actually filed;

In cases of "obtaining" Controller may treat application as application of opponent.

(b) the Controller finds that a part of an invention described in the complete specification was so obtained from the opponent and passes an order requiring that the specification be amended by the exclusion of that part of the invention, the opponent may, subject to the provisions of sub-section (2), file an application in accordance with the provisions of this Act accompanied by a complete specification for the grant of a patent for the invention so excluded from the applicant's specification, and the Controller may treat such application and specification as having been filed, for the purposes of this Act relating to the priority dates of claims of the complete specification, on the date on which the corresponding document was or was deemed to have been filed by the earlier applicant, but for all other purposes the application of the opponent shall be proceeded with as an application for a patent under this Act.

(2) Where an opponent has, before the date of the order of the Controller requiring the amendment of a complete specification referred to in clause (b) of sub-section (1), filed an application for a patent for an invention which includes the whole or a part of the invention held to have been obtained from him and such application is pending, the Controller may treat such application and specification in so far as they relate to the invention held to have been obtained from him, as having been filed, for the purposes of this Act relating to the priority dates of claims of the complete specification, on the date on which the corresponding document was or was deemed to have been filed by the earlier applicant, but for all other purposes the application of the opponent shall be proceeded with as an application for a patent under this Act.

27. If at any time after the acceptance of the complete specification filed in pursuance of an application for a patent and before the grant of a patent thereon it comes to the notice of the Controller otherwise than in consequence of proceedings in opposition to the grant under section 25, that the invention, so far as claimed in any claim of the complete specification, has been published before the priority date of the claim—

(a) in any specification filed in pursuance of an application for a patent made in India and dated on or after the 1st day of January, 1912;

(b) in any other document in India or elsewhere,

the Controller may refuse to grant the patent unless, within such time as may be prescribed, the complete specification is amended to his satisfaction:

Provided that the Controller shall not refuse to grant the patent on the ground specified in clause (b) if such publication does not constitute

of patent without opposition.

an anticipation of the invention by virtue of sub-section (2) or sub-section (3) of section 29.

Men-
tion of
inven-
tor as
such in
patent.

28. (1) If the Controller is satisfied, upon a request or claim made in accordance with the provisions of this section,—

- (a) that the person in respect of or by whom the request or claim is made is the inventor of an invention in respect of which application for a patent has been made, or of a substantial part of that invention; and
- (b) that the application for the patent is a direct consequence of his being the inventor,

the Controller shall, subject to the provisions of this section, cause him to be mentioned as inventor in any patent granted in pursuance of the application in the complete specification and in the register of patents:

Provided that the mention of any person as inventor under this section shall not confer or derogate from any rights under the patent.

(2) A request that any person shall be mentioned as aforesaid may be made in the prescribed manner by the applicant for the patent or (where the person alleged to be the inventor is not the applicant or one of the applicants) by the applicant and that person.

(3) If any person [other than a person in respect of whom a request in relation to the application in question has been made under sub-section (2)] desires to be mentioned as aforesaid, he may make a claim in the prescribed manner in that behalf.

(4) A request or claim under the foregoing provisions of this section shall be made not later than two months after the date of advertisement of acceptance of the complete specification or within such further period (not exceeding one month) as the Controller may, on an application made to him in that behalf before the expiration of the said period of two months and subject to the payment of the prescribed fee, allow.

(5) No request or claim under the foregoing provisions of this section shall be entertained if it appears to the Controller that the request or claim is based upon facts which, if proved in the case of an opposition under the provisions of clause (a) of sub-section (1) of section 25 by the person in respect of or by whom the request or claim is made, would have entitled him to relief under that section.

(6) Subject to the provisions of sub-section (5), where a claim is made under sub-section (3), the Controller shall give notice of the claim to every applicant for the patent (not being the claimant) and to any other person whom the Controller may consider to be interested; and before deciding upon any request or claim made under sub-section (2) or sub-section (3), the Controller shall, if required, hear the person in respect of or by whom the request or claim is made, and, in the case of a claim under sub-section (3), any person to whom notice of the claim has been given as aforesaid.

(7) Where any person has been mentioned as inventor in pursuance of this section any other person who alleges that he ought not to have

been so mentioned may at any time apply to the Controller for a certificate to that effect, and the Controller may, after hearing, if required, any person whom he may consider to be interested, issue such a certificate, and if he does so, he shall rectify the specification and the register accordingly.

CHAPTER VI

ANTICIPATION

29. (1) An invention claimed in a complete specification shall not be deemed to have been anticipated by reason only that the invention was published in a specification filed in pursuance of an application for a patent made in India and dated before the 1st day of January, 1912.

Anticipa-
tion by
previous
publica-
tion.

(2) Subject as hereinafter provided, an invention claimed in a complete specification shall not be deemed to have been anticipated by reason only that the invention was published before the priority date of the relevant claim of the specification, if the patentee or the applicant for the patent proves—

(a) that the matter published was obtained from him, or (where he is not himself the true and first inventor) from any person from whom he derives title, and was published without his consent or the consent of any such person; and

(b) where the patentee or the applicant for the patent or any person from whom he derives title learned of the publication before the date of the application for the patent, or, in the case of a convention application, before the date of the application for protection in a convention country, that the application or the application in the convention country, as the case may be, was made as soon as reasonably practicable thereafter:

Provided that this sub-section shall not apply if the invention was before the priority date of the claim commercially worked in India, otherwise than for the purpose of reasonable trial, either by the patentee or the applicant for the patent or any person from whom he derives title or by any other person with the consent of the patentee or the applicant for the patent or any person from whom he derives title.

(3) Where a complete specification is filed in pursuance of an application for a patent made by a person being the true and first inventor or deriving title from him, an invention claimed in that specification shall not be deemed to have been anticipated by reason only of any other application for a patent in respect of the same invention made in contravention of the rights of that person, or by reason only that after the date of filing of that other application the invention was used or published, without the consent of that person, by the applicant in respect of that other application, or by any other person in consequence of any disclosure of any invention by that applicant.

30. An invention claimed in a complete specification shall not be deemed to have been anticipated by reason only of the communication of the invention to the Government or to any person authorised by the Government to investigate the invention or its merits, or of anything done, in consequence of such a communication, for the purpose of the investigation.

Anticipa-
tion by
previous
communi-
cation to
Govern-
ment.

Anticipa-
tion by
public
display,
etc.

31. An invention claimed in a complete specification shall not be deemed to have been anticipated by reason only of—

(a) the display of the invention with the consent of the true and first inventor or a person deriving title from him at an industrial or other exhibition to which the provisions of this section have been extended by the Central Government by notification in the Official Gazette, or the use thereof with his consent for the purpose of such an exhibition in the place where it is held; or

(b) the publication of any description of the invention in consequence of the display or use of the invention at any such exhibition as aforesaid; or

(c) the use of the invention, after it has been displayed or used at any such exhibition as aforesaid and during the period of the exhibition, by any person without the consent of the true and first inventor or a person deriving title from him; or

(d) the description of the invention in a paper read by the true and first inventor before a learned society or published with his consent in the transactions of such a society,

if the application for the patent is made by the true and first inventor or a person deriving title from him not later than six months after the opening of the exhibition or the reading or publication of the paper, as the case may be.

Anticipa-
tion by
public
working.

32. An invention claimed in a complete specification shall not be deemed to have been anticipated by reason only that at any time within one year before the priority date of the relevant claim of the specification, the invention was publicly worked in India—

(a) by the patentee or applicant for the patent or any person from whom he derives title; or

(b) by any other person with the consent of the patentee or applicant for the patent or any person from whom he derives title,

if the working was effected for the purpose of reasonable trial only and if it was reasonably necessary, having regard to the nature of the invention, that the working for that purpose should be effected in public.

Anticipa-
tion by
use and
publica-
tion after
provi-
sional
specifi-
cation.

33. (1) Where a complete specification is filed or proceeded with in pursuance of an application which was accompanied by a provisional specification or where a complete specification filed along with an application is treated by virtue of a direction under sub-section (3) of section 9 as a provisional specification, then, notwithstanding anything contained in this Act, the Controller shall not refuse to grant the patent, and the patent shall not be revoked or invalidated, by reason only that any matter described in the provisional specification or in the specification treated as aforesaid as a provisional specification was used in India or published in India or elsewhere at any time after the date of the filing of that specification.

(2) Where a complete specification is filed in pursuance of a convention application, then, notwithstanding anything contained in this Act, the Controller shall not refuse to grant the patent, and the patent shall not

be revoked or invalidated, by reason only that any matter disclosed in any application for protection in a convention country upon which the convention application is founded was used in India or published in India or elsewhere at any time after the date of that application for protection.

No anticipation if circumstances are only as described in sections 29, 30, 31 and 32.

34. Notwithstanding anything contained in this Act, the Controller shall not refuse to accept a complete specification for a patent or to grant a patent, and a patent shall not be revoked or invalidated by reason only of any circumstances which, by virtue of section 29 or section 30 or section 31 or section 32, do not constitute an anticipation of the invention claimed in the specification.

CHAPTER VII

PROVISIONS FOR SECRECY OF CERTAIN INVENTIONS

Secrecy directions relating to inventions relevant for defence purposes.

35. (1) Where, in respect of an application made before or after the commencement of this Act for a patent, it appears to the Controller that the invention is one of a class notified to him by the Central Government as relevant for defence purposes, or, where otherwise the invention appears to him to be so relevant, he may give directions for prohibiting or restricting the publication of information with respect to the invention or the communication of such information to any person or class of persons specified in the directions.

(2) Where the Controller gives any such directions as are referred to in sub-section (1), he shall give notice of the application and of the directions to the Central Government, and the Central Government shall, upon receipt of such notice, consider whether the publication of the invention would be prejudicial to the defence of India, and if upon such consideration, it appears to it that the publication of the invention would not so prejudice, give notice to the Controller to that effect, who shall thereupon revoke the directions and notify the applicant accordingly.

(3) Without prejudice to the provisions contained in sub-section (1), where the Central Government is of opinion that an invention in respect of which the Controller has not given any directions under sub-section (1), is relevant for defence purposes, it may at any time before acceptance of the complete specification notify the Controller to that effect, and thereupon the provisions of that sub-section shall apply as if the invention were one of the class notified by the Central Government, and accordingly the Controller shall give notice to the Central Government of the directions issued by him.

Secrecy directions to be periodically reviewed.

36. (1) The question whether an invention in respect of which directions have been given under section 35 continues to be relevant for defence purposes shall be re-considered by the Central Government within nine months from the date of issue of such directions and thereafter at intervals not exceeding twelve months, and if, on such re-consideration it appears to the Central Government that the publication of the invention would no longer be prejudicial to the defence of India it shall forthwith give notice to the Controller accordingly and the Controller shall thereupon revoke the directions previously given by him.

(2) The result of every re-consideration under sub-section (1), shall be communicated to the applicant within such time and in such manner as may be prescribed.

**Conse-
quences
of secrecy
direc-
tions.**

37. (1) So long as any directions under section 35 are in force in respect of an application—

(a) the Controller shall not pass an order refusing to accept the same; and

(b) notwithstanding anything contained in this Act, no appeal shall lie from any order of the Controller passed in respect thereof:

Provided that the application may, subject to the directions, proceed up to the stage of the acceptance of the complete specification, but the acceptance shall not be advertised nor the specification published, and no patent shall be granted in pursuance of the application.

(2) Where a complete specification filed in pursuance of an application for a patent for an invention in respect of which directions have been given under section 35 is accepted during the continuance in force of the directions, then—

(a) if, during the continuance in force of the directions, any use of the invention is made by or on behalf of, or to the order of the Government, the provisions of sections 100, 101 and 103 shall apply in relation to that use as if the patent had been granted for the invention; and

(b) if it appears to the Central Government that the applicant for the patent has suffered hardship by reason of the continuance in force of the directions, the Central Government may make to him such payment (if any) by way of solatium as appears to the Central Government to be reasonable having regard to the novelty and utility of the invention and the purpose for which it is designed, and to any other relevant circumstances.

(3) Where a patent is granted in pursuance of an application in respect of which directions have been given under section 35, no renewal fee shall be payable in respect of any period during which those directions were in force.

**Revoca-
tion of
secrecy
direc-
tions and
extension
of time.**

38. When any direction given under section 35 is revoked by the Controller, then, notwithstanding any provision of this Act specifying the time within which any step should be taken or any act done in connection with an application for the patent, the Controller may, subject to such conditions, if any, as he thinks fit to impose, extend the time for doing anything required or authorised to be done by or under this Act in connection with the application, whether or not that time has previously expired.

**Residents
not to
apply for
patents
outside
India
without
prior per-
mission.**

39. (1) No person resident in India shall, except under the authority of a written permit granted by or on behalf of the Controller, make or cause to be made any application outside India for the grant of a patent for an invention unless—

(a) an application for a patent for the same invention has been made in India, not less than six weeks before the application outside India; and

(b) either no directions have been given under sub-section (1) of section 35 in relation to the application in India, or all such directions have been revoked.

(2) The Controller shall not grant written permission to any person to make any application outside India without the prior consent of the Central Government.

(3) This section shall not apply in relation to an invention for which an application for protection has first been filed in a country outside India by a person resident outside India.

40. Without prejudice to the provisions contained in Chapter XX, if in respect of an application for a patent any person contravenes any direction as to secrecy given by the Controller under section 35 or makes or causes to be made an application for the grant of a patent outside India in contravention of section 39, the application for patent under this Act shall be deemed to have been abandoned and the patent granted, if any, shall be liable to be revoked under section 64.

Liability
for con-
traven-
tion of
section 35
or section
39.

41. All orders of the Controller giving directions as to secrecy as well as all orders of the Central Government under this Chapter shall be final and shall not be called in question in any court on any ground whatsoever.

Finality
of orders
of Con-
troller
and
Central
Govern-
ment.

42. Nothing in this Act shall be held to prevent the disclosure by the Controller of information concerning an application for a patent or a specification filed in pursuance thereof to the Central Government for the purpose of the application or specification being examined for considering whether an order under this Chapter should be made or whether an order so made should be revoked.

Savings
respect-
ing dis-
closure
to Gov-
ernment.

CHAPTER VIII

GRANT AND SEALING OF PATENTS AND RIGHTS CONFERRED THEREBY

43. (1) Where a complete specification in pursuance of an application for a patent has been accepted and either—

- (a) the application has not been opposed under section 25 and the time for the filing of the opposition has expired; or
- (b) the application has been opposed and the opposition has been finally decided in favour of the applicant; or
- (c) the application has not been refused by the Controller by virtue of any power vested in him by this Act,

Grant
and
sealing of
patent.

the patent shall, on request made by the applicant in the prescribed form, be granted to the applicant or, in the case of a joint application, to the applicants jointly, and the Controller shall cause the patent to be sealed with the seal of the patent office and the date on which the patent is sealed shall be entered in the register.

(2) Subject to the provisions of sub-section (1) and of the provisions of this Act with respect to patents of addition, a request under this

section for the sealing of a patent shall be made not later than the expiration of a period of six months from the date of advertisement of the acceptance of the complete specification:

Provided that—

(a) where at the expiration of the said six months any proceeding in relation to the application for the patent is pending before the Controller or the High Court, the request may be made within the prescribed period after the final determination of that proceeding;

(b) where the applicant or one of the applicants has died before the expiration of the time within which under the provisions of this sub-section the request could otherwise be made, the said request may be made at any time within twelve months after the date of the death or at such later time as the Controller may allow.

(3) The period within which under sub-section (2) a request for the sealing of a patent may be made, may, from time to time, be extended by the Controller to such longer period as may be specified in an application made to him in that behalf, if the application is made and the prescribed fee paid within that longer period:

Provided that the first mentioned period shall not be extended under this sub-section by more than three months in the aggregate.

Explanation.—For the purposes of this section a proceeding shall be deemed to be pending so long as the time for any appeal therein (apart from any future extension of that time) has not expired, and a proceeding shall be deemed to be finally determined when the time for any appeal therein (apart from any such extension) has expired without the appeal being brought.

**Amend-
ment of
patent
granted
to de-
ceased
appli-
cant.**

44. Where, at any time after a patent has been sealed in pursuance of an application under this Act, the Controller is satisfied that the person to whom the patent was granted had died, or, in the case of a body corporate, had ceased to exist, before the patent was sealed, the Controller may amend the patent by substituting for the name of that person the name of the person to whom the patent ought to have been granted, and the patent shall have effect, and shall be deemed always to have had effect, accordingly.

**Date of
patent.**

45. (1) Subject to the other provisions contained in this Act, every patent shall be dated as of the date on which the complete specification was filed:

Provided that a patent which is granted in pursuance of an application to which any directions issued under section 78C of the Indian Patents and Designs Act, 1911 applied immediately before the commencement of this Act, shall be dated as of the date of the filing of the complete specification or the date of such commencement whichever is later.

(2) The date of every patent shall be entered in the register.

(3) Notwithstanding anything contained in this section, no suit or other proceeding shall be commenced or prosecuted in respect of an infringement committed before the date of advertisement of the acceptance of the complete specification.

- 46.** (1) Every patent shall be in the prescribed form and shall have Form, extent and effect throughout India.
 (2) A patent shall be granted for one invention only:

Provided that it shall not be competent for any person in a suit or other proceeding to take any objection to a patent on the ground that it has been granted for more than one invention.

- 47.** The grant of a patent under this Act shall be subject to the condition that—

- (1) any machine, apparatus or other article in respect of which the patent is granted or any article made by using a process in respect of which the patent is granted, may be imported or made by or on behalf of the Government for the purpose merely of its own use;
- (2) any process in respect of which the patent is granted may be used by or on behalf of the Government for the purpose merely of its own use;
- (3) any machine, apparatus or other article in respect of which the patent is granted or any article made by the use of the process in respect of which the patent is granted, may be made or used, and any process in respect of which the patent is granted may be used, by any person, for the purpose merely of experiment or research including the imparting of instructions to pupils; and
- (4) in the case of a patent in respect of any medicine or drug, the medicine or drug may be imported by the Government for the purpose merely of its own use or for distribution in any dispensary, hospital or other medical institution maintained by or on behalf of the Government or any other dispensary, hospital or other medical institution which the Central Government may, having regard to the public service that such dispensary, hospital or medical institution renders, specify in this behalf by notification in the Official Gazette.

- 48.** (1) Subject to the other provisions contained in this Act, a patent granted before the commencement of this Act, shall confer on the patentee the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute the invention in India. Rights of patents.

- (2) Subject to the other provisions contained in this Act and the conditions specified in section 47, a patent granted after the commencement of this Act shall confer upon the patentee—

- (a) where the patent is for an article or substance, the exclusive right by himself, his agents or licensees to make, use, exercise, sell or distribute such article or substance in India;
- (b) where a patent is for a method or process of manufacturing an article or substance, the exclusive right by himself, his agents or licensees to use or exercise the method or process in India.

Patent rights not infringed when used on foreign vessels, etc., temporarily or accidentally in India.

49. (1) Where a vessel or aircraft registered in a foreign country or a land vehicle owned by a person ordinarily resident in such country comes into India (including the territorial waters thereof) temporarily or accidentally only, the rights conferred by a patent for an invention shall not be deemed to be infringed by the use of the invention—

(a) in the body of the vessel or in the machinery, tackle, apparatus or other accessories thereof, so far as the invention is used on board the vessel and for its actual needs only; or

(b) in the construction or working of the aircraft or land vehicle or of the accessories thereof,

as the case may be.

(2) This section shall not extend to vessels, aircraft or land vehicles owned by persons ordinarily resident in a foreign country the laws of which do not confer corresponding rights with respect to the use of inventions in vessels, aircraft or land vehicles owned by persons ordinarily resident in India while in the ports or within the territorial waters of that foreign country or otherwise within the jurisdiction of its courts.

Rights of co-owners of patents.

50. (1) Where a patent is granted to two or more persons, each of those persons shall, unless an agreement to the contrary is in force, be entitled to an equal undivided share in the patent.

(2) Subject to the provisions contained in this section and in section 51, where two or more persons are registered as grantee or proprietor of a patent, then, unless an agreement to the contrary is in force, each of those persons shall be entitled, by himself or his agents, to make, use, exercise and sell the patented invention for his own benefit without accounting to the other person or persons.

(3) Subject to the provisions contained in this section and in section 51 and to any agreement for the time being in force, where two or more persons are registered as grantee or proprietor of a patent, then, a licence under the patent shall not be granted and a share in the patent shall not be assigned by one of such persons except with the consent of the other person or persons.

(4) Where a patented article is sold by one of two or more persons registered as grantee or proprietor of a patent, the purchaser and any person claiming through him shall be entitled to deal with the article in the same manner as if the article had been sold by a sole patentee.

(5) Subject to the provisions contained in this section, the rules of law applicable to the ownership and devolution of movable property generally shall apply in relation to patents; and nothing contained in sub-section (1) or sub-section (2) shall affect the mutual rights or obligations of trustees or of the legal representatives of a deceased person or their rights or obligations as such.

(6) Nothing in this section shall affect the rights of the assignees of a partial interest in a patent created before the commencement of this Act.

51. (1) Where two or more persons are registered as grantee or proprietor of a patent, the Controller may, upon application made to him in the prescribed manner by any of those persons, give such directions in accordance with the application as to the sale or lease of the patent or any interest therein, the grant of licences under the patent, or the exercise of any right under section 50 in relation thereto, as he thinks fit.

Power of
Controller to give
directions
to co-
owners.

(2) If any person registered as grantee or proprietor of a patent fails to execute any instrument or to do any other thing required for the carrying out of any direction given under this section within fourteen days after being requested in writing so to do by any of the other persons so registered, the Controller may, upon application made to him in the prescribed manner by any such other person, give directions empowering any person to execute that instrument or to do that thing in the name and on behalf of the person in default.

(3) Before giving any directions in pursuance of an application under this section, the Controller shall give an opportunity to be heard—

(a) in the case of an application under sub-section (1), to the other person or persons registered as grantee or proprietor of the patent;

(b) in the case of an application under sub-section (2), to the person in default.

(4) No direction shall be given under this section so as to affect the mutual rights or obligations of trustees or of the legal representatives of a deceased person or of their rights or obligations as such, or which is inconsistent with the terms of any agreement between persons registered as grantee or proprietor of the patent.

52. (1) Where a patent has been revoked on the ground that the patent was obtained wrongfully and in controvention of the rights of the petitioner or any person under or through whom he claims, or, where in a petition for revocation, the court, instead of revoking the patent, directs the complete specification to be amended by the exclusion of a claim or claims in consequence of a finding that the invention covered by such claim or claims had been obtained from the petitioner, the court may, by order passed in the same proceeding, permit the grant to the petitioner of the whole or such part of the invention which the court finds has been wrongfully obtained by the patentee, in lieu of the patent so revoked or is excluded by amendment.

Grant of
patent to
true and
first inven-
tor where
it has been
obtained
by another
in fraud
of him.

(2) Where any such order is passed, the Controller shall, on request by the petitioner made in the prescribed manner grant to him—

(i) in cases where the court permits the whole of the patent to be granted, a new patent bearing the same date and number as the patent revoked;

(ii) in cases where the court permits a part only of the patent to be granted, a new patent for such part bearing the same date as the patent revoked and numbered in such manner as may be prescribed:

Provided that the Controller may, as a condition of such grant, require the petitioner to file a new and complete specification to the

satisfaction of the Controller describing and claiming that part of the invention for which the patent is to be granted.

(3) No suit shall be brought for any infringement of a patent granted under this section committed before the actual date on which such patent was granted.

Term of patent.

53. (1) Subject to the provisions of this Act, the term of every patent granted under this Act shall—

(a) in respect of an invention claiming the method or process of manufacture of a substance, where the substance is intended for use, or is capable of being used, as food or as a medicine or drug, be five years from the date of sealing of the patent, or seven years from the date of the patent whichever period is shorter; and

(b) in respect of any other invention, be fourteen years from the date of the patent.

(2) A patent shall cease to have effect notwithstanding anything therein or in this Act on the expiration of the period prescribed for the payment of any renewal fee, if that fee is not paid within the prescribed period or within that period as extended under this section.

(3) The period prescribed for the payment of any renewal fee shall be extended to such period, not being more than six months longer than the prescribed period, as may be specified in a request made to the Controller if the request is made and the renewal fee and the prescribed additional fee paid before the expiration of the period so specified.

CHAPTER IX

PATENTS OF ADDITION

Patents of addition.

54. (1) Subject to the provisions contained in this section, where an application is made for a patent in respect of any improvement in or modification of an invention described or disclosed in the complete specification filed therefor (in this Act referred to as the "main invention") and the applicant also applies or has applied for a patent for that invention or is the patentee in respect thereof, the Controller may, if the applicant so requests, grant the patent for the improvement or modification as a patent of addition.

(2) Subject to the provisions contained in this section, where an invention, being an improvement in or modification of another invention, is the subject of an independent patent and the patentee in respect of that patent is also the patentee in respect of the patent for the main invention, the Controller may, if the patentee so requests, by order, revoke the patent for the improvement or modification and grant to the patentee a patent of addition in respect thereof, bearing the same date as the date of the patent so revoked.

(3) A patent shall not be granted as a patent of addition unless the date of filing of the complete specification was the same as or later than the date of filing of the complete specification in respect of the main invention.

(4) A patent of addition shall not be sealed before the sealing of the patent for the main invention; and if the period within which, but for the provisions of this sub-section, a request for the sealing of a patent of addition could be made under section 43 expires before the period within which a request for the sealing of the patent for the main invention may be so made, the request for the sealing of the patent of addition may be made at any time within the last mentioned period.

55. (1) A patent of addition shall be granted for a term equal to that Term of of the patent for the main invention, or so much thereof as has not ex- patents pired, and shall remain in force during that term or until the previous of cesser of the patent for the main invention and no longer: addition.

Provided that if the patent for the main invention is revoked under this Act, the court, or, as the case may be, the Controller, on request made to him by the patentee in the prescribed manner, may order that the patent of addition shall become an independent patent for the remainder of the term for the patent for the main invention and thereupon the patent shall continue in force as an independent patent accordingly.

(2) No renewal fees shall be payable in respect of a patent of addition, but, if any such patent becomes an independent patent under sub-section (1), the same fees shall thereafter be payable, upon the same dates, as if the patent had been originally granted as an independent patent.

56. (1) The grant of a patent of addition shall not be refused, and Validity of a patent granted as a patent of addition shall not be revoked or invalidated, on the ground only that the invention claimed in the complete specification does not involve any inventive step having regard to any publication or use of—

(a) the main invention described in the complete specification relating thereto; or

(b) any improvement in or modification of the main invention described in the complete specification of a patent of addition to the patent for the main invention or of an application for such a patent of addition,

and the validity of a patent of addition shall not be questioned on the ground that the invention ought to have been the subject of an independent patent.

(2) For the removal of doubts it is hereby declared that in determining the novelty of the invention claimed in the complete specification filed in pursuance of an application for a patent of addition regard shall be had also to the complete specification in which the main invention is described.

CHAPTER X

AMENDMENT OF APPLICATIONS AND SPECIFICATIONS

Amend-
ment of
appli-
cation and
specifica-
tion be-
fore Con-
troller.

57. (1) Subject to the provisions of section 59, the Controller may, upon application made under this section in the prescribed manner by an applicant for a patent or by a patentee, allow the application for the patent or the complete specification to be amended subject to such conditions, if any, as the Controller thinks fit:

Provided that the Controller shall not pass any order allowing or refusing an application to amend an application for a patent or a specification under this section while any suit before a court for the infringement of the patent or any proceeding before the High Court for the revocation of the patent is pending, whether the suit or proceeding commenced before or after the filing of the application to amend.

(2) Every application for leave to amend an application for a patent or a specification under this section made after the acceptance of the amendment, and shall give full particulars of the reasons for which the application is made.

(3) Every application for leave to amend an application for a patent or a specification under this section made after the acceptance of the complete specification and the nature of the proposed amendment shall be advertised in the prescribed manner.

(4) Where an application is advertised under sub-section (3), any person interested may, within the prescribed period after the advertisement thereof, give notice to the Controller of opposition thereto; and where such a notice is given within the period aforesaid, the Controller shall notify the person by whom the application under this section is made and shall give to that person and to the opponent an opportunity to be heard before he decides the case.

(5) An amendment under this section of a complete specification may be, or include, an amendment of the priority date of a claim.

(6) The provisions of this section shall be without prejudice to the right of an applicant for a patent to amend his specification to comply with the directions of the Controller issued before the acceptance of the complete specification or in the course of proceedings in opposition to the grant of a patent.

Amend-
ment of
specifica-
tion
before
High
Court.

58. (1) In any proceeding before the High Court for the revocation of a patent, the High Court may, subject to the provisions contained in section 59, allow the patentee to amend his complete specification in such manner and subject to such terms as to costs, advertisement or otherwise, as the High Court may think fit, and if in any proceedings for revocation the High Court decides that the patent is invalid, it may allow the specification to be amended under this section instead of revoking the patent.

(2) Where an application for an order under this section is made to the High Court, the applicant shall give notice of the application to the Controller, and the Controller shall be entitled to appear and be heard, and shall appear if so directed by the High Court.

(3) Copies of all orders of the High Court allowing the patentee to amend the specification shall be transmitted by the High Court to the Controller who shall on receipt thereof cause an entry thereof and reference thereto to be made in the register.

59. (1) No amendment of an application for a patent or a complete Supplementary specification shall be made except by way of disclaimer, correction or explanatory planation, and no amendment thereof shall be allowed, except for the purpose of correcting an obvious mistake, and no amendment of a complete specification shall be allowed the effect of which would be that the specification as amended would claim or describe matter not in substance disclosed in the specification before the amendment, or that any claim of the specification as amended would not fall wholly within the scope of a claim of the specification before the amendment.

(2) Where after the date of advertisement of acceptance of a complete specification, any amendment of the specification is allowed by the Controller or by the High Court,—

(a) the amendment shall for all purposes be deemed to form part of the specification;

(b) the fact that the specification has been amended shall be advertised in the Official Gazette; and

(c) the right of the applicant or patentee to make amendment shall not be called in question except on the ground of fraud.

(3) In construing the specification as amended, reference may be made to the specification as originally accepted.

CHAPTER XI

RESTORATION OF LAPSED PATENTS

60. (1) Where a patent has ceased to have effect by reason of failure to pay any renewal fee within the prescribed period or within that period as extended under sub-section (3) of section 53, the patentee or his legal representative, and where the patent was held by two or more persons jointly, then, with the leave of the Controller, one or more of them without joining the others, may, within one year from the date on which the patent ceased to have effect, make an application for the restoration of the patent.

Applications for restoration of lapsed patents.

2 of 1911.

(2) The provisions of sub-section (1) shall also apply to patents granted before the commencement of this Act, subject to the modification that for the reference to the prescribed period or to sub-section (3) of section 53, there shall be substituted a reference to the period prescribed therefor under the Indian Patents and Designs Act, 1911 or to sub-section (2) of section 14 of that Act.

(3) An application under this section shall contain a statement, verified in the prescribed manner, fully setting out the circumstances which led to the failure to pay the prescribed fee, and the Controller may require from the applicant such further evidence as he may think necessary.

Procedure
for dispo-
sal of ap-
plications
for res-
toration
of lapsed
patents.

61. (1) If, after hearing the applicant in cases where the applicant so desires or the Controller thinks fit, the Controller is *prima facie* satisfied that the failure to pay the renewal fee was unintentional and that there has been no undue delay in the making of the application, he shall advertise the application in the prescribed manner; and within the prescribed period any person interested may give notice to the Controller of opposition thereto on either or both of the following grounds, that is to say,—

(a) that the failure to pay the renewal fee was not unintentional; or

(b) that there has been undue delay in the making of the application.

(2) If notice of opposition is given within the period aforesaid, the Controller shall notify the applicant, and shall give to him and to the opponent an opportunity to be heard before he decides the case.

(3) If no notice of opposition is given within the period aforesaid or if in the case of opposition, the decision of the Controller is in favour of the applicant, the Controller shall, upon payment of any unpaid renewal fee and such additional fee as may be prescribed, restore the patent and any patent of addition specified in the application which has ceased to have effect on the cesser of that patent.

(4) The Controller may, if he thinks fit as a condition of restoring the patent, require that an entry shall be made in the register of any document or matter which, under the provisions of this Act, has to be entered in the register but which has not been so entered.

Rights of
patentees
of lapsed
patents
which
have been
restored.

62. (1) Where a patent is restored, the rights of the patentee shall be subject to such provisions as may be prescribed and to such other provisions as the Controller thinks fit to impose for the protection or compensation of persons who may have begun to avail themselves of, or have taken definite steps by contract or otherwise to avail themselves of, the patented invention between the date when the patent ceased to have effect and the date of the advertisement of the application for restoration of the patent under this Chapter.

(2) No suit or other proceeding shall be commenced or prosecuted in respect of an infringement of a patent committed between the date on which the patent ceased to have effect and the date of the advertisement of the application for restoration of the patent.

CHAPTER XII

SURRENDER AND REVOCATION OF PATENTS

Surrender
of patents.

63. (1) A patentee may, at any time by giving notice in the prescribed manner to the Controller, offer to surrender his patent.

(2) Where such an offer is made, the Controller shall advertise the offer in the prescribed manner, and also notify every person other than the patentee whose name appears in the register as having an interest in the patent.

(3) Any person interested may, within the prescribed period after such advertisement, give notice to the Controller of opposition to the surrender, and where any such notice is given the Controller shall notify the patentee.

(4) If the Controller is satisfied after hearing the patentee and any opponent, if desirous of being heard, that the patent may properly be surrendered, he may accept the offer and, by order revoke the patent.

64. (1) Subject to the provisions contained in this Act, a patent, whether granted before or after the commencement of this Act, may, on the petition of any person interested or of the Central Government or on a counter-claim in a suit for infringement of the patent, be revoked by the High Court on any of the following grounds, that is to say—

Revocation
of
Power of
patents.

(a) that the invention, so far as claimed in any claim of the complete specification, was claimed in a valid claim of earlier priority date contained in the complete specification of another patent granted in India;

(b) that the patent was granted on the application of a person not entitled under the provisions of this Act to apply therefor:

2 of 1911.

Provided that a patent granted under the Indian Patents and Designs Act, 1911 shall not be revoked on the ground that the applicant was the communicatee or the importer of the invention in India and therefore not entitled to make an application for the grant of a patent under this Act;

(c) that the patent was obtained wrongfully in contravention of the rights of the petitioner or any person under or through whom he claims;

(d) that the subject of any claim of the complete specification is not an invention within the meaning of this Act;

(e) that the invention so far as claimed in any claim of the complete specification is not new, having regard to what was publicly known or publicly used in India before the priority date of the claim or to what was published in India or elsewhere in any of the documents referred to in section 13:

2 of 1911.

Provided that in relation to patents granted under the Indian Patents and Designs Act, 1911, this clause shall have effect as if the words "or elsewhere" had been omitted;

(f) that the invention so far as claimed in any claim of the complete specification is obvious or does not involve any inventive step, having regard to what was publicly known or publicly used in India or what was published in India or elsewhere before the priority date of the claim:

2 of 1911.

Provided that in relation to patents granted under the Indian Patents and Designs Act, 1911, this clause shall have effect as if the words "or elsewhere" had been omitted;

(g) that the invention, so far as claimed in any claim of the complete specification, is not useful;

(h) that the complete specification does not sufficiently and fairly describe the invention and the method by which it is to be performed, that is to say, that the description of the method or the instructions for the working of the invention as contained in the complete specification are not by themselves sufficient to enable a person in India possessing average skill in, and average knowledge of, the art to which the invention relates, to work the invention, or that it does not disclose the best method of performing it which was known to the applicant for the patent and for which he was entitled to claim protection;

(i) that the scope of any claim of the complete specification is not sufficiently and clearly defined or that any claim of the complete specification is not fairly based on the matter disclosed in the specification;

(j) that the patent was obtained on a false suggestion or representation;

(k) that the subject of any claim of the complete specification is not patentable under this Act;

(l) that the invention so far as claimed in any claim of the complete specification was secretly used in India, otherwise than as mentioned in sub-section (3), before the priority date of the claim;

(m) that the applicant for the patent has failed to disclose to the Controller the information required by section 8 or has furnished information which in any material particular was false to his knowledge;

(n) that the applicant contravened any direction for secrecy passed under section 35 or made or caused to be made an application for the grant of a patent outside India in contravention of section 39;

(o) that leave to amend the complete specification under section 57 or section 58 was obtained by fraud.

(2) For the purposes of clauses (e) and (f) of sub-section (1),—

(a) no account shall be taken of secret use; and

(b) where the patent is for a process or for a product as made by a process described or claimed, the importation into India of the product made abroad by that process shall constitute knowledge or use in India of the invention on the date of the importation, except where such importation has been for the purpose of reasonable trial or experiment only.

(3) For the purpose of clause (l) of sub-section (1), no account shall be taken of any use of the invention—

(a) for the purpose of reasonable trial or experiment only; or

(b) by the Government or by any person authorised by the Government or by a Government undertaking, in consequence of the applicant for the patent or any person from whom he derives

title having communicated or disclosed the invention directly or indirectly to the Government or person authorised as aforesaid or to the Government undertaking; or

(c) by any other person, in consequence of the applicant for the patent or any person from whom he derives title having communicated or disclosed the invention, and without the consent or acquiescence of the applicant or of any person from whom he derives title.

(4) Without prejudice to the provisions contained in sub-section (1), a patent may be revoked by the High Court on the petition of the Central Government, if the High Court is satisfied that the patentee has without reasonable cause failed to comply with the request of the Central Government to make, use or exercise the patented invention for the purposes of Government within the meaning of section 99 upon reasonable terms.

(5) A notice of any petition for revocation of a patent under this section shall be served on all persons appearing from the register to be proprietors of that patent or to have shares or interests therein and it shall not be necessary to serve a notice on any other person.

33 of 1962.

65. (1) Where at any time after acceptance of a complete specification, the Central Government is satisfied that an application for a patent or a patent is for an invention relating to atomic energy for which no patent can be granted under sub-section (1) of section 20 of the Atomic Energy Act, 1962, it may direct the Controller to refuse to proceed further with the application or to revoke the patent, as the case may be, and thereupon the Controller, after giving notice to the applicant or, as the case may be, to the patentee and every other person whose name has been entered in the register as having an interest in the patent, and after giving them an opportunity of being heard, may refuse to proceed further with the application or may revoke the patent.

Revocation of patent or amendment of complete specification on directions from Central Government in cases relating to atomic energy.

(2) In any proceedings under sub-section (1), the Controller may allow the applicant for the patent or the patentee to amend the complete specification in such manner as he considers necessary instead of refusing to proceed with the application or revoking the patent.

66. Where the Central Government is of opinion that a patent or the mode in which it is exercised is mischievous to the State or generally prejudicial to the public, it may, after giving the patentee an opportunity to be heard, make a declaration to that effect in the Official Gazette and thereupon the patent shall be deemed to be revoked.

Revocation of patent in public interest.

CHAPTER XIII

REGISTER OF PATENTS

67. (1) There shall be kept at the patent office a register of patents, wherein shall be entered—

Register of patents and particulars to be entered therein.

(a) the names and addresses of grantees of patents;

(b) notifications of assignments and of transmissions of patents, of licences under patents, and of amendments, extensions, and revocations of patents; and

(c) particulars of such other matters affecting the validity or proprietorship of patents as may be prescribed.

(2) No notice of any trust, whether express, implied or constructive, shall be entered in the register, and the Controller shall not be affected by any such notice.

(3) Subject to the superintendence and direction of the Central Government, the register shall be kept under the control and management of the Controller.

(4) For the removal of doubts, it is hereby declared that the register of patents existing at the commencement of this Act shall be incorporated in, and form part of, the register under this Act.

Assignments,
etc., not
to be
valid
unless in
writing
and regis-
tered.

68. An assignment of a patent or of a share in a patent, a mortgage, licence or the creation of any other interest in a patent shall not be valid unless the same were in writing and the agreement between the parties concerned is reduced to the form of a document embodying all the terms and conditions governing their rights and obligations and the application for registration of such document is filed in the prescribed manner with the Controller within six months from the commencement of this Act or the execution of the document; whichever is later, or within such further period not exceeding six months in the aggregate as the Controller on application made in the prescribed manner allows:

Provided that the document shall, when registered, have effect from the date of its execution.

Registration of
assignments,
and transmis-
sions, etc.

69. (1) Where any person becomes entitled by assignment, transmission or operation of law to a patent or to a share in a patent or becomes entitled as a mortgagee, licensee or otherwise to any other interest in a patent, he shall apply in writing in the prescribed manner to the Controller for the registration of his title or, as the case may be, of notice of his interest in the register.

(2) Without prejudice to the provisions of sub-section (1), an application for the registration of the title of any person becoming entitled by assignment to a patent or a share in a patent or becoming entitled by virtue of a mortgage, licence or other instrument to any other interest in a patent may be made in the prescribed manner by the assignor, mortgagor, licensor or other party to that instrument, as the case may be.

(3) Where an application is made under this section for the registration of the title of any person the Controller shall, upon proof of title to his satisfaction,—

(a) where that person is entitled to a patent or a share in a patent, register him in the register as proprietor or co-proprietor of the patent, and enter in the register particulars of the instrument or event by which he derives title; or

(b) where that person is entitled to any other interest in the patent, enter in the register notice of his interest, with particulars of the instrument, if any, creating it.

Provided that if there is any dispute between the parties whether the assignment, mortgage, licence, transmission, operation of law or any other such transaction has validly vested in such person a title to the patent or any share or interest therein, the Controller may refuse to take any action under clause (a) or, as the case may be, under clause (b), until the rights of the parties have been determined by a competent court.

(4) There shall be supplied to the Controller in the prescribed manner, for being filed in the patent office copies of all agreements, licences and other documents affecting the title to any patent or any licence thereunder authenticated in the prescribed manner and also such other documents as may be prescribed relevant to the subject-matter:

Provided that in the case of a licence granted under a patent, the Controller shall, if so requested by the patentee or licensee, take steps for securing that the terms of the licence are not disclosed to any person except under the order of a court.

(5) Except for the purposes of an application under sub-section (1) or of an application to rectify the register, a document in respect of which no entry has been made in the register under sub-section (3) shall not be admitted by the Controller or by any court as evidence of the title of any person to a patent or to a share or interest therein unless the Controller or the court, for reasons to be recorded in writing, otherwise directs.

70. Subject to the provisions contained in this Act relating to co-ownership of patents and subject also to any rights vested in any other person of which notice is entered in the register, the person or persons registered as grantee or proprietor of a patent shall have power to assign, grant licences under, or otherwise deal with, the patent and to give effectual receipts for any consideration for any such assignment, licence or dealing. Power of registered grantee or proprietor to deal with patent.

Provided that any equities in respect of the patent may be enforced in like manner as in respect of any other movable property.

71. (1) The High Court may, on the application of any person aggrieved—

- (a) by the absence or omission from the register of any entry; or
- (b) by any entry made in the register without sufficient cause; or
- (c) by any entry wrongly remaining on the register; or
- (d) by any error or defect in any entry in the register,

make such order for the making, variation or deletion, of any entry therein as it may think fit.

(2) In any proceeding under this section the High Court may decide any question that may be necessary or expedient to decide in connection with the rectification of the register.

(3) Notice of any application to the High Court under this section shall be given in the prescribed manner to the Controller who shall be entitled to appear and be heard on the application, and shall appear if so directed by the court.

Rectification of register by High Court.

(4) Any order of the High Court under this section rectifying the register shall direct that notice of the rectification shall be served upon the Controller in the prescribed manner who shall upon receipt of such notice rectify the register accordingly.

Register
to be
open
for
inspec-
tion.

72. (1) Subject to the provisions contained in this Act and any rules made thereunder, the register shall at all convenient times be open to inspection by the public; and certified copies, sealed with the seal of the patent office, of any entry in the register shall be given to any person requiring them on payment of the prescribed fee.

(2) The register shall be *prima facie* evidence of any matters required or authorised by or under this Act to be entered therein.

CHAPTER XIV

PATENT OFFICE AND ITS ESTABLISHMENT

Controller
and
other
officers.

73. (1) The Controller General of Patents, Designs and Trade Marks appointed under sub-section (1) of section 4 of the Trade and Merchandise Marks Act, 1958, shall be the Controller of Patents for the purposes of 43 of 1958. this Act.

(2) For the purposes of this Act, the Central Government may appoint as many examiners and other officers and with such designations as it thinks fit.

(3) Subject to the provisions of this Act, the officers appointed under sub-section (2) shall discharge under the superintendence and directions of the Controller such functions of the Controller under this Act as he may, from time to time by general or special order in writing, authorise them to discharge.

(4) Without prejudice to the generality of the provisions of sub-section (3), the Controller may, by order in writing and for reasons to be recorded therein withdraw any matter pending before an officer appointed under sub-section (2) and deal with such matter himself either *de novo* or from the stage it was so withdrawn or transfer the same to another officer appointed under sub-section (2) who may, subject to special directions in the order of transfer, proceed with the matter either *de novo* or from the stage it was so transferred.

Patent
office
and its
branches.

74. (1) For the purposes of this Act, there shall be an office which shall be known as the patent office.

(2) The patent office provided by the Central Government under the Indian Patents and Designs Act, 1911, shall be the patent office under 2 of 1911. this Act.

(3) The head office of the patent office shall be at such place as the Central Government may specify, and for the purpose of facilitating, the registration of patents there may be established, at such other places as the Central Government may think fit, branch offices of the patent office.

(4) There shall be a seal of the patent office.

75. All officers and employees of the patents office shall be incapable, during the period for which they hold their appointments, to acquire or take, directly or indirectly, except by inheritance or bequest, any right or interest in any patent issued by that office.

Restriction on employees of patent office as to right or interest in patents.

76. An officer or employee in the patent office shall not, except when required or authorised by this Act or under a direction in writing of the Central Government or the Controller or by order of a court,—

2 of 1911.

(a) furnish information on a matter which is being, or has been, dealt with under this Act or under the Indian Patents and Designs Act, 1911; or

2 of 1911.

(b) prepare or assist in the preparation of a document required or permitted by or under this Act or under the Indian Patents and Designs Act, 1911, to be lodged in the patent office; or

(c) conduct a search in the records of the patent office.

Officers and employees not to furnish information, etc.

CHAPTER XV

POWERS OF CONTROLLER GENERALLY

5 of 1908.

77. (1) Subject to any rules made in this behalf, the Controller in any proceedings before him under this Act shall have the powers of a civil court while trying a suit under the Code of Civil Procedure, 1908, in respect of the following matters, namely:—

Controller to have certain powers of a civil court.

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

(b) requiring the discovery and production of any document;

(c) receiving evidence on affidavits;

(d) issuing commissions for the examination of witnesses or documents;

(e) awarding costs;

(f) reviewing his own decision on application made within the prescribed time and in the prescribed manner;

(g) setting aside an order passed *ex parte* on application made within the prescribed time and in the prescribed manner;

(h) any other matter which may be prescribed.

(2) Any order for costs awarded by the Controller in exercise of the powers conferred upon him under sub-section (1) shall be executable as a decree of a civil court.

78. (1) Without prejudice to the provisions contained in sections 57 and 59 as regards amendment of applications for patents or complete specifications and subject to the provisions of section 44, the Controller may, in accordance with the provisions of this section, correct any clerical error in any patent or in any specification or other document filed in pursuance of such application or in any application for a patent or any clerical error in any matter which is entered in the register.

Power of Controller to correct clerical errors, etc.

(2) A correction may be made in pursuance of this section either upon a request in writing made by any person interested and accompanied by the prescribed fee, or without such a request.

(3) Where the Controller proposes to make any such correction as aforesaid otherwise than in pursuance of a request made under this section, he shall give notice of the proposal to the patentee or the applicant for the patent, as the case may be, and to any other person who appears to him to be concerned, and shall give them an opportunity to be heard before making the correction.

(4) Where a request is made under this section for the correction of any error in a patent or application for a patent or any document filed in pursuance of such an application, and it appears to the Controller that the correction would materially alter the meaning or scope of the document to which the request relates and ought not to be made without notice to persons affected thereby, he shall require notice of the nature of the proposed correction to be advertised in the prescribed manner.

(5) Within the prescribed time after any such advertisement as aforesaid any person interested may give notice to the Controller of opposition to the request, and, where such notice of opposition is given, the Controller shall give notice thereof to the person by whom the request was made, and shall give to him and to the opponent an opportunity to be heard before he decides the case.

Evidence
how to
be given
and
powers
of Controller
in
respect
thereof.

79. Subject to any rules made in this behalf, in any proceeding under this Act before the Controller, evidence shall be given by affidavit in the absence of directions by the Controller to the contrary, but in any case in which the Controller thinks it right so to do, he may take oral evidence in lieu of, or in addition to, evidence by affidavit, or may allow any party to be cross-examined on the contents of his affidavit.

Exercise of
discretionary
powers by
Controller.

80. Without prejudice to any provision contained in this Act requiring the Controller to hear any party to the proceedings thereunder or to give any such party an opportunity to be heard, the Controller shall give to any applicant for a patent, or for amendment of a specification (if within the prescribed time the applicant so requires) an opportunity to be heard before exercising adversely to the applicant any discretion vested in the Controller by or under this Act.

Disposal
by Con-
troller of
appli-
cations for
extension
of time.

81. Where under the provisions of this Act or the rules made thereunder the Controller may extend the time for doing any act, nothing in this Act shall be deemed to require him to give notice to or hear the party interested in opposing the extension, nor shall any appeal lie from any order of the Controller granting such extension.

CHAPTER XVI

WORKING OF PATENTS, COMPULSORY LICENCES, LICENCES OF RIGHT AND REVOCATION

Definitions
of "patent-
ed arti-
cles" and
"paten-
tee".

82. In this Chapter, unless the context otherwise requires,—
- (a) "patented article" includes any article made by a patented process; and
 - (b) "patentee" includes an exclusive licensee.

83. Without prejudice to the other provisions contained in this Act, in exercising the powers conferred by this Chapter, regard shall be had to the following general considerations, namely,—

- (a) that patents are granted to encourage inventions and to secure that the inventions are worked in India on a commercial scale and to the fullest extent that is reasonably practicable without undue delay; and
- (b) that they are not granted merely to enable patentees to enjoy a monopoly for the importation of the patented article.

84. (1) At any time after the expiration of three years from the date of the sealing of a patent, any person interested may make an application to the Controller alleging that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price and praying for the grant of a compulsory licence to work the patented invention.

(2) An application under this section may be made by any person notwithstanding that he is already the holder of a licence under the patent and no person shall be estopped from alleging that the reasonable requirements of the public with respect to the patented invention are not satisfied or that the patented invention is not available to the public at a reasonable price by reason of any admission made by him, whether in such a licence or otherwise or by reason of his having accepted such a licence.

(3) Every application under sub-section (1) shall contain a statement setting out the nature of the applicant's interest together with such particulars as may be prescribed and the facts upon which the application is based.

(4) In considering the application filed under this section the Controller shall take into account the matters set out in section 85.

(5) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price, may order the patentee to grant a licence upon such terms as he may deem fit.

(6) Where the Controller directs the patentee to grant a licence he may as incidental thereto exercise the powers set out in section 93.

85. In determining whether or not to make an order in pursuance of an application filed under section 84, the Controller shall take into account,—

Matters to be taken into account in granting compulsory licences.

(i) the nature of the invention, the time which has elapsed since the sealing of the patent and the measures already taken by the patentee or any licensee to make full use of the invention;

(ii) the ability of the applicant to work the invention to the public advantage;

(iii) the capacity of the applicant to undertake the risk in providing capital and working the invention, if the application were granted,

but shall not be required to take into account matters subsequent to the making of the application.

Endorse-
ment of
patent
with
the
words
"Licences
of right".

86. (1) At any time after the expiration of three years from the date of the sealing of a patent, the Central Government may make an application to the Controller for an order that the patent may be endorsed with the words "Licences of right" on the ground that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price.

(2) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price, may make an order that the patent be endorsed with the words "Licences of right".

(3) Where a patent of addition is in force, any application made under this section for an endorsement either of the original patent or of the patent of addition shall be treated as an application for the endorsement of both patents, and where a patent of addition is granted in respect of a patent which is already endorsed under this section, the patent of addition shall also be so endorsed.

(4) All endorsements of patents made under this section shall be entered in the register and published in the Official Gazette and in such other manner as the Controller thinks desirable for bringing the endorsement to the notice of manufacturers.

Certain
patents
deemed to
be endor-
sed with
the words
"Licences
of right".

87. (1) Notwithstanding anything contained in this Act,—

(a) every patent in force at the commencement of this Act in respect of inventions relating to—

(i) substances used or capable of being used as food or as medicine or drug;

(ii) the methods or processes for the manufacture or production of any such substance as is referred to in sub-clause (i);

(iii) the methods or processes for the manufacture or production of chemical substances (including alloys, optical glass, semi-conductors and inter-metallic compounds),

shall be deemed to be endorsed with the words "Licences of right" from the commencement of this Act or from the expiration of three years from the date of sealing of the patent under the Indian Patents and Designs Act, 1911, whichever is later; and

(b) every patent granted after the commencement of this Act in respect of any such invention as is referred to in section 5 shall be

deemed to be endorsed with the words "Licences of right" from the date of expiration of three years from the date of sealing of the patent.

(2) In respect of every patent which is deemed to be endorsed with the words "Licences of right" under this section, the provisions of section 88 shall apply.

88. (1) Where a patent has been endorsed with the words "Licences of right", any person who is interested in working the patented invention in India may require the patentee to grant him a licence for the purpose on such terms as may be mutually agreed upon, notwithstanding that he is already the holder of a licence under the patent.

Effect of endorsement of patent with the words "Licences of right".

(2) If the parties are unable to agree on the terms of the licence, either of them may apply in the prescribed manner to the Controller to settle the terms thereof.

(3) The Controller shall, after giving notice to the parties and hearing them and after making such enquiry as he may deem fit, decide the terms on which the licence shall be granted by the patentee.

(4) The Controller may at any time before the terms of the licence are mutually agreed upon or decided by the Controller, on application made to him in this behalf by any person who has made any such requisition as is referred to in sub-section (1), permit him to work the patented invention on such terms as the Controller may, pending agreement between the parties or decision by the Controller, think fit to impose.

(5) In the case of every patent in respect of an invention referred to in sub-clause (i), or sub-clause (ii), of clause (a) of sub-section (1) of section 87 and deemed to be endorsed with the words "Licences of right" under clause (a) or clause (b) of that sub-section, the royalty and other remuneration reserved to the patentee under a licence granted to any person after such commencement shall in no case exceed four per cent. of the net ex-factory sale price in bulk of the patented article (exclusive of taxes levied under any law for the time being in force and any commissions payable) determined in such manner as may be prescribed.

(6) Save as otherwise provided in sub-section (5), the provisions of sub-sections (1), (2), (4) and (5) of section 93 (regarding the powers of the Controller) and of sections 94 and 95 shall apply to licences granted under this section as they apply to licences granted under section 84.

89. (1) Where, in respect of a patent, a compulsory licence has been granted or the endorsement "Licences of right" has been made or is deemed to have been made, the Central Government or any person interested may, after the expiration of two years from the date of the order granting the first compulsory licence or, as the case may be, the date of the grant of the first licence under section 88, apply to the Controller for an order revoking the patent on the ground that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price.

Revocation of patents by the Controller for non-working.

(2) Every application under sub-section (1) shall contain such particulars as may be prescribed and the facts upon which the application is based, and, in the case of an application other than by the Central Government, shall also set out the nature of the applicant's interest.

(3) The Controller, if satisfied that the reasonable requirements of the public with respect to the patented invention have not been satisfied or that the patented invention is not available to the public at a reasonable price, may make an order revoking the patent.

(4) Every application under sub-section (1) shall ordinarily be decided within one year of its being presented to the Controller.

When reasonable requirements of the public deemed not satisfied

90. For the purposes of sections 84, 86 and 89, the reasonable requirements of the public shall be deemed not to have been satisfied—

(a) if, by reason of the default of the patentee to manufacture in India to an adequate extent and supply on reasonable terms the patented article or a part of the patented article which is necessary for its efficient working or if, by reason of the refusal of the patentee to grant a licence or licences on reasonable terms,—

(i) an existing trade or industry or the development thereof or the establishment of any new trade or industry in India or the trade or industry of any person or classes of persons trading or manufacturing in India is prejudiced; or

(ii) the demand for the patented article is not being met to an adequate extent or on reasonable terms from manufacture in India; or

(iii) a market for the export of the patented article manufactured in India is not being supplied or developed; or

(iv) the establishment or development of commercial activities in India is prejudiced; or

(b) if, by reason of conditions imposed by the patentee (whether before or after the commencement of this Act) upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, the manufacture, use or sale of materials not protected by the patent, or the establishment or development of any trade or industry in India, is prejudiced; or

(c) if the patented invention is not being worked in India on a commercial scale to an adequate extent or is not being so worked to the fullest extent that is reasonably practicable; or

(d) if the demand for the patented article in India is being met to a substantial extent by importation from abroad by—

(i) the patentee or persons claiming under him; or

- (ii) persons directly or indirectly purchasing from him; or
- (iii) other persons against whom the patentee is not taking or has not taken proceedings for infringement; or
- (e) if the working of the patented invention in India on a commercial scale is being prevented or hindered by the importation from abroad of the patented article by the patentee or the other persons referred to in the preceding clause.

91. (1) Where an application under section 84, section 86 or section 89, as the case may be, is made on the ground mentioned in clause (c) of section 90 and the Controller is satisfied that the time which has elapsed since the sealing of the patent has for any reason been insufficient to enable the invention to be worked on a commercial scale to an adequate extent or to enable the invention to be so worked to the fullest extent that is reasonably practicable, he may, by order, adjourn the further hearing of the application for such period not exceeding twelve months in the aggregate as appears to him to be sufficient for the invention to be so worked:

Provided that in any case where the patentee establishes that the reason why a patented invention could not be worked as aforesaid before the date of the application was due to any State or Central Act or any rule or regulation made thereunder or any order of the Government imposed otherwise than by way of a condition for the working of the invention in India or for the disposal of the patented articles or of the articles made by the process or by the use of the patented plant, machinery, or apparatus, then, the period of adjournment ordered under this sub-section shall be reckoned from the date on which the period during which the working of the invention was prevented by such Act, rule or regulation or order of Government as computed from the date of the application, expires.

(2) No adjournment under sub-section (1) shall be ordered unless the Controller is satisfied that the patentee has taken with promptitude adequate or reasonable steps to start the working of the invention in India on a commercial scale and to an adequate extent.

92. (1) Where the Controller is satisfied, upon consideration of an application under section 84, section 86 or section 89, that a *prima facie* case has been made out for the making of an order, he shall direct the applicant to serve copies of the application upon the patentee and any other person appearing from the register to be interested in the patent in respect of which the application is made, and shall advertise the application in the Official Gazette.

(2) The patentee or any other person desiring to oppose the application may, within such time as may be prescribed or within such further time as the Controller may on application (made either before or after the expiration of the prescribed time) allow, give to the Controller notice of opposition.

(3) Any such notice of opposition shall contain a statement setting out the grounds on which the application is opposed.

Power of
Controller
to adjourn
applica-
tions for
compulsory
licences,
etc., in
certain
cases.

Procedure
for dealing
with applica-
tions
under sec-
tions 84,
86 and 89.

(4) Where any such notice of opposition is duly given, the Controller shall notify the applicant, and shall give to the applicant and the opponent an opportunity to be heard before deciding the case.

Powers
of Con-
troller in
granting
compulso-
ry lice-
nces.

93. (1) Where the Controller is satisfied on application made under section 84 that the manufacture, use or sale of materials not protected by the patent is prejudiced by reason of conditions imposed by the patentee upon the grant of licences under the patent, or upon the purchase, hire or use of the patented article or process, he may, subject to the provisions of that section, order the grant of licences under the patent to such customers of the applicant as he thinks fit as well as to the applicant.

(2) Where an application under section 84 is made by a person being the holder of a licence under the patent, the Controller may, if he makes an order for the grant of a licence to the applicant, order the existing licence to be cancelled, or may, if he thinks fit, instead of making an order for the grant of a licence to the applicant, order the existing licence to be amended.

(3) Where on an application made under section 84, the Controller orders the grant of a licence, he may, for reasons to be recorded in writing, direct that the licence shall operate—

(a) to deprive the patentee of any right which he may have as patentee to make, use, exercise or vend the invention or to grant licences under the patent;

(b) to revoke all existing licences in respect of the invention.

(4) Where two or more patents are held by the same patentee and an applicant for a compulsory licence establishes that the reasonable requirements of the public have not been satisfied with respect to some only of the said patents, then, if the Controller is satisfied that the applicant cannot efficiently or satisfactorily work the licence granted to him under those patents without infringing the other patents held by the patentee, he may, by order, direct the grant of a licence in respect of the other patents also to enable the licensee to work the patent or patents in regard to which a licence is granted under section 84.

(5) Where the terms and conditions of a licence have been settled by the Controller, the licensee may, at any time after he has worked the invention on a commercial scale for a period of not less than twelve months, make an application to the Controller for the revision of the terms and conditions on the ground that the terms and conditions settled have proved to be more onerous than originally expected and that in consequence thereof the licensee is unable to work the invention except at a loss:

Provided that no such application shall be entertained a second time.

General
purposes
for
granting
compul-
sory li-
cences.

94. The powers of the Controller upon an application made under section 84 shall be exercised with a view to securing the following general purposes, that is to say,—

(a) that patented inventions are worked on a commercial scale in India without undue delay and to the fullest extent that is reasonably practicable;

(b) that the interests of any person for the time being working or developing an invention in India under the protection of a patent are not unfairly prejudiced.

95. (1) In settling the terms and conditions of a licence under section 84, the Controller shall endeavour to secure—

(i) that the royalty and other remuneration, if any, reserved to the patentee or other person beneficially entitled to the patent, is reasonable, having regard to the nature of the invention, the expenditure incurred by the patentee in making the invention or in developing it and obtaining a patent and keeping it in force and other relevant factors;

(ii) that the patented invention is worked to the fullest extent by the person to whom the licence is granted and with reasonable profit to him;

(iii) that the patented articles are made available to the public at reasonable prices.

(2) No licence granted by the Controller shall authorise the licensee to import the patented article or an article or substance made by a patented process from abroad where such importation would, but for such authorisation, constitute an infringement of the rights of the patentee.

(3) Notwithstanding anything contained in sub-section (2), the Central Government may, if in its opinion it is necessary so to do in the public interest, direct the Controller at any time to authorise any licensee in respect of a patent to import the patented article or an article or substance made by a patented process from abroad (subject to such conditions as it considers necessary to impose relating among other matters to the royalty and other remuneration, if any, payable to the patentee, the quantum of import, the sale price of the imported article, and the period of importation), and thereupon the Controller shall give effect to the directions.

96. (1) Notwithstanding anything contained in the other provisions of this Chapter, at any time after the sealing of a patent, any person who has the right to work any other patented invention either as patentee or as licensee thereof, exclusive or otherwise, may apply to the Controller for the grant of a licence of the first mentioned patent on the ground that he is prevented or hindered without such licence from working the other invention efficiently or to the best advantage possible.

(2) No order under sub-section (1) shall be made unless the Controller is satisfied—

(i) that the applicant is able and willing to grant, or procure the grant to the patentee and his licensees if they so desire, of a licence in respect of the other invention on reasonable terms; and

Terms
and con-
ditions of
compul-
sory li-
cences.

Licensing
of related
patents.

(ii) that the other invention has made a substantial contribution to the establishment or development of commercial or industrial activities in India.

(3) When the Controller is satisfied that the conditions mentioned in sub-section (1) have been established by the applicant, he may make an order on such terms as he thinks fit granting a licence under the first mentioned patent and a similar order under the other patent if so requested by the proprietor of the first mentioned patent or his licensee.

(4) The provisions of sections 92 and 110 shall apply to licences granted under this section as they apply to licences granted under section 84.

Special provision for compulsory licences on notification by Central Government.

97. (1) If the Central Government is satisfied in respect of any patent or class of patents in force that it is necessary or expedient in the public interest that compulsory licences should be granted at any time after the sealing thereof to work the invention or inventions, it may make a declaration to that effect in the Official Gazette, and thereupon the following provisions shall have effect, that is to say—

(i) the Controller shall on application made at any time after the notification by any person interested grant to the applicant a licence under the patent on such terms as he thinks fit;

(ii) in settling the terms of a licence granted under this section, the Controller shall endeavour to secure that the articles manufactured under the patent shall be available to the public at the lowest prices consistent with the patentees deriving a reasonable advantage from their patent rights.

(2) The provisions of sections 92, 93, 94 and 95 shall apply in relation to the grant of licences under this section as they apply in relation to the grant of licences under section 84.

Order for licence to operate as a deed between parties concerned.

98. Any order for the grant of a licence under this Chapter shall operate as if it were a deed granting a licence executed by the patentee and all other necessary parties embodying the terms and conditions, if any, settled by the Controller.

CHAPTER XVII

USE OF INVENTIONS FOR PURPOSES OF GOVERNMENT AND ACQUISITION OF INVENTIONS BY CENTRAL GOVERNMENT

Meaning of use of invention for purposes of Government.

99. (1) For the purposes of this Chapter, an invention is said to be used for the purposes of Government if it is made, used, exercised or vended for the purposes of the Central Government, a State Government or a Government undertaking.

(2) Without prejudice to the generality of the provisions of sub-section (1),—

(a) the importation, by or on behalf of the Government, of any invention being a machine, apparatus or other article covered by a patent granted before the commencement of this Act, for the purpose merely of its own use; and

(b) the importation, by or on behalf of the Government, of any invention being a medicine or drug covered by a patent granted before the commencement of this Act—

(i) for the purpose merely of its own use; or

(ii) for the purpose of distribution in any dispensary, hospital or other medical institution maintained by or on behalf of the Government or in any other dispensary, hospital or other medical institution which the Central Government may, having regard to the public service which such other dispensary, hospital or medical institution renders, specify in this behalf by notification in the Official Gazette,

shall also be deemed, for the purposes of this Chapter, to be use of such invention for the purposes of Government.

(3) Nothing contained in this Chapter shall apply in respect of any such importation making or using of any machine, apparatus or other article or of any such using of any process or of any such importation, using or distribution of any medicine or drug, as may be made by virtue of one or more of the conditions specified in section 47.

100. (1) Notwithstanding anything contained in this Act, at any time after an application for a patent has been filed at the patent office or a patent has been granted, the Central Government and any person authorised in writing by it, may use the invention for the purposes of Government in accordance with the provisions of this Chapter.

Power of
Central
Govern-
ment to
use in-
ventions
for pur-
poses of
Govern-
ment.

(2) Where an invention has, before the priority date of the relevant claim of the complete specification, been duly recorded in a document, or tested or tried, by or on behalf of the Government or a Government undertaking, otherwise than in consequence of the communication of the invention directly or indirectly by the patentee or by a person from whom he derives title, any use of the invention by the Central Government or any person authorised in writing by it for the purposes of Government may be made free of any royalty or other remuneration to the patentee.

(3) If and so far as the invention has not been so recorded or tried or tested as aforesaid, any use of the invention made by the Central Government or any person authorised by it under sub-section (1), at any time after the acceptance of the complete specification in respect of the patent or in consequence of any such communication as aforesaid, shall be made upon terms as may be agreed upon either before or after the use, between the Central Government or any person authorised under sub-section (1) and the patentee, or, as may in default of agreement be determined by the High Court on a reference under section 103:

Provided that in the case of any such use of any patent in respect of any medicine or drug or article of food the royalty and other remuneration shall in no case exceed four per cent. of the net ex-factory sale price in bulk of the patented article (exclusive of taxes levied under any law for the time being in force and any commissions payable) determined in such manner as may be prescribed.

(4) The authorisation by the Central Government in respect of an invention may be given under this section, either before or after the patent is granted and either before or after the acts in respect of which such authorisation is given or done, and may be given to any person, whether or not he is authorised directly or indirectly by the applicant or the patentee to make, use, exercise or vend the invention or import the machine, apparatus or other article or medicine or drug covered by such patent.

(5) Where an invention has been used by or with the authority of the Central Government for the purposes of Government under this section, then, unless it appears to the Government that it would be contrary to the public interest so to do, the Government shall notify the patentee as soon as practicable of the fact and furnish him with such information as to the extent of the use of the invention as he may, from time to time, reasonably require; and where the invention has been used for the purposes of a Government undertaking, the Central Government may call for such information as may be necessary for this purpose from such undertaking.

(6) The right to make, use, exercise and vend an invention for the purposes of Government under sub-section (1) shall include the right to sell the goods which have been made in exercise of that right, and a purchaser of goods so sold, and a person claiming through him, shall have the power to deal with the goods as if the Central Government or the person authorised under sub-section (1) were the patentee of the invention.

(7) Where in respect of a patent which has been the subject of an authorisation under this section, there is an exclusive licensee as is referred to in sub-section (3) of section 101, or where such patent has been assigned to the patentee in consideration of royalties or other benefits determined by reference to the use of the invention (including payments by way of minimum royalty), the notice directed to be given under sub-section (5) shall also be given to such exclusive licensee or assignor as the case may be, and the reference to the patentee in sub-section (3) shall be deemed to include a reference to such assignor or exclusive licensee.

Flights of
third
parties in
respect
of use of
invention
for pur-
poses of
Govern-
ment.

101. (1) In relation to any use of a patented invention, or an invention in respect of which an application for a patent is pending, made for the purposes of Government—

(a) by the Central Government or any person authorised by the Central Government under section 100; or

(b) by the patentee or applicant for the patent to the order made by the Central Government,

the provisions of any licence, assignment or agreement granted or made, whether before or after the commencement of this Act, between the patentee or applicant for the patent (or any person who derives title from him or from whom he derives title) and any person other than the Central Government shall be of no effect so far as those provisions—

(i) restrict or regulate the use for the purposes of Government of the invention, or of any model, document or information relating thereto, or

(ii) provide for the making of payments in respect of any use of the invention or of the model, document or information relating thereto for the purposes of Government (including payments by way of minimum royalty),

and the reproduction or publication of any model or document in connection with the said use for the purposes of Government shall not be deemed to be an infringement of any copyright subsisting in the model or document.

(2) Where the patent, or the right to apply for or obtain the patent, has been assigned to the patentee in consideration of royalties or other benefits determined by reference to the use of the invention (including payments by way of minimum royalty), then, in relation to any use of the invention made for the purposes of Government by the patentee to the order of the Central Government, sub-section (3) of section 100 shall have effect as if that use were made by the virtue of an authority given under that section; and any sum payable by virtue of that sub-section shall be divided between the patentee and the assignor in such proportion as may be agreed upon between them or as may in default of agreement be determined by the High Court on a reference under section 103.

(3) Where by virtue of sub-section (3) of section 100, payments are required to be made by the Central Government or persons authorised under sub-section (1) of that section in respect of the use of an invention for the purposes of Government and where in respect of such patent there is an exclusive licensee authorised under his licence to use the invention for the purposes of Government, such sum shall be shared by the patentee and such licensee in such proportions, if any, as may be agreed upon between them or as may in default of agreement be determined by the High Court on a reference under section 103 to be just, having regard to any expenditure incurred by the licensee—

(a) in developing the said invention; or

(b) in making payments to the patentees other than royalties or other benefits determined by reference to the use of the invention including payments by way of minimum royalty in consideration of the licence.

Acquisition of inventions and patents by the Central Government.

102. (1) The Central Government may, if satisfied that it is necessary that an invention which is the subject of an application for a patent or a patent should be acquired from the applicant or the patentee for a public purpose, publish a notification to that effect in the Official Gazette, and thereupon the invention or patent and all rights in respect of the invention or patent shall, by force of this section, stand transferred to and be vested in the Central Government.

(2) Notice of the acquisition shall be given to the applicant, and, where a patent has been granted, to the patentee and other persons, if any, appearing in the register as having an interest in the patent.

(3) The Central Government shall pay to the applicant, or, as the case may be, the patentee and other persons appearing on the register as having an interest in the patent such compensation as may be agreed upon between the Central Government and the applicant, or the patentee and other persons; or, as may, in default of agreement, be determined by the High Court on a reference under section 103 to be just having regard to the expenditure incurred in connection with the invention and, in the case of a patent, the term thereof, the period during which and the manner in which it has already been worked (including the profits made during such period by the patentee or by his licensee whether exclusive or otherwise) and other relevant factors.

Reference to High Court of disputes as to use for purposes of Government.

103. (1) Any dispute as to the exercise by the Central Government or a person authorised by it of the powers conferred by section 100, or as to terms for the use of an invention for the purposes of Government thereunder or as to the right of any person to receive any part of a payment made in pursuance of sub-section (3) of that section or as to the amount of compensation payable for the acquisition of an invention or a patent under section 102, may be referred to the High Court by either party to the dispute in such manner as may be prescribed by the rules of the High Court.

(2) In any proceedings under this section to which the Central Government is a party, the Central Government may,—

(a) if the patentee is a party to the proceedings, petition by way of counter-claim for revocation of the patent on any ground upon which a patent may be revoked under section 64; and

(b) whether a patentee is or is not a party to the proceedings, put in issue the validity of the patent without petitioning for its revocation.

(3) If in such proceedings as aforesaid any question arises whether an invention has been recorded, tested or tried as is mentioned in section 100, and the disclosure of any document regarding the invention, or of any evidence of the test or trial thereof, would, in the opinion of the Central Government, be prejudicial to the public interest, the disclosure may be made confidentially to the advocate of the other party or to an independent expert mutually agreed upon.

(4) In determining under this section any dispute between the Central Government and any person as to terms for the use of an invention for the purposes of Government, the High Court shall have regard to any

benefit or compensation which that person or any person from whom he derives title, may have received, or may be entitled to receive, directly or indirectly in respect of the use of the invention in question for the purposes of Government.

(5) In any proceedings under this section, the High Court may at any time order the whole proceedings or any question or issue of fact arising therein to be referred to an official referee, commissioner or an arbitrator on such terms as the High Court may direct, and references to the High Court in the foregoing provisions of this section shall be construed accordingly.

(6) Where the invention claimed in a patent was made by a person who at the time it was made was in the service of the Central Government or of a State Government or was an employee of a Government undertaking and the subject-matter of the invention is certified by the relevant Government or the principal officer of the Government undertaking to be connected with the work done in the course of the normal duties of the Government servant or employee of the Government undertaking, then, notwithstanding anything contained in this section, any dispute of the nature referred to in sub-section (1) relating to the invention shall be disposed of by the Central Government conformably to the provisions of this section so far as may be applicable, but before doing so the Central Government shall give an opportunity to the patentee and such other parties as it considers have an interest in the matter to be heard.

CHAPTER XVIII

SUITS CONCERNING INFRINGEMENT OF PATENTS

104. No suit for a declaration under section 105 or for any relief under section 106 or for infringement of a patent shall be instituted in any court inferior to a district court having jurisdiction to try the suit: Jurisdiction.

Provided that where a counter-claim for revocation of the patent is made by the defendant, the suit, along with the counter-claim, shall be transferred to the High Court for decision.

105. (1) Notwithstanding anything contained in section 34 of the Specific Relief Act, 1963, any person may institute a suit for a declaration that the use by him of any process, or the making, use or sale of any article by him does not, or would not, constitute an infringement of a claim of a patent against the patentee or the holder of an exclusive licence under the patent, notwithstanding that no assertion to the contrary has been made by the patentee or the licensee, if it is shown—

(a) that the plaintiff has applied in writing to the patentee or exclusive licensee for a written acknowledgment to the effect of the declaration claimed and has furnished him with full particulars in writing of the process or article in question; and

(b) that the patentee or licensee has refused or neglected to give such an acknowledgment.

(2) The costs of all parties in a suit for a declaration brought by virtue of this section shall, unless for special reasons the court thinks fit to order otherwise, be paid by the plaintiff.

(3) The validity of a claim of the specification of a patent shall not be called in question in a suit for a declaration brought by virtue of this section, and accordingly the making or refusal of such a declaration in the case of a patent shall not be deemed to imply that the patent is valid or invalid.

(4) A suit for a declaration may be brought by virtue of this section at any time after the date of advertisement of acceptance of the complete specification of a patent, and references in this section to the patentee shall be construed accordingly.

Power of Court to grant relief in cases of groundless threats of infringement proceedings.

106. (1) Where any person (whether entitled to or interested in a patent or an application for a patent or not) threatens any other person by circulars or advertisements or by communications, oral or in writing addressed to that or any other person, with proceedings for infringement of a patent, any person aggrieved thereby may bring a suit against him praying for the following reliefs, that is to say—

- (a) a declaration to the effect that the threats are unjustifiable;
- (b) an injunction against the continuance of the threats; and
- (c) such damages, if any, as he has sustained thereby.

(2) Unless in such suit the defendant proves that the acts in respect of which the proceedings were threatened constitute or, if done, would constitute, an infringement of a patent or of rights arising from the publication of a complete specification in respect of a claim of the specification not shown by the plaintiff to be invalid, the court may grant to the plaintiff all or any of the reliefs prayed for.

[existing]

Explanation.—A mere notification of the existing of a patent does not constitute a threat of proceeding within the meaning of this section.

Defences, etc., in suits for infringement.

107. (1) In any suit for infringement of a patent, every ground on which it may be revoked under section 64 shall be available as a ground for defence.

(2) In any suit for infringement of a patent by the making, using or importation of any machine, apparatus or other article or by the using of any process or by the importation, use or distribution of any medicine or drug, it shall be a ground for defence that such making, using, importation or distribution is in accordance with any one or more of the conditions specified in section 47.

Subs. by Act 56 of 1974, S.3 and Sch. II

108. The reliefs which a court may grant in any suit for infringement include an injunction (subject to such terms, if any, as the court thinks fit) and, at the option of the plaintiff, either damages or an account of profits.

109. (1) The holder of an exclusive licence shall have the like right as the patentee to institute a suit in respect of any infringement of the patent committed after the date of the licence, and in awarding damages or an account of profits or granting any other relief in any such suit the court shall take into consideration any loss suffered or likely to be suffered by the exclusive licensee as such or, as the case may be, the profits earned by means of the infringement so far as it constitutes an infringement of the rights of the exclusive licensee as such.

(2) In any suit for infringement of a patent by the holder of an exclusive licence under sub-section (1), the patentee shall, unless he has joined as a plaintiff in the suit, be added as a defendant, but a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

110. Any person to whom a licence has been granted under section 84 shall be entitled to call upon the patentee to take proceedings to prevent any infringement of the patent, and, if the patentee refuses or neglects to do so within two months after being so called upon, the licensee may institute proceedings for the infringement in his own name as though he were the patentee, making the patentee a defendant; but a patentee so added as defendant shall not be liable for any costs unless he enters an appearance and takes part in the proceedings.

111. (1) In a suit for infringement of a patent, damages or an account of profits shall not be granted against the defendant who proves that at the date of the infringement he was not aware and had no reasonable grounds for believing that the patent existed.

Explanation.—A person shall not be deemed to have been aware or to have had reasonable grounds for believing that a patent exists by reason only of the application to an article of the word "patent", "patented" or any word or words expressing or implying that a patent has been obtained for the article, unless the number of the patent accompanies the word or words in question.

(2) In any suit for infringement of a patent the court may, if it thinks fit, refuse to grant any damages or an account of profits in respect of any infringement committed after a failure to pay any renewal fee within the prescribed period and before any extension of that period.

(3) Where an amendment of a specification by way of disclaimer, correction or explanation has been allowed under this Act after the publication of the specification, no damages or account of profits shall be granted in any proceedings in respect of the use of the invention before the date of the decision allowing the amendment, unless the court is satisfied that the specification as originally published was framed in good faith and with reasonable skill and knowledge.

(4) Nothing in this section shall affect the power of the court to grant an injunction in any suit for infringement of a patent.

Restriction on power of court to grant injunction in certain cases.

Certificate of validity of specification and costs of subsequent suits for infringement thereof.

Relief for infringement of partially valid specification.

112. If in proceedings for the infringement of a patent endorsed or deemed to be endorsed with the words "Licences of right" (otherwise than by the importation of the patented article from other countries) the infringing defendant is ready and willing to take a licence upon terms to be settled by the Controller as provided in section 88, no injunction shall be granted against him, and the amount if any recoverable against him by way of damages shall not exceed double the amount which would have been recoverable against him as licensee if such a licence had been granted before the earliest infringement.

113. (1) If in any proceedings before a High Court for the revocation of a patent under section 64 the validity of any claim of a specification is contested and that claim is found by the court to be valid, the Court may certify that the validity of that claim was contested in those proceedings and was upheld.

(2) Where any such certificate has been granted, then, if in any subsequent suit before a court for infringement of that claim of the patent or in any subsequent proceeding for revocation of the patent in so far as it relates to that claim, the patentee or other person relying on the validity of the claim obtains a final order or judgment in his favour, he shall be entitled to an order for the payment of his full costs, charges and expenses incidental to any such suit or proceeding properly incurred so far as they concern the claim in respect of which the certificate was granted, unless the court trying the suit or proceeding otherwise directs:

Provided that the costs as specified in this sub-section shall not be ordered when the party disputing the validity of the claim satisfies the court that he was not aware of the grant of the certificate when he raised the dispute and withdrew forthwith such defence when he became aware of such a certificate.

(3) Nothing contained in this section shall be construed as authorising courts hearing appeals from decrees or orders in suits for infringement or petitions for revocation to pass orders for costs on the scale referred to therein.

114. (1) If in proceedings for infringement of a patent it is found that any claim of the specification, being a claim in respect of which infringement is alleged, is valid, but that any other claim is invalid, the court may grant relief in respect of any valid claim which is infringed:

Provided that the court shall not grant relief except by way of injunction save in the circumstances mentioned in sub-section (2).

(2) Where the plaintiff proves that the invalid claim was framed in good faith and with reasonable skill and knowledge, the court shall grant relief in respect of any valid claim which is infringed subject to the discretion of the court as to costs and as to the date from which damages or an account of profits should be reckoned, and in exercising such discretion the court may take into consideration the conduct of the parties in inserting such invalid claims in the specification or permitting them to remain there.

115. (1) In any suit for infringement or in any proceeding before a court under this Act, the court may at any time, and whether or not an application has been made by any party for that purpose, appoint an independent scientific adviser to assist the court or to inquire and report upon any such question of fact or of opinion (not involving a question of interpretation of law) as it may formulate for the purpose.

(2) The remuneration of the scientific adviser shall be fixed by the court and shall include the costs of making a report and a proper daily fee for any day on which the scientific adviser may be required to attend before the court, and such remuneration shall be defrayed out of moneys provided by Parliament by law for the purpose.

CHAPTER XIX

APPEALS

116. (1) No appeal shall lie from any decision, order or direction made or issued under this Act by the Central Government, or from any act or order of the Controller for the purpose of giving effect to any such decision, order or direction.

(2) Save as otherwise expressly provided in sub-section (1), an appeal shall lie to a High Court from any decision, order or direction of the Controller under any of the following provisions, that is to say,

section 15, section 16, section 17, section 18, section 19, section 20, section 25, section 27, section 28, section 51, section 54, section 57, section 60, section 61, section 63, sub-section (3) of section 69, section 78, section 84, section 86, section 88(3), section 89, section 93, section 96 and section 97.

(3) Every appeal under this section shall be in writing and shall be made within three months from the date of the decision, order or direction, as the case may be, of the Controller, or within such further time as the High Court may in accordance with the rules made by it under section 158 allow.

117. (1) Every appeal before a High Court under section 116 shall be by petition and shall be in such form and shall contain such particulars as may be prescribed by rules made by the High Court under section 158.

Procedure
for hearing
of
appeals.

(2) Every such appeal shall be heard by a single Judge of the High Court:

Provided that any such Judge may, if he so thinks fit, refer the appeal at any stage of the proceeding to a Bench of the High Court.

(3) Every such appeal shall be heard as expeditiously as possible and endeavour shall be made to decide the appeal within a period of twelve months from the date on which it is filed.

CHAPTER XX

PENALTIES

**Contra-
vention of
secrecy
provisions
relating
to certain
inventions.**

118. If any person fails to comply with any direction given under section 35 or makes or causes to be made an application for the grant of a patent in contravention of section 39, he shall be punishable with imprisonment for a term which may extend to two years, or with fine, or with both.

**Falsifica-
tion of
entries in
register,
etc.**

119. If any person makes, or causes to be made, a false entry in any register kept under this Act, or a writing falsely purporting to be a copy of an entry in such a register, or produces or tenders, or causes to be produced or tendered, in evidence any such writing knowing the entry or writing to be false, he shall be punishable with imprisonment for a term which may extend to two years, or with fine or with both.

**Unautho-
rised claim
of patent
rights.**

120. If any person falsely represents that any article sold by him is patented in India or is the subject of an application for a patent in India, he shall be punishable with fine which may extend to five hundred rupees.

Explanation 1.— For the purposes of this section, a person shall be deemed to represent—

(a) that an article is patented in India if there is stamped, engraved or impressed on, or otherwise applied to, the article the word "patent" or "patented" or some other word expressing or implying that a patent for the article has been obtained in India;

(b) that an article is the subject of an application for a patent in India, if there are stamped, engraved or impressed on, or otherwise applied to, the article the words "patent applied for", "patent pending", or some other words implying that an application for a patent for the article has been made in India.

Explanation 2.— The use of words "patent", "patented", "patent applied for", "patent pending" or other words expressing or implying that an article is patented or that a patent has been applied for shall be deemed to refer to a patent in force in India, or to a pending application for a patent in India, as the case may be, unless there is an accompanying indication that the patent has been obtained or applied for in any country outside India.

**Wrongful
use of
words
"patent
office".**

121. If any person uses on his place of business or any document issued by him or otherwise the words "patent office" or any other words which would reasonably lead to the belief that his place of business is, or is officially connected with, the patent office, he shall be punishable with imprisonment for a term which may extend to six months, or with fine, or with both.

**Refusal
or failure
to
supply
informa-
tion.**

122. (1) If any person refuses or fails to furnish—

(a) to the Central Government any information which he is required to furnish under sub-section (5) of section 100,

(b) to the Controller any information or statement which he is required to furnish by or under section 146,

he shall be punishable with fine which may extend to one thousand rupees.

(2) If any person, being required to furnish any such information as is referred to in sub-section (1), furnishes information or statement which is false, and which he either knows or has reason to believe to be false or does not believe to be true, he shall be punishable with imprisonment which may extend to six months, or with fine, or with both.

123. If any person contravenes the provisions of section 129, he shall be punishable with fine which may extend to five hundred rupees in the case of a first offence and two thousand rupees in the case of a second or subsequent offence.

124. (1) If the person committing an offence under this Act is a company, the company as well as every person in charge of, and responsible to, the company for the conduct of its business at the time of the commission of the offence shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to any punishment if he proves that the offence was committed without his knowledge or that he exercised all due diligence to prevent the commission of such offence.

(2) Notwithstanding anything contained in sub-section (1), where an offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or that the commission of the offence is attributable to any neglect on the part of any director, manager, secretary or other officer of the company, such director, manager, secretary or other officer shall also be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

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

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

CHAPTER XXI

PATENT AGENTS

125. The Controller shall maintain a register to be called the register of patent agents in which shall be entered the names and addresses of all persons qualified to have their names so entered under section 126.

126. (1) A person shall be qualified to have his name entered in the register of patent agents if he fulfils the following conditions, namely:—

- (a) he is a citizen of India;
- (b) he has completed the age of 21 years;
- (c) he has obtained a degree from any University in the territory of India or possesses such other equivalent qualifications as the

Central Government may specify in this behalf, and, in addition,—

(i) is an advocate within the meaning of the Advocates Act, 1961; or

25 of 1961.

(ii) has passed the qualifying examination prescribed for the purpose;

(d) he has paid such fee as may be prescribed.

(2) Notwithstanding anything contained in sub-section (1), a person who has been practising as a patent agent before the 1st day of November, 1966 and has filed not less than five complete specifications before the said day, shall, on payment of prescribed fee, be qualified to have his name entered in the register of patent agents.

**Rights of
patent
agents.**

127. Subject to the provisions contained in this Act and in any rules made thereunder, every patent agent whose name is entered in the register shall be entitled—

(a) to practise before the Controller; and

(b) to prepare all documents, transact all business and discharge such other functions as may be prescribed in connection with any proceeding before the Controller under this Act.

Subscription and verification of certain documents by patent agents.

128. (1) Subject to the provisions contained in sub-section (2) and to any rules made under this Act, all applications and communications to the Controller under this Act may be signed by a patent agent authorised in writing in this behalf by the person concerned.

(2) The following documents, namely,—

(i) applications for patents;

(ii) applications for the restoration of lapsed patents;

(iii) applications for the sealing of patents after the time allowed for that purpose by or under sub-section (2), or sub-section (3) of section 43 has expired;

(iv) applications for leave to amend;

(v) applications for compulsory licences or for revocation; and

(vi) notices of surrender of patents,

shall be signed and verified in the manner prescribed by the person making such applications or giving such notices:

Provided that if such person is absent from India, they may be signed and verified on his behalf by a patent agent authorised by him in writing in that behalf..

Restrictions on practice as patent agents.

129. (1) No person, either alone or in partnership with any other person, shall practise, describe or hold himself out as a patent agent, or permit himself to be so described or held out, unless he is registered as a patent agent or, as the case may be, unless he and all his partners are so registered.

(2) No company or other body corporate shall practise, describe itself or hold itself out as patent agents or permit itself to be so described or held out.

Explanation.—For the purposes of this section, practise as a patent agent includes any of the following acts, namely:—

- (a) applying for or obtaining patents in India or elsewhere;
- (b) preparing specifications or other documents for the purposes of this Act or of the patent law of any other country;
- (c) giving advice other than of a scientific or technical nature as to the validity of patents or their infringement.

130. (1) The Central Government may remove the name of any person from the register when it is satisfied, after giving that person a reasonable opportunity of being heard and after such further inquiry, if any, as it thinks fit to make— Removal from register of patent agents and restoration.

- (i) that his name has been entered in the register by error or on account of misrepresentation or suppression of material fact;
- (ii) that he has been convicted of any offence and sentenced to a term of imprisonment or has been guilty of misconduct in his professional capacity which in the opinion of the Central Government renders him unfit to be kept in the register.

(2) The Central Government may, on application and on sufficient cause being shown, restore to the register the name of any person removed therefrom.

131. (1) Subject to any rules made in this behalf, the Controller may refuse to recognise as agent in respect of any business under this Act— Power of Controller to refuse to deal with certain agents.

- (a) any individual whose name has been removed from, and not restored to, the register;
- (b) any person who has been convicted of an offence under section 123;
- (c) any person, not being registered as a patent agent, who in the opinion of the Controller is engaged wholly or mainly in acting as agent in applying for patents in India or elsewhere in the name or for the benefit of the person by whom he is employed;
- (d) any company or firm, if any person whom the Controller could refuse to recognise as agent in respect of any business under this Act, is acting as a director or manager of the company or is a partner in the firm.

(2) The Controller shall refuse to recognise as agent in respect of any business under this Act any person who neither resides nor has a place of business in India.

132. Nothing in this Chapter shall be deemed to prohibit—

- (a) the applicant for a patent or any person, not being a patent agent, who is duly authorised by the applicant from drafting any specification or appearing or acting before the Controller; or Savings in respect of other persons authorised to act as agents.
- (b) an advocate, not being a patent agent, from taking part in any proceedings under this Act otherwise than by way of drafting any specification.

CHAPTER XXII

INTERNATIONAL ARRANGEMENTS

Notifica-
tion as to
conven-
tion
countries.

133. (1) With a view to the fulfilment of a treaty, convention or arrangement with any country outside India which affords to applicants for patents in India or to citizens of India similar privileges as are granted to its own citizens in respect of the grant of patents and the protection of patent rights, the Central Government may, by notification in the Official Gazette, declare such country to be a convention country for the purposes of this Act.

(2) A declaration under sub-section (1) may be made for the purposes either of all or of some only of the provisions of this Act, and a country in the case of which a declaration made for the purposes of some only of the provisions of this Act is in force shall be deemed to be a convention country for the purposes of those provisions only.

Notifi-
cation
as to
countries
not
providing
for recipro-
city.

134. Where any country specified by the Central Government in this behalf by notification in the Official Gazette does not accord to citizens of India the same rights in respect of the grant of patents and the protection of patent rights as it accords to its own nationals, no national of such country shall be entitled, either solely or jointly with any other person,—

- (a) to apply for the grant of a patent or be registered as the proprietor of a patent;
- (b) to be registered as the assignee of the proprietor of a patent;
or
- (c) to apply for a licence or hold any licence under a patent granted under this Act.

Conven-
tion
appli-
cations,

135. (1) Without prejudice to the provisions contained in section 6, where a person has made an application for a patent in respect of an invention in a convention country (hereinafter referred to as the "basic application"), and that person or the legal representative or assignee of that person makes an application under this Act for a patent within twelve months after the date on which the basic application was made, the priority date of a claim of the complete specification, being a claim based on matter disclosed in the basic application, is the date of making of the basic application.

Explanation.—Where applications have been made for similar protection in respect of an invention in two or more convention countries, the period of twelve months referred to in this sub-section shall be reckoned from the date on which the earlier or earliest of the said applications was made.

(2) Where applications for protection have been made in one or more convention countries in respect of two or more inventions which are cognate or of which one is a modification of another, a single convention application may, subject to the provisions contained in section 10, be made in respect of those inventions at any time within twelve months from the date of the earliest of the said applications for protection;

Provided that the fee payable on the making of any such application shall be the same as if separate applications have been made in respect of each of the said inventions, and the requirements of clause (b) of sub-section (1) of section 136 shall, in the case of any such application, apply separately to the applications for protection in respect of each of the said inventions.

136. (1) Every convention application shall—

- (a) be accompanied by a complete specification; and
- (b) specify the date on which and the convention country in which the application for protection, or as the case may be, the first of such applications was made; and
- (c) state that no application for protection in respect of the invention had been made in a convention country before that date by the applicant or by any person from whom he derives title.

(2) Subject to the provisions contained in section 10, a complete specification filed with a convention application may include claims in respect of developments of, or additions to, the invention in respect of which the application for protection was made in a convention country, being developments or additions in respect of which the applicant would be entitled under the provisions of section 6 to make a separate application for a patent.

(3) A convention application shall not be post-dated under sub-section (1) of section 17 to a date later than the date on which under the provisions of this Act the application could have been made.

137. (1) Where two or more applications for patents in respect of inventions have been made in one or more convention countries and those inventions are so related as to constitute one invention, one application may be made by any or all of the persons referred to in sub-section (1) of section 135 within twelve months from the date on which the earlier or earliest of those applications was made, in respect of the inventions disclosed in the specifications which accompanied the basic applications.

(2) The priority date of a claim of the complete specification, being a claim based on matters disclosed in one or more of the basic applications, is the date on which that matter was first so disclosed.

(3) For the purposes of this Act, a matter shall be deemed to have been disclosed in a basic application for protection in a convention country if it was claimed or disclosed (otherwise than by way of disclaimer or acknowledgment of a prior art) in that application, or any documents submitted by the applicant for protection in support of and at the same time as that application, but no account shall be taken of any disclosure effected by any such document unless a copy of the document is filed at the patent office with the convention application or within such period as may be prescribed after the filing of that application.

Special provisions relating to convention applications.

Multiple priorities

Supplementary provisions as to convention applications.

138. (1) Where a convention application is made in accordance with the provisions of this Chapter, the applicant shall furnish, in addition to the complete specification, copies of the specifications or corresponding documents filed or deposited by the applicant in the patent office of the convention country in which the basic application was made, certified by the official chief or head of the patent office of the convention country, or otherwise verified to the satisfaction of the Controller, along with the application or within three months thereafter, or within such further period as the Controller may on good cause allow.

(2) If any such specification or other document is in a foreign language, a translation into English of the specification or document, verified by affidavit or otherwise to the satisfaction of the Controller, shall be annexed to the specification or document.

(3) For the purposes of this Act, the date on which an application was made in a convention country is such date as the Controller is satisfied, by certificate of the official chief or head of the patent office of the convention country or otherwise, is the date on which the application was made in that convention country.

Other provisions of Act to apply to convention applications.

139. Save as otherwise provided in this Chapter, all the provisions of this Act shall apply in relation to a convention application and a patent granted in pursuance thereof as they apply in relation to an ordinary application and a patent granted in pursuance thereof.

CHAPTER XXIII

MISCELLANEOUS

Avoidance of certain restrictive conditions.

140. (1) It shall not be lawful to insert—

(i) in any contract for or in relation to the sale or lease of a patented article or an article made by a patented process; or

(ii) in a licence to manufacture or use a patented article; or

(iii) in a licence to work any process protected by a patent, a condition the effect of which may be—

(a) to require the purchaser, lessee, or licensee to acquire from the vendor, lessor, or licensor, or his nominees, or to prohibit him from acquiring or to restrict in any manner or to any extent his right to acquire from any person or to prohibit him from acquiring except from the vendor, lessor, or licensor or his nominees, any article other than the patented article or an article other than that made by the patented process; or

(b) to prohibit the purchaser, lessee or licensee from using, or to restrict in any manner or to any extent the right of the purchaser, lessee or licensee, to use an article other than the patented article or an article other than that made by the patented process, which is not supplied by the vendor, lessor or licensor or his nominee; or

(c) to prohibit the purchaser, lessee or licensee from using or to restrict in any manner or to any extent the right of the purchaser, lessee or licensee to use any process other than the patented process,

and any such condition shall be void.

(2) A condition of the nature referred to in clause (a) or clause (b) or clause (c) of sub-section (1) shall not cease to be a condition falling within that sub-section merely by reason of the fact that the agreement containing it has been entered into separately, whether before or after the contract relating to the sale, lease or licence of the patented article or process.

(3) In proceedings against any person for the infringement of a patent, it shall be a defence to prove that at the time of the infringement there was in force a contract relating to the patent and containing a condition declared unlawful by this section:

Provided that this sub-section shall not apply if the plaintiff is not a party to the contract and proves to the satisfaction of the court that the restrictive condition was inserted in the contract without his knowledge and consent, express or implied.

(4) Nothing in this section shall—

(a) affect a condition in a contract by which a person is prohibited from selling goods other than those of a particular person;

(b) validate a contract which, but for this section, would be invalid;

(c) affect a condition in a contract for the lease of, or licence to use, a patented article, by which the lessor or licensor reserves to himself or his nominee the right to supply such new parts of the patented article as may be required or to put or keep it in repair.

(5) The provisions of this section shall also apply to contracts made before the commencement of this Act if, and in so far as, any restrictive conditions declared unlawful by this section continue in force after the expiration of one year from such commencement.

141. (1) Any contract for the sale or lease of a patented article or for licence to manufacture, use or work a patented article or process, or relating to any such sale, lease or licence, whether made before or after the commencement of this Act, may at any time after the patent or all the patents by which the article or process was protected at the time of the making of the contract has or have ceased to be in force, and notwithstanding anything to the contrary in the contract or in any other contract, be determined by the purchaser, lessee, or licensee, as the case may be, of the patent on giving three months notice in writing to the other party.

Determination of certain contracts.

(2) The provisions of this section shall be without prejudice to any right of determining a contract exercisable apart from this section.

142. (1) There shall be paid in respect of the grant of patents and fees applications therefor, and in respect of other matters in relation to the

grant of patents under this Act, such fees as may be prescribed by the Central Government.

(2) Where a fee is payable in respect of the doing of an act by the Controller, the Controller shall not do that act until the fee has been paid.

(3) Where a fee is payable in respect of the filing of a document at the patent office, the document shall be deemed not to have been filed at the office until the fee has been paid.

(4) Where a principal patent is granted later than two years from the date of filing of the complete specification, the fees which have become due in the meantime may be paid within a term of three months from the date of the recording of the patent in the register.

Restrictions upon publication of specifications.

143. Subject to the provisions of Chapter VII, an application for a patent, and any specification filed in pursuance thereof, shall not, except with the consent of the applicant, be published by the Controller or be open to public inspection at any time before the date of advertisement of acceptance of the application in pursuance of section 23.

Reports of examiners to be confidential.

144. The reports of examiners to the Controller under this Act shall not be open to public inspection or be published by the Controller; and such reports shall not be liable to production or inspection in any legal proceeding unless the court certifies that the production or inspection is desirable in the interests of justice, and ought to be allowed.

Publication of patented inventions.

145. The Controller shall issue periodically a publication of patented inventions containing such information as the Central Government may direct.

Power of Controller to call for information from patentees.

146. (1) The Controller may, at any time during the continuance of the patent, by notice in writing, require a patentee or a licensee, exclusive or otherwise, to furnish to him within two months from the date of such notice or within such further time as the Controller may allow, such information or such periodical statements as to the extent to which the patented invention has been commercially worked in India as may be specified in the notice.

(2) Without prejudice to the provisions of sub-section (1), every patentee and every licensee (whether exclusive or otherwise) shall furnish in such manner and form and at such intervals (not being less than six months) as may be prescribed statements as to the extent to which the patented invention has been worked on a commercial scale in India.

(3) The Controller may publish the information received by him under sub-section (1) or sub-section (2) in such manner as may be prescribed.

Evidence of entries, documents, etc.

147. (1) A certificate purporting to be signed by the Controller as to any entry, matter or thing which he is authorised by this Act or any rules made thereunder to make or do, shall be *prima facie* evidence of the entry having been made and of the contents thereof and of the matter or thing having been done or omitted to be done.

(2) A copy of any entry in any register or of any document kept in the patent office or of any patent, or an extract from any such register or document, purporting to be certified by the Controller and sealed with the seal of the patent office shall be admitted in evidence in all courts; and in all proceedings, without further proof or production of the original.

(3) The Controller or any other officer of the patent office shall not, in any legal proceedings to which he is not a party, be compellable to produce the register or any other document in his custody, the contents of which can be proved by the production of a certified copy issued under this Act or to appear as a witness to prove the matters therein recorded unless by order of the court made for special causes.

148. (1) If any person is, by reason of minority, lunacy or other disability, incapable of making any statement or doing anything required or permitted by or under this Act, the lawful guardian, committee or manager (if any) of the person subject to the disability, or if there be none, any person appointed by any court possessing jurisdiction in respect of his property, may make such statement or a statement as nearly corresponding thereto as circumstances permit, and do such thing in the name and on behalf of the person subject to the disability.

(2) An appointment may be made by the court for the purposes of this section upon the petition of any person acting on behalf of the person subject to the disability or of any other person interested in the making of the statement or the doing of the thing.

149. Any notice required or authorised to be given by or under this Act, and any application or other document so authorised or required to be made or filed, may be given, made or filed by post.

150. If any party by whom notice of any opposition is given under this Act or by whom application is made to the Controller for the grant of a licence under a patent neither resides nor carries on business in India, the Controller may require him to give security for the costs of the proceedings, and in default of such security being given may treat the opposition or application as abandoned.

151. (1) Every order of the High Court on a petition for revocation, including orders granting certificates of validity of any claim, shall be transmitted by the High Court to the Controller who shall cause an entry thereof and reference thereto to be made in the register.

(2) Where in any suit for infringement of a patent or in any suit under section 106 the validity of any claim or a specification is contested and that claim is found by the court to be valid or not valid, as the case may be, the court shall transmit a copy of its judgment and decree to the Controller who shall on receipt thereof cause an entry in relation to such proceeding to be made in the prescribed manner in a supplemental record.

(3) The provisions of sub-sections (1) and (2) shall also apply to the court to which appeals are preferred against decisions of the courts referred to in those sub-sections.

**Transmis-
sion of
copies of
specifica-
tions,
etc.,
and
inspec-
tion
thereof.**

**Informa-
tion relat-
ing to
patents.**

**Loss or
destruction
of patents.**

**Reports
of
Controller
to be
placed
before
Parlia-
ment.**

**Patent
to bind
Govern-
ment.**

**Right of
Govern-
ment to
sell or
use for-
feited
articles.**

**Power of
High
Courts to
make
rules.**

**Power of
Central
Govern-
ment to**

152. Copies of all such specifications, drawing and amendments left at the patent office as become open to public inspection under the provisions of this Act, shall be transmitted, as soon as may be, after the printed copies thereof are available, to such authorities as the Central Government may appoint in this behalf, and shall be open to the inspection of any person at all reasonable times at places to be specified by those authorities and with the approval of the Central Government.

153. A person making a request to the Controller in the prescribed manner for information relating to any such matters as may be prescribed as respects any patent specified in the request or as respects any application for a patent so specified shall be entitled, subject to the payment of the prescribed fee, to have information supplied to him accordingly.

154. If a patent is lost or destroyed, or its non-production is accounted for to the satisfaction of the Controller, the Controller may at any time, on application made in the prescribed manner and on payment of the prescribed fee, cause a duplicate thereof to be sealed and delivered to the applicant.

155. The Central Government shall cause to be placed before both Houses of Parliament once a year a report respecting the execution of this Act by or under the Controller.

156. Subject to the other provisions contained in this Act, a patent shall have to all intents the like effect as against Government as it has against any person.

157. Nothing in this Act shall affect the power of the Government or of any person deriving title directly or indirectly from the Government to sell or use any articles forfeited under any law for the time being in force.

158. The High Court may make rules consistent with this Act as to the conduct and procedure in respect of all proceedings before it under this Act.

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

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

(i) the form and manner in which any application for a patent, any specifications or drawings and any other application or document may be filed in the patent office;

(ii) the time within which any act or thing may be done under this Act, including the manner in which and the time within which any matter may be advertised under this Act;

- (iii) the fees which may be payable under this Act and the manner of payment of such fees;
- (iv) the matters in respect of which the examiner may make a report to the Controller;
- (v) the form of request for the sealing of a patent;
- (vi) the form and manner in which and the time within which any notice may be given under this Act;
- (vii) the provisions which may be inserted in an order for restoration of a patent for the protection of persons who may have availed themselves of the subject-matter of the patent after the patent had ceased;
- (viii) the establishment of branch offices of the patent office and the regulation generally of the business of the patent office, including its branch offices;
- (ix) the maintenance of the register of patents and the matters to be entered therein;
- (x) the matters in respect of which the Controller shall have powers of a civil court;
- (xi) the time when and the manner in which the register and any other document open to inspection may be inspected under this Act;
- (xii) the qualifications of, and the preparation of a roll of, scientific advisers for the purpose of section 115;
- (xiii) the manner in which any compensation for acquisition by Government of an invention may be paid;
- (xiv) the manner in which the register of patent agents may be maintained; the conduct of qualifying examinations for patent agents; and matters connected with their practice and conduct, including the taking of disciplinary proceedings against patent agents for misconduct;
- (xv) the regulation of the making, printing, publishing and selling of indexes to, and abridgments of, specifications and other documents in the patent office; and the inspection of indexes and abridgments and other documents;
- (xvi) any other matter which has to be or may be prescribed.

(3) The power to make rules under this section shall be subject to condition of the rules being made after previous publication.

160. 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 in 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;

Rules to
be placed
before
Parlia-
ment.

so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Special provisions with respect to certain applications deemed to have been refused under Act 2 of 1911.

161. (1) Where, as a result of action taken by the Controller under section 12 of the Atomic Energy Act, 1948, or under section 20 of the Atomic Energy Act, 1962, an application for a patent made before the commencement of this Act could not be accepted within the time specified for the purpose in the Indian Patents and Designs Act, 1911 (hereafter in this section referred to as the repealed Act), and, consequently, was deemed to have been refused by reason of sub-section (4) of section 5 of the repealed Act, the application may, if the applicant or, if he is dead his legal representative makes a request in that behalf to the Controller in the prescribed manner within three months from the commencement of this Act, be revived and shall be disposed of as if it were an application pending at the commencement of this Act to which the provisions of this Act apply by reason of sub-section (3) of section 162.

(2) The Controller may, before proceeding to act upon any such request as is referred to in sub-section (1), refer the matter to the Central Government for directions as to whether the invention is one relating to atomic energy and shall act in conformity with the directions issued by it.

(3) Where in pursuance of any such application as is referred to in sub-section (1) a patent is granted, the rights of the patentee shall be subject to such conditions as the Controller thinks fit to impose for the protection or compensation of persons who may have begun to avail themselves of, or have taken definite steps by contract or otherwise to avail themselves of, the patented invention before the date of advertisement of the acceptance of the complete specification.

(4) A patent granted in pursuance of any such application as is referred to in sub-section (1) shall be dated as of the date on which the request for reviving such application was made under sub-section (1).

Repeal of Act 2 of 1911 in so far as it relates to patents and savings.

162. (1) The Indian Patents and Designs Act, 1911, in so far as it relates to patents, is hereby repealed, that is to say, the said Act shall be amended in the manner specified in the Schedule.

(2) Notwithstanding the repeal of the Indian Patents and Designs Act, 1911, in so far as it relates to patents—

(a) the provisions of section 21A of that Act and of any rules made thereunder shall continue to apply in relation to any patent granted before the commencement of this Act in pursuance of that section, and

(b) the renewal fee in respect of a patent granted under that Act shall be as fixed thereunder.

(3) Save as otherwise provided in sub-section (2), the provisions of this Act shall apply to any application for a patent pending at the commencement of this Act and to any proceedings consequent thereon and to any patent granted in pursuance thereof.

10 of 1897. (4) The mention of particular matters in this section shall not prejudice the general application of the General Clauses Act, 1897, with respect to repeals.

(5) Notwithstanding anything contained in this Act, any suit for infringement of a patent or any proceeding for revocation of a patent, pending in any court at the commencement of this Act, may be continued and disposed of, as if this Act had not been passed.

163. In sub-section (1) of section 4 of the Trade and Merchandise Marks Act, 1958, the words and figures "and the Controller of Patents and Designs for the purposes of the Indian Patents and Designs Act, 1911" shall be omitted.

Amendment of
Act 43
of 1958.

THE SCHEDULE

[See section 162]

AMENDMENTS TO THE INDIAN PATENTS AND DESIGNS ACT, 1911

1. Long title—Omit "Inventions and".

2. Preamble—Omit "inventions and".

3. Section 1—In sub-section (1) omit "Indian Patents and".

4. Section 2—

(a) omit clause (1);

(b) in clause (2) omit "(as respects designs)";

(c) for clause (3), substitute—

"(3) "controller" means the Controller General of Patents, Designs and Trade Marks appointed under sub-section (1) of section 4 of the Trade and Merchandise Marks Act, 1958;"

43 of 1958.

(d) in clause (5) for "trade mark as defined in section 478", substitute "trade mark as defined in clause (v) of sub-section (1) of section 2 of the Trade and Merchandise Marks Act, 1958";

43 of 1958.

(e) omit clause (6);

(f) in clause 7, after sub-clause (ee) insert,—

"(f) in relation to the Union territories of Dadra and Nagar Haveli and Goa, Daman and Diu, the High Court at Bombay;

(g) in relation to the Union territory of Pondicherry, the High Court at Madras.";

(g) omit clauses (8), (10) and (11);

(h) for clause (12), substitute—

"(12) "patent office" means the patent office referred to in section 74 of the Patents Act, 1970."

5. Omit Part I.

6. For section 51B, substitute—

"51B. A registered design shall have to all intents the like effect as against Government as it has against any person and the provisions of Chapter XVII of the Patents Act, 1970, shall apply to registered designs as they apply to patents."

Designs
to bind
Govern-
ment.

7. In section 54, for "The provisions of this Act", substitute "The provisions of the Patents Act, 1970".

8. Omit sections 55 and 56.

9. Section 57—For sub-section (1), substitute—

"(1) There shall be paid in respect of the registration of designs and applications therefor and in respect of other matters relating to designs under this Act such fees as may be prescribed by the Central Government."

10. Omit section 59A.

11. Section 61—Omit sub-section (1).

12. For section 62, substitute—

Power of
Controller
to
correct
clerical
errors.

"62. The Controller may, on request in writing accompanied by the prescribed fee, correct any clerical error in the representation of a design or in the name or address of the proprietor of any design or in any other matter which is entered upon the register of designs".

13. Section 63—

(a) in sub-section (1), omit "to a patent or" and "patent or";

(b) in sub-section (2), omit "patent or" and for "patents or designs, as the case may be,", substitute "designs,";

(c) in sub-section (3), omit "patent or" wherever that expression occurs;

(d) in sub-section (4), omit "to a patent or".

14. Section 64—

(a) in sub-section (1), omit "patents or" and omit the word "either" wherever it occurs;

(b) in sub-section (5), omit clause (a).

15. Omit section 66.

16. Section 67—Omit "for a patent, or for amendment of an application or of a specification, or".

17. Section 69—In sub-section (1), omit "to grant a patent for an invention or".

18. Section 71A—Omit "or from patents, specifications and other".

19. Omit section 72.

20. Omit sections 74A and 75.

21. Section 76—

(a) in sub-section (1), omit "other";

(b) in sub-section (2), in clause (c), omit "opponent".

22. Section 77—

(a) in sub-section (1)—

(i) in clauses (c) and (d), omit "specifications";

(ii) for clause (e), substitute—

"(e) providing for the inspection of documents in the patent office and for the manner in which they may be published;";

(iii) omit clause (eee);

(b) omit sub-section (2A).

23. Omit section 78.

24. For section 78A, substitute—

"78A. (1) Any person who has applied for protection for any design in the United Kingdom or his legal representative or assignee shall, either alone or jointly with any other person, be entitled to claim that the registration of the said design under this Act shall be in priority to other applicants and shall have the same date as the date of the application in the United Kingdom:

Provided that—

(a) the application is made within six months from the application for protection in the United Kingdom; and

(b) nothing in this section shall entitle the proprietor of the design to recover damages for infringements happening prior to the actual date on which the design is registered in India.

(2) The registration of a design shall not be invalidated by reason only of the exhibition or use of, or the publication of a description or representation of, the design in India during the period specified in this section as that within which the application may be made.

(3) The application for the registration of a design under this section must be made in the same manner as an ordinary application under this Act.

(4) Where it is made to appear to the Central Government that the legislature of any such Commonwealth country as may be notified by the Central Government in this behalf has made satisfactory provision for the protection of designs registered in India, the Central Government may, by notification in the Official Gazette, direct that the provisions of this section, with such variations or additions, if any, as may be set out in such notification, shall apply for the protection of designs registered in that Commonwealth country.”.

25. Omit sections 78B, 78C, 78D and 78E.
26. Omit the Schedule.

Ref. by Act 56 of 1974, S.2 and Sch F

THE AGRICULTURAL PRODUCE CESS (AMENDMENT)
ACT, 1970

NO. 40 OF 1970

[1st December, 1970.]

An act further to amend the Agricultural Produce Cess Act, 1940.

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

1. This Act may be called the Agricultural Produce Cess (Amendment) Short title. Act, 1970.

27 of 1940. 2. In section 2 of the Agricultural Produce Cess Act, 1940 (hereinafter Amendment referred to as the principal Act), for clause (a), the following clause shall of section 2. be substituted, namely:—

52 of 1962. (a) "Collector" means a Collector of Customs as defined in clause (8) of section 2 of the Customs Act, 1962; and.

54 of 1963. 3. In section 5 of the principal Act, for the words "The Central Board Amendment of section 5 of Revenue", the words and figures "The Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963" shall be substituted.

52 of 1962. 4. After section 5 of the principal Act, the following sections shall be inserted, namely:— Insertion of new sections 5A and 5B.

"5A. The provisions of the Customs Act, 1962, and the rules and regulations made thereunder, including those relating to refunds and exemptions from duty, shall so far as may be, apply in relation to the levy and collection of customs duty on all articles included in the Schedule as they apply in relation to the levy and collection of duty payable to the Central Government under that Act.

5B. (1) Whoever—

Penalties.

(a) evades the payment of any customs duty under this Act, or

(b) fails to furnish any information which it is his duty to furnish or furnishes information which is false in material particulars or which he does not believe to be true, or

(c) obstructs the Collector or any other officer in the performance of his duties under this Act or any rules made thereunder,

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

**Amend-
ment of
section 7.** (2) Any court trying an offence under this Act may direct that any article specified in the Schedule in respect of which it is satisfied that an offence punishable under this Act has been committed shall be forfeited to the Central Government and may also direct that all packages, coverings or receptacles in which such article is contained and every vessel or other conveyance used in carrying such article shall be forfeited to the Central Government.”.

**Amend-
ment of
section 9.** 5. In sub-section (1) of section 7 of the principal Act, for the words “the representatives of the Central Legislature”, the words “the Members of Parliament” shall be substituted.

6. In section 9 of the principal Act, 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 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.”.

**Amend-
ment of
Schedule.** 7. In the Schedule to the principal Act, for item 21, the following item shall be substituted, namely:—

“21. Sheep's or lamb's wool and animal hair, whether or not scoured or carded.”.

१२०५४३

Repealed by Act 38 of 1978, S. 2 of Sch. I.

THE IRON ORE MINES LABOUR WELFARE CESS (AMENDMENT) ACT, 1970

No. 41 OF 1970

[2nd December, 1970.]

An Act further to amend the Iron Ore Mines Labour Welfare Cess Act, 1961.

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

1. (1) This Act may be called the Iron Ore Mines Labour Welfare Cess (Amendment) Act, 1970. 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.

58 of 1961.

2. In section 1 of the Iron Ore Mines Labour Welfare Cess Act, 1961 (hereinafter referred to as the principal Act), for sub-section (2), the following sub-section shall be substituted, namely:— Amendment of section 1.

“(2) It extends to the whole of India.”

3. After section 1 of the principal Act, the following section shall be inserted, namely:— Insertion of new section 1A.

‘1A. In this Act, unless the context otherwise requires,—

(a) “export” means taking out of India to a place outside India;

(b) “factory” and “occupier” have the meanings respectively assigned to them in clauses (m) and (n) of section 2 of the Factories Act, 1948; Definitions.

(c) “metallurgical factory” means—

(i) a factory in which iron or steel is being processed or manufactured;

(ii) any other factory, being a factory in which iron ore is used for any purpose, which the Central Government may, by notification in the Official Gazette, declare to be a metallurgical factory for the purposes of this Act;

(d) “owner” has the meaning assigned to it in clause (1) of section 2 of the Mines Act, 1952.

35 of 1952.

REPEALED

292 *Iron Ore Mines Labour Welfare Cess (Amendment)* [ACT 41 OF 1970]

Substitution of new sections for section 2.

Levy and collection of cess on iron ore.

Payment of duty of customs and duty of excise.

Amendment of section 8.

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

"2. With effect from such date as the Central Government may, by notification in the Official Gazette, appoint, there shall be levied and collected as a cess for the purposes of this Act on all iron ore produced in any mine—

(a) a duty of customs, where such iron ore is exported; or

(b) a duty of excise, where such iron ore is sold or otherwise disposed of to the occupier of any metallurgical factory or is used by the owner of the mine for any purpose,

at such rate not exceeding fifty paise per metric tonne of iron ore as the Central Government may, from time to time, fix by notification in the Official Gazette.

2A. (1) Every duty of customs leviable under this Act on any iron ore shall be payable to the Central Government by the person by whom the iron ore is exported.

(2) Every duty of excise leviable under this Act on any iron ore shall be payable—

(a) to the occupier of the metallurgical factory, by the person by whom such iron ore is sold or otherwise disposed of to such occupier;

(b) to the Central Government, by the owner of the mine where the iron ore is used by such owner for any purpose,

within such period as may be prescribed by rules made under this Act.

(3) All amounts received by the occupier of any metallurgical factory under clause (a) of sub-section (2) shall be paid by him to the Central Government within such period as may be prescribed by rules made under this Act.”

5. In section 8 of the principal Act, in sub-section (2), after clause (a), the following clauses shall be inserted, namely:—

“(aaa) the period within which the person selling or otherwise disposing of the iron ore shall pay the duty of excise to the occupier of the metallurgical factory;

(aaa) the period within which the owner of the mine shall pay the duty of excise to the Central Government;

(aaaa) the period within which the occupier of the metallurgical factory shall pay to the Central Government the duty of excise received by him;”

Ref. by Act 56 of 1970, S. 2 and Sch. I

THE TAXATION LAWS (AMENDMENT) ACT, 1970

ARRANGEMENT OF SECTIONS

CHAPTER I PRELIMINARY

SECTIONS

1. Short title and commencement.

CHAPTER II

AMENDMENTS TO THE INCOME-TAX ACT, 1961

2. Amendment of section 2.
3. Amendment of section 10.
4. Amendment of section 23.
5. Amendment of section 32.
6. Amendment of section 34.
7. Amendment of section 35.
8. Insertion of new sections 35D and 35E.
9. Amendment of section 38.
10. Amendment of section 40.
11. Amendment of section 41.
12. Amendment of section 43.
13. Amendment of section 55.
14. Amendment of section 57.
15. Amendment of section 59.
16. Amendment of section 64.
17. Amendment of section 80A.
18. Amendment of section 80B.
19. Amendment of section 80G.
20. Substitution of new section for section 80K.
21. Insertion of new section 80QQ.
22. Substitution of new section for section 80U.
23. Amendment of section 89.
24. Amendment of section 112A.
25. Substitution of new section for section 119.
26. Amendment of section 139.
27. Substitution of new section for section 140A.
28. Omission of section 141.
29. Amendment of section 141A.

Repealed

294

Arrangement of Sections

SECTIONS

30. Substitution of new section for section 143.
31. Amendment of section 153.
32. Amendment of section 183.
33. Amendment of section 184.
34. Amendment of section 185.
35. Amendment of section 209.
36. Amendment of section 210.
37. Amendment of section 215.
38. Amendment of section 221.
39. Omission of section 233.
40. Amendment of section 234.
41. Amendment of section 235.
42. Amendment of section 243.
43. Amendment of section 244.
44. Amendment of section 246.
45. Amendment of section 253.
46. Amendment of section 255.
47. Amendment of section 256.
48. Amendment of section 271.
49. Amendment of section 274.
50. Substitution of new section for section 275.
51. Amendment of section 276.
52. Insertion of new sections 276C and 276D.
53. Amendment of section 279.
54. Amendment of section 280ZA.
55. Amendment of section 295.
56. Amendment of Second Schedule.
57. Amendment of Fourth Schedule.
58. Insertion of Seventh Schedule.

CHAPTER III

AMENDMENTS TO THE WEALTH-TAX ACT, 1957

59. Amendment of section 5.
60. Amendment of section 15B.
61. Amendment of section 18.
62. Amendment of section 24.
63. Amendment of section 26.
64. Amendment of section 27.
65. Insertion of new sections 44C and 44D.
66. Amendment of section 46.

Repealed

Arrangement of Sections

295

CHAPTER IV

AMENDMENTS TO THE GIFT-TAX ACT, 1958

SECTIONS

67. Amendment of section 23.
68. Amendment of section 25.
69. Amendment of section 26.
70. Insertion of new sections 44A and 44B.
71. Amendment of section 46.

CHAPTER V

AMENDMENTS TO THE COMPANIES (PROFITS)
SURTAX ACT, 1964

72. Amendment of section 12.
73. Amendment of section 14.
74. Amendment of section 25.

Ref. by Act 56 of 1974, S. 2 and Sch. P.

THE TAXATION LAWS (AMENDMENT) ACT, 1970

No. 42 OF 1970

[12th December, 1970]

An Act further to amend the Income-tax Act, 1961, the Wealth-tax Act, 1957, the Gift-tax Act, 1958 and the Companies (Profits) Surtax Act, 1964.

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

CHAPTER I

PRELIMINARY

Short title and commencement.

- (1) This Act may be called the Taxation Laws (Amendment) Act, 1970.
- (2) Save as otherwise provided in this Act, the provisions of this Act shall come into force on the 1st day of April, 1971.

CHAPTER II

AMENDMENTS TO THE INCOME-TAX ACT, 1961

Amendment of section 2.

- In section 2 of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act), in clause (1),—

(i) for sub-clause (a), the following sub-clause shall be, and shall be deemed always to have been, substituted, namely:—

“(a) any rent or revenue derived from land which is situated in India and is used for agricultural purposes;”;

(ii) in sub-clause (c), for the proviso, the following proviso shall be, and shall be deemed always to have been, substituted, namely:—

“Provided that—

(i) the building is on or in the immediate vicinity of the land, and is a building which the receiver of the rent

Repealed

or revenue or the cultivator, or the receiver of rent-in-kind, by reason of his connection with the land, requires as a dwelling house, or as a store-house, or other out-building, and

(ii) the land is either assessed to land revenue in India or is subject to a local rate assessed and collected by officers of the Government as such or where the land is not so assessed to land revenue or subject to a local rate, it is not situated—

(A) in any area which is comprised within the jurisdiction of a municipality (whether known as a municipality, municipal corporation, notified area committee, town area committee, town committee or by any other name) or a cantonment board and which has a population of not less than ten thousand according to the last preceding census of which the relevant figures have been published before the first day of the previous year; or

(B) in any area within such distance, not being more than eight kilometres, from the local limits of any municipality or cantonment board referred to in item (A), as the Central Government may, having regard to the extent of, and scope for, urbanisation of the area and other relevant considerations, specify in this behalf by notification in the Official Gazette;".

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

Amend-
ment of
section 10

(a) in clause (2), before the words "any sum received", the words, brackets and figures "subject to the provisions of sub-section (2) of section 64," shall be inserted;

(b) for clause (5), the following clause shall be, and shall be deemed always to have been, substituted, namely:—

"(5) subject to such conditions as the Central Government may prescribe, in the case of an individual being a citizen of India,—

(i) in relation to any assessment year not being an assessment year commencing after the 1st day of April, 1970, the value of any travel concession or assistance received by or due to such individual,—

(a) from his employer for himself, his spouse and children, in connection with his proceeding on leave to his home-district in India;

(b) from his employer or former employer for himself, his spouse and children, in connection with his proceeding to his home-district in India after retirement from service or after the termination of his service;

Repealed

298

Taxation Laws (Amendment)

[ACT 42]

(ii) in relation to any other assessment year the value of any travel concession or assistance received by or due to such individual,—

(a) from his employer for himself, his spouse and children, in connection with his proceeding on leave to any place in India;

(b) from his employer or former employer for himself, his spouse and children, in connection with his proceeding to any place in India after retirement from service or after the termination of his service:

Provided that the amount exempt under item (a) or item (b) of this sub-clause shall in no case exceed the value of the travel concession or assistance which would have been received by or due to the individual in connection with his proceeding to his home-district in India on leave or, as the case may be, after retirement from service or after the termination of his service;”;

(c) in clause (6),—

(i) for sub-clause (i), the following sub-clause shall be, and shall be deemed always to have been, substituted, namely:—

“(i) subject to such conditions as the Central Government may prescribe, passage moneys or the value of any free or concessional passage received by or due to such individual—

(a) from his employer for himself, his spouse and children, in connection with his proceeding on home leave out of India;

(b) from his employer or former employer for himself, his spouse and children, in connection with his proceeding to his home country out of India after retirement from service in India or after the termination of such service;”;

(ii) in sub-clause (vii),—

(A) after the words “as a technician in the employment”, the brackets, words, figures and letters “(commencing from a date before the 1st day of April, 1971)” shall be inserted;

(B) in the *Explanation*, for the word “Technician”, the words ‘For the purposes of this sub-clause, “technician”’ shall be substituted;

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

‘(viia) where such individual renders services as a technician in the employment (commencing from a date after

the 31st day of March, 1971) of the Government or of a local authority or of any corporation set up under any special law or of any such institution or body established in India for carrying on scientific research as is approved for the purposes of this sub-clause by the prescribed authority or in any business carried on in India and the following conditions are fulfilled, namely, that—

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

(2) the contract of his service in India is approved by the Central Government, the application for such approval having been made to that Government before the commencement of such service or within six months of such commencement,

the remuneration for such services due to or received by him, which is chargeable under the head "Salaries", to the extent mentioned below, namely:—

(A) such remuneration due to or received by him during the period of twenty-four months commencing from the date of his arrival in India, in so far as such remuneration does not exceed an amount calculated at the rate of four thousand rupees per month, and where the tax on the excess, if any, of such remuneration for the period aforesaid over the amount so calculated is paid to the Central Government by the employer (which tax, in the case of an employer, being a company, may be paid notwithstanding anything contained in section 200 of the Companies Act, 1956), also the tax so paid by the employer; and

(B) where he continues, with the approval of the Central Government obtained before the 1st day of October of the relevant assessment year, to remain in employment in India after the expiry of the period of twenty-four months aforesaid and the tax on his income chargeable under the head "Salaries" is paid to the Central Government by the employer (which tax, in the case of an employer, being a company, may be paid notwithstanding anything contained in section 200 of the Companies Act, 1956), the tax so paid by the employer for a period not exceeding twenty-four months next following the expiry of the first-mentioned twenty-four months.

Explanation.—For the purposes of this sub-clause, “technician” means a person having specialised knowledge and experience in—

(i) constructional or manufacturing operations, or in mining or in the generation of electricity or any other form of power, or

(ii) agriculture, animal husbandry, dairy farming, deep sea fishing or ship building,

who is employed in India in a capacity in which such specialised knowledge and experience are actually utilised;

(d) in clause (26), the words “who is not in the service of Government,” shall be, and shall be deemed always to have been, omitted;

(e) after clause (29), the following clause shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1969, namely:—

‘(30) in the case of an assessee who carries on the business of growing and manufacturing tea in India, the amount of any subsidy received from or through the Tea Board under any such scheme for replantation or replacement of tea bushes as the Central Government may, by notification in the Official Gazette, specify:

Provided that the assessee furnishes to the Income-tax Officer, along with his return of income for the assessment year concerned or within such further time as the Income-tax Officer may allow, a certificate from the Tea Board as to the amount of such subsidy paid to the assessee during the previous year.

Explanation.—In this clause, “Tea Board” means the Tea Board established under section 4 of the Tea Act, 1953.’

29 of 1953.

Amend-
ment of
section
23.

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

(a) in sub-section (1), for the second proviso, the following proviso shall be substituted, namely:—

“Provided further that the annual value as determined under this sub-section shall,—

(a) in the case of a building comprising one or more residential units, the erection of which is begun after the 1st day of April, 1961 and completed before the 1st day of April, 1970 for a period of three years from the date of completion of the building, be reduced by a sum equal to the aggregate of—

(i) in respect of any residential unit whose annual value as so determined does not exceed six hundred rupees, the amount of such annual value;

Repealed

(ii) in respect of any residential unit whose annual value as so determined exceeds six hundred rupees, an amount of six hundred rupees;

(b) in the case of a building comprising one or more residential units, the erection of which is begun after the 1st day of April, 1961 and completed after the 31st day of March, 1970, for a period of five years from the date of completion of the building, be reduced by a sum equal to the aggregate of—

(i) in respect of any residential unit whose annual value as so determined does not exceed one thousand two hundred rupees, the amount of such annual value;

(ii) in respect of any residential unit whose annual value as so determined exceeds one thousand two hundred rupees, an amount of one thousand two hundred rupees,

so, however, that the income in respect of any residential unit referred to in clause (a) or clause (b) is in no case a loss.”;

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where the property consists of one or more houses and such house or houses is or are in the occupation of the owner for the purposes of his own residence, the annual value of such house or where there are two such houses, the annual value of each such house or where there are more than two such houses, the annual value of two of such houses (which the assessee may, at his option, specify in this behalf) shall first be determined in the same manner as if the property had been let and further be reduced, in each case, by one-half of the amount so determined or one thousand eight hundred rupees, whichever is less:

Provided that where the sum so arrived at exceeds ten per cent. of the total income of the owner (the total income for this purpose being computed without including therein any income from such property and before making any deduction under Chapter VIA), the excess shall be disregarded.

Explanation 1.—Where any such residential unit as is referred to in the second proviso to sub-section (1) is in the occupation of the owner for the purposes of his own residence, nothing contained in that proviso shall apply in computing the annual value of that residential unit.

Explanation 2.—Where any such property as is referred to in this sub-section consists of more than two houses, the annual value of the houses other than those the annual value of which is required to be determined under this sub-section shall be determined under sub-section (1) as if such houses had been let.”.

Repealed

302

Taxation Laws. (Amendment)

[ACT 42]

Amend-
ment of
section 32.

5. In section 32 of the Income-tax Act,—

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

(1A) Where the business or profession is carried on in a building not owned by the assessee but in respect of which the assessee holds a lease or other right of occupancy and any capital expenditure is incurred by the assessee for the purposes of the business or profession after the 31st day of March, 1970 on the construction of any structure or doing of any work in or in relation to, and by way of renovation or extension of, or improvement to, the building, then, in respect of depreciation of such structure or work, the following deductions shall, subject to the provisions of section 34, be allowed—

(i) such percentage on the written down value of the structure or work as may in any case or class of cases be prescribed;

(ii) in the case of any such structure or work which is sold, discarded, demolished, destroyed or is surrendered as a result of the determination of the lease or other right of occupancy in respect of the building in the previous year (other than the previous year in which it is constructed or done) the amount by which the moneys payable in respect of such structure or work together with the amount of scrap value, if any, fall short of the written down value thereof:

Provided that such deficiency is actually written off in the books of the assessee.

Explanation.—For the purposes of this clause,—

(i) “moneys payable”, in respect of any structure or work, includes—

(a) any insurance or compensation moneys payable in respect thereof;

(b) where the structure or work is sold, the price for which it is sold; and

(ii) “sold” shall have the meaning assigned to it in the *Explanation* to clause (iii) of sub-section (1);

(b) in sub-section (2), after the words, brackets and figure “of sub-section (1)”, the words, brackets, figures and letter “or under clause (i) of sub-section (1A)” shall be inserted.

Amend-
ment of
section 34.

6. In section 34 of the Income-tax Act,—

(a) in sub-section (1), after the words, brackets and figure “in sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A)” shall be inserted;

(b) in sub-section (2),—

(i) in clause (i),—

(A) after the words, brackets and figure “under sub-section (1)”, the words, brackets, figure and letter “or sub-section (1A)” shall be inserted;

Repealed

(B) for the words "plant or furniture", the words "plant, furniture, structure or work" shall be substituted;

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

"(iii) nothing in clause (i) of sub-section (1A) of section 32 shall be deemed to authorise the allowance for any previous year of any sum in respect of any structure or work in or in relation to a building referred to in that sub-section which is sold, discarded, demolished or destroyed or is surrendered as a result of the determination of the lease or other right of occupancy in respect of the building in that year.".

7. In section 35 of the Income-tax Act, in clause (iv) of sub-section (2), Amend-
for the words, brackets and figures "sub-section (1) of section 32", the ment of
words, brackets, figures and letter "sub-section (1) or under sub-section section
(1A) of section 32" shall be substituted. 35.

8. After section 35C of the Income-tax Act, the following sections shall be inserted, namely:—

'35D. (1) Where an assessee, being an Indian company or a per-
son (other than a company) who is resident in India, incurs, after
the 31st day of March, 1970, any expenditure specified in sub-section
(2),—

(i) before the commencement of his business, or

(ii) after the commencement of his business, in connection
with the extension of his industrial undertaking or in connection
with his setting up a new industrial unit ,

the assessee shall, in accordance with and subject to the provisions of
this section, be allowed a deduction of an amount equal to one-
tenth of such expenditure for each of the ten successive previous
years beginning with the previous year in which the business com-
mences or, as the case may be, the previous year in which the ex-
tension of the industrial undertaking is completed or the new indus-
trial unit commences production or operation.

(2) The expenditure referred to in sub-section (1) shall be the
expenditure specified in any one or more of the following clauses,
namely:—

(a) expenditure in connection with—

(i) preparation of feasibility report;

(ii) preparation of project report;

(iii) conducting market survey or any other survey
necessary for the business of the assessee;

(iv) engineering services relating to the business of the
assessee:

Provided that the work in connection with the preparation of
the feasibility report or the project report or the conducting of
market survey or of any other survey or the engineering services

Insertion
of new
sections
35D and
35E.

Amorti-
sation
of cer-
tain pre-
liminary
expenses.

Repealed

referred to in this clause is carried out by the assessee himself or by a concern which is for the time being approved in this behalf by the Board;

(b) legal charges for drafting any agreement between the assessee and any other person for any purpose relating to the setting up or conduct of the business of the assessee;

(c) where the assessee is a company, also expenditure—

(i) by way of legal charges for drafting the Memorandum and Articles of Association of the company;

(ii) on printing of the Memorandum and Articles of Association;

(iii) by way of fees for registering the company under the provisions of the Companies Act, 1956;

(iv) in connection with the issue, for public subscription, of shares in or debentures of the company, being underwriting commission, brokerage and charges for drafting, typing, printing and advertisement of the prospectus;

(d) such other items of expenditure (not being expenditure eligible for any allowance or deduction under any other provision of this Act) as may be prescribed.

(3) Where the aggregate amount of the expenditure referred to in sub-section (2) exceeds an amount calculated at two and one-half per cent.—

(a) of the cost of the project, or

(b) where the assessee is an Indian company, at the option of the company, of the capital employed in the business of the company,

the excess shall be ignored for the purpose of computing the deduction allowable under sub-section (1).

Explanation.—In this sub-section—

(a) “cost of the project” means—

(i) in a case referred to in clause (i) of sub-section (1), the actual cost of the fixed assets, being land, buildings, leaseholds, plant, machinery, furniture, fittings and railway sidings (including expenditure on development of land and buildings), which are shown in the books of the assessee as on the last day of the previous year in which the business of the assessee commences;

(ii) in a case referred to in clause (ii) of sub-section (1), the actual cost of the fixed assets, being land, buildings, leaseholds, plant, machinery, furniture, fittings and railway sidings (including expenditure on development of land and buildings), which are shown in the books of the assessee as on the last day of the previous year in which the extension of the industrial undertaking is completed or, as the case may be, the new industrial unit commences production or operation, in so far as such fixed assets have been acquired

Repealed
or developed in connection with the extension of the industrial undertaking or the setting up of the new industrial unit of the assessee;

(b) "capital employed in the business of the company" means—

(i) in a case referred to in clause (i) of sub-section (1), the aggregate of the issued share capital, debentures and long-term borrowings as on the last day of the previous year in which the business of the company commences;

(ii) in a case referred to in clause (ii) of sub-section (1), the aggregate of the issued share capital, debentures and long-term borrowings as on the last day of the previous year in which the extension of the industrial undertaking is completed or, as the case may be, the new industrial unit commences production or operation, in so far as such capital, debentures and long-term borrowings have been issued or obtained in connection with the extension of the industrial undertaking or the setting up of the new industrial unit of the company;

(c) "long-term borrowings" means—

(i) any moneys borrowed by the company from Government or the Industrial Finance Corporation of India or the Industrial Credit and Investment Corporation of India or any other financial institution which is for the time being approved by the Central Government for the purposes of clause (viii) of sub-section (1) of section 36 or any banking institution (not being a financial institution referred to above), or

(ii) any moneys borrowed or debt incurred by it in a foreign country in respect of the purchase outside India of capital plant and machinery, where the terms under which such moneys are borrowed or the debt is incurred provide for the repayment thereof during a period of not less than seven years.

(4) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288, and the assessee furnishes, along with his return of income for the first year in which the deduction under this section is claimed, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed.

(5) Where the undertaking of an Indian company which is entitled to the deduction under sub-section (1) is transferred, before

Repealed

306

Taxation Laws (Amendment)

[ACT 42]

the expiry of the period of ten years specified in sub-section (1), to another Indian company in a scheme of amalgamation,—

(i) no deduction shall be admissible under sub-section (1) in the case of the amalgamating company for the previous year in which the amalgamation takes place; and

(ii) the provisions of this section shall, as far as may be, apply to the amalgamated company as they would have applied to the amalgamating company if the amalgamation had not taken place.

(6) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure specified in sub-section (2), the expenditure in respect of which deduction is so allowed shall not qualify for deduction under any other provision of this Act for the same or any other assessment year.

Deduction
for ex-
penditure
on pros-
pecting,
etc., for
certain
minerals.

35E. (1) Where an assessee, being an Indian company or a person (other than a company) who is resident in India, is engaged in any operations relating to prospecting for, or extraction or production of, any mineral and incurs, after the 31st day of March, 1970, any expenditure specified in sub-section (2), the assessee shall, in accordance with and subject to the provisions of this section, be allowed for each one of the relevant previous years a deduction of an amount equal to one-tenth of the amount of such expenditure.

(2) The expenditure referred to in sub-section (1) is that incurred by the assessee after the date specified in that sub-section at any time during the year of commercial production and any one or more of the four years immediately preceding that year, wholly and exclusively on any operations relating to prospecting for any mineral or group of associated minerals specified in Part A or Part B, respectively, of the Seventh Schedule or on the development of a mine or other natural deposit of any such mineral or group of associated minerals:

Provided that there shall be excluded from such expenditure any portion thereof which is met directly or indirectly by any other person or authority and any sale, salvage, compensation or insurance moneys realised by the assessee in respect of any property or rights brought into existence as a result of the expenditure.

(3) Any expenditure—

(i) on the acquisition of the site of the source of any mineral or group of associated minerals referred to in sub-section (2) or of any rights in or over such site;

(ii) on the acquisition of the deposits of such mineral or group of associated minerals or of any rights in or over such deposits; or

(iii) of a capital nature in respect of any building, machinery, plant or furniture for which allowance by way of depreciation is admissible under section 32,

shall not be deemed to be expenditure incurred by the assessee for any of the purposes specified in sub-section (2).

(4) The deduction to be allowed under sub-section (1) for any relevant previous year shall be—

(a) an amount equal to one-tenth of the expenditure specified in sub-section (2) (such one-tenth being hereafter in this sub-section referred to as the instalment); or

(b) such amount as is sufficient to reduce to nil the income (as computed before making the deduction under this section) of that previous year arising from the commercial exploitation [whether or not such commercial exploitation is as a result of the operations or development referred to in sub-section (2)] of any mine or other natural deposit of the mineral or any one or more of the minerals in a group of associated minerals as aforesaid in respect of which the expenditure was incurred,

whichever amount is less:

Provided that the amount of the instalment relating to any relevant previous year, to the extent to which it remains unallowed, shall be carried forward and added to the instalment relating to the previous year next following and deemed to be part of that instalment, and so on, for succeeding previous years, so, however, that no part of any instalment shall be carried forward beyond the tenth previous year as reckoned from the year of commercial production.

(5) For the purposes of this section,—

(a) "operation relating to prospecting" means any operation undertaken for the purpose of exploring, locating or proving deposits of any mineral, and includes any such operation which proves to be infructuous or abortive;

(b) "year of commercial production" means the previous year in which as a result of any operation relating to prospecting, commercial production of any mineral or any one or more of the minerals in a group of associated minerals specified in Part A or Part B, respectively, of the Seventh Schedule, commences;

(c) "relevant previous years" means the ten previous years beginning with the year of commercial production.

(6) Where the assessee is a person other than a company or a co-operative society, no deduction shall be admissible under sub-section (1) unless the accounts of the assessee for the year or years in which the expenditure specified in sub-section (2) is incurred have been audited by an accountant as defined in the *Explanation* below sub-section (2) of section 288, and the assessee furnishes, along with his return of income for the first year in which the deduction under this section is claimed, the report of such audit in the prescribed form duly signed and verified by such accountant and setting forth such particulars as may be prescribed.

(7) Where the undertaking of an Indian company which is entitled to the deduction under sub-section (1) is transferred, before the

expiry of the period of ten years specified in sub-section (1), to another Indian company in a scheme of amalgamation—

(i) no deduction shall be admissible under sub-section (1) in the case of the amalgamating company for the previous year in which the amalgamation takes place; and

(ii) the provisions of this section shall, as far as may be, apply to the amalgamated company as they would have applied to the amalgamating company if the amalgamation had not taken place.

(8) Where a deduction under this section is claimed and allowed for any assessment year in respect of any expenditure specified in sub-section (2), the expenditure in respect of which deduction is so allowed shall not qualify for deduction under any other provision of this Act for the same or any other assessment year.'

Amend-
ment of
section 38

9. In section 38 of the Income-tax Act, in sub-section (2), for the words, brackets and figures "sub-section (1) of section 32", the words, brackets, figures and letter "sub-section (1) and sub-section (1A) of section 32" shall be substituted.

Amend-
ment of
section 40.

10. In section 40 of the Income-tax Act, in sub-clause (v) of clause (a), in the first proviso, for clause (d), the following clause shall be substituted, namely:—

"(d) any payment of tax referred to in sub-clause (vii) or sub-clause (viiia) of clause (6) of section 10;"

Amend-
ment of
section 41.

11. In section 41 of the Income-tax Act,—

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

'(2A) Where any structure or work in or in connection with a building, being the structure or work referred to in sub-section (1A) of section 32, is sold, discarded, demolished, destroyed or is surrendered as a result of the determination of the lease or other right of occupancy in respect of the building and the moneys payable in respect of such structure or work together with the amount of scrap value, if any, exceed the written down value, so much of the excess as does not exceed the difference between the actual cost of the structure or work and its written down value shall be chargeable to income-tax as income of the business or profession of the previous year in which the moneys payable for the structure or work became due.

Explanation 1.—Where the moneys payable in respect of the structure or work referred to in this sub-section become due in a previous year in which the business or profession for the purpose of which the structure or work was constructed or done is no longer in existence, the provisions of this sub-section shall apply as if the business or profession were in existence in that previous year.

Explanation 2.—For the purposes of this sub-section, the expression "moneys payable" and the expression "sold" shall have the same meanings as in sub-section (1A) of section 32;

(b) in sub-section (5), after the word, brackets and figure "sub-section (2)," the word, brackets, figure and letter "sub-section (2A)," shall be inserted.

12. In section 43 of the Income-tax Act, in clause (1),—

Amend.
ment of
section 43

(a) in *Explanation 1*, for the words, brackets and figures "sub-section (1) of section 32", the words, brackets, figures and letter "sub-section (1) or sub-section (1A) of section 32" shall be substituted;

(b) in *Explanation 4*, for the words, brackets and figures "sub-section (1) of section 32 or sub-section (2) of section 41", the words, brackets, figures and letters "sub-section (1), or clause (ii) of sub-section (1A), of section 32 or sub-section (2) or sub-section (2A) of section 41" shall be substituted.

13. In section 55 of the Income-tax Act, in clause (a) of sub-section (1), for the words, brackets and figures "sub-section (1) of section 32 or sub-section (2) of section 41", the words, brackets, figures and letters "sub-section (1), or clause (ii) of sub-section (1A), of section 32 or sub-section (2) or sub-section (2A) of section 41" shall be substituted.

Amend.
ment of
section 55

14. In section 57 of the Income-tax Act, in clause (ii), for the words, brackets and figures "sub-sections (1) and (2) of section 32", the words, brackets, figures and letter "sub-sections (1), (1A) and (2) of section 32" shall be substituted.

Amend.
ment of
section 57

15. In section 59 of the Income-tax Act, before the *Explanation*, the following sub-section shall be inserted, namely:—

Amend.
ment of
section 59

(3) Where any structure or work referred to in sub-section (1A) of section 32 in or in relation to a building to which clause (iii) of sub-section (2) of section 56 applies is sold, discarded, demolished or destroyed or is surrendered as a result of the determination of the lease or other right of occupancy in respect of the building, the provisions of sub-section (2A) of section 41 shall apply, so far as may be, in computing the income of an assessee under section 56 as they apply in computing the income of an assessee under the head "Profits and gains of business or profession".

16. Section 64 of the Income-tax 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:—

Amend.
ment of
section 64

(2) Where, in the case of an individual being a member of a Hindu undivided family, any property having been the separate property of the individual has, at any time after the 31st day of December, 1969, been converted by the individual into property belonging to the family through the act of impressing such separate property with the character of property belonging to the family or throwing it into the common stock of the family (such property being hereinafter referred to as the converted property), then, notwithstanding anything contained in any other provision of this Act or in any other law

for the time being in force, for the purpose of computation of the total income of the individual under this Act for any assessment year commencing on or after the 1st day of April, 1971,—

(a) the individual shall be deemed to have transferred the converted property, through the family, to the members of the family for being held by them jointly;

(b) the income derived from the converted property or any part thereof, in so far as it is attributable to the interest of the individual in the property of the family, shall be deemed to arise to the individual and not to the family;

(c) the income derived from the converted property or any part thereof, in so far as it is attributable to the interest of the spouse or any minor son of the individual in the property of the family and where the converted property has been the subject matter of a partition (partial or total) amongst the members of the family, also the income derived from such converted property as is received by the spouse or minor son on partition shall be deemed to arise to the spouse or the minor son from assets transferred indirectly by the individual to the spouse or minor son and the provisions of sub-section (1) shall, so far as may be, apply accordingly:

Provided that the income referred to in clause (b) or clause (c) shall, on being included in the total income of the individual, be excluded from the total income of the family or, as the case may be, the spouse or minor son of the individual.

Explanation.—For the purposes of sub-section (2),—

(1) “property” includes any interest in property, movable or immovable, the proceeds of sale thereof and any money or investment for the time being representing the proceeds of sale thereof and where the property is converted into any other property by any method, such other property;

(2) “interest of the individual in the property of the family” and “interest of the spouse or any minor son of the individual in the property of the family” mean, respectively, the proportion in which the individual or, as the case may be, the spouse or minor son would be entitled to share the property of the family if there had been a total partition in the family as on the last day of the previous year of the family relevant to the assessment year for which the individual is to be assessed under sub-section (2).’

Amend-
ment of
section
80A.

17. In section 80A of the Income-tax Act, in sub-section (3), after the words, figures and letter “section 80L or”, the words, figures and letters “section 80QQ or” shall be inserted.

Amend-
ment of
section
80B.

18. In section 80B of the Income-tax Act, in clause (5), the words and figures “and without applying the provisions of section 64” shall be, and shall be deemed to have been, omitted with effect from the 1st day of April, 1968.

19. In section 80G of the Income-tax Act, in sub-section (4), for the proviso, the following proviso shall be, and shall be deemed to have been, substituted with effect from the 1st day of April, 1968, namely:—

Amend-
ment of
section
80G.

"Provided that where such aggregate includes any donations referred to in clause (b) of sub-section (2) and such aggregate exceeds the limit of two hundred thousand rupees specified in this sub-section, then such limit shall be raised to cover that portion of the donations aforesaid which is equal to the difference between such aggregate and the said limit, so, however, that the limit so raised shall not exceed ten per cent. of the assessee's gross total income as reduced as aforesaid, or five hundred thousand rupees, whichever is less."

20. For section 80K 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, 1968, namely:—

Substi-
tution of
new sec-
tion for
section
80K.

"80K. Where the gross total income of an assessee, being—

Dedu-
ction in
respect
of divi-
dends
attribu-
table
to

(a) the owner of any share or shares in a company, or

(b) a person who is chargeable to tax under this Act on the income by way of dividends on any share or shares in a company owned by any other person,

includes any income by way of dividends paid or deemed to have been paid by the company in respect of such share or shares, there shall, subject to any rules that may be made by the Board in this behalf, be allowed, in computing his total income, a deduction from such income by way of dividends of an amount equal to such part thereof as is attributable to the profits and gains derived by the company from an industrial undertaking or ship or the business of a hotel, on which no tax is payable by the company under this Act for any assessment year commencing prior to the 1st day of April, 1968, or in respect of which the company is entitled to a deduction under section 80J for the assessment year commencing on the 1st day of April, 1968, or for any subsequent assessment year."

21. After section 80Q of the Income-tax Act, the following section shall be inserted, namely:—

Insertion
of new
section
80QQ.

'80QQ. (1) Where in the case of an assessee the gross total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1971, or to any one of the four assessment years next following that assessment year, includes any profits and gains derived from a business carried on in India of printing and publication of books or publication of books, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction from such profits and gains of an amount equal to twenty per cent. thereof.

Dedu-
ction
in respect
of profits
and gains
from the
business
of publi-
cation of
books.

(2) In a case where the assessee is entitled also to the deduction under section 80H or section 80J or section 80P, in relation to any part of the profits and gains referred to in sub-section (1), the deduction

Repealed

312

Taxation Laws (Amendment)

[ACT 42]

under sub-section (1) shall be allowed with reference to such profits and gains included in the gross total income as reduced by the deductions under sections 80H, 80J and 80P.

(3) For the purposes of this section, "books" shall not include newspapers, journals, magazines, diaries, brochures, tracts, pamphlets and other publications of a similar nature, by whatever name called.'

Substitution of new section for section 80U.

22. For section 80U of the Income-tax Act, the following section shall be substituted, namely:—

Deduction in the case of totally blind or physically handicapped resident persons.

"80U. In computing the total income of an individual, being a resident, who, as at the end of the previous year,—

(i) is totally blind, or

(ii) is subject to or suffers from a permanent physical disability (other than blindness) which has the effect of reducing substantially his capacity to engage in a gainful employment or occupation,

there shall be allowed a deduction of a sum of five thousand rupees:

Provided that such individual produces before the Income-tax Officer, in respect of the first assessment year for which deduction is claimed under this section,

(a) in a case referred to in clause (i), a certificate as to his total blindness from a registered medical practitioner being an oculist; and

(b) in a case referred to in clause (ii), a certificate as to the permanent physical disability referred to in the said clause from a registered medical practitioner."

Amend-
ment of
section
89.

23. In section 89 of the Income-tax Act, in sub-sections (1) and (2), for the words "the Commissioner may, on an application made in this behalf by the assessee, grant such relief as he considers appropriate", the following shall be substituted, namely:—

"the Income-tax Officer shall, on an application made to him in this behalf, grant such relief as may be prescribed".

Amend-
ment of
section
112A.

24. In section 112A, of the Income-tax Act,—

(a) for clauses (a) and (b), the following clauses shall be, and shall be deemed to have been, substituted with effect from the 1st day of April, 1968, namely:—

"(a) the amount of income-tax payable on the total income as reduced by the amount of such inclusion, had the total income so reduced been his total income; plus

(b) the amount of income-tax calculated on the amount of such interest included in the total income at the average rate of income-tax which would have been applicable to the total income if the amount of such interest and the amount of compensation or other payment referred to in clause (ii) of section 28 and of the capital gains, if any, had not formed part of it.”;

(b) *Explanation I* shall be, and shall be deemed to have been, omitted with effect from the 1st day of April, 1969.

25. For section 119 of the Income-tax Act, the following section shall be substituted, namely:

Substitution of new section for sec. 119.

“119. (1) The Board may, from time to time, issue such orders, instructions and directions to other income-tax authorities as it may deem fit for the proper administration of this Act, and such authorities and all other persons employed in the execution of this Act shall observe and follow such orders, instructions and directions of the Board:

Instructions to subordinate authorities.

Provided that no such orders, instructions or directions shall be issued—

(a) so as to require any income-tax authority to make a particular assessment or to dispose of a particular case in a particular manner; or

(b) so as to interfere with the discretion of the Appellate Assistant Commissioner in the exercise of his appellate functions.

(2) Without prejudice to the generality of the foregoing power,—

(a) the Board may, if it considers it necessary or expedient so to do, for the purpose of proper and efficient management of the work of assessment and collection of revenue, issue, from time to time (whether by way of relaxation of any of the provisions of sections 143, 144, 147, 148, 154, 155, 210, 271 and 273 or otherwise), general or special orders in respect of any class of incomes or class of cases, setting forth directions or instructions (not being prejudicial to assesseees) as to the guidelines, principles or procedures to be followed by other income-tax authorities in the work relating to assessment or collection of revenue or the initiation of proceedings for the imposition of penalties and any such order may, if the Board is of opinion that it is necessary in the public interest so to do, be published and circulated in the prescribed manner for general information;

(b) the Board may, if it considers it desirable or expedient so to do for avoiding genuine hardship in any case or class of cases, by general or special order, authorise the Commissioner or the Income-tax Officer to admit an application or claim for any exemption, deduction, refund or any other relief under this Act after the expiry of the period specified by or under this Act for making such application or claim and deal with the same on merits in accordance with law.

Repealed

(3) Every Income-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.”.

Amend-
ment of
section
139.

26. In section 139 of the Income-tax Act,—

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

“Provided that, on an application made in the prescribed manner, the Income-tax Officer may, in his discretion, extend the date for furnishing the return, and, notwithstanding that the date is so extended, interest shall be chargeable in accordance with the provisions of sub-section (8).”;

(b) sub-section (1A) shall be omitted;

(c) in sub-section (2), for the proviso, the following proviso shall be substituted, namely:—

“Provided that, on an application made in the prescribed manner, the Income-tax Officer may, in his discretion, extend the date for furnishing the return, and, notwithstanding that the date for furnishing the return, whether fixed originally or on extension, falls beyond the 30th day of September, referred to in sub-section (8), interest shall be chargeable in accordance with the provisions of the said sub-section.”;

(d) in sub-section (3), after the words, brackets and figure “within the time allowed under sub-section (1)”, the words “or within such further time which, on an application made in the prescribed manner, the Income-tax Officer may, in his discretion, allow” shall be inserted;

(e) in sub-section (4), in clause (a), for the words, brackets and figures “and the provisions of clause (iii) of the proviso to sub-section (1) shall apply in every such case”, the words, brackets and figure “and the provisions of sub-section (8) shall apply in every such case” shall be substituted;

(f) for sub-section (8), the following sub-section shall be substituted, namely:—

“(8) (a) Where the return under sub-section (1) or sub-section (2) or sub-section (4) for an assessment year is furnished after the 30th day of September of the assessment year, or is not furnished, then [whether or not the Income-tax Officer has extended the date for furnishing the return under sub-section (1) or sub-section (2)], the assessee shall be liable to pay simple interest at nine per cent. per annum, reckoned from the 1st day of October of the assessment year to the date of the furnishing of the return or, where no return has been furnished, the date of completion of the assessment under section 144, on the amount of the tax payable on the total income as determined on regular assessment, as reduced by the advance tax, if any, paid and any tax deducted at source:

Provided that in the case of any person whose total income includes any income from business or profession, the previous year in respect of which expired after the 31st day of December of the year immediately preceding the assessment year, such interest shall be reckoned from the 1st day of January instead of the 1st day of October of the assessment year:

Provided further that the Income-tax Officer may, in such cases and under such circumstances as may be prescribed, reduce or waive the interest payable by any person under this sub-section.

Explanation.—For the purposes of this sub-section, where the assessee is a registered firm or an unregistered firm which has been assessed under clause (b) of section 183, the tax payable on the total income shall be the amount of tax which would have been payable if the firm had been assessed as an unregistered firm.

(b) Where as a result of an order under section 154 or section 155 or section 250 or section 254 or section 260 or section 262 or section 264, the amount of tax on which interest was payable under this sub-section has been reduced, the interest shall be reduced accordingly, and the excess interest paid, if any, shall be refunded.”.

27. For section 140A of the Income-tax Act, the following section shall be substituted, namely:—

Substitution of new section for section 140A.

“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 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 such regular assessment.

(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 regular assessment under section 143 or section 144 has been made before the expiry of the 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, and in the case of a continuing failure, such further amount or amounts as the Income-tax Officer may, from time to time, direct, so, however, that the total 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.”.

Repealed

316

Taxation Laws (Amendment)

[ACT 42]

Omission
of section
141.

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

Amend-
ment of
section
141A.

29. In section 141A of the Income-tax Act,—

(a) in sub-section (1), for the words "on the basis of such return, accounts and documents", the following shall be substituted, namely:—

"after making such adjustments to the income or loss declared in the return as are required to be made under sub-section (2) with reference to such return, accounts and documents, and for the purposes of the adjustments referred to in clause (iv) of sub-section (2), also with reference to the record of the assessments, if any, of past years:

Provided that in a case where the regular assessment is not made within six months from the date of receipt of the return, the Income-tax Officer shall proceed to make the provisional assessment under this section.";

(b) for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) In making any assessment under this section, the Income-tax Officer shall make the following adjustments to the income or loss declared in the return, that is to say, he shall—

(i) rectify any arithmetical errors in the return, accounts and documents referred to in sub-section (1);

(ii) allow any deduction, allowance or relief which, on the basis of the information available in such return, accounts and documents, is, *prima facie*, admissible, but is not claimed in the return;

(iii) disallow any deduction, allowance or relief claimed in the return which, on the basis of the information available in such return, accounts and documents, is, *prima facie*, inadmissible;

(iv) give due effect to the allowance referred to in sub-section (2) of section 32, the deduction referred to in clause (ii) of sub-section (2) of section 33 or clause (ii) of sub-section (2) of section 33A or clause (i) of sub-section (2) of section 35 or sub-section (1) of section 35A or sub-section (1) of section 35D or sub-section (1) of section 35E or the first proviso to clause (ix) of sub-section (1) of section 36, any loss carried forward under sub-section (1) of section 72 or sub-section (2) of section 73 or sub-section (1) of section 74 and the deficiency referred to in sub-section (3) of section 80J, as computed, in each case, in the regular assessment, if any, for the earlier assessment year or years."

Repealed

OF 1970]

Taxation Laws (Amendment)

317

30. For section 143 of the Income-tax Act, the following section shall be substituted, namely:—

Substitution of
new sec-
tion for
section
143.

'143. (1) (a) Where a return has been made under section 139, the Income-tax Officer may, without requiring the presence of the assessee or the production by him of any evidence in support of the return, make an assessment of the total income or loss of the assessee after making such adjustments to the income or loss declared in the return as are required to be made under clause (b), with reference to the return and the accounts and documents, if any, accompanying it, and for the purposes of the adjustments referred to in sub-clause (iv) of clause (b), also with reference to the record of the assessments, if any, of past years, and determine the sum payable by the assessee or refundable to him on the basis of such assessment.

(b) In making an assessment of the total income or loss of the assessee under clause (a), the Income-tax Officer shall make the following adjustments to the income or loss declared in the return, that is to say, he shall,—

(i) rectify any arithmetical errors in the return, accounts and documents referred to in clause (a);

(ii) allow any deduction, allowance or relief which, on the basis of the information available in such return, accounts and documents, is, *prima facie*, admissible, but is not claimed in the return;

(iii) disallow any deduction, allowance or relief claimed in the return which, on the basis of the information available in such return, accounts and documents, is, *prima facie*, inadmissible;

(iv) give due effect to the allowance referred to in sub-section (2) of section 32, the deduction referred to in clause (ii) of sub-section (2) of section 33 or clause (ii) of sub-section (2) of section 33A or clause (i) of sub-section (2) of section 35 or sub-section (1) of section 35A or sub-section (1) of section 35D or sub-section (1) of section 35E or the first proviso to clause (ix) of sub-section (1) of section 36, any loss carried forward under sub-section (1) of section 72 or sub-section (2) of section 73 or sub-section (1) of section 74 and the deficiency referred to in sub-section (3) of section 80J, as computed, in each case, in the regular assessment, if any, for the earlier assessment year or years.

(2) Where a return has been made under section 139, and—

(a) an assessment having been made under sub-section (1), the assessee makes within one month from the date of service of the notice of demand issued in consequence of such assessment, an application to the Income-tax Officer objecting to the assessment, or

(b) whether or not an assessment has been made under sub-section (1), the Income-tax Officer considers it necessary or expedient to verify the correctness and completeness of the return by requiring the presence of the assessee or the production of evidence in this behalf,

Repealed

the Income-tax Officer shall serve on the assessee a notice requiring him, on a date to be therein specified, either to attend at the Income-tax Officer's Office or to produce, or to cause to be there produced, any evidence on which the assessee may rely in support of the return:

Provided that, in a case where an assessment has been made under sub-section (1), the notice under this sub-section [except where such notice is in pursuance of an application by the assessee under clause (a)] shall not be issued by the Income-tax Officer unless the previous approval of the Inspecting Assistant Commissioner has been obtained to the issue of such notice:

Provided further that in a case where the assessment made under sub-section (1) is objected to by the assessee by an application under clause (a), the assessee shall not be deemed to be in default in respect of the whole or any part of the amount of the tax demanded in pursuance of the assessment under that sub-section, which is disputed by the assessee, in so far as such amount does not relate to any adjustment referred to in sub-clause (i) of clause (b) of sub-section (1), and further no interest shall be chargeable under sub-section (2) of section 220 in respect of such disputed amount.

(3) On the day specified in the notice issued under sub-section (2), or as soon afterwards as may be, after hearing such evidence as the assessee may produce and such other evidence as the Income-tax Officer may require on specified points, and after taking into account all relevant material which he has gathered,—

(a) in a case where no assessment has been made under sub-section (1), the Income-tax Officer shall, by an order in writing, make an assessment of the total income or loss of the assessee, and determine the sum payable by him or refundable to him on the basis of such assessment;

(b) in a case where an assessment has been made under sub-section (1), if either such assessment has been objected to by the assessee by an application under clause (a) of sub-section (2) or the Income-tax Officer is of opinion that such assessment is incorrect, inadequate or incomplete in any material respect, the Income-tax Officer shall, by an order in writing, make a fresh assessment of the total income or loss of the assessee, and determine the sum payable by him or refundable to him on the basis of such assessment.

Explanation.—For the purposes of this section,—

(1) an assessment under sub-section (1) shall be deemed to be incorrect, inadequate or incomplete in a material respect, if—

(a) the amount of the total income as determined under sub-section (1) is greater or smaller than the amount of the total income on which the assessee is properly chargeable under this Act to tax; or

(b) the amount of the tax payable as determined under sub-section (1) is greater or smaller than the amount of the tax properly payable under this Act by the assessee; or

(c) the amount of any loss as determined under sub-section (1) is greater or smaller than the amount of the loss, if any, determinable under this Act on a proper computation; or

(d) the amount of any depreciation allowance, development rebate or any other allowance or deduction as determined under sub-section (1) is greater or smaller than the amount of the depreciation allowance, development rebate or, as the case may be, other allowance or deduction properly allowable under this Act; or

(e) the amount of the refund as determined under sub-section (1) is greater or smaller than the amount of the refund, if any, due under this Act on a proper computation; or

(f) the status in which the assessee has been assessed under sub-section (1) is different from the status in which the assessee is properly assessable under this Act;

(2) "status", in relation to an assessee, means the classification of the assessee as an individual, a Hindu undivided family, or any other category of persons referred to in clause (31) of section 2, and where the assessee is a firm, its classification as a registered firm or an unregistered firm.'

31. In section 153 of the Income-tax Act,—

Amend-
ment of
section
153.

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

"(2A) Notwithstanding anything contained in sub-sections (1) and (2), in relation to the assessment year commencing on the 1st day of April, 1971, and any subsequent assessment year, an order of fresh assessment under section 146 or in pursuance of an order, under section 250, section 254, section 263 or section 264, setting aside or cancelling an assessment, may be made at any time before the expiry of two years from the end of the financial year in which the order under section 146 cancelling the assessment is passed by the Income-tax Officer or the order under section 250 or section 254 is received by the Commissioner or, as the case may be, the order under section 263 or section 264 is passed by the Commissioner.";

(b) in sub-section (3), after the words "assessments, reassessments and re-computations which may", the words, brackets, figure and letter "subject to the provisions of sub-section (2A)," shall be inserted.

32. In section 183 of the Income-tax Act, for clause (b), the following clause shall be substituted, namely:—

Amend-
ment of
section
183.

"(b) if, in his opinion, the aggregate amount of the tax payable by the firm if it were assessed as a registered firm and the tax payable by the partners individually if the firm were so assessed would be greater than the aggregate amount of the tax payable by the firm under clause (a) and the tax which would be payable by the partners individually, may proceed to make the assessment under sub-section (1) of section 182 as if the firm were a registered firm; and, where the procedure specified in this clause is applied to any un-

Repealed

registered firm, the provisions of sub-sections (2), (3) and (4) of section 182 shall apply thereto as they apply in relation to a registered firm.”.

Amend-
ment of
section
184.

33. In section 184 of the Income-tax Act, in the proviso to sub-section (7), for clause (ii), the following clause shall be substituted, namely:—

“(ii) the firm furnishes, before the expiry of the time allowed under sub-section (1) or sub-section (2) of section 139 (whether fixed originally or on extension) for furnishing the return of income for such subsequent assessment year, a declaration to that effect, in the prescribed form and verified in the prescribed manner, so, however, that where the Income-tax Officer is satisfied that the firm was prevented by sufficient cause from furnishing the declaration within the time so allowed, he may allow the firm to furnish the declaration at any time before the assessment is made.”.

Amend-
ment of
section
185.

34. In section 185 of the Income-tax Act,—

(a) in sub-section (1), the following *Explanation* shall be inserted at the end, namely:—

“*Explanation*.—For the purposes of this section and section 186, a firm shall not be regarded as a genuine firm if any partner of the firm was, in relation to the whole or any part of his share in the income or property of the firm, at any time during the previous year, a *benamidar* of any other partner to whom the first-mentioned partner does not stand in the relationship of a spouse or minor child.”;

(b) for sub-sections (2) and (3), the following sub-sections shall be substituted, namely:—

“(2) Where the Income-tax Officer considers that the application for registration is not in order, he shall intimate the defect to the firm and give it an opportunity to rectify the defect in the application within a period of one month from the date of such intimation; and if the defect is not rectified within that period, the Income-tax Officer shall, by order in writing, reject the application.

(3) Where the Income-tax Officer considers that the declaration furnished by a firm in pursuance of sub-section (7) of section 184 is not in order, he shall intimate the defect to the firm and give it an opportunity to rectify the defect in the declaration within a period of one month from the date of such intimation; and if the defect is not rectified within that period, the Income-tax Officer shall, by order in writing, declare that the registration granted to the firm shall not have effect for the relevant assessment year.”.

Amend-
ment of
section
209.

35. In section 209 of the Income-tax Act, for clause (d) and the *Explanation* at the end, the following clause and *Explanation* shall be substituted, namely:—

“(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 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,

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, 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.

Explanation.—If the assessee is a partner of a registered firm and an assessment of the firm has been completed for a previous year later than the latest previous year for which the assessee's assessment has been completed, his share in the income of the firm shall, for the purposes of clause (a), be included in his total income on the basis of the said assessment of the firm.”.

36. In section 210 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

“(3) If, after the making of an order by the Income-tax Officer under this section and at any time before the date which is fifteen days prior to the date on which the last instalment of advance tax is payable by the assessee under sub-section (1) of section 211, tax is paid by the assessee under section 140A or a regular assessment of the assessee (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 the assessee to pay 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 tax computed on the basis of the total income on which tax has been paid under section 140A or in respect of which the regular assessment aforesaid has been made as reduced by the amount, if any, paid in accordance with the original order.”.

Amend-
ment of
section
210.

37. In section 215 of the Income-tax Act, for sub-section (2), the following sub-section shall be substituted, namely:—

“(2) Where before the date of completion of a regular assessment, tax is paid by the assessee under section 140A or otherwise,—

(i) interest shall be calculated in accordance with the foregoing provision up to the date on which the tax is so paid; and

(ii) thereafter, interest shall be calculated at the rate aforesaid on the amount by which the tax as so paid (in so far as it relates to income subject to advance tax) falls short of the assessed tax.”.

38. In section 221 of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) When an assessee is in default or is deemed to be in default in making a payment of tax, he shall, in addition to the amount of the arrears and the amount of interest payable under sub-section (2) of section 220, be liable, by way of penalty, to pay such amount as the Income-tax Officer may direct, and in the case of a continuing

Amend-
ment of
section
215.

Amend-
ment of
section
221.

Repealed

default, such further amount or amounts as the Income-tax Officer may, from time to time, direct, so, however, that the total amount of penalty does not exceed the amount of tax in arrears:

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

Provided further that where the Income-tax Officer is satisfied that the default was for good and sufficient reasons, no penalty shall be levied under this section.”.

39. Section 233 of the Income-tax Act shall be omitted.

40. In section 234 of the Income-tax Act,—

(a) for the word and figures “section 141”, the words, figures and letter “section 141 or section 141A” shall be, and shall be deemed to have been, substituted with effect from the 1st day of April, 1968;

(b) the words and figures “section 141 or” shall be omitted.

41. In section 235 of the Income-tax Act,—

(a) in sub-clause (ii) of clause (b), for the words “twenty-seven and a half per cent.”, the words “the amount of income-tax payable by it under this Act” shall be substituted;

(b) the following *Explanation* shall be, and shall be deemed always to have been, inserted at the end, namely:—

“*Explanation.*—Where any person other than the shareholder is chargeable to tax under this Act on the dividend referred to in this section, references in this section to the shareholder shall be construed as references to such other person.”.

42. In section 243 of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted, namely:—

(1) If the Income-tax Officer does not grant the refund,—

(a) in any case where the total income of the assessee does not consist solely of income from interest on securities or dividends, within three months from the end of the month in which the total income is determined under this Act, and

(b) in any other case, within three months from the end of the month in which the claim for refund is made under this Chapter,

the Central Government shall pay the assessee simple interest at nine per cent. per annum on the amount directed to be refunded from the date immediately following the expiry of the period of three months aforesaid to the date of the order granting the refund.

Explanation.—If the delay in granting the refund within the period of three months aforesaid is attributable to the assessee, whether wholly or in part, the period of the delay attributable to him shall be excluded from the period for which interest is payable.”.

43. In section 244 of the Income-tax Act,—

(a) in sub-section (1)—

(i) for the words “within a period of six months from the date of such order”, the words and figures “within a period of three months from the end of the month in which such order is passed” shall be substituted;

Omission
of sec-
tion 233.

Amend-
ment of
section
234.

Amend-
ment of
section
235.

Amend-
ment of
section
243.

Amend-
ment of
section
244.

(ii) for the words "the period of six months aforesaid", the words "the period of three months aforesaid" shall be substituted;

(b) in sub-section (2), for the words and figures "six months from the date of the order referred to in section 241", the words and figures "three months from the end of the month in which the order referred to in section 241 is passed" shall be substituted.

44. In section 246 of the Income-tax Act, for clause (j), the following clause shall be substituted, namely:—

Amendment of
section
246.

"(j) an order under clause (b) of sub-section (1) or under sub-section (2) or sub-section (3) or sub-section (5) of section 185,".

45. In section 253 of the Income-tax Act, in sub-section (6), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amendment of
section
253.

46. In section 255 of the Income-tax Act, in sub-section (3), for the words "twenty-five thousand rupees", the words "forty thousand rupees" shall be substituted.

Amendment of
section
255.

47. In section 256 of the Income-tax Act, in sub-section (1), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amendment of
section
256.

48. In section 271 of the Income-tax Act, in sub-section (4A), for the proviso, the following proviso shall be substituted, namely:—

Amendment of
section
271.

"Provided that—

(i) if in a case the minimum penalty imposable under clause (i) of sub-section (1) for the relevant assessment year, or, where such disclosure relates to more than one assessment year, the aggregate of the minimum penalty imposable under the said clause for those years, exceeds a sum of fifty thousand rupees, or

(ii) if in a case falling under clause (c) of sub-section (1), the amount of income in respect of which penalty is imposable for the relevant assessment year, or, where such disclosure relates to more than one assessment year, the aggregate amount of such income for those years, exceeds a sum of five hundred thousand rupees,

no order reducing or waiving the penalty shall be made by the Commissioner unless the previous approval of the Board has been obtained".

49. In section 274 of the Income-tax Act, in sub-section (2), for the words "the minimum penalty imposable exceeds a sum of rupees one thousand", the words and brackets "the amount of income (as determined by the Income-tax Officer on assessment) in respect of which the particulars have been concealed or inaccurate particulars have been furnished exceeds a sum of twenty-five thousand rupees" shall be substituted.

Amendment of
section
274.

Repealed

324

Taxation Laws (Amendment)

[ACT 42]

Substitution of new section for section 275.

Bar of limitation for imposing penalties.

50. For section 275 of the Income-tax Act, the following section shall be substituted, namely:—

"275. No order imposing a penalty under this Chapter shall be passed—

(a) in a case where the relevant assessment or other order is the subject-matter of an appeal to the Appellate Assistant Commissioner under section 246 or an appeal to the Appellate Tribunal under sub-section (2) of section 253, after the expiration of a period of—

(i) two years from the end of the financial year in which the proceedings, in the course of which action for imposition of penalty has been initiated, are completed, or

(ii) six months from the end of the month in which the order of the Appellate Assistant Commissioner or, as the case may be, the Appellate Tribunal is received by the Commissioner,

whichever period expires later;

(b) in any other case, after the expiration of two years from the end of the financial year in which the proceedings, in the course of which action for imposition of penalty has been initiated, are completed.

Explanation.— In computing the period of limitation for the purpose of this section, the time taken in giving an opportunity to the assessee to be re-heard under the proviso to section 129 and any period during which a proceeding under this Chapter for the levy of penalty is stayed by an order or injunction of any court shall be excluded.”.

Amendment of section 276.

51. In section 276 of the Income-tax Act,—

(a) in clause (b), the words, brackets and figures “sub-section (2) of section 139,” shall be omitted;

(b) clause (c) shall be omitted.

Insertion of new sections 276C and 276D.

Failure to furnish returns of income.

52. After section 276B of the Income-tax Act, the following sections shall be inserted, namely:—

"276C. If a person wilfully fails to furnish in due time the return of income which he is required to furnish under sub-section (1) of section 139 or by notice given under sub-section (2) of section 139 or section 148 he shall be punishable with rigorous imprisonment for a term which may extend to one year or with fine equal to a sum calculated at a rate which shall not be less than four rupees or more than ten rupees for every day during which the default continues, or with both:

~~Repealed~~
Provided that a person shall not be proceeded against under this section for failure to furnish in due time the return of income under sub-section (1) of section 139—

(i) for any assessment year commencing prior to the 1st day of April, 1971; or

(ii) for any assessment year commencing on or after the 1st day of April, 1971, if—

(a) the return is furnished by him before the expiry of the assessment year; or

(b) the tax payable by him on the total income determined on regular assessment, as reduced by the advance tax, if any, paid, and any tax deducted at source, does not exceed three thousand rupees.

276D. If a person wilfully fails to produce, or cause to be produced, on or before the date specified in any notice served on him to produce accounts and documents as referred to in the notice, he shall be punishable with rigorous imprisonment for a term which may extend to one year or with fine equal to a sum calculated at a rate which shall not be less than four rupees or more than ten rupees for every day during which the default continues, or with both".

53. In section 279 of the Income-tax Act, in sub-section (1), after the words, figures and letter "or section 276B", the words, figures and letters "or section 276C or section 276D" shall be inserted.

Amendment of section 279.

54. In section 280ZA of the Income-tax Act,—

Amendment of section 280ZA.

(a) in sub-section (1), for the words "public company", the word "company" shall be substituted;

(b) in sub-section (3), for the words "public company" and "such company", the words "company" and "the company" shall, respectively, be substituted.

55. In section 295 of the Income-tax Act, in sub-section (2),—

Amendment of section 295.

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

"(iii) an individual who is liable to be assessed under the provisions of sub-section (2) of section 64;"

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

"(kk) the procedure to be followed in calculating interest payable by assessee or interest payable by Government to

assessees under any provision of this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assessee may be ignored;".

Amend-
ment of
Second
Sche-
dule.

Amend-
ment of
Fourth
Sche-
dule.

56. In the Second Schedule to the Income-tax Act, in rule 60, in clause (a) of sub-rule (1), for the words "the rate of six per cent. per annum", the words "the rate of nine per cent. per annum" shall be substituted.

57. In the Fourth Schedule to the Income-tax Act,—

(a) in Part A, in rule 15, in sub-rule (1), after clause (b), the following clause shall be inserted, namely:—

"(bb) regulating the investment or deposit of the moneys of a recognised provident fund:

Provided that no rule made under this clause shall require the investment of more than fifty per cent. of the moneys of such fund in Government Securities as defined in section 2 of the Public Debt Act, 1944.";

18 of 1944.

(b) in Part B,—

(i) in rule 4, in sub-rule (1), for the words "and of the accounts of the fund for the last year for which such accounts have been made up", the following shall be substituted, namely:—

"and, where the fund has been in existence during any year or years prior to the financial year in which the application for approval is made, also two copies of the accounts of the fund relating to such prior year or years (not being more than three years immediately preceding the year in which the said application is made) for which such accounts have been made up";

(ii) in rule 11, in sub-rule (1), after clause (c), the following clause shall be inserted, namely:—

"(cc) regulating the investment or deposit of the moneys of an approved superannuation fund:

Provided that no rule made under this clause shall require the investment of more than fifty per cent. of the moneys of such fund in Government Securities as defined in section 2 of the Public Debt Act, 1944.";

18 of 1944.

(c) in Part C,—

(i) in rule 4, in sub-rule (1), for the words "and of the accounts of the fund for the last three years for which such accounts have been made up", the following shall be substituted, namely:—

"and, where the fund has been in existence during any year or years prior to the financial year in which the application for approval is made, also two copies of the accounts of the fund relating to such prior year or years (not being more than three years immediately preceding the year in which the said application is made) for which such accounts have been made up";

(ii) after rule 8, the following rule shall be inserted, namely:—

"8A. The trustees of an approved gratuity fund and any employer who contributes to an approved gratuity fund shall, when required by notice from the Income-tax Officer, furnish within such period, not being less than twenty-one days from the date of the notice, as may be specified in the notice, such return, statement, particulars or information, as the Income-tax Officer may require.";

Particulars to be furnished in respect of gratuity funds.

(iii) in rule 9, in sub-rule (1), after clause (b), the following clause shall be inserted, namely:—

"(bb) regulating the investment of deposit of the moneys of an approved gratuity fund:

Provided that no rule made under this clause shall require the investment of more than fifty per cent. of the moneys of such fund in Government Securities as defined in section 2 of the Public Debt Act, 1944."

18 of 1944.

58. After the Sixth Schedule to the Income-tax Act, the following Schedule shall be inserted, namely:—

Insertion of
of
Seventh
Schedule.

THE SEVENTH SCHEDULE

(See section 35E)

PART A.—Minerals

1. Aluminium ores.
2. Apatite and phosphatic ores.
3. Beryl.
4. Chrome ore.
5. Coal and lignite.
6. Columbite, Samarskite and other minerals of the "rare earths" group.
7. Copper.
8. Gold.
9. Gypsum.
10. Iron ore.
11. Lead.
12. Manganese ore.
13. Molybdenum.
14. Nickel ores.
15. Platinum and other precious metals and their ores.
16. Pitchblende and other uranium ores.
17. Precious stones.
18. Rutile.
19. Silver.
20. Sulphur and its ores.
21. Tin.

Repealed

328

Taxation Laws (Amendment)

[ACT 42]

22. Tungsten ores.
23. Uraniferous allanite, monazite and other thorium minerals.
24. Uranium bearing tailings left over from ores after extraction of copper and gold, ilmenite and other titanium ores.
25. Vanadium ores.
26. Zinc.
27. Zircon.

PART B.—Groups of Associated Minerals

1. Apatite, Beryl, Cassiterite, Columbite, Emerald, Felspar, Lepidolite, Mica, Pitchblende, Quartz, Samarskite, Scheelite, Topaz, Tantalite, Tourmaline.
2. Iron, Manganese, Titanium, Vanadium and Nickel minerals.
3. Lead, Zinc, Copper, Cadmium, Arsenic, Antimony, Bismuth, Cobalt, Nickel, Molybdenum, and Uranium minerals, and Gold and Silver, Arsinopyrite, Chalcopyrite, Pyrite, Pyrophyllite and Pentalandite.
4. Chromium, Osmiridium, Platinum, and Nickel minerals.
5. Kyanite, Sillimanite, Corundum, Dumortierite and Topaz.
6. Gold, Silver, Tellurium, Selenium and Pyrite.
7. Barytes, Flourite, Chalcocite, Selenium, and minerals of Zinc, Lead and Silver.
8. Tin and Tungsten minerals.
9. Limestone, Dolomite and Magnesite.
10. Ilmenite, Monazite, Zircon, Rutile, Garnet and Sillimanite.
11. Sulphides of copper and iron.
12. Coal, Fireclay and Shale.
13. Magnetite and Apatite.
14. Magnesite and Chromite.
15. Talc (Soapstone and Steatite) and Dolomite.
16. Bauxite, Laterite, Aluminous Clays, Lithomarge, Titanium, Vanadium, Gallium and Columbium minerals.'.

CHAPTER III

AMENDMENTS TO THE WEALTH-TAX ACT, 1957

Amend-
ment of
section
5.

59. In section 5 of the Wealth-tax Act, 1957 (hereinafter referred to as the Wealth-tax Act), in sub-section (1), after clause (vi), the following clause shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1965, namely:—

“(via) the right of the assessee to receive any annuity payable by the Central Government under the provisions of section 280D of the Income-tax Act;”.

Amend-
ment of
section
15B.

60. In section 15B of the Wealth-tax Act, in sub-section (3), for the words “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:” the following shall be substituted, namely:—

“and in the case of a containing failure, such further amount or amounts as the Wealth-tax Officer may from time to time direct, so, however, that the total amount of penalty does not exceed fifty per cent. of the amount of such tax or part, as the case may be:”.

Repealed

of 1970]

Taxation Laws (Amendment)

329

61. In section 18 of the Wealth-tax Act,—

(a) in sub-section (2A), the following proviso shall be inserted at the end, namely:—

"Provided that if in a case falling under clause (c) of sub-section (1) the amount in respect of which penalty is imposable for the relevant assessment year, or where such disclosure relates to more than one assessment year, such amount for any one of the relevant assessment years, exceeds five hundred thousand rupees, no order reducing or waiving the penalty shall be made by the Commissioner unless the previous approval of the Board has been obtained.";

(b) in sub-section (3), for the words "the minimum penalty imposable exceeds a sum of rupees one thousand", the following shall be substituted, namely:—

"the amount (as determined by the Wealth-tax Officer on assessment) in respect of which penalty is imposable under clause (c) of sub-section (1) exceeds a sum of twenty-five thousand rupees";

(c) for sub-section (5), the following sub-section shall be substituted, namely:—

"(5) No order imposing a penalty under this section shall be passed—
or terminate in (a) in a case where the assessment to which the proceedings for imposition of penalty relate is the subject-matter of an appeal to the Appellate Assistant Commissioner under section 23 or an appeal to the Appellate Tribunal under sub-section (2) of section 24, after the expiration of a period of—

(i) two years from the end of the financial year in which the proceedings, in the course of which action for imposition of penalty has been initiated, are completed, or

(ii) six months from the end of the month in which the order of the Appellate Assistant Commissioner or, as the case may be, the Appellate Tribunal is received by the Commissioner,

whichever period expires later;

(b) in any other case, after the expiration of two years from the end of the financial year in which the proceedings, in the course of which action for imposition of penalty has been initiated, are completed.

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 reheard 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".

Repealed

330

Taxation Laws (Amendment)

[ACT 42]

Amend-
ment of
section
24.

62. In section 24 of the Wealth-tax Act, in sub-section (4), for the words "a fee of one hundred rupees", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amend-
ment of
section
26.

63. In section 27 of the Wealth-tax Act, in sub-section (1), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amend-
ment of
section
27.

64. In section 27 of the Wealth-tax Act, in sub-section (1), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Inser-
tion of
new
sections
44C
and
44D.

65. After section 44B of the Wealth-tax Act, the following sections shall be inserted, namely:—

Round-
ing off
of net
wealth.

"44C. The amount of net wealth computed in accordance with the foregoing provisions of this Act shall be rounded off to the nearest multiple of one hundred rupees and, for this purpose, any part of a rupee consisting of paise shall be ignored and thereafter, if such amount contains a part of one hundred rupees, then, if such part is fifty rupees or more, the amount shall be increased to the next higher amount which is a multiple of one hundred and, if such part is less than fifty rupees, the amount shall be reduced to the next lower amount which is a multiple of one hundred; and the amount so rounded off shall be deemed to be the net wealth of the assessee for the purposes of this Act.

Round-
ing off
of tax,
etc.

44D. The amount of wealth-tax, interest, penalty, fine or any other sum payable, and the amount of refund due, under the provisions of this Act, shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee, and if such part is less than fifty paise, it shall be ignored."

Amend-
ment of
section
46.

66. In section 46 of the Wealth-tax Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

"(dd) the procedure to be followed in calculating interest payable by assessees or interest payable by the Government to assessees under any provision of this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assessees may be ignored;".

CHAPTER IV

AMENDMENTS TO THE GIFT-TAX ACT, 1958

Amend-
ment of
section
23.

67. In section 23 of the Gift-tax Act, 1958 (hereinafter referred to as the Gift-tax Act), in sub-section (4), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

18 of 1958.

Repeale

of 1970]

Taxation Laws (Amendment)

331

68. In section 25 of the Gift-tax Act, in sub-section (2), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amendment of section 25.

69. In section 26 of the Gift-tax Act, in sub-section (1), for the words "a fee of rupees one hundred", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amendment of section 26.

70. After section 44 of the Gift-tax Act, the following sections shall be inserted, namely:—

Insertion of new sections 44A and 44B.

"44A. The amount assessed in accordance with the foregoing provisions of this Act as being the value of all taxable gifts shall be rounded off to the nearest multiple of ten rupees and, for this purpose, any part of a rupee consisting of paise shall be ignored and thereafter, if such amount is not a multiple of ten rupees, then, if the last figure in that amount is five or more, the amount shall be increased to the next higher amount which is a multiple of ten and, if the last figure is less than five, the amount shall be reduced to the next lower amount which is a multiple of ten; and the amount so rounded off shall be deemed to be the value of all taxable gifts of the assessee for the purposes of this Act.

Rounding off of taxable gifts.

44B. The amount of gift-tax, interest, penalty, fine or any other sum payable, and the amount of refund due, under the provisions of this Act, shall be rounded off to the nearest rupee and, for this purpose, where such amount contains a part of a rupee consisting of paise, then, if such part is fifty paise or more, it shall be increased to one rupee, and if such part is less than fifty paise, it shall be ignored.”.

Rounding off of tax, etc.

71. In section 46 of the Gift-tax Act, in sub-section (2), after clause (e), the following clause shall be inserted, namely:—

Amendment of section 46.

"(ee) the procedure to be followed in calculating interest payable by assessees or interest payable by the Government to assessees under any provision of this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assessees may be ignored;".

CHAPTER V

AMENDMENTS TO THE COMPANIES (PROFITS) SURTAX ACT, 1964

7 of 1964

72. In section 12 of the Companies (Profits) Surtax Act, 1964 [hereinafter referred to as the Companies (Profits) Surtax Act], in sub-section (6), for the words "a fee of one hundred rupees", the words "a fee of one hundred and twenty-five rupees" shall be substituted.

Amendment of section 12.

73. In section 14 of the Companies (Profits) Surtax Act, for the words and figures "section 154 or section 155", the words and figures "section 154, 155, 250, 254, 260, 262, 263 or 264" shall be substituted.

Amendment of section 14.

Repealed

332

Taxation Laws (Amendment)

[ACT 42]

Amend-
ment or
section
25.

74. In section 25 of the Companies (Profits) Surtax Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

"(dd) the procedure to be followed in calculating interest payable by assessees or interest payable by the Government to assessee under this Act, including the rounding off of the period for which such interest is to be calculated in cases where such period includes a fraction of a month, and specifying the circumstances in which and the extent to which petty amounts of interest payable by assessees may be ignored;"

Repealed by Act 56 of 1974, S. 2 and Sch. I

THE FOREIGN EXCHANGE REGULATION (AMENDMENT)
ACT, 1970
No. 43 OF 1970

[18th December, 1970]

An Act further to amend the Foreign Exchange Regulation
Act, 1947

BE it enacted by Parliament in the Twenty-first Year of the Republic
of India as follows:

1. This Act may be called the Foreign Exchange Regulation (Amendment) Act, 1970. Short title.

7 of 1947. 2. In section 19G of the Foreign Exchange Regulation Act, 1947, (hereinafter referred to as the principal Act), the following *Explanation* shall be inserted at the end, namely:—

Explanation.—In computing the period of one year during which a document (hereafter in this *Explanation* referred to as the said document) may be retained under this section, in any case where by reason of an injunction or order of any court (whether such injunction or order is in relation to the said document or is in relation to any other document reference to which would be necessary for examining or using the said document),—

(a) the said document could not be examined fully for the purpose of determining whether it would be evidence of the contravention of any of the provisions of this Act or of any rule, direction or order made thereunder, or

(b) the said document could not be used for commencing any proceedings under section 23, or

(c) the proceedings under section 23 could not be commenced, the time of the continuance of the injunction or order, the day on which it was issued or made and the day on which it was withdrawn, shall be excluded".

5 of 1970. 3. (1) The Foreign Exchange Regulation (Amendment) Ordinance, Repeal and saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act as amended by this Act, as if this Act had come into force on the 20th day of September, 1970.

Amendment of section 19G.

THE APPROPRIATION (No. 4) ACT, 1970

No. 44 OF 1970

[19th December, 1970]

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, 1969, in excess of the amounts granted for those services and for that year.

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

Short title.

Issue of
Rs. 3,66,71,
865 out
of the
Consoli-
dated
Fund
of India
to meet
certain
excess
expendi-
ture for
the year
ended on
the 31st
March,
1969.

Approp-
riation.

1. This Act may be called the Appropriation (No. 4) Act, 1970.
2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule amounting in the aggregate to the sum of three crores, sixty-six lakhs, seventy-one thousand, eight hundred and sixty-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, 1969, in excess of the amounts granted for those services and for that year.
3. The sums deemed to have been authorised to be paid and applied from and out of the Consolidated Fund of India under this Act shall be deemed to have been appropriated for the services and purposes expressed in the Schedule in relation to the financial year ended on the 31st day of March, 1969.

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	17,050	..	17,050
5	Defence Services—Effective:			
1	Army	12,63,469	..	12,63,469
4	Defence Production	64,98,700	..	64,98,700
6	Defence Services—Non-Effective	22,31,642	..	22,31,642
8	Education	..	5,715	5,715
10	Survey of India	3,06,644	..	3,06,644
18	Taxes on Income including Corporation Tax, etc.	1,38,072	..	1,38,072
20	Audit	..	3,570	3,570
24	Pensions and Other Retirement Benefits	8,04,991	..	8,04,991
28	Miscellaneous Adjustments between the Central, State and Union territory Governments	1,08,306	..	1,08,306
39	Cabinet	50,170	..	50,170
48	Andaman and Nicobar Islands	23,34,414	..	23,34,414
49	Tribal Areas	56,66,779	..	56,66,779
53	Ministry of Industrial Development and Company Affairs	1,14,150	..	1,14,150
54	Industries	2,32,121	..	2,32,121
57	Ministry of Information and Broadcasting	3,076	..	3,076
64	Director General, Mines Safety	28,037	..	28,037
69	Other Revenue Expenditure of the Ministry of Law	1,753	..	1,753
72	Ministry of Steel, Mines and Metals	6,702	..	6,702
79	Ministry of Transport and Shipping	45,723	..	45,723
80	Roads	32,39,484	..	32,39,484
82	Lighthouses and Lightships	10,796	..	10,796
85	Public Works	21,90,112	..	21,90,112
88	Other Revenue Expenditure of the Ministry of Works, Housing and Supply	3,53,219	..	3,53,219
93	Posts and Telegraphs—Working Expenses	1,01,39,458	..	1,01,39,458
121	Capital Outlay on Multi-purpose River Schemes	8,20,032	..	8,20,032
129	Capital Outlay on Ports	57,680	..	57,680
	TOTAL	3,66,62,580	9,285	3,66,71,865

THE APPROPRIATION (No. 5) ACT, 1970

No. 45 OF 1970

[19th December, 1970.]

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 1970-71.

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

Short title.

Issue of
Rs.
26,43,20,000
out of the
Consol-
idated
Fund of
India
for the
year
1970-71.

Appropria-
tion.

1. This Act may be called the Appropriation (No. 5) Act, 1970.

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 twenty-six crores, forty-three lakhs and twenty thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, in respect of the services specified in column 2 of the Schedule.

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

THE SCHEDULE

(See sections 2 and 3)

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.
25	Other Revenue Expenditure of the Ministry of Finance . . .	1,00,00,000	..	1,00,00,000
42	Ministry of Home Affairs	1,000	1,000
50	Delhi	2,56,55,000	7,60,000	2,64,15,000
60	Other Revenue Expenditure of the Ministry of Industrial Development, Internal Trade and Company Affairs . . .	8,70,000	..	8,70,000
70	Expenditure on Displaced Persons . . .	4,54,48,000	..	4,54,48,000
71	Other Revenue Expenditure of the Ministry of Labour, Employment and Rehabilitation . . .	9,80,000	..	9,80,000
77	Ministry of Shipping and Transport	11,53,000	11,53,000
82	Ministry of Steel and Heavy Engineering . . .	5,47,000	..	5,47,000
95	Posts and Telegraphs Working Expenses . . .	11,00,00,000	..	11,00,00,000
105	Defence Capital Outlay . . .	68,25,000	..	68,25,000
114	Loans and Advances by the Central Government . . .	5,00,01,000	..	5,00,01,000
127	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation . . .	1,20,79,000	..	1,20,79,000
132	Capital Outlay of the Ministry of Steel and Heavy Engineering . . .	1,000	..	1,000
	TOTAL . . .	26,24,06,000	19,14,000	26,43,20,000

THE APPROPRIATION (RAILWAYS) NO. 4 ACT, 1970

No. 46 OF 1970

[19th December, 1970.]

An Act to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services for the purposes of Railways during the financial year ended on the 31st day of March, 1969, in excess of the amounts granted for those services and for that year.

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

Short title.

1. This Act may be called the Appropriation (Railways) No. 4 Act, 1970.

Issue of Rs. 10,87,950 out of the Consolidated Fund of India to meet certain expenditure for the year ended on the 31st March, 1969.

2. From and out of the Consolidated Fund of India, the sums specified in column 3 of the Schedule amounting in the aggregate to the sum of ten lakhs, eighty-seven thousand, nine hundred and fifty 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 relating to Railways specified in column 2 of the Schedule during the financial year ended on the 31st day of March, 1969, in excess of the amounts granted for those services and for that year.

Appropriation.

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, 1969.

THE SCHEDULE

(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums aggregating to		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
4	Revenue—Working Expenses—Administration	..	120	120
10	Revenue—Working Expenses—Staff Welfare	..	179	179
16	Pensionary Charges—Pension Fund	10,87,651	..	10,87,651
	TOTAL	10,87,651	299	10,87,950

THE APPROPRIATION (RAILWAYS) NO. 5 ACT, 1970

No. 47 OF 1970

[19th December, 1970.]

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 1970-71 for the purposes of Railways.

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

Short title.

1. This Act may be called the Appropriation (Railways) No. 5 Act, 1970.

Issue of
Rs. 36,15,
48,000 out
of the
Consoli-
dated
Fund of
India for
the finan-
cial year
1970-71.

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 thirty-six crores, fifteen lakhs and forty-eight thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1970-71, 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
1	Railway Board	Rs. 5,08,000	Rs. ..	Rs. 5,08,000
2	Miscellaneous Expenditure . . .	25,18,000	..	25,18,000
4	Working Expenses—Administration . .	5,87,89,000	..	5,87,89,000
5	Working Expenses—Repairs and Maintenance . .	14,76,89,000	..	14,76,89,000
6	Working Expenses—Operating Staff . .	13,10,17,000	..	13,10,17,000
7	Working Expenses—Operation (Fuel) . .	8,26,000	..	8,26,000
8	Working Expenses—Operation other than Staff and Fuel	55,48,000	..	55,48,000
10	Working Expenses—Staff Welfare . .	1,46,50,000	..	1,46,50,000
15	Open Line Works—Capital, Depreciation Reserve Fund and Development Fund . .	3,000	..	3,000
	TOTAL . .	36,15,48,000	..	36,15,48,000

THE INDIAN MEDICINE CENTRAL COUNCIL ACT, 1970

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title, extent and commencement.
2. Definitions.

CHAPTER II

THE CENTRAL COUNCIL AND ITS COMMITTEES

3. Constitution of Central Council.
4. Mode of election.
5. Restriction on elections and membership.
6. Incorporation of Central Council.
7. Term of office of President, Vice-President and members of Central Council.
8. Meetings of Central Council.
9. Committees for Ayurveda, Siddha and Unani.
10. Other committees.
11. Meetings of committees.
12. Officers and other employees of Central Council.
13. Vacancies in the Central Council and committees thereof not to invalidate acts, etc.

CHAPTER III

RECOGNITION OF MEDICAL QUALIFICATIONS

14. Recognition of medical qualifications granted by certain medical institutions in India.
15. Recognition of medical qualifications granted by certain medical institutions whose qualifications are not included in Second Schedule.
16. Recognition of medical qualifications granted by medical institutions in countries with which there is a scheme of reciprocity.
17. Rights of persons possessing qualifications included in Second, Third and Fourth Schedules to be enrolled.
18. Power to require information as to courses of study and examinations.
19. Inspectors at examinations.
20. Visitors at examinations.

Arrangement of Sections

[ACT 48 OF 1970 343]

SECTIONS

21. Withdrawal of recognition.
22. Minimum standards of education in Indian Medicine.

CHAPTER IV

THE CENTRAL REGISTER OF INDIAN MEDICINE

23. The Central Register of Indian Medicine.
24. Supply of copies of State Register of Indian Medicine.
25. Registration in the Central Register of Indian Medicine.
26. Professional conduct.
27. Removal of names from the Central Register of Indian Medicine.
28. Provisional registration for practice.
29. Privileges of persons who are enrolled on the Central Register of Indian Medicine.
30. Registration of additional qualifications.
31. Persons enrolled on Central Register of Indian Medicine to notify change of place of residence and practice.

CHAPTER V

MISCELLANEOUS

32. Information to be furnished by Central Council and publication thereof.
33. Commission of inquiry.
34. Protection of action taken in good faith.
35. Power to make rules.
36. Power to make regulations.

THE FIRST SCHEDULE.

THE SECOND SCHEDULE.

THE THIRD SCHEDULE.

THE FOURTH SCHEDULE.

THE INDIAN MEDICINE CENTRAL COUNCIL ACT, 1970

No. 48 OF 1970

[21st December, 1970.]

An Act to provide for the constitution of a Central Council of Indian Medicine and the maintenance of a Central Register of Indian Medicine and for matters connected therewith.

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

CHAPTER I

PRELIMINARY

Short title, extent and commencement.

1. (1) This Act may be called the Indian Medicine Central Council Act, 1970.

(2) It extends to the whole of India.

(3) It shall come into force in a State on such date as the Central Government may, by notification in the Official Gazette, appoint in this behalf for such State, and different dates may be appointed for different States and for different provisions of this Act.

Definitions.

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

(a) "approved institution" means a teaching institution, health centre or hospital recognised by a University or Board as an institution in which a person may undergo the training, if any, required by his course of study before the award of any medical qualification to him;

(b) "Board" means a Board, Council, Examining Body or Faculty of Indian Medicine (by whatever name called) constituted by the State Government under any law for the time being in force regulating the award of medical qualifications in, and registration of practitioners of Indian medicine;

(c) "Central Council" means the Central Council of Indian Medicine constituted under section 3;

(d) "Central Register of Indian Medicine" means the register maintained by the Central Council under this Act;

(e) "Indian medicine" means the system of Indian medicine commonly known as Ashtang Ayurveda, Siddha or Unani Tibb whether supplemented or not by such modern advances as the Central Council may declare by notification from time to time;

(f) "medical institution" means any institution within or without India which grants degrees, diplomas or licences in Indian medicine;

(g) "prescribed" means prescribed by regulations;

(h) "recognised medical qualification" means any of the medical qualifications, including post-graduate medical qualification, of Indian medicine included in the Second, Third or Fourth Schedule;

(i) "regulation" means a regulation made under section 36;

(j) "State Register of Indian Medicine" means a register or registers maintained under any law for the time being in force in any State regulating the registration of practitioners of Indian medicine;

(k) "University" means any University in India established by law and having a Faculty of Indian Medicine and includes a University in India established by law in which instruction, teaching, training or research in Indian medicine is provided.

(2) Any reference in this Act to a law which is not in force in the State of Jammu and Kashmir shall, in relation to that State, be construed as a reference to the corresponding law, if any, in force in that State.

CHAPTER II

THE CENTRAL COUNCIL AND ITS COMMITTEES

3. (1) The Central Government shall, by notification in the Official Gazette, constitute for the purposes of this Act a Central Council consisting of the following members, namely:—

Constitution of
Central
Council.

(a) such number of members not exceeding five as may be determined by the Central Government in accordance with the provisions of the First Schedule for each of the Ayurveda, Siddha and Unani systems of medicine from each State in which a State Register of Indian Medicine is maintained, to be elected from amongst themselves by persons enrolled on that Register as practitioners of Ayurveda, Siddha or Unani, as the case may be;

(b) one member for each of the Ayurveda, Siddha and Unani systems of medicine from each University to be elected from amongst themselves by the members of the Faculty or Department (by whatever name called) of the respective system of medicine of that University;

(c) such number of members, not exceeding thirty per cent. of the total number of members elected under clauses (a) and (b), as may be nominated by the Central Government, from amongst persons having special knowledge or practical experience in respect of Indian medicine:

Provided that until members are elected under clause (a) or clause (b) in accordance with the provisions of this Act and the rules made thereunder, the Central Government shall nominate such number of members, being persons qualified to be chosen as such under the said clause

(a) or clause (b), as the case may be, as that Government thinks fit; and references to elected members in this Act shall be construed as including references to members so nominated.

(2) The President of the Central Council shall be elected by the members of the Central Council from amongst themselves in such manner as may be prescribed.

(3) There shall be a Vice-President for each of the Ayurveda, Siddha and Unani systems of medicine who shall be elected from amongst themselves by members representing that system of medicine, elected under clause (a) or clause (b) of sub-section (1) or nominated under clause (c) of that sub-section.

Mode of election.

4. (1) An election under clause (a) or clause (b) of sub-section (1) of section 3 shall be conducted by the Central Government in accordance with such rules as may be made by it in this behalf.

(2) Where any dispute arises regarding any election to the Central Council, it shall be referred to the Central Government whose decision shall be final.

Restriction on elections and membership.

5. (1) No person shall be eligible for election to the Central Council unless he possesses any of the medical qualifications included in the Second, Third or Fourth Schedule, is enrolled on any State Register of Indian Medicine and resides in the State concerned.

(2) No person may at the same time serve as a member in more than one capacity.

Incorporation of Central Council.

6. The Central Council shall be a body corporate by the name of the Central Council of Indian Medicine having perpetual succession and a common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall by the said name sue and be sued.

Term of office of President, Vice-President and members of Central Council.

7. (1) The President, a Vice-President or a member of the Central Council shall hold office for a term of five years from the date of his election or nomination, as the case may be, or until his successor shall have been duly elected or nominated, whichever is longer.

(2) An elected or nominated member shall be deemed to have vacated his seat if he is absent without excuse, sufficient in the opinion of the Central Council, from three consecutive ordinary meetings of the Central Council or, in the case of a member elected under clause (a) of sub-section (1) of section 3, if he ceases to be enrolled on the concerned State Register of Indian Medicine, or in the case of a member elected under clause (b) of that sub-section, if he ceases to be a member of the Faculty or Department (by whatever name called) of Indian Medicine of the University concerned.

(3) A casual vacancy in the Central Council shall be filled by election or nomination, as the case may be, and the person elected or nominated to fill the vacancy shall hold office only for the remainder of the term for which the member whose place he takes was elected or nominated.

(4) Members of the Central Council shall be eligible for re-election or re-nomination.

(5) Where the said term of five years is about to expire in respect of any member, a successor may be elected or nominated at any time within three months before the said term expires but he shall not assume office until the said term has expired.

8. (1) The Central Council shall meet at least once in each year at such time and place as may be appointed by the Central Council. Meetings of Central Council.

(2) Unless otherwise prescribed, one-third of the total number of members of the Central Council shall form a quorum, and all the acts of the Central Council shall be decided by a majority of the members present and voting:

Provided that no decision of the Central Council in relation to any Indian medicine shall be effective unless three members representing Ayurveda, Siddha or Unani system of medicine, as the case may be, are present at the meeting and support the decision.

9. (1) The Central Council shall constitute from amongst its members,—

- (a) a committee for Ayurveda;
- (b) a committee for Siddha; and
- (c) a committee for Unani,

Committees for Ayurveda, Siddha and Unani.

and each such committee shall consist of members elected under clause (a) or clause (b) or nominated under clause (c) of sub-section (1) of section 3 representing the Ayurveda, Siddha or Unani system of medicine, as the case may be.

(2) The Vice-President for each of the Ayurveda, Siddha and Unani systems of medicine elected under sub-section (3) of section 3 shall be, respectively, the Chairman of the committees referred to in clauses (a), (b) and (c) of sub-section (1).

(3) Subject to such general or special directions as the Central Council may from time to time give, each such committee shall be competent to deal with any matter relating to Ayurveda, Siddha or Unani system of medicine, as the case may be, within the competence of the Central Council.

Other committees.

10. The Central Council may constitute from amongst its members such other committees for general or special purposes as the Central Council deems necessary to carry out the purposes of this Act.

Meetings of committees.

11. (1) The committees constituted under sections 9 and 10 shall meet at least once in each year at such time and place as may be appointed by the Central Council.

(2) Unless otherwise prescribed, one-third of the total number of members of a committee shall form a quorum, and all the acts of the committee shall be decided by a majority of the members present and voting.

Officers and other employees of Central Council.

12. The Central Council shall—

(a) appoint a Registrar who shall act as Secretary and who may also, if deemed expedient, act as Treasurer;

(b) employ such other persons as it deems necessary to carry out the purposes of this Act;

(c) require and take from the Registrar, or from any other employee, such security for the due performance of his duties as the Central Council deems necessary; and

(d) with the previous sanction of the Central Government, fix the remuneration and allowances to be paid to the President, Vice-President and members of the Central Council and to the Members of the committees thereof and determine the conditions of service of the employees of the Central Council.

Vacancies in the Central Council and committees thereof not to invalidate acts, etc.

13. No act or proceeding of the Central Council or any committee thereof shall be called in question on the ground merely of the existence of any vacancy in, or any defect in the constitution of, the Central Council or the committee, as the case may be.

CHAPTER III

RECOGNITION OF MEDICAL QUALIFICATIONS

Recognition of medical qualifications

granted by certain medical institutions in India.

14. (1) The medical qualifications granted by any University, Board or other medical institution in India which are included in the Second Schedule shall be recognised medical qualifications for the purposes of this Act.

(2) Any University, Board or other medical institution in India which grants a medical qualification not included in the Second Schedule may apply to the Central Government to have any such qualification recognised, and the Central Government, after consulting the Central Council, may, by notification in the Official Gazette, amend the Second Schedule so as to include such qualification therein, and any such notification may also direct that an entry shall be made in the last column of the Second Schedule against such medical qualification declaring that it shall be a recognised medical qualification only when granted after a specified date.

15. The medical qualifications included in the Third Schedule granted to a citizen of India before the 15th day of August, 1947, by any medical institution in any area which was comprised before that date within India as defined in the Government of India Act, 1935, shall also be recognised medical qualifications for the purposes of this Act.

Recognition of medical qualifications granted by certain medical institutions whose qualifications are not included in Second Schedule.

16. (1) The medical qualifications granted by medical institutions outside India which are included in the Fourth Schedule shall be recognised medical qualifications for the purposes of this Act.

Recognition of medical qualifications granted by medical institutions in countries with which there is a scheme of reciprocity.

(2) The Central Council may enter into negotiations with the authority in any State or country outside India, which by the law of such State or country is entrusted with the maintenance of a Register of practitioners of Indian medicine, for the settling of a scheme of reciprocity for the recognition of medical qualifications in Indian medicine, and in pursuance of any such scheme, the Central Government may, by notification in the Official Gazette, amend the Fourth Schedule so as to include therein any medical qualification which the Central Council has decided should be recognised, and any such notification may also direct that an entry shall be made in the last column of the Fourth Schedule against such medical qualification declaring that it shall be recognised medical qualification only when granted after a specified date.

17. (1) Subject to the other provisions contained in this Act, any medical qualification included in the Second, Third or Fourth Schedule persons shall be sufficient qualification for enrolment on any State Register of Indian Medicine.

Rights of persons possessing qualifications included in Second, Third and Fourth Schedules to be enrolled.

(2) Save as provided in section 28, no person other than a practitioner of Indian medicine who possesses a recognised medical qualification and is enrolled on a State Register or the Central Register of Indian Medicine,—

(a) shall hold office as Vaid, Siddha, Hakim or physician or any other office (by whatever designation called) in Government or in any institution maintained by a local or other authority;

(b) shall practise Indian 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 Indian medicine.

1 of 1872.

(3) Nothing contained in sub-section (2) shall affect,—

(a) the right of a practitioner of Indian medicine enrolled on a State Register of Indian Medicine to practise Indian medicine in any State merely on the ground that, on the commencement of this Act, he does not possess a recognised medical qualification;

(b) the privileges (including the right to practise any system of medicine) conferred by or under any law relating to registration of practitioners of Indian medicine for the time being in force in any State on a practitioner of Indian medicine enrolled on a State Register of Indian Medicine;

(c) the right of a person to practise Indian medicine in a State in which, on the commencement of this Act, a State Register of Indian Medicine is not maintained if, on such commencement, he has been practising Indian medicine for not less than five years;

(d) the rights conferred by or under the Indian Medical Council Act, 1956 (including the right to practise medicine as defined in clause (f) of section 2 of the said Act), on persons possessing any qualifications included in the Schedules to the said Act.

(4) 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.

Power to require information as to courses of study and examinations.

18. Every University, Board or medical institution in India which grants a recognised medical qualification shall furnish such information as the Central Council may, from time to time, require as to the courses of study and examinations to be undergone in order to obtain such qualification, as to the ages at which such courses of study and examinations are required to be undergone and such qualification is conferred and generally as to the requisites for obtaining such qualification.

Inspectors at examinations.

19. (1) The Central Council shall appoint such number of medical inspectors as it may deem requisite to inspect any medical college, hospital or other institution where education in Indian medicine is given, or to attend any examination held by any University, Board or medical institution for the purpose of recommending to the Central Government recognition of medical qualifications granted by that University, Board or medical institution.

(2) The medical inspectors shall not interfere with the conduct of any training or examination, but shall report to the Central Council on the adequacy of the standards of education including staff, equipment, accommodation, training and other facilities prescribed for giving education in Indian medicine or on the sufficiency of every examination which they attend.

(3) The Central Council shall forward a copy of any such report to the University, Board or medical institution concerned, and shall also forward a copy with the remarks of the University, Board or medical institution thereon, to the Central Government.

20. (1) The Central Council may appoint such number of visitors as it may deem requisite to inspect any medical college, hospital or other institution where education in Indian medicine is given or to attend any examination for the purpose of granting recognised medical qualifications.

(2) Any person, whether he is a member of the Central Council or not, may be appointed as a visitor under this section but a person who is appointed as an inspector under section 19 for any inspection or examination shall not be appointed as a visitor for the same inspection or examination.

(3) The visitors shall not interfere with the conduct of any training or examination, but shall report to the President of the Central Council on the adequacy of the standards of education including staff, equipment, accommodation, training and other facilities prescribed for giving education in Indian medicine or on the sufficiency of every examination which they attend.

(4) The report of a visitor shall be treated as confidential unless in any particular case the President of the Central Council otherwise directs:

Provided that if the Central Government requires a copy of the report of a visitor, the Central Council shall furnish the same.

21. (1) When upon report by the inspector or the visitor, it appears to the Central 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, Board or medical institution, or

(b) that the staff, equipment, accommodation, training and other facilities for instruction and training provided in such University, Board or medical institution or in any college or other institution affiliated to the University,

do not conform to the standard prescribed by the Central Council, the Central Council shall make a representation to that effect to the Central Government.

(2) After considering such representation, the Central Government may send it to the Government of the State in which the University, Board or medical institution is situated and the State Government shall forward it along with such remarks as it may choose to make to the University, Board or medical institution, with an intimation of the period within which the University, Board or medical institution may submit its explanation to the State Government.

(3) On the receipt of the explanation or, where no explanation is submitted within the period fixed, then, on the expiry of that period, the State Government shall make its recommendations to the Central Government

(4) The Central Government, after making such further inquiry, if any, as it may think fit, may, by notification in the Official Gazette, direct that an entry shall be made in the appropriate Schedule against the said

Visitors
at exami-
nations.

With-
drawal of
recog-
nition.

Proposed

medical qualification declaring that it shall be a recognised medical qualification only when granted before a specified date, or that the said medical qualification if granted to students of a specified college or institution affiliated to any University shall be recognised medical qualification only when granted before a specified date or, as the case may be, that the said medical qualification shall be recognised medical qualification in relation to a specified college or institution affiliated to any University only when granted after a specified date.

Minimum standards of education in Indian medicine.

22. (1) The Central Council may prescribe the minimum standards of education in Indian medicine, required for granting recognised medical qualifications by Universities, Boards or medical institutions in India.

(2) Copies of the draft regulations and of all subsequent amendments thereof shall be furnished by the Central Council to all State Governments and the Central 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) Each of the Committees referred to in clauses (a), (b) and (c) of sub-section (1) of section 9 shall, from time to time, report to the Central Council on the efficacy of the regulations and may recommend to the Central Council such amendments thereof as it may think fit.

CHAPTER IV

THE CENTRAL REGISTER OF INDIAN MEDICINE

The Central Register of Indian Medicine.

23. (1) The Central Council shall cause to be maintained in the prescribed manner, a register of practitioners in separate parts for each of the system of Indian medicine to be known as the Central Register of Indian Medicine which shall contain the names of all persons who are for the time being enrolled on any State Register of Indian Medicine and who possess any of the recognised medical qualifications.

(2) It shall be the duty of the Registrar of the Central Council to keep and maintain the Central Register of Indian Medicine in accordance with the provisions of this Act and of any orders made by the Central Council, and from time to time to revise the register and publish it in the Gazette of India and in such other manner as may be prescribed.

(3) Such register shall be deemed to be a public document within the meaning of the Indian Evidence Act, 1872, and may be proved by a copy published in the Gazette of India.

Supply of copies of State Register of Indian medicine.

24. Each Board shall supply to the Central Council three printed copies of the State Register of Indian Medicine as soon as may be after the commencement of this Act and subsequently after the first day of April of each year, and each Board shall inform the Central Council without delay of all additions to and other amendments in the State Register of Indian Medicine made from time to time.

25. The Registrar of the Central Council may on receipt of the report of registration of a person in a State Register of Indian Medicine or on application made in the prescribed manner by any person, enter his name in the Central Register of Indian Medicine, provided that the Registrar is satisfied that the person concerned is eligible under this Act for such registration.

26. (1) The Central Council may prescribe standards of professional conduct and etiquette and a code of ethics for practitioners of Indian medicine.

(2) Regulations made by the Central 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.

27. (1) If the name of any person enrolled on a State Register of Indian Medicine is removed therefrom in pursuance of any power conferred by or under any law relating to registration of practitioners of Indian medicine for the time being in force in any State, the Central Council shall direct the removal of the name of such person from the Central Register of Indian Medicine.

(2) Where the name of any person has been removed from a State Register of Indian Medicine on any ground other than that he is not possessed of the requisite medical qualifications or where any application by the said person for restoration of his name to the State Register of Indian Medicine has been rejected, he may appeal in the prescribed manner and subject to such conditions, including conditions as to the payment of a fee, as may be prescribed, to the Central Government whose decision, which shall be given after consulting the Central Council, shall be binding on the State Government and on the authorities concerned with the preparation of the State Register of Indian Medicine.

28. If the courses of study to be undergone for obtaining a recognised medical qualification in Indian medicine include a period of training after a person has passed the qualifying examination and before such qualification is conferred on him, any such person shall, on application made by him in this behalf, be granted provisional registration in a State Register of Indian Medicine by the Board concerned in order to enable him to practise Indian medicine in an approved institution for the purpose of such training and for no other purpose for the period aforesaid.

29. Subject to the conditions and restrictions laid down in this Act regarding practice of Indian medicine by persons possessing certain recognised medical qualifications, every person whose name is for the time being borne on the Central Register of Indian Medicine shall be entitled according to his qualifications to practise Indian medicine in any part of India and to recover in due course of law in respect of such practice any expenses, charges in respect of medicaments or other appliances or any fees to which he may be entitled.

Registration of additional qualifications.

30. (1) If any person whose name is entered in the Central Register of Indian Medicine obtains any title, diploma or other qualification for proficiency in Indian medicine which is a recognised medical qualification, he shall, on application made in this behalf in the prescribed manner, be entitled to have an entry stating such other title, diploma or other qualification made against his name in the Central Register of Indian Medicine either in substitution for or in addition to any entry previously made.

(2) The entries in respect of any such person in a State Register of Indian Medicine shall be altered in accordance with the alterations made in the Central Register of Indian Medicine.

Persons enrolled on Central Register of Indian Medicine to notify change of place of residence and practice.

31. Every person registered in the Central Register of Indian Medicine shall notify any transfer of the place of his residence or practice to the Central Council and to the Board concerned, within ninety days of such transfer, failing which his right to participate in the election of members to the Central Council or a Board shall be liable to be forfeited by order of the Central Government either permanently or for such period as may be specified therein.

Information to be furnished by Central Council and publication thereof.

Commission of inquiry.

CHAPTER V MISCELLANEOUS

32. (1) The Central Council shall furnish such reports, copies of its minutes, abstracts of its accounts, and other information to the Central Government as that Government may require.

(2) The Central Government may publish in such manner as it may think fit, any report, copy, abstract or other information furnished to it under this section or under section 20.

33. (1) Whenever it is made to appear to the Central Government that the Central Council is not complying with any of the provisions of this Act, the Central Government may refer the particulars of the complaint to a commission of inquiry consisting of three persons, two of whom shall be appointed by the Central Government, one being a Judge of a High Court, and one by the Central Council, and such commission shall proceed to inquire in a summary manner and to report to the Central Government as to the truth of the matters charged in the complaint, and in case of any charge of default or of improper action being found by the commission to have been established, the commission shall recommend the remedies, if any, which are in its opinion necessary.

(2) The Central Government may require the Central Council to adopt the remedies so recommended within such time as, having regard to the report of the commission, it may think fit, and if the Central Council fails to comply with any such requirement, the Central Government may amend the regulations of the Central Council, or make such provision or order or take such other steps as may seem necessary to give effect to the recommendations of the commission.

5 of 1908.

(3) A commission of inquiry shall have power to administer oaths, to enforce the attendance of witnesses and the production of documents, and shall have all such other necessary powers for the purpose of any inquiry conducted by it as are exercised by a civil court under the Code of Civil Procedure, 1908.

34. No suit, prosecution or other legal proceeding shall lie against the Government, the Central Council or a Board or any committee thereof or any officer or servant of the Government or the Central Council or the Board aforesaid for anything which is in good faith done or intended to be done under this Act.

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

Power to make rules.

(2) 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.

36. The Central Council may, with the previous sanction of the Central Government, make regulations generally to carry out the purposes of this Act, and, without prejudice to the generality of this power, such regulations may provide for—

Power to make regulations.

(a) the manner of election of the President and the Vice-Presidents of the Central Council;

(b) the management of the property of the Central Council and the maintenance and audit of its accounts;

(c) the resignation of members of the Central Council;

(d) the powers and duties of the President and Vice-President;

(e) the summoning and holding of meetings of the Central Council and the committees thereof, the times and places where such meetings are to be held, and the conduct of business thereat and the number of members necessary to constitute a quorum;

(f) the functions of the committees constituted under section 9 or section 10;

(g) the tenure of office, and the powers and duties of the Registrar and other officers and servants of the Central Council;

(h) the appointment, powers, duties and procedure of inspectors and visitors;

(i) 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 any University, Board or medical institutions for grant of recognised medical qualifications;

- (j) the standards of staff, equipment, accommodation, training and other facilities for education in Indian medicine;
- (k) the conduct of professional examinations, qualifications of examiners and the conditions of admission to such examinations;
- (l) the standards of professional conduct and etiquette and code of ethics to be observed by practitioners of Indian medicine;
- (m) the particulars to be stated, and the proof of qualifications to be given in applications for registration under this Act;
- (n) the manner in which and the conditions subject to which an appeal under section 27 may be preferred;
- (o) the fees to be paid on applications and appeals under this Act; and
- (p) any matter for which under this Act provision may be made by regulations.

THE FIRST SCHEDULE

[See section 3(1) (a)]

1. The Central Government shall, by notification in the Official Gazette, determine the number of seats allocated in the Central Council to each of the Ayurveda, Siddha and Unani systems of medicine in each State on the following basis, namely:—

(a) Where the number of persons enrolled on a State Register of Indian Medicine for any of such systems exceeds 100 but does not exceed 10,000	1 seat
(b) Where the number of persons enrolled on a State Register of Indian Medicine for any of such systems exceeds 10,000 but does not exceed 20,000	2 seats
(c) Where the number of persons enrolled on a State Register of Indian Medicine for any of such systems exceeds 20,000 but does not exceed 30,000	3 seats
(d) Where the number of persons enrolled on a State Register of Indian Medicine for any of such systems exceeds 30,000 but does not exceed 40,000	4 seats
(e) Where the number of persons enrolled on a State Register of Indian Medicine for any of such systems exceeds 40,000	5 seats

2. For every subsequent election to the Central Council under clause (a) of sub-section (1) of section 3, the Central Government shall, by notification in the Official Gazette, determine the number of seats allocated in the Central Council to each of the Ayurveda, Siddha and Unani systems of medicine on the basis laid down in paragraph 1 above.

THE SECOND SCHEDULE

(See section 14)

Recognised medical qualifications in Indian medicine granted by Universities, Boards or other medical institutions in India

Name of University, Board or medical institution	Recognised medical qualifications	Abbreviation for registration	Remarks
I	2	3	4

PART I.—AYURVEDA AND SIDDHA

Andhra

- | | | | |
|---|---|-------------|--|
| 1. Board of Indian Medicine, Hyderabad, A.P. | Graduate of the College of Ayurvedic Medicine. | G.C.A.M. | |
| | Graduate of the College of Integrated Medicine. | G.C.I.M. | |
| | Ayurveda Visharad. | A.V.V. | |
| | Bachelor of Ayurvedic Medicine and Surgery. | B.A.M. & S. | |
| 2. Andhra Ayurveda Parishad, Vijayawada (Examining Body) | Vaidyavidwan | | |
| 3. Shri Venkateswar Ayurveda Kalasala, Vijayawada. | Ayurvedalankara | | |
| | Ayurveda-Kalanidhi | | |
| | Diploma in Ayurvedic Medicine. | D.A.M. | |
| 4. Shri Rangacharya Ramamohan Ayurvedic College, Guntur, A.P. | Ayurveda Praveen | | |

Assam

- | | | | |
|--|--|----------|--|
| 5. Board of Ayurvedic Medicine, Assam. | Diploma in Ayurvedic Medicine and Surgery. | D.A.M.S. | |
|--|--|----------|--|

Bihar

- | | | | |
|--|---|----------|--------------------|
| 6. State Faculty of Ayurvedic and Unani Medicines, Patna, Bihar. | Graduate in Ayurvedic Medicine and Surgery. | G.A.M.S. | From 1953 onwards. |
| 7. Government Ayurvedic School, Patna, Bihar (Former). | Ayurvedacharya | | |
| 8. Government Ayurvedic College, Patna, Bihar. | Ayurvedacharya | | |
| 9. Sanskrit University Darbhanga, Bihar. | Ayurvedacharya
Pranacharya | | |

Delhi

- | | | | |
|--|-------------------------------|----|-------------|
| 10. Ayurvedic and Unani Tibbia College, Delhi. | Ayurvedacharya
Dhanvantari | .. | Up to 1958. |
| | Bhishgacharya Dhanwan-tari | .. | Up to 1958. |
| | Vaidya Dhatri | .. | Up to 1958. |

	I	2	3	4
11.	Board of Ayurvedic and Unani Systems of Medicine, Delhi Administration.	(Bachelor in Indian Medicine and Surgery)	B.I.M.S.	From 1958 to 1963.
		Ayurvedacharya Dhanwantari		
		(Diploma in Indian Medicine and Surgery)	D.I.M.S.	From 1956 to 1960
		Bhishgacharya Dhanwantari
12.	All India Ayurveda Vidyapeeth, Delhi.	Ayurveda-Visharad
		Ayurveda-Bhishak
		Vaidyacharya
		Prajavaidya Priksha
		Vaidya-Visharad
		Ayurvedacharya
13.	Banwarilal Ayurvedic Vidyalaya, Delhi.	Vaid-raj Bhishgacharya Ayurvedacharya	Up to 1958. Up to 1958. Up to 1958.
14.	Examining Body, Ayurvedic and Unani Systems of Medicine, Delhi.	(Bachelor in Indian Medicine and Surgery)	B.I.M.S	From 1963 onwards.
		Ayurvedacharya Dhanwantari		

Gujarat

15.	University of Gujarat	Bachelor of Ayurvedic Medicine and Surgery	B.A.M.S.	..
16.	M. S. University, Baroda.	Ayurveda-Visharad
17.	Faculty of Ayurvedic and Unani Systems of Medicine, Gujarat.	Graduate of the Faculty of Ayurvedic Medicine	G.F.A.M.	..
18.	The Committee for Shuddha Ayurvedic Course, Gujarat, Ahmedabad.	Ayurveda Pravina	D.S.A.C.	..
19.	Board of Indian Medicine, Saurashtra.	Ayurveda-Visharad
20.	Post Graduate Training Centre in Ayurveda, Jamnagar.	Higher Proficiency in Ayurveda.	H.P.A.	..
21.	Sarvanamasa Dakshina Parikshasamiti, Baroda.	Ayurveda uttama Ayurveda-Madhy am
22.	Rajkeeya Sanskrit Mahavidyalaya, Baroda.	Ayurveda-Visharad
23.	U.P. Ayurveda Maha-vidyalaya, Patar (Baroda State).	Grihit Ayurveda Shastra Diploma in Ayurvedic Medicine.	D.A.M. L.A.M.	.. Up to 1942.

I	2	3	4
24. Gujarat Ayurved University, Jamnagar.	Ayurvedacharya Pranacharya	B.S.A.M. M.S.A.M.	..
<i>Jammu & Kashmir</i>			
25. Jammu and Kashmir University.	Bachelor of Ayurvedic Medicine and Surgery.	B.A.M.S.	Awarded from 1968.
<i>Kerala</i>			
26. University of Kerala	Bachelor of Ayurvedic Medicine.	B.A.M.	From 1967 onwards.
	Diploma in Ayurvedic Medicine.	D.A.M.	Till 1962
27. Government of Travancore-Cochin.	Vaidyakalanidhi
28. Government Ayurveda Sastra-Bhoosana-Ayurveda College, Tripunithura (Kerala).
29. Cochin Government	Vaidyabhoosanam
30. Travancore-Cochin Governments.	Ayurveda-Bhoosanam
31. Travancore Government	Netra Vaidya-Visharada Vaidyakalanidhi.
32. Kerala Government	Diploma in Ayurvedic Medicine.	D.A.M.	Still continuing
33. Travancore Government	Vaidya-Shastri Marma Vaidya Visharada
34. Keraleeya-Ayurveda Maha-patasala, Shoranur, Kerala.	Vaidyapadan
35. Cochin Government	"The Certificate Vishva Vaidya Training".
36. Madhava Memorial Ayurvedic College, Cannanore, Kerala.	Vaidyavibhusanam	..	Up to 1963.
37. Madhava Ayurveda College, Ernakulam.	Ayurveda Sastry Ayurveda Vidwan	D.A.S.	From 1953 to 1957. Up to 1957.
38. Ayurvedic College, Kottakkal, Kerala.	Arya Vaidyan
39. Arya Vaidya Patasala, Kottakkal.	Arya Vaidya, Diploma
40. Government Ayurvedic College, Tripunithura.	Ayurveda-Sastra-Bhusan
41. Board of Public Examinations, Cochin.	Ayurveda Bhoosanam
42. Travancore Government	Diploma in Indigenous Medicine Visha Vaidya Visarada	D.I.M.	..
43. Travancore Siddha Vaidya Sangham, Munchita.	Diploma or Certificate in Siddha Medicine.	..	May, 1947.
<i>Madhya Pradesh</i>			
44. Jivaji Vishwavidyalaya, Gwalior.	Bachelor of Ayurved with Modern Medicine and Surgery.	B.A.M.S.	From 1955 onwards.

	I	2	3	4
45.	Indore Vishwavidyalaya, Indore.	Bachelor of Ayurveda Medicine and Surgery.	B.A.M.S.	From 1965 onwards.
46.	Vikram Vishwavidyalaya, Ujjain.	Bachelor of Ayurved with Modern Medicine and Surgery.	B.A.M.S.	From 1964 onwards.
47.	Ravishanker Vishwavidyalaya, Raipur.	Bachelor of Ayurved with Modern Medicine and Surgery.	B.A.M.S.	From 1965 onwards.
48.	Board of Indian Medicine, Madhya Pradesh (Madhya Bharat Region), Gwalior.	Bhishgacharya	L.I.M.	From 1957 onwards.
49.	Mahakoshal Ayurvedic Board, Jabalpur.	Bhisagwara	L.A.P.	..
50.	Board of Indian Medicine, Madhya Pradesh (Madhya Bharat Region), Gwalior.	Ayurveda-Vigyanacharya	A.V.M.S.	From 1958 onwards.
51.	Government Ayurvedic Vidyalaya, Gwalior (Ayurvedic Examination, Gwalior State).	(i) Vaidyasastri (ii) Vaidya-wara (iii) Hindi Vaidya Pāriksha (iv) Ayurved Shastri	..	From 1916 onwards. Up to 1954. Now ceased. Now ceased.
52.	Ashtanga Ayurveda Vidya- laya, Ujjain.	Vaidya-Vachaspati	L.A.M.	Up to 1-5-56.
53.	Board of Indian Medi- cine, Gwalior.	Sahayak-Vaidya	..	From 1954 and ceased afterwards.
54.	University of Saugor, Saugor.	..	B.A.M.S.	..
<i>Maharashtra</i>				
55.	Nagpur University, Nagpur.	Bachelor of Ayurvedic Medicine and Surgery.	B.A.M.S. (Nagpur).	From 1964 onwards.
56.	Poona University, Poona.	Bachelor of Ayurvedic Medicine and Surgery.	B.A.M.S. (Poona).	..
57.	Vidarbha Board of Ayurvedic and Unani Systems of Medicine, Maharashtra.	Bachelor of Ayurvedic Medicine and Surgery.	B.A.M.S. (Vidarbha).	..
58.	Faculty of Ayurvedic and Unani Systems of Medi- cine, Maharashtra.	Ayurveda Visharad	A.V.V.(Nanded)	..
59.	Committee of Shuddha Ayurvedic Course, Maha- rashtra.	Ayurveda Praveena	D.S.A.C. (Bombay).	..
60.	Faculty of Ayurvedic and Unani Systems of Medicine, Bombay.	Graduate of the Faculty of Ayurvedic Medicine.	G.F.A.M. (Bombay).	..
		Member of Faculty of Ayurvedic Medicine.	M.F.A.M. (Maharashtra)	..
		Ayurveda-Visharad	D.A.S.F. (Bombay)	..
61.	Tilak Maharashtra Vidya- peetha, Poona.	Ayurveda Visharad	A.V.V.(Poona)	Before 1944.
62.	Aryangal Mahavidyalaya, Satara.	Ayurveda Parangat	A.V.P. (Poona)	Before 1942
63.	Ayurved Mahavidyalaya, Ahmednagar.	Ayurveda Visharad	A. V. V. (Satara)	Before 1942.
		Ayurved-teerth	A. T. (Ahmednagar)	Before 1942.

1	2	3	4
<i>Mysore</i>			
64. Board of Studies in Indian Medicine; Mysore, Bangalore.	Graduate Course of Indian Medicine.	G.C.I.M.	From 1964 onwards.
65. Board of Studies in Indian Medicine, Mysore State, Bangalore.	Ayurveda-Praveena.	D.S.A.C.	From 1958 onwards.
66. Government Ayurvedic and Unani College, Mysore.	Ayurved-Vidwat (Licentiate in Ayurvedic Medicine and Surgery).	L.A.M.S.	From 1928 to 1953.
67. Board of Studies in Indian Medicine, Mysore State, Bangalore.	Ayurved-Vidwat (Licentiate in Ayurvedic Medicine and Surgery).	L.A.M.S.	From 1958 onwards.
68. Central Board of Indian Medicine, Mysore.	Ayurveda-Vidwat (Licentiate in Ayurvedic Medicine and Surgery).	L.A.M.S.	From 1953 to 1958.
69. Taranath Ayurveda Vidya-peetha, Bellary.	Ayurveda-Vidwat (Licentiate in Ayurvedic Medicine and Surgery).	L.A.M.S.	From 1953 to 1958.
Vaidya Praveena		..	Up to 1952.
70. Committee or Authority of the Mysore, Maharaja's Sanskrit College (Ayurvedic Section), Mysore.	Ayurveda-Vidwat	..	Before 1909.
71. The Committee or Authority of the Government Ayurvedic College, Mysore.	Ayurveda-Vidwat	..	From 1909 to 1928.
72. Karnataka Ayurveda Vidya-peetha, Belgaum.	Bhishagwar
73. Prema Vidyapeetha, Thungabhadra.	Ayurvedachudamani Ayurveda Shiromani Bhibagindu Vaidvaguru
74. Government Ayurvedic School, Mysore.	..	A.M.S.	..
75. Government Ayurvedic School and College, Mysore.	Licentiate in Ayurvedic Medicine and Surgery.	I.C.M.S.	..
76. Board of Studies in Indian Medicine, Mysore State, Bangalore.	Diploma in Ayurvedic Medicine.	L.A.M.	From 1964 onwards.
77. University of Mysore, Mysore.	Bachelor of the System of Ayurvedic Medicine.	B.S.A.M.	From 1967 onwards.
78. University of Bangalore, Bangalore.	Bachelor of the System of Ayurvedic Medicine.	B.S.A.M.	From 1967 onwards.
79. Karnatak University, Dharwad.	Bachelor of the System of Ayurvedic Medicine.	B.S.A.M.	From 1969 onwards.
<i>Orissa</i>			
80. Ayurvedic Examination Board, Orissa.	Diploma in Ayurvedic Medicine and Surgery	D.A.M.S.	From 1953 to 1962.
81. Orissa Association of Sanskrit Learning and Culture, Puri.	Ayurveda Shastray Ayurved Acharya	From 1933 onwards. From 1933 onwards.
82. State Faculty of Ayurvedic Medicine, Orissa.	Ayurvedacharya	B.S.A.M.	From 1969 onwards.

I	2	3	4
<i>Punjab</i>			
83. Faculty of Indian Medicine, Punjab.	Ayurvedacharya (Graduate G.A.M.S. of Ayurvedic Medicine and Surgery).		From 1961 onwards.
84. Sanatan Dharam Premgiri Ayurvedic College, Bhiwani.	Ayurvedacharya Kaviraj	M.A.M.S. L.A.M.S.	Up to 1953. ..
85. D.A.V. Managing Committee, Amritsar/ Jullundur.	Vaidya-Vachaspati	V.V.	..
86. Vedic and Unani Tibbi College, Amritsar.	Vaid Kaviraj Vaid Rattan	V.K. V.R. } V.	Up to 1947.
87. Ayurvedic and Unani Tibbi College, Amritsar.	Vachaspati	V.	..
88. Government Ayurvedic Vidyalaya (College), Patiala.	Vaidya Vaidya Visharad Vaidya Shastri Ayurvedacharya	V. V.V. } V.S. A.A.	Up to 1956. From 1956 to 1961.
<i>Rajasthan</i>			
89. Rajasthan Ayurveda Vibhagiya Pariksha Mandal, Ajmer.	Bhishagwara Bhishagacharya	From 1962 onwards. From 1962 onwards.
90. Rajputana Ayurvedic and Unani Tibbi College, Jaipur.	Bhishagacharya Shiromani Bhishagaratna Shastri	From 1951 onwards. From 1951 onwards.
91. Government Ayurvedic College, Jaipur.	Bhishak Bhishagacharya Bhish-kala
92. Maharaja College of Ayurved, Jaipur.	Shastra-acharya
<i>Tamil Nadu</i>			
93. Government College of Indian/Indigenous/ Integrated Medicine, Madras.	Graduate of the College of Indian/ Indigenous /Integrated Medicine. Licentiate in Indian/ Indigenous/Integrated Medicine.	G.C.I.M. L.I.M.	From 1947 to 1960. From 1924 to 1948.
94. Madras Ayurvedic College, Madras.	Ayurveda Bhushan. Ayurveda Bhishagwara
95. Venkataramana Ayurvedic College, Mylapore, Madras.	Vaidya Visharada
96. Board of Examiners in Indian/Indigenous/Integrated Medicine, Madras.	Higher Proficiency in Indian/Indigenous/Integrated Medicine.	H.P.I.M.	Up to 1955.

I	2	3	4
97. University of Madras, Madras.	Ayurveda—Shiromani .. Bachelor of Indian Medicine (Siddha).	B.I.M.	Up to 1965.
98. University of Madurai.	Bachelor of Indian Medicine (Siddha).	B.I.M.	From 1966 onwards.
<i>Uttar Pradesh</i>			
99. Banaras Hindu University, Varanasi.	Ayurved Shastracharya .. Ayurvedacharya in Medicine and Surgery.	A.M.S.	From 1925 to 1932. From 1934 to 1953.
	Ayurvedacharya with A.M.S. Modern Medicine and Surgery.		From 1934 to 1953.
	Doctor of Ayurvedic Medicine.	D.Ay.M.	From 1967 onwards.
	Ayurvedacharya, Bachelor of Medicine and Surgery.	A.B.M.S.	From 1954 to 1967.
100. Lucknow University, Lucknow.	Bachelor of Ayurveda with Modern Medicine and Surgery.	B.A.M.M.S.	From 1960 onwards.
	Bachelor of Medicine and Bachelor of Surgery.	B.M.B.S.	From 1955 to 1964.
101. Ayurvedic College, Gurukul University, Kangri (Hardwar).	Ayurveda-Alankara .. Ayurveda Vachaspati ..		From 1926 to 1956.
102. Gurukul Vidyalaya, Vrindaban.	Ayurved-Shiromani .. Ayurved-Bhusan ..		From 1916 to 1967. From 1944 to 1967.
103. Rishikul Ayurvedic College, Hardwar.	Ayurved Visharad .. Vaidya Visharad .. Vaidya Shastri .. Ayurved Shastri .. Ayurvedacharya	Up to 1945.
104. Lalit Hari Ayurvedic College, Pilibhit.	Vaid Bhushan .. Vaid Raj	Up to 1944.
105. Hindi Sahitya Sammelan, Prayag.	Vaidya Visharad. .. Ayurved-Ratna.	From 1931 to 1967. From 1931 to 1967.
106. Jawalapur Mahavidyalaya, Hardwar.	Ayurved Bhashar (Jawalapur Centre only).	..	From 1950 to 1967.
107. Board of Indian Medicine, Uttar Pradesh, Lucknow.	Diploma in Indigenous Medicine. .. Diploma in Indigenous Medicine and Surgery.	D.I.M. D.I.M.S.	From 1932 to 1944. From 1943 to 1946.
	Bachelor of Indian Medicine and Surgery.	B.I.M.S.	From 1947 to 1956.
	Ayurvedacharya Bachelor of Medicine and Surgery.	A.M.B.S.	From 1957 to 1966.

1	2	3	4
		Ayurvedacharya, (Bachelor of Ayurved with Medicine and Surgery)	Ayurvedacharya (B.A.M.S.) From 1959 onwards.
<i>West Bengal</i>			
108.	Shyamadas Vaidya Shastripath Parishad, Calcutta.	Vaidya Shastri.	From 1926 to 1940.
109.	Jamini Bhushan Ashtanga Ayurved Vidyalaya, Calcutta.	Bishagacharya (Master in Ayurvedic Medicine and Surgery).	M.A.M.S. From 1930 to 1940.
110.	Jamini Bhushan Ashtanga Ayurved Vidyalaya, Calcutta.	Bhishagaratna (Licentiate in Ayurvedic Medicine and Surgery).	L.A.M.S. From 1920 to 1940.
111.	General Council and State Faculty of Ayurvedic Medicine, West Bengal (now Paschim Bangal Ayurveda Parishad), Calcutta.	Vaidya Shiromani (Member of the Ayurvedic State Faculty).	M.A.S.F. From 1940 to 1949.
		Vaidyashastri	From 1940 to 1945.
		Vaidyabhushan (Licentiate Ayurvedic State Faculty).	M.A.S.F. From 1939 to 1950.
		Ayurvedatirtha (Member of the Ayurvedic State Faculty)	From 1947 onwards.
		Ayurvedatirtha (Ayurvedic State Faculty).	A.S.F. From 1946 onwards.
		Pranacharya.	F.A.S.F.
112.	Ayurvediya Pratisthan, Calcutta.	Bhishagratna	From 1930 to 1940.
		Bhishagacharya	From 1930 to 1940.
113.	Ganga Charan Ayurved Vidyalaya, Calcutta.	Ayurvedshastri	From 1928 to 1940.
		Ayurvedacharya	From 1928 to 1940.
114.	Maharaja Cossimbazar Gobindasundari Ayurvedic College, Calcutta.	Ayurvedshastri (Bachelor in Ayurvedic Medicine).	A.M.B. From 1927 to 1940.
		Ayurvedacharya (Master of Ayurvedic Medicine) Doctor.	A.M.D. From 1927 to 1940.
115.	Vishwanath Ayurved Mahavidyalaya, Calcutta.	Bhishagratna (Diploma in Ayurvedic Medicine and Surgery).	D.A.M.S. From 1932 to 1940.
		Vaidyashiromani (Bachelor of Ayurvedic Medicine and Surgery).	B.A.M.S. From 1932 to 1940.
		(Master of Ayurvedic Medicine and Surgery).	M.A.M.S. From 1932 to 1940.

I

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4

PART II—UNANI

Andhra

1. Islamia Arabic Tibbi College, Kurnool (A.P.). Tabib-e-Kamil
2. Nizamia Tibbi College, Hyderabad. Bachelor of Unani Medicine and Surgery. B.U.M. & S.

Tabib-e-Mustanad

Graduate of the College G.C.U.M. of Unani Medicine.

Bihar

3. State Faculty of Ayurvedic and Unani Medicines, Patna, Bihar. Graduate in Unani Medicine and Surgery. G.U.M.S. From 1953 onwards.

Delhi

4. Board of Ayurvedic and Unani Systems of Medicine, Delhi. (Bachelor in Indian Medicine and Surgery). B.I.M.S. From 1958 to 1963.
Fazil-i-tib-o-Jarahat
(Diploma in Indian Medicine and Surgery) D.I.M.S. From 1956 to 1963.
Kamil-i-tib-o-Jarahat
5. Ayurvedic and Unani Tibbia College, Delhi. Fazil-i-tib-o-Jarahat Up to 1958.
Kamil-i-tib-o-Jarahat Up to 1958.
6. Jamia Tibbia, Delhi Akmal-ul-Hukma Up to 1958.
Atzal-ul-Hukma Up to 1958.
7. Examining Body, Ayurvedic and Unani Systems of Medicine, Delhi. Fazil-i-tib-o-Jarahat (Bachelor in Indian Medicine and Surgery). B.I.M.S. From 1963 onwards.

Jammu and Kashmir

8. Jammu and Kashmir University. Bachelor of Unani Medicine and Surgery. B.U.M.S. From 1966 onwards.

Madhya Pradesh

9. Asipha Tibbia College, Bhopal. Hakim-Kamul Tibb-e-Kamil

Maharashtra

10. Faculty of Ayurvedic and Unani Systems of Medicine, Maharashtra. Mahir-e-Tibb-o-Jarahat D.U.S.F. (Bombay)
11. Board of Examiners in Unani. Mahir-e-Tibb-o-Jarahat M.T.J. (Bombay) From 1942 to 1943.

Mysore

12. Board of Studies in Indian Medicine, Mysore, Bangalore. Tabib-e-Hasaq (Licentiate in Unani Medicine & Surgery). L.U.M.S. From 1958 onwards.
13. Government Ayurvedic and Unani College (College of Indian Medicine), Mysore. Tabib-e-Hasaq (Licentiate in Unani Medicine & Surgery). L.U.M.S. From 1928 to 1953.

I	2	3	4
14. Central Board of Indian Medicine, Mysore, Bangalore.	Tabib-e-Hasaq (Licentiate in Unani Medicine & Surgery).	L.U.M.S.	From 1953 to 1958.
15. Government Ayurvedic School, Mysore.	..	U.M.S.	..
<i>Tamil Nadu</i>			
16. Government College of Indian/Indigenous/Integrated Medicine, Madras.	Licentiate in Indian/Indigenous/Integrated Medicine.	L.I.M.	
	Graduate of the College of Indian/Indigenous/Integrated Medicine.	G.C.I.M.	
17. Board of Examiners in Indian/Indigenous/Integrated Medicine.	Higher Proficiency in Indian/Indigenous/Integrated Medicine.	H.P.I.M.	
<i>Punjab</i>			
18. Bhupindra Tibbi College, Patiala.	Fazul-ul-Hukma
19. Ayurvedic & Unani Tibbi College, Amritsar. Vedic & Unani Tibbi College, Amritsar.	Kamil-ul-Tibbi Fazil-ul-Tibbi Umdho-Dal-Hukma	K.U.T. F.U.T. H.D.H.	Up to 1947.
<i>Rajasthan</i>			
20. Rajputana Ayurvedic and Unani Tibbi College, Jaipur.	Amd-Tul-Hukma Tabib-Fazil.	From 1951 onwards. From 1951 onwards.
<i>Uttar Pradesh</i>			
21. Muslim University, Aligarh.	Diploma in Indian Medicine & Surgery. Diploma in Unani Medicine & Surgery.	D.I.M.S. D.U.M.S.	From 1927 to 1943. From 1944 to 1946.
	Bachelor of Unani Medicine & Surgery. Bachelor of Unani Tib & Surgery.	B.U.M.S. B.U.T.S.	From 1953 onwards. From 1947 to 1952.
22. Board of Indian Medicine, Uttar Pradesh, Lucknow.	Diploma in Indigenous Medicine. Diploma in Indigenous Medicine & Surgery. Bachelor of Indian Medicine & Surgery. Fazil-Ut-Tib (Bachelor of Medicine and Surgery).	D.I.M. D.I.M.S. B.I.M.S. F.M.B.S.	From 1932 to 1944. From 1943 to 1946. From 1947 to 1956. From 1957 onwards.

THE THIRD SCHEDULE

(See section 15)

Qualifications granted by certain medical institutions before 15th August, 1947 in areas which comprised within India as defined in the Government of India Act, 1935.

University, Board or medical institution	Recognised medical qualifications	Abbreviation for registration	Remarks	
				I
				2
				3
				4

PART I—AYURVEDA AND SIDDHA

1. Dayanand Ayurvedic College, Lahore. Vaidya Vachaspati. .. Before 1947.
Vaidya Kaviraj. .. Before 1947.

	I	2	3	4
2	Sanatan Dharam Premgiri Ayurvedic College, Lahore	Vaidya Shastri Shri Ayurvedacharya Shri Vaid Kaviraj		Before 1947. Before 1947. Before 1947.
3	Manomohan Chatuspati, Dacca	Ayurvedshastri } Ayurvedatna }		1920—1940.
PART II—UNANI				
1	The Islamia College, Lahore	Hakim-i-Haqiq Zubdatul-Hukma		
2	Tibbia College, Lahore	Hasiq-ul-Hukma Mahir-Tibo-Jarahat Hakim-i-Haqiq	H.U.H. M.T.J. H.H.	Up to 1947. Up to 1947. Up to 1947.

THE FOURTH SCHEDULE

(See section 16)

*Qualifications granted by medical institutions in countries with which
there is a scheme of reciprocity*

University, Board or medical institution	Recognised medical qualification	Abbreviation for registration	Remarks
I	2	3	4
AYURVEDA AND SIDDHA			
Government College of Indigenous Systems of Medicine, Ceylon.	Diploma in Indigenous Medicine & Surgery.	D.I.M.S.	

THE SALARIES AND ALLOWANCES OF OFFICERS
OF PARLIAMENT (AMENDMENT) ACT, 1970

No. 49 OF 1970

[24th December, 1970]

An Act to amend the Salaries and Allowances of Officers of Parliament Act, 1953.

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

Short title and commencement. 1. (1) This Act may be called the Salaries and Allowances of Officers of Parliament (Amendment) Act, 1970.

(2) It shall be deemed to have come into force on the 1st day of November, 1969.

Amendment of section 4. 2. Section 4 of the Salaries and Allowances of Officers of Parliament Act, 1953 shall be re-numbered as sub-section (1) thereof, and—

20 of 1953.

(i) in sub-section (1) as so re-numbered, for the words "fifteen days", the words "one month" shall be substituted; and

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

"(2) In the event of the death of an officer of Parliament, his family shall be entitled to the use of the furnished residence occupied by the officer of Parliament—

(a) for a period of one month immediately after his death, without payment of rent and no charge shall fall on the family of the officer of Parliament in respect of the maintenance of such residence, and

(b) for a further period of one month, on payment of rent at such rates as may be prescribed by rules made in this behalf under section 11 and also charges in respect of electricity and water consumed in that residence during such further period.”

THE TEA DISTRICTS EMIGRANT LABOUR
(REPEAL) ACT 1970

No. 50 OF 1970

[24th December, 1970]

An Act to provide for the repeal of the Tea Districts Emigrant Labour Act, 1932, and for matters connected therewith.

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

1. This Act may be called the Tea Districts Emigrant Labour (Repeal) Act, 1970. Short title.

2. The Tea Districts Emigrant Labour Act, 1932, is hereby repealed. Repeal of Act 22 of 1932.

3. Notwithstanding the repeal of the Tea Districts Emigrant Labour Act, 1932, by section 2, and notwithstanding anything to the contrary contained in the said Act,— Savings.

(a) every emigrant labourer in whose case, on the 3rd day of August, 1960, a period of three years from the date of his entry into Assam had not expired,

(b) every emigrant labourer entering Assam on or after the 3rd day of August, 1960, being the date of the Agreement arrived at at the Ninth Session of the Industrial Committee on Plantations, and before the commencement of this Act, and

(c) every emigrant labourer who is in Assam immediately before the commencement of this Act and whose right of repatriation has not been waived or forfeited by agreement or otherwise under any provisions of the said Act,

shall, as from the date of expiry of a period of three years from the date of his entry into Assam, whether such expiry occurs before or after the commencement of this Act, have the right to be repatriated, and may be repatriated, under the said Act, as if it had not been repealed and the provisions of the said Act in so far as they relate to the enforcement of the right of repatriation of emigrant labourers shall continue to apply as if for the references therein to the Controller, references to the State Government of Assam or an officer authorised by that Government in this behalf had been substituted:

Provided that no such emigrant labourer shall have the right to be so repatriated unless he makes an application in this behalf—

(a) within a period of six months from the commencement of this Act, where the aforesaid period of three years has expired before such commencement, or

(b) within a period of six months from the date of expiry of the aforesaid period of three years, where the latter period expires after such commencement.

THE CENTRAL LABOUR LAWS (EXTENSION TO JAMMU AND KASHMIR) ACT, 1970

No. 51 OF 1970

[24th December, 1970]

An Act to provide for the extension of certain Central labour laws to the State of Jammu and Kashmir.

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

Short title and commencement.

1. (1) This Act may be called the Central Labour Laws (Extension to Jammu and Kashmir) Act, 1970.

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

Extension and amendment of certain labour laws.

2. (1) The Acts mentioned in the Schedule and all rules, orders, regulations and schemes made thereunder by the Central Government are hereby extended to, and shall be in force in, the State of Jammu and Kashmir.

(2) With effect from the commencement of this Act, the Acts mentioned in the Schedule shall be amended as specified therein.

Construction of references to laws not in force in Jammu and Kashmir.

3. Any reference in any Act mentioned in the Schedule to a law which is not in force in the State of Jammu and Kashmir shall, in relation to that State, be construed as a reference to the corresponding law, if any, in force in that State.

Construction of references to authorities where new authorities have been constituted.

4. Any reference by whatever form of words in any law for the time being in force in the State of Jammu and Kashmir to any authority competent at the date of the passing of that law to exercise any powers or discharge any functions in that State shall, where a corresponding new authority has been constituted by or under any law now extended to that State, have effect as if it were a reference to the new authority.

5. If immediately before the commencement of this Act there is in force in the State of Jammu and Kashmir any law corresponding to any Act now extended to that State, that law shall, save as otherwise expressly provided in this Act, stand repealed on such commencement:

Provided that the repeal shall not affect—

- (a) the previous operation of any law so repealed or anything duly done or suffered thereunder,
- (b) any right, privilege, obligation or liability acquired, accrued or incurred under any law so repealed,
- (c) any penalty, forfeiture or punishment incurred in respect of any offence committed against any law so repealed, or
- (d) any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty, forfeiture or punishment as aforesaid;

and any such investigation, legal proceeding or remedy may be instituted, continued or enforced, and any such penalty, forfeiture or punishment may be imposed, as if this Act had not been passed:

Provided further that, subject to the preceding proviso, anything done or any action taken (including any appointment or delegation made, notification, instruction or direction issued, form, bye-law or scheme framed, certificate obtained, permit or licence granted or registration effected) under any such law shall be deemed to have been done or taken under the corresponding provisions of the Act now extended to that State, and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under the said Act.

6. (1) If any difficulty arises in giving effect to the provisions of any Act now extended to the State of Jammu and Kashmir, the Central Government may, as occasion may require, by order notified in the Official Gazette, make such provisions or give such directions, not inconsistent with the provisions of such Act, as appear to it necessary for the removal of the difficulty:

Provided that no such order shall be made under this section after the expiration of two years from the date on which this Act comes into force.

(2) In particular, and without prejudice to the generality of the foregoing power, any such notified order may—

(a) specify the corresponding authorities within the meaning of section 4,

(b) provide for the transfer of any matter pending immediately before the commencement of this Act before any court, tribunal or other authority, to any corresponding court, tribunal or other authority for disposal,

(c) specify the areas or circumstances in which, or the extent to which, or the conditions subject to which, anything done or any action taken (including any of the matters specified in the second proviso to section 5) under any law repealed by that section shall be recognised or given effect to under the corresponding provision of the Act now extended.

Repeals
and
savings.

Power to
remove
difficulties.

THE SCHEDULE

(See section 2)

ACTS

THE WORKMEN'S COMPENSATION ACT, 1923

(8 OF 1923)

Section 1.—In sub-section (2) omit “except the State of Jammu and Kashmir”.

Section 3.—In sub-section (3), omit “within the State or the territories to which this Act extends, as the case may be.”.

THE TRADE UNIONS ACT, 1926

(16 OF 1926)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

Section 16.—After sub-section (2), insert—

“(2A) In its application to the State of Jammu and Kashmir, references in sub-section (2) to any legislative body constituted under the Constitution shall be construed as including references to the Legislature of that State.”.

Section 21A.—After sub-section (2), insert—

“(3) In its application to the State of Jammu and Kashmir, reference in sub-section (2) to the commencement of the Indian Trade Unions (Amendment) Act, 1964, shall be construed as reference to 38 of 1964, the commencement of this Act in the said State.”.

THE CHILDREN (PLEDGING OF LABOUR) ACT, 1933

(2 OF 1933)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE PAYMENT OF WAGES ACT, 1936

(4 OF 1936)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE EMPLOYERS' LIABILITY ACT, 1938

(24 OF 1938)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE EMPLOYMENT OF CHILDREN ACT, 1938

(26 OF 1938)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

Section 3B.—Re-number section 3B as sub-section (1) of that section and after sub-section (1) as so re-numbered, insert—

“(2) In its application to the State of Jammu and Kashmir, reference to the 1st day of October, 1939, shall be construed as reference to the commencement of this Act in the said State.”.

THE WEEKLY HOLIDAYS ACT, 1942

(18 OF 1942)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE INDUSTRIAL EMPLOYMENT (STANDING ORDERS) ACT, 1946
 (20 OF 1946)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE INDUSTRIAL DISPUTES ACT, 1947
 (14 OF 1947)

Section 1.—In sub-section (2), omit the proviso.

THE COAL MINES LABOUR WELFARE FUND ACT, 1947
 (32 OF 1947)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE MINIMUM WAGES ACT, 1948
 (11 OF 1948)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE EMPLOYEES' STATE INSURANCE ACT, 1948
 (34 OF 1948)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE COAL MINES PROVIDENT FUND AND BONUS SCHEMES ACT, 1948
 (46 OF 1948)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE FACTORIES ACT, 1948
 (63 OF 1948)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE WORKING JOURNALISTS (CONDITIONS OF SERVICE) AND MISCELLANEOUS PROVISIONS ACT, 1955
 (45 OF 1955)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE EMPLOYMENT EXCHANGES (COMPULSORY NOTIFICATION OF VACANCIES) ACT, 1959
 (31 OF 1959)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE MOTOR TRANSPORT WORKERS ACT, 1961
 (27 OF 1961)

Section 1.—(a) In sub-section (2), omit “except the State of Jammu and Kashmir”.

(b) To sub-section (3), add—

“Provided that it shall come into force in the State of Jammu and Kashmir on the commencement of the Central Labour Laws (Extension to Jammu and Kashmir) Act, 1970.”

374 *Central Labour Laws (Extension to Jammu and Kashmir)* [ACT 51 OF 1970]

THE MATERNITY BENEFIT ACT, 1961

(53 OF 1961)

Section 1.—In sub-section (2), omit “except the State of Jammu and Kashmir”.

THE PAYMENT OF BONUS ACT, 1965

(21 OF 1965)

Section 1.—(a) In sub-section (2), omit “except the State of Jammu and Kashmir”.

(b) To sub-section (4), add—

“Provided that in relation to the State of Jammu and Kashmir, the reference to the accounting year commencing on any day in the year 1964 and every subsequent accounting year shall be construed as reference to the accounting year commencing on any day in the year 1968 and every subsequent accounting year.”.

Ref. by Act 56 of 1974, S. 2 and Sch. I

THE COAL MINES (CONSERVATION AND SAFETY)
AMENDMENT ACT, 1970

No. 52 OF 1970

[24th December, 1970]

An Act further to amend the Coal Mines (Conservation and Safety) Act, 1952.

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

1. This Act may be called the Coal Mines (Conservation and Safety) Amendment Act, 1970. Short title.
2. In the Coal Mines (Conservation and Safety) Act, 1952 (hereinafter referred to as the principal Act), in the long title, for the words "safety in", the words "safety in, and development of," shall be substituted. Amendment of long title.
3. In section 1 of the principal Act, in sub-section (1), for the brackets and words "(Conservation and Safety)", the brackets and words "(Conservation, Safety and Development)" shall be substituted. Amendment of section 1.
4. In section 2 of the principal Act, for the words "regulation of", the words "regulation and development of" shall be substituted. Amendment of section 2.
5. In section 3 of the principal Act,—
 - (i) for clause (f), the following clause shall be substituted, namely:—

(f) "Development Fund" means the Coal Development Fund constituted under section 12;;

(ii) after clause (hh), the following clause shall be inserted, namely:—

(hha) "Safety Fund" means the Coal Mines Safety and Conservation Fund constituted under section 12;.
6. In section 5 of the principal Act,—
 - (i) in sub-section (1), after the words "safety in coal mines", the words "or for development of coal mines" shall be inserted; Amendment of section 5.
 - (ii) in sub-section (2), for the words "safety in coal mines", the words "safety in, or development of, coal mines" shall be substituted.

Repealed

376

Coal Mines (Conservation and Safety) Amendment

[ACT 52]

Amend-
ment of
section 7.

7. In section 7 of the principal Act,—

(i) in sub-section (1), after the words "safety in coal mines", the words "or for development of coal mines" shall be inserted;

(ii) in sub-section (2), after the words "safety in coal mines", the words "or for development of coal mines" shall be inserted.

Substi-
tution of
new sec-
tion for
section 11.

8. For section 11 of the principal Act, the following section shall be, and shall be deemed always to have been, substituted, namely:—

Payment
to the
Coal
Board.

"11. The Central Government may, in each financial year, pay to the Board a sum not exceeding the aggregate of the net proceeds (determined in such manner as may be prescribed) of the duties of excise collected, under section 8, during the period commencing on the date of commencement of this Act and ending on the 1st day of the preceding financial year, less the aggregate of the amounts already paid to the Board, under this section, during that period."

Amend-
ment of
section 12.

9. In section 12 of the principal Act,—

(i) for sub-section (1), the following sub-sections shall be substituted, namely:—

"(1) The sum referred to in section 11 and any other money received by the Board shall be credited to,—

(a) where it relates to safety in coal mines or conservation of coal, a Fund to be called the Coal Mines Safety and Conservation Fund,

(b) where it relates to the developing of coking coal mines, a Fund to be called the Coal Development Fund.

(1A) The Safety Fund shall be applied by the Board, in such manner and subject to such conditions as may be prescribed, to—

(a) meeting the expenses in connection with the administration of the Board and the furtherance of the objects of this Act in so far as such objects relate to safety in coal mines or conservation of coal;

(b) the grant of stowing materials and other assistance for stowing operations to the owners, agents or managers of coal mines;

(c) the execution of stowing and other operations in furtherance of the objects of this Act in so far as such objects relate to safety in coal mines or conservation of coal;

(d) the prosecution of research work connected with safety in coal mines or conservation and utilisation of coal;

(e) meeting the cost of administering the Safety Fund and the expenses in connection with Advisory Committees;

(f) the grant to State Governments, research organisations, local authorities and owners, agents or managers of

Repealed

OF 1970]

Coal Mines (Conservation and Safety) Amendment

377

coal mines of money in aid of any scheme approved by the Central Government in furtherance of the objects of this Act in so far as such objects relate to safety in coal mines or conservation of coal;

(g) any other expenditure which the Central Government directs to be defrayed out of the Safety Fund.

(1B) The Development Fund shall be applied by the Board, in such manner and subject to such conditions as may be prescribed, to—

(a) development of coal mines in a scientific manner,

(b) meeting the cost of the administration of any scheme for the development of coal mines.”;

(ii) in sub-section (2), for the words “accounts of the Fund”, the words “separate accounts in relation to the Development Fund and the Safety Fund” shall be substituted.

10. In section 17 of the principal Act, in sub-section (2),—

Amend-
ment of
section 17.

(i) after clause (a), the following clause shall be inserted namely:—

“(aa) the measures to be taken for the development of coal mines;”;

(ii) in clause (f), for the words “Coal Mines Safety and Conservation Fund”, the words “Development Fund or the Safety Fund, as the case may be,” shall be substituted;

(iii) in clause (g), for the word “Fund”, the words “Development Fund or the Safety Fund” shall be substituted.

THE STATE OF HIMACHAL PRADESH ACT, 1970

ARRANGEMENT OF SECTIONS

PART I

PRELIMINARY

SECTIONS

1. Short title.
2. Definitions.

PART II

ESTABLISHMENT OF THE STATE OF HIMACHAL PRADESH

3. Establishment of State of Himachal Pradesh.
4. Amendment of First Schedule to the Constitution.

PART III

REPRESENTATION IN THE LEGISLATURES

The Council of States

5. Amendment of Fourth Schedule to the Constitution.
 6. Allocation of sitting members.
 7. Amendment of section 27A of Act 43 of 1950.
- The House of the People*
8. Allocation of seats in the existing House of the People. [Rep.]
 9. Provision as to sitting members.

The Legislative Assembly

10. Provision as to Legislative Assembly as constituted on the appointed day.
11. Duration of Legislative Assembly.
12. Speaker and Deputy Speaker.
13. Rules of procedure.

Delimitation of Constituencies

14. Allocation of seats in the House of the People.
15. Allocation of seats in the Legislative Assembly.
16. Amendment of First and Second Schedules to Act 43 of 1950.
17. Delimitation of constituencies.
18. Power of Election Commission to maintain delimitation orders up-to-date.
19. Amendment of Scheduled Castes Orders.
20. Amendment of Scheduled Tribes Orders.

PART IV

HIGH COURT

21. High Court for Himachal Pradesh.
22. Judges of High Court.
23. Jurisdiction of High Court.
24. Special provision relating to Advocates and Bar Council.
25. Practice and procedure in High Court.

SECTIONS

26. Custody of seal of High Court.
27. Form of writs and other processes.
28. Powers of Judges.
29. Procedure as to appeals to Supreme Court.
30. Transfer of proceedings from High Court of Delhi to High Court of Himachal Pradesh.
31. Right to appear or to act in proceedings transferred to High Court of Himachal Pradesh.
32. Savings.

PART V**AUTHORISATION OF EXPENDITURE AND DISTRIBUTION OF REVENUES**

33. Authorisation of expenditure pending its sanction by the Legislature.
34. Reports relating to the accounts of the existing Union territory of Himachal Pradesh.
35. Allowances and privileges of Governor of Himachal Pradesh.
36. Distribution of revenues.

PART VI**ASSETS AND LIABILITIES**

37. Property, assets, rights, liabilities, obligations, etc.
38. Special provision as to transfer of assets, rights, liabilities, etc., of Union in relation to transferred territories under Act 31 of 1966.

PART VII**PROVISIONS AS TO SERVICES**

39. Provision relating to All-India Services.
40. Provision relating to certain Services.
41. Provisions relating to other Services.
42. Other provisions as to Services.
43. Provisions as to continuance of officers in same posts.
44. Advisory Committees.
45. Power of Central Government to give directions.

PART VIII**LEGAL AND MISCELLANEOUS PROVISIONS**

46. Amendment of article 210 and article 239A.
47. Amendment of Act 37 of 1956.
48. Amendment of Act 20 of 1963.
49. Continuance of existing laws and their adaptation.
50. Power to construe laws.
51. Provisions as to continuance of courts, etc.
52. Effect of provisions of Act inconsistent with other laws.
53. Power to remove difficulties.
54. Power to make rules.

THE FIRST SCHEDULE**THE SECOND SCHEDULE****THE THIRD SCHEDULE****THE FOURTH SCHEDULE**

THE STATE OF HIMACHAL PRADESH ACT, 1970

No 53 OF 1970

[25th December, 1970]

An Act to provide for the establishment of the State of Himachal Pradesh and for matters connected therewith.

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

PART I

PRELIMINARY

Short title. 1. This Act may be called the State of Himachal Pradesh Act, 1970.

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

(a) "Administrator" means the administrator appointed by the President under article 239 of the Constitution;

(b) "appointed day" means the day which the Central Government may, by notification in the Official Gazette, appoint;

(c) "article" means an article of the Constitution;

(d) "Election Commission" means the Election Commission appointed by the President under article 324;

(e) "existing Union territory of Himachal Pradesh" means the Union territory of Himachal Pradesh as existing immediately before the appointed day;

(f) "law" includes any enactment, ordinance, regulation, order, bye-law, rule, scheme, notification or other instrument having, immediately before the appointed day, the force of law in the whole or any part of the existing Union territory of Himachal Pradesh;

(g) "sitting member", in relation to either House of Parliament or of the Legislative Assembly of the existing Union territory of Himachal Pradesh, means a person who, immediately before the appointed day, is a member of that House or that Assembly;

(h) "treasury" includes a sub-treasury.

PART II

ESTABLISHMENT OF THE STATE OF HIMACHAL PRADESH

3. On and from the appointed day, there shall be established a new State, to be known as the State of Himachal Pradesh, comprising the territories which immediately before that day were comprised in the existing Union territory of Himachal Pradesh.

4. On and from the appointed day, in the First Schedule to the Constitution,—

(a) under the heading "I. THE STATES", after entry 17, the following entry shall be inserted, namely:—

"18. Himachal Pradesh

The territories which immediately before the commencement of this Constitution were being administered as if they were Chief Commissioners' Provinces under the names of Himachal Pradesh and Bilaspur and the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966.";

(b) under the heading "II. THE UNION TERRITORIES", entry 2 relating to Himachal Pradesh shall be omitted and entries 3 to 10 shall be re-numbered as entries 2 to 9 respectively.

PART III

REPRESENTATION IN THE LEGISLATURES

The Council of States

5. On and from the appointed day, in the Fourth Schedule to the Constitution, in the Table,—

(a) entry 18 shall be re-numbered as entry 19 and before the

Amendment
of Fourth
Schedule
to the Cons-
titution.

entry as so re-numbered, the following entry shall be inserted, namely:—

"18. Himachal Pradesh.....3";

(b) entry 19 shall be omitted.

*Allocation
of sitting
members.*

6. (1) On and from the appointed day, the three sitting members of the Council of States representing the existing Union territory of Himachal Pradesh shall be deemed to have been duly elected under clause (4) of article 80 to fill the three seats allotted to the State of Himachal Pradesh in that Council.

(2) The term of office of such sitting members shall remain unaltered.

*Amendment
of section 27A
of Act 43 of
1950.*

7. On and from the appointed day, in section 27A of the Representation of the People Act, 1950, in sub-section (4), the words "Himachal Pradesh" shall be omitted.

The House of the People

*Allocation
of seats in
the existing
House of
the People.*

8. (1) On and from the appointed day and until the dissolution of the existing House of the People, the allocation of seats to the State of Himachal Pradesh in the House of the People and the number of seats to be reserved for the Scheduled Castes of that State shall be six and one respectively; and the First Schedule to the Representation of the People Act, 1950, shall be deemed to be amended accordingly.

43 of 1950.

(2) On and from the appointed day and until the dissolution of the existing House of the People, the six parliamentary constituencies of the existing Union territory of Himachal Pradesh shall be deemed to be the six parliamentary constituencies of the State of Himachal Pradesh and the Delimitation of Parliamentary and Assembly Constituencies Order, 1966, shall be construed accordingly.

*Provision
as to sitting
members.*

9. Every sitting member of the House of the People representing a constituency which, on the appointed day, by virtue of the provisions of section 8, becomes a constituency of the State of Himachal Pradesh, shall be deemed to have been elected under sub-clause (a) of clause (t) of article 81 to the House of the People by that constituency.

The Legislative Assembly

*Provision as
to Legisla-
tive Assem-
bly as con-
stituted on
the ap-
pointed day.*

10. (1) On and from the appointed day, the total number of seats in the Legislative Assembly of the State of Himachal Pradesh to be filled by persons chosen by direct election from Assembly constituencies shall be sixty and the number of seats to be reserved for the Scheduled Castes and for the Scheduled Tribes of that State shall be fourteen and three respectively; and the Second Schedule to the Representation of the People Act, 1950, shall be deemed to be amended accordingly.

43 of 1950.

(2) On and from the appointed day, the sixty territorial constituencies of the existing Union territory of Himachal Pradesh shall be deemed to be the constituencies of the Legislative Assembly of the State of Himachal Pradesh and the Delimitation of Parliamentary and Assembly Constituencies Order, 1966, shall be construed accordingly.

Omitted by Act 15 of 1971, S. 2 (w.e.f. 5-1-1971).

(3) Every sitting member of the Legislative Assembly of the existing Union territory of Himachal Pradesh representing a territorial constituency which, on the appointed day, by virtue of the provisions of sub-section (2), becomes a constituency of the State of Himachal Pradesh, shall be deemed to have been elected under article 170 to the Legislative Assembly of the State of Himachal Pradesh by that constituency.

(4) Notwithstanding anything contained in any other law for the time being in force, the Legislative Assembly of the State of Himachal Pradesh shall be deemed to be duly constituted on the appointed day.

11. The period of five years referred to in clause (1) of article 172 shall, in the case of the Legislative Assembly of the State of Himachal Pradesh, be deemed to have commenced on the day on which the duration of the existing Legislative Assembly of the Union territory of Himachal Pradesh commenced under section 5 of the Government of Union Territories Act, 1963.

12. The persons who immediately before the appointed day are the Speaker and Deputy Speaker and the Deputy Speaker of the Legislative Assembly of the Union territory of Himachal Pradesh shall be the Speaker and the Deputy Speaker, respectively, of the Legislative Assembly of the State of Himachal Pradesh on and from that day.

13. The rules of procedure and conduct of business of the Legislative Assembly of the existing Union territory of Himachal Pradesh as in force immediately before the appointed day shall, until rules are made under clause (1) of article 208, be the rules of procedure and conduct of business of the Legislative Assembly of the State of Himachal Pradesh, subject to such modifications and adaptations as may be made therein by the Speaker thereof.

Delimitation of constituencies

14. In the House of the People to be constituted after the appointed day, there shall be allotted four seats to the State of Himachal Pradesh of which one seat shall be reserved for the Scheduled Castes.

Allocation of seats in the House of the People.

15. The total number of seats in the Legislative Assembly of the State of Himachal Pradesh to be constituted at any time after the appointed day, to be filled by persons chosen by direct election from territorial constituencies, shall be sixty-eight of which sixteen seats shall be reserved for the Scheduled Castes and three seats shall be reserved for the Scheduled Tribes.

Allocation of seats in the Legislative Assembly.

16. (1) In the Representation of the People Act, 1950,—

Amendment of First and Second Schedules to the Act 43 of 1950.

(a) in the First Schedule,—

(i) under the heading "I. STATES", after entry 17, the following entry shall be inserted, namely:

"18. Himachal Pradesh 4 1"

(ii) under the heading "II. UNION TERRITORIES", entry 6 relating to Himachal Pradesh shall be omitted;

(b) in the Second Schedule,—

(i) under the heading "I. STATES", after entry 16, the following entry shall be inserted, namely:

"17. Himachal Pradesh 68 16 3"

(ii) under the heading "II. UNION TERRITORIES", entry 2 relating to Himachal Pradesh shall be omitted.

(2) The amendments made by clauses (a) and (b) of sub-section (1) shall have effect in relation to the House of the People and the Legislative Assembly of Himachal Pradesh to be constituted at any time after the appointed day.

Delimitation of Constituencies.

17. (1) The Election Commission shall, in the manner herein provided, distribute, whether before or after the appointed day, the seats in the House of the People allotted to the State of Himachal Pradesh under section 14 and the seats assigned to the Legislative Assembly of the State of Himachal Pradesh under section 15 to single-member territorial constituencies and delimit them on the basis of the latest census figures, having regard to the provisions of the Constitution and to the following provisions, namely:—

- (a) all constituencies shall, as far as practicable, be geographically compact areas, and in delimiting them regard shall be had to physical features, existing boundaries of administrative units, facilities of communication and public convenience;
- (b) every assembly constituency shall be so delimited as to fall wholly within one parliamentary constituency;
- (c) constituencies in which seats are reserved for the Scheduled Castes shall be distributed in different parts of the State and located, as far as practicable, in those areas where the proportion of their population to the total population is comparatively large; and
- (d) constituencies in which seats are reserved for the Scheduled Tribes shall, as far as practicable, be located in areas where the proportion of their population to the total population is the largest.

Explanation.—In this section, "latest census figures" mean the census figures with respect to the existing Union territory of Himachal Pradesh or, as the case may be, of the State of Himachal Pradesh ascertainable from the latest census of which the finally published figures are available.

(2) For the purpose of assisting it in the performance of its functions under sub-section (1), the Election Commission shall associate with itself as associate members,—

(a) the sitting members of the House of the People referred to in section 9; and

(b) such six of the members of the Legislative Assembly of the existing Union territory of Himachal Pradesh or, as the case may be, of the State of Himachal Pradesh referred to in section 10 as the Speaker thereof may nominate:

Provided that none of the associate members shall have a right to vote or to sign any decision of the Election Commission.

(3) If owing to death or resignation, the office of an associate member falls vacant, it shall be filled, if practicable, in accordance with the provisions of sub-section (2).

L. Subs. by Act 15 of 1971, S. 3 (w.e.f. 5-1-1971)

(4) The Election Commission shall—

(a) publish its proposals for the delimitation of constituencies, together with the dissenting proposals, if any, of any associate member who desires publication thereof, in the Official Gazette and in such other manner as the Commission may consider fit, together with a notice inviting objections and suggestions in relation to the proposals and specifying a date on or after which the proposals will be further considered by it;

(b) consider all objections and suggestions which may have been received by it before the date so specified;

(c) after considering all objections and suggestions which may have been received by it before the date so specified, determine by one or more orders the delimitation of constituencies and cause such order or orders to be published in the Official Gazette; and upon such publication, the order or orders shall have the full force of law and shall not be called in question in any court.

(5) As soon as may be after such publication, every such order relating to parliamentary constituencies shall be laid before the House of the People and every such order relating to assembly constituencies shall be laid before the Legislative Assembly.

18. (1) The Election Commission may, from time to time, by notification in the Official Gazette,—

(a) correct any printing mistake in any order made under section 17 or any error arising therein from inadvertent slip or omission;

(b) where the boundaries or name of any territorial division mentioned in any such order are or is altered, make such amendments as appear to it to be necessary or expedient for bringing such order up-to-date.

(2) Every notification under this section relating to a parliamentary or an assembly constituency shall be laid, as soon as may be after it is issued, before the House of the People or, as the case may be, the Legislative Assembly.

19. (1) On and from the appointed day, the Constitution (Scheduled Castes) Order, 1950, shall stand amended as directed in the First Schedule.

(2) On and from the appointed day, the Constitution (Scheduled Castes) (Union Territories) Order, 1951, shall stand amended as directed in the Second Schedule.

20. (1) On and from the appointed day, the Constitution (Scheduled Tribes) Order, 1950, shall stand amended as directed in the Third Schedule.

(2) On and from the appointed day, the Constitution (Scheduled Tribes) (Union Territories) Order, 1951, shall stand amended as directed in the Fourth Schedule.

Power of
Election
Commis-
sion to
maintain
delimita-
tion or-
ders up-
to-date.

Amend-
ment of
Scheduled
Tribes
Orders.

PART IV

HIGH COURT

High Court for Himachal Pradesh.

21. (1) On and from the appointed day, there shall be a separate High Court for the State of Himachal Pradesh (hereinafter referred to as the High Court of Himachal Pradesh).

(2) The principal seat of the High Court of Himachal Pradesh shall be at Simla.

Judges of High Court.

22. (1) The President may, if he thinks fit, direct that such of the Judges of the High Court of Delhi holding office immediately before the appointed day as may be determined by him, shall on that day cease to be Judges of the High Court of Delhi and become Judges of the High Court of Himachal Pradesh.

(2) The persons who by virtue of sub-section (1) become Judges of the High Court of Himachal Pradesh shall, except in the case where any such person is appointed to be the Chief Justice of the High Court, rank in that Court according to the priority of their respective appointments as Judges of the High Court of Delhi.

Jurisdiction of High Court.

23. The High Court of Himachal Pradesh shall have, in respect of any part of the territories comprised in the State of Himachal Pradesh, all such jurisdiction, powers and authority as, under the law in force immediately before the appointed day, are exercisable in respect of that part of the said territories by the High Court of Delhi.

Special provision relating to Advocates and Bar Council.

24. (1) Subject to any rule made or direction given by the High Court of Himachal Pradesh in this behalf, any person who immediately before the appointed day is an advocate entitled to practise in the High Court of Delhi shall be entitled to practise as an advocate in the High Court of Himachal Pradesh.

(2) The right of audience in the High Court of Himachal Pradesh shall be regulated in accordance with the like principles as immediately before the appointed day are in force with respect to the right of audience in the High Court of Delhi.

(3) On and from the appointed day, in the Advocates Act, 1961 (hereafter in this section referred to as the Advocates Act), in section 3,—

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

“(d) for the States of Punjab and Haryana and the Union territory of Chandigarh, to be known as the Bar Council of Punjab and Haryana;

“(dd) for the State of Himachal Pradesh, to be known as the Bar Council of Himachal Pradesh;”;

(b) in clause (b) of sub-section (2), after the words “Bar Council of Orissa”, the words “, the Bar Council of Himachal Pradesh” shall be inserted.

(4) The provisions of section 17 of the Advocates Act shall have effect in respect of the roll of the Bar Council of Himachal Pradesh subject to the modifications that—

(a) for clause (a) of sub-section (1) of the said section 17, the following clause shall be substituted, namely:—

"(a) all persons who were entered as advocates on the roll of the Bar Council of Punjab and Haryana immediately before the day appointed under clause (b) of section 2 of the State of Himachal Pradesh Act, 1970, and who within three months from that day express in such manner as the Bar Council of India may, by rules, prescribe an intention in writing to practise within the jurisdiction of the Bar Council of Himachal Pradesh;";

(b) in clause (a) of sub-section (3) of the said section 17, for the words and figures "with his date of enrolment under the Indian Bar Councils Act, 1926", the words "with his seniority on the roll of the Bar Council of Punjab and Haryana" shall be substituted.

38 of 1926.

(5) Notwithstanding anything contained in the Advocates Act as amended or modified by sub-sections (3) and (4),—

(a) in the case of the first Bar Council of Himachal Pradesh under that Act, the fifteen members required to be elected under clause (b) of sub-section (2) of section 3 of that Act, as amended by sub-section (3), shall be nominated by the Chief Justice of the High Court of Himachal Pradesh from amongst advocates who are entitled as of right to practise in the High Court of Himachal Pradesh and are ordinarily practising within the territories comprised in the State of Himachal Pradesh and the term of office of the members so nominated shall be one year from the date of the first meeting of the Council or until their successors are duly elected in accordance with the provisions of the said Act, whichever is earlier;

(b) until the members of the first Bar Council of Himachal Pradesh required to be nominated under clause (a) are duly nominated in accordance with the provisions of that clause, the Bar Council of Punjab and Haryana shall function as the Bar Council of Himachal Pradesh and the provisions of the Advocates Act shall, so far as may be, apply accordingly;

(c) the names of persons entered on the roll of the Bar Council of Himachal Pradesh in accordance with the provisions of clause (a) of sub-section (1) of section 17 of the Advocates Act, as modified by sub-section (4), shall, as from the date or dates on which the names are so entered, stand removed from the roll of the Bar Council of Punjab and Haryana;

(d) any proceedings which may be pending or which may be instituted against any person before or by the Bar Council of Punjab and Haryana immediately before his name is removed under clause (c) from the roll of that Bar Council may after such removal be continued or instituted before or by the Bar Council of Himachal Pradesh;

(e) every person who immediately before his name stands removed from the roll of the Bar Council of Punjab and Haryana in

accordance with the provisions of clause (c) is a member of the Bar Council of Punjab and Haryana shall cease to be a member of that Council as from the date on which his name stands so removed from the roll of that Bar Council;

(f) the rules made or deemed to have been made by the Bar Council of Punjab and Haryana and in force immediately before the date on which the first Bar Council of Himachal Pradesh is duly constituted in accordance with the provisions of clause (a) shall, subject to such modifications and adaptations as may be made therein by the Chairman of the Bar Council of Himachal Pradesh, be deemed to be rules made by the Bar Council of Himachal Pradesh and shall have effect accordingly.

(6) As soon as may be, after the first Bar Council of Himachal Pradesh is duly constituted in accordance with the provisions of clause (a) of sub-section (5), the assets and liabilities of the Bar Council of Punjab and Haryana shall be apportioned between that Bar Council and the Bar Council of Himachal Pradesh in such manner and proportion as may be agreed upon by the two Bar Councils and in default of agreement with reference to any matter, the matter shall be referred to the Chairman of the Bar Council of India and his decision thereon shall be final.

Explanation.—Expressions used in this section but not defined in this Act shall have the meanings assigned to them respectively in the Advocates Act.

Practice and procedure in High Court.

25. Subject to the provisions of this Part, the law in force immediately before the appointed day with respect to practice and procedure in the High Court of Delhi shall, with the necessary modifications, apply in relation to the High Court of Himachal Pradesh.

Custody of seal of High Court.

26. The law in force immediately before the appointed day with respect to the custody of the seal of the High Court of Delhi shall, with the necessary modifications, apply with respect to the custody of the seal of the High Court of Himachal Pradesh.

Form of writs and other processes.

27. The law in force immediately before the appointed day with respect to the form of writs and other processes used, issued or awarded by the High Court of Delhi shall, with the necessary modifications, apply with respect to the form of writs and other processes used, issued or awarded by the High Court of Himachal Pradesh.

Powers of Judges.

28. The law in force immediately before the appointed day with respect to the powers of the Chief Justice, single Judges and division courts of the High Court of Delhi and with respect to all matters ancillary to the exercise of those powers shall, with the necessary modifications, apply in relation to the High Court of Himachal Pradesh.

Procedure as to appeals to Supreme Court.

29. The law in force immediately before the appointed day relating to appeals to the Supreme Court from the High Court of Delhi and the Judges and division courts thereof, shall, with the necessary modifications, apply in relation to the High Court of Himachal Pradesh.

30. (1) Except as hereinafter provided, the High Court of Delhi shall, on and from the appointed day, have no jurisdiction in respect of the territories comprised in the State of Himachal Pradesh.

(2) Such proceedings pending in the High Court of Delhi immediately before the appointed day as are certified, whether before or after that day, by the Chief Justice of that High Court, having regard to the place of accrual of the cause of action and other circumstances, to be proceedings which ought to be heard and decided by the High Court of Himachal Pradesh shall, as soon as may be after such certification, be transferred to the High Court of Himachal Pradesh.

(3) Notwithstanding anything contained in sub-sections (1) and (2) of this section or in section 23, but save as hereinafter provided, the High Court of Delhi shall have, and the High Court of Himachal Pradesh shall not have, jurisdiction to entertain, hear or dispose of appeals, applications for leave to appeal to the Supreme Court, applications for review and other proceedings where any such proceedings seek any relief in respect of any order passed by the High Court of Delhi before the appointed day:

Provided that if, after any such proceedings have been entertained by the High Court of Delhi, it appears to the Chief Justice of that High Court that they ought to be transferred to the High Court of Himachal Pradesh, he shall order that they shall be so transferred, and such proceedings shall thereupon be transferred accordingly.

(4) Any order made by the High Court of Delhi—

(a) before the appointed day, in any proceedings transferred to the High Court of Himachal Pradesh by virtue of sub-section (2); or

(b) in any proceedings, with respect to which the High Court of Delhi retains jurisdiction by virtue of sub-section (3),

shall, for all purposes, have effect not only as an order of the High Court of Delhi, but also as an order made by the High Court of Himachal Pradesh.

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

(a) proceedings shall be deemed to be pending in a court until that court has disposed of all issues between the parties including any issues with respect to the taxation of the costs of the proceedings and shall include appeals, applications for leave to appeal to the Supreme Court, applications for review, petitions for revision and petitions for writs;

(b) references to a High Court shall be construed as including references to a Judge or division court thereof, and references to an order made by a court or a Judge shall be construed as including references to a sentence, judgment or decree passed or made by that court or Judge.

31. Any person who, immediately before the appointed day, is an advocate entitled to practise in the High Court of Delhi and was authorised to appear or to act in any proceedings transferred from that High Court to the High Court of Himachal Pradesh under section 30 shall have the right to appear or to act, as the case may be, in the High Court of Himachal Pradesh in relation to those proceedings.

Transfer of
proceedings
from
High Court
of Delhi to
High
Court of
Himachal
Pradesh.

Right to
appear or to
act in
proceedings
transferred to
High Court
of Himachal
Pradesh.

Savings.

32. Nothing in this Part shall affect the application to the High Court of Himachal Pradesh of any provisions of the Constitution, and this Part shall have effect subject to any provision that may be made on or after the appointed day with respect to that High Court by any Legislature or other authority having power to make such provision.

PART V

AUTHORISATION OF EXPENDITURE AND DISTRIBUTION OF REVENUES

Authorisation of expenditure pending its sanction by the Legislature.

33. (1) The President may, at any time before the appointed day, authorise by order such expenditure from the Consolidated Fund of the State of Himachal Pradesh as he deems necessary for a period of not more than six months beginning with the appointed day, pending the sanction of such expenditure by the Legislative Assembly of the State of Himachal Pradesh:

Provided that the Governor of Himachal Pradesh may, after the appointed day, authorise by order such further expenditure as he deems necessary from the Consolidated Fund of the State of Himachal Pradesh for any period not extending beyond the said period of six months.

(2) The President or, as the case may be, the Governor of Himachal Pradesh shall make separate orders under sub-section (1) in respect of periods falling in different financial years.

Reports relating to the accounts of the existing Union territory of Himachal Pradesh.

34. (1) The reports of the Comptroller and Auditor-General of India referred to in section 49 of the Government of Union Territories Act, 1963, relating to the accounts of the existing Union territory of Himachal Pradesh in respect of any period prior to the appointed day, shall be submitted to the Governor of Himachal Pradesh who shall cause them to be laid before the Legislative Assembly of the State.

(2) The Governor may, by order,—

(a) declare any expenditure incurred out of the Consolidated Fund of the existing Union territory of Himachal Pradesh on any service in respect of any period prior to the appointed day during the financial year 1970-71 or in respect of any earlier financial year in excess of the amount granted for that service and for that year as disclosed in the reports referred to in sub-section (1) to have been duly authorised, and

(b) provide for any action to be taken on any matter arising out of the said reports.

Allowances and privileges of Governor of Himachal Pradesh.

35. The allowances and privileges of the Governor of Himachal Pradesh shall, until provision in that behalf is made by Parliament by law under clause (3) of article 158, be such as the President may, by order, determine.

Distribution of revenues.

36. The President shall, by order, determine the grants-in-aid of the revenues of the State of Himachal Pradesh and the share of that State in the Union duties of excise, estate duty and taxes on income and for that purpose amend thereby the relevant provisions of the Union Duties of Excise (Distribution) Act, 1962, the Additional Duties of Excise (Goods of Special Importance) Act, 1957, the Estate Duty (Distribution) Act, 1962, and the Constitution (Distribution of Revenues) Order, 1969, in such manner as he thinks fit.

C. O. 87.

PART VI

ASSETS AND LIABILITIES

37. (1) All such property and assets within the existing Union territory of Himachal Pradesh as are held immediately before the appointed day by the Union for purposes of governance of that Union territory shall, on and from that day, pass to the State of Himachal Pradesh unless the purposes for which such property and assets are so held are Union purposes:

Property,
assets,
rights,
liabilities,
obligations
etc.

Provided that the cash balances in the treasuries in the Union territory of Himachal Pradesh before the appointed day shall, as from that day, vest in the State of Himachal Pradesh.

(2) All rights, liabilities and obligations (other than those relatable to, or in connection with, a Union purpose), whether arising out of any contract or otherwise, which are, immediately before the appointed day,—

(a) the rights, liabilities and obligations of the Central Government arising out of, or in connection with, the governance of the Union territory of Himachal Pradesh; or

(b) the rights, liabilities and obligations of the Administrator of the existing Union territory of Himachal Pradesh in his capacity as such, or of the Government of that Union territory,

shall, on and from the appointed day, be the rights, liabilities and obligations of the Government of the State of Himachal Pradesh.

(3) The right to recover arrears of—

(a) any tax or duty being a tax or duty enumerated in the State List in the Seventh Schedule to the Constitution, or

(b) any duty referred to in article 268, or

(c) any tax under the Central Sales Tax Act, 1956,

74 of 1956.

which have fallen due in the existing Union territory of Himachal Pradesh shall pass to the State of Himachal Pradesh.

(4) The provisions of this section shall not apply to or in relation to,—

31 of 1966.
(a) any benefit or burden of any assets, rights, liabilities or obligations of the Union under the Punjab Reorganisation Act, 1966 attributable to the transferred territories as defined in the said Act;

(b) any institution, undertaking or project the expenditure in relation to which is immediately before the appointed day met from out of the Consolidated Fund of India;

(c) any property which has been placed by the Union at the disposal of the Administration of the existing Union territory of Himachal Pradesh subject to the condition that the ownership thereof will continue to vest in the Union.

Explanation.—For the purposes of this section—

(a) “liability” includes liability in respect of any civil deposit, local fund deposit, charitable or other endowment, provident fund account, pension or actionable wrong;

(b) “Union purposes” mean the purposes of Government relating to any of the matters mentioned in the Union List.

Special provision as to transfer of assets, rights, liabilities, etc., of Union in relation to transferred territories under Act 31 of 1966.

38. (1) In this section, the expressions "successor States" and "transferred territories" have the meanings respectively assigned to them in the Punjab Reorganisation Act, 1966.

(2) The Central Government may, by order, transfer to the State of Himachal Pradesh the benefit or burden of any assets, rights, liabilities or obligations of the Union under the Punjab Reorganisation Act, 1966, in so far as such benefit or burden is, in the opinion of the Central Government, attributable to the transferred territories.

(3) An order made under sub-section (2) may provide that the State of Himachal Pradesh shall be the successor State in relation to the transferred territories for all or any of the purposes of the Punjab Reorganisation Act, 1966, or confer or impose on the State of Himachal Pradesh rights and obligations which correspond so far as may be to the rights and obligations conferred or imposed on the successor States by or under that Act.

(4) Without prejudice to the provisions of section 49, the Central Government may, for the purpose of giving effect to the provisions of this section, by order, direct that the provisions of Part VI, Part VII, Part VIII and Part IX and connected provisions of the Punjab Reorganisation Act, 1966, shall have effect subject to such exceptions and modifications as may be specified in the order.

PART VII

PROVISIONS AS TO SERVICES

Provision relating to All-India Services.

39. (1) In this section, the expression "State cadre"—

(a) in relation to the Indian Administrative Service, has the meaning assigned to it in the Indian Administrative Service (Cadre) Rules, 1954;

(b) in relation to the Indian Police Service, has the meaning assigned to it in the Indian Police Service (Cadre) Rules, 1954;

(c) in relation to the Indian Forest Service, has the meaning assigned to it in the Indian Forest Service (Cadre) Rules, 1966.

(2) On and from the appointed day, there shall be constituted for the State of Himachal Pradesh a State cadre of the Indian Administrative Service, a State cadre of the Indian Police Service and a State cadre of the Indian Forest Service.

(3) The initial strength and composition of each of the said State cadres shall be such as the Central Government may, by order, determine before the appointed day.

(4) Such of the members of each of the said Services borne on the Union Territories cadre thereof immediately before the appointed day, as the Central Government may, by order, specify, shall be allocated to the State cadre of Himachal Pradesh of the same Service with effect from such date or dates as may be specified in the order.

(5) Nothing in this section shall be deemed to affect the operation after the appointed day of the All-India Services Act, 1951, or the rules or regulations made thereunder in relation to the State cadres of the said Services referred to in sub-section (2) or sub-section (4) and in relation to the members of those services borne on the State cadres.

40. (1) On and from the appointed day, there shall be constituted for the State of Himachal Pradesh the following Services, namely:—

Provision
relating to
certain
Services.

- (a) the Himachal Pradesh Administrative Service; and
- (b) the Himachal Pradesh Police Service.

(2) The initial strength and composition of the cadres of the said Services shall be such as the Administrator of the existing Union territory of Himachal Pradesh may, with the approval of the Central Government, by order, determine before the appointed day.

(3) On and from the appointed day, the existing Delhi, Himachal Pradesh and Andaman and Nicobar Islands Civil Service (hereinafter referred to as the existing Civil Service) shall be known as the Delhi and Andaman and Nicobar Islands Civil Service and the Delhi, Himachal Pradesh and Andaman and Nicobar Islands Police Service (hereinafter referred to as the existing Police Service) shall be known as the Delhi and Andaman and Nicobar Islands Police Service.

(4) Such members of the existing Civil Service as the Central Government may, by order, specify shall be allocated to the cadre of the Himachal Pradesh Administrative Service and such members of the existing Police Service as the Central Government may, by order, specify, shall be allocated to the cadre of the Himachal Pradesh Police Service and any such order may specify the date or dates from which the allocation made thereunder shall be effective.

(5) All persons who are allocated under sub-section (4) and who immediately before the date on which they are allocated, are borne on a Select List for promotion to a State cadre of an All-India Service, shall be deemed to have been included in the same order as in that list in the Select List for promotion to the State cadre of the same Service constituted under sub-section (2) of section 39.

(6) Subject to the foregoing provisions of this section, the rules and regulations applicable to or in relation to the members of the existing Civil Service and the existing Police Service as in force immediately before the appointed day shall, so far as may be, apply respectively to and in relation to the members of the Himachal Pradesh Administrative Service and the Himachal Pradesh Police Service, until altered, repealed or amended by the competent authority.

(7) Every member of the Central Health Service who immediately before the appointed day is holding any post in the existing Union territory of Himachal Pradesh being a post included in the authorised strength of that Service, shall, until otherwise directed by the Central Government, be deemed to be on deputation, on and from the appointed day, to the Government of the State of Himachal Pradesh on the same terms and conditions of service as are applicable to him under the Central Health Service Rules, 1963, but without any deputation allowance:

Provided that the period of such deputation shall in no case extend beyond a period of three years from the appointed day.

Explanation.—In this sub-section, “Central Health Service” means the Central Health Service constituted under the Central Health Service Rules, 1963.

Provisions relating to other services.

41. (1) Every person who immediately before the appointed day is serving in connection with the affairs of the Union under the administrative control of the Administrator of the Union territory of Himachal Pradesh shall, unless otherwise directed by an order of the Central Government, be deemed to have been allocated for service as from that day in connection with the affairs of the State of Himachal Pradesh:

Provided that no directions shall be issued under this section after the expiry of a period of one year from the appointed day:

Provided further that nothing in this section shall affect the operation of section 82 of the Punjab Reorganisation Act, 1966.

31 of 1966.

(2) The provisions of this section shall not apply in relation to persons to whom the provisions of sections 39 and 40 apply.

Other provisions as to services.

42. (1) Nothing in this section or sections 40 and 41 shall be deemed to affect on or after the appointed day the operations of the provisions of Chapter I of Part XIV of the Constitution in relation to determination of the conditions of service of persons serving in connection with the affairs of the State of Himachal Pradesh:

Provided that the conditions of service applicable immediately before the appointed day in the case of any person referred to in section 40 or section 41 shall not be varied to his disadvantage except with the previous approval of the Central Government.

(2) All services prior to the appointed day rendered by a person allocated under section 40 or deemed to have been allocated under section 41 in connection with the administration of the Union territory of Himachal Pradesh, shall be deemed to have been rendered in connection with the affairs of the State of Himachal Pradesh for the purposes of the rules regulating his conditions of service.

Provisions as to continuance of officers in same posts.

43. Every person who immediately before the appointed day is holding or discharging the duties of any post or office in connection with the administration of the Union territory of Himachal Pradesh, shall continue to hold the same post or office in the State of Himachal Pradesh and shall be deemed, on and from that day, to have been duly appointed to the post or office by the Government of, or other appropriate authority in, the State of Himachal Pradesh:

Provided that nothing in this section shall be deemed to prevent a competent authority on or after the appointed day from passing in relation to such person any order affecting his continuance in such post or office.

Advisory Committees.

44. The Central Government may, by order, establish one or more advisory committees. For the purpose of assisting it in regard to-

- (a) the discharge of its functions under this Part; and
- (b) the ensuring of fair and equitable treatment to all persons affected by the provisions of this Part and the proper consideration of any representations made by such persons.

Power of Central Government to give directions.

45. The Central Government may give such directions to the Government of the State of Himachal Pradesh as may appear to it to be necessary for the purpose of giving effect to the foregoing provisions of this Part and also the provisions of Part IX of the Punjab Reorganisation Act, 1966, and the State Government shall comply with such directions.

31 of 1966.

PART VIII

LEGAL AND MISCELLANEOUS PROVISIONS

46. On and from the appointed day—

(a) in article 210, in clause (2), the following proviso shall be inserted at the end, namely:—

‘Provided that in relation to the Legislature of the State of Himachal Pradesh this clause shall have effect as if for the words “fifteen years” occurring therein, the words “twenty-five years” were substituted.’;

(b) in article 239A, in clause (1), the words “Himachal Pradesh” shall be omitted.

47. On and from the appointed day, in clause (a) of section 15 of the States Reorganisation Act, 1956,—

(i) for the word “Punjab”, the words “Punjab, Himachal Pradesh” shall be substituted;

(ii) for the words “Himachal Pradesh and Chandigarh”, the words “and Chandigarh” shall be substituted.

48. On and from the appointed day, in the Government of Union Territories Act, 1963, in clause (h) of sub-section (1) of section 2 and in sub-section (2) of section 44, the words “Himachal Pradesh” shall be omitted.

49. (1) All laws in force, immediately before the appointed day, in the existing Union territory of Himachal Pradesh shall continue to be in force in the State of Himachal Pradesh until altered, repealed or amended by a competent Legislature or other competent authority.

(2) For the purpose of facilitating the application in relation to the State of Himachal Pradesh of any law made before the appointed day, the appropriate Government may, within two years from that day, by order, make such adaptations and modifications of the law, whether by way of repeal or amendment, as may be necessary or expedient, and thereupon every such law shall have effect subject to the adaptations and modifications so made until altered, repealed or amended by a competent Legislature or other competent authority.

Explanation.—In this section, the expression “appropriate Government” means, as respects any law relating to a matter enumerated in the Union List in the Seventh Schedule to the Constitution, the Central Government; and as respects any other law, the Government of the State of Himachal Pradesh.

50. Notwithstanding that no provision or insufficient provision has been made under section 49 for the adaptation of a law made before the appointed day, any court, tribunal or authority required or empowered to enforce such law may, for the purpose of facilitating its application in relation to the State of Himachal Pradesh, construe the law in such manner not affecting the substance as may be necessary or proper in regard to the matter before the court, tribunal or authority, as the case may be.

Amendment
of article
210 and
article 239A.

Amendment
of Act 37 of
1956

Amendment
of Act 20 of
1963

Continuance
of existing
laws and
their
adaptation.

Power to
construe
laws.

Provisions as to continuance of courts, etc.

51. All courts and tribunals and all authorities discharging lawful functions throughout the existing Union territory of Himachal Pradesh or any part thereof immediately before the appointed day shall, unless their continuance is inconsistent with the provisions of this Act or until other provision is made by a competent Legislature or other competent authority, continue to exercise their respective functions.

Effect of provisions of Act inconsistent with other laws.

52. The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in any other law.

Power to remove difficulties.

53. (1) If any difficulty arises in giving effect to the provisions of this Act, the President may, by order, do anything not inconsistent with such provisions which appears to him to be necessary or expedient for the purpose of removing the difficulty.

(2) Every order made under this section shall be laid before each House of Parliament.

Power to make rules.

54. (1) The Central Government may, by notification in the Official Gazette, make rules to give effect to the provisions of this Act.

(2) 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.

THE FIRST SCHEDULE

[See section 19(1)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED CASTES) ORDER, 1950

(1) In paragraph 2, for the figure "XIII", the figure "XIV" shall be substituted, and in paragraph 4, for the portion beginning with the words, figures and letter "and any reference in Parts IVA and X of the Schedule" and ending with the words and figures "the first day of November, 1966", the following shall be substituted, namely:—

"any reference in Parts IVA and X of the Schedule to a State or to a district or other territorial division thereof shall be construed as reference to the State, district or other territorial division constituted as from the first day of November, 1966; and any reference in Part XIV to a State or to a district or other territorial division thereof shall be construed as a reference to the State, district or other territorial division constituted as from the day appointed under clause (b) of section 2 of the State of Himachal Pradesh Act, 1970".

(2) In the Schedule, after Part XIII, the following Part shall be inserted, namely:—

"PART XIV.—Himachal Pradesh

1. Throughout the State except the territories specified in sub-section

(1) of section 5 of the Punjab Reorganisation Act, 1966 (31 of 1966):—

1. Ad-dharmi
2. Badhi or Nagalu
3. Bandhela
4. Balmiki, Chura or Bhangi
5. Bangali
6. Banjara
7. Bansi
8. Barad
9. Barar
10. Batwal
11. Bawaria
12. Bazigar
13. Bhanjra
14. Chamar, Mochi, Ramdasi, Ravidasi or Ramdasia
15. Chanal
16. Chhimbe (Dhobi)
17. Chuhre
18. Dagi
19. Daole
20. Darai or Daryai
21. Daule
22. Dhaki or Toori
23. Dhaogri or Dhuai
24. Doom or Doomna
25. Dumne (Bhanjre)
26. Hali
27. Hesi
28. Jogi
29. Julahe
30. Kabirpanthi, Julaha or Keer
31. Kamoh or Dagoli
32. Karoack
33. Khatik
34. Koli
35. Lohar
36. Mazhabi
37. Megh
38. Nat

39. Od
40. Pasi
41. Phrera
42. Rehar
43. Rehara
44. Sansi
45. Sapela
46. Sarde, Sarare or Siryare
47. Sarehde
48. Sikligar
49. Sipi
50. Sirkiband
51. Teli
52. Thathiar or Thathera.

2. In the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966 (31 of 1966):—

1. Ad Dharmi
2. Bangali
3. Barar, Burar or Berar
4. Batwal
5. Bauria or Bawaria
6. Bazigar
7. Balmiki, Chura or Bhangi
8. Bhanjra
9. Chamar, Jatia Chamar, Rehgar, Raigar, Ramdasi or Ravidasi
10. Chanal
11. Dagi
12. Darain
13. Dhanak
14. Dhogri, Dhangri or Siggi.
15. Dumna, Mahasha or Doom
16. Gagra
17. Gandhila or Gandil Gondola
18. Kabirpanthi or Julaha
19. Khatik
20. Kori or Koli
21. Marija or Marecha
22. Mazhabhi
23. Megh
24. Nat
25. Od
26. Pasi
27. Perna

- 28. Pherera
- 29. Sanhai
- 30. Sanhal
- 31. Sansoi
- 32. Sansi, Bhedkut or Manesh
- 33. Sapela
- 34. Sarera
- 35. Sikligar
- 36. Sirkiband.”.

THE SECOND SCHEDULE

[See section 19(2)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED CASTES) (UNION TERRITORIES) ORDER, 1951

(1) In paragraph 4, for the words and figures “Parts II and V” in both the places where they occur, the word and figure “Part V” shall be substituted.

(2) In the Schedule, Part II shall be omitted.

THE THIRD SCHEDULE

[See section 20(1)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED TRIBES) ORDER, 1950

(1) In paragraph 2, for the figure “XII”, the figure “XIII” shall be substituted, and in paragraph 3, for the portion beginning with the words, figures and letter “and any reference in Parts IV and VIIA” and ending with the words, figures and letters “as from the 1st day of May, 1960”, the following shall be substituted, namely:—

“any reference in Parts IV and VIIA of the Schedule to a State or to a district or other territorial division thereof shall be construed as a reference to the State, district or other territorial division constituted as from the 1st day of May, 1960; and any reference in Part XIII to a State or to a district or other territorial division thereof shall be construed as a reference to the State, district or other territorial division constituted as from the day appointed under clause (b) of section 2 of the State of Himachal Pradesh Act, 1970”.

(2) In the Schedule, after Part XII, the following Part shall be inserted, namely:—

“PART XIII.—Himachal Pradesh

1. Throughout the State except the territories specified in sub-section (1) of section 5 of the Punjab Reorganisation Act, 1966 (31 of 1966):

- 1. Gaddi
- 2. Gujjar

3. Jad, Lamba, Khampa and Bhot or Bodh
 4. Kanaura or Kinnara
 5. Lahaula
 6. Pangwala.
2. In Lahaul and Spiti district:—
1. Gaddi
 2. Swangla
 3. Bhot or Bodh.”.

THE FOURTH SCHEDULE

[See section 20(2)]

AMENDMENT OF THE CONSTITUTION (SCHEDULED TRIBES) (UNION TERRITORIES) ORDER, 1951

(1) For paragraph 3, the following paragraph shall be substituted, namely:—

“3. Any reference in this Order to a Union territory shall be construed as a reference to the territory constituted as a Union territory as from the 1st day of November, 1956.”.

(2) In the Schedule, Part I shall be omitted.

THE CONSTITUTION (TWENTY-THIRD) AMENDMENT
ACT, 1969

[23rd January, 1970]

An Act further to amend the Constitution of India.

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

1. This Act may be called the Constitution (Twenty-third Amendment) Act, 1969. Short title.
2. In article 330 of the Constitution, in sub-clause (b) of clause (1), for the words "except the Scheduled Tribes in the tribal areas of Assam", the words "except the Scheduled Tribes in the tribal areas of Assam and in Nagaland" shall be substituted. Amendment of article 330.
3. In article 332 of the Constitution, in clause (1), for the words "except the Scheduled Tribes in the tribal areas of Assam", the words "except the Scheduled Tribes in the tribal areas of Assam and in Nagaland" shall be substituted. Amendment of article 332.
4. (1) In article 333 of the Constitution, for the words "nominate such number of members of the community to the Assembly as he considers appropriate", the words "nominate one member of that community to the Assembly" shall be substituted. Amendment of article 333.
(2) Nothing contained in sub-section (1) shall affect any representation of the Anglo-Indian community in the Legislative Assembly of any State existing at the commencement of this Act until the dissolution of that Assembly.
5. In article 334 of the Constitution, for the words "twenty years", the words "thirty years" shall be substituted. Amendment of article 334.

INDEX

[A]

ACQUISITION :

Banking Companies (— and Transfer of Undertakings) Act.
Requisitioning an — of Immovable Property (Amendment) Act.

AGRICULTURAL PRODUCE :

— Cess (Amendment) Act.

AGRICULTURAL UNIVERSITIES :

Haryana and Punjab — Act]

AIR FORCE :]

Army, — and Naval Law (Amendment) Act

APPROPRIATION :

— Act
— (No. 2) Act]
— (No. 3) Act
— (No. 4) Act
— (No. 5) Act
— (Railways) Act
— (Railways) No. 2 Act
— (Railways) No. 3 Act
— (Railways) No. 4 Act
— (Railways) No. 5 Act
— (Vote on Account) Act
Manipur — Act
Manipur — (No. 2) Act
West Bengal — Act
West Bengal — (No. 2) Act
West Bengal — (Vote on Account) Act

ARMY :

—, Air Force and Naval Law (Amendment) Act

B

BANKING COMPANIES :

— (Acquisition and Transfer of Undertakings) Act

C

CALCUTTA :

— Port (Amendment) Act.

CENTRAL SILK BOARD :

— (Amendment) Act

CESS :

Agricultural Produce — (Amendment) Act
Iron Ore Mines Labour Welfare — (Amendment) Act

C OAL MINES :

— (Conservation and Safety) Amendment Act

CONSTITUTION :

— (Twenty-third Amendment) Act

CONTINGENCY FUND OF INDIA :

— (Amendment) Act

CONTRACT LABOUR :

— (Regulation and Abolition) Act

COUNCIL :

Indian Medicine Central —— Act

North Eastern —— Act

CRIMINAL APPELLATE JURISDICTION :

Supreme Court (Enlargement of ——) Act

D

DELEGATION OF POWERS:

West Bengal State Legislature (—) Act

DELHI :

— Shops and Establishments (Amendment) Act

— University (Amendment) Act

DOCK WORKERS :

— (Regulation of Employment) Amendment Act

DUTIES :

Additional —— of Excise (Goods of Special Importance) Amendment Act

Union —— of Excise (Distribution) Amendment Act

E

EMIGRANT LABOUR :

— Tea Districts —— (Repeal) Act

EMPLOYMENT :

Dock Workers (Regulation of ——) Amendment Act

ESSENTIAL COMMODITIES :

— (Amendment) Continuance Act

EXCISE :

Additional Duties of —— (Goods of Special Importance) Amendment Act

Union Duties of —— (Distribution) Amendment Act

F

FINANCE :

— Act

FOREIGN EXCHANGE :

— Regulation (Amendment) Act

H**HARYANA :**

— and Punjab Agricultural Universities Act

HIMACHAL PRADESH :

State of —— Act

I**IMMOVABLE PROPERTY :**

Requisitioning and Acquisition of —— (Amendment) Act

INDIAN MEDICINE CENTRAL COUNCIL :

— Act

IRON ORE MINES :

— Labour Welfare Cess (Amendment) Act

J**JAMMU AND KASHMIR :**

Central Labour Laws (Extension to ——) Act

JURISDICTION :

Supreme Court (Enlargement of Criminal Appellate) —— Act

L**LABOUR :**

Central —— Laws (Extension to Jammu and Kashmir) Act

Contract —— (Regulation and Abolition) Act

Tea Districts Emigrant —— (Repeal) Act

LABOUR WELFARE :

Iron Ore Mines —— Cess (Amendment) Act

LAWS :

Central Labour —— (Extension to Jammu and Kashmir) Act

Taxation —— (Amendment) Act

LITIGATION :

Indian Soldiers (—) Amendment Act

M**MANIPUR :**

— Appropriation Act

— Appropriation (No. 2) Act

MARRIAGE :

Special — (Amendment) Act

MERCHANT SHIPPING :

— (Amendment) Act

MINES :

Coal —— (Conservation and Safety) Amendment Act

Iron Ore —— Labour Welfare Cess (Amendment) Act

N**NAVY :**

Army, Air Force and Naval Law (Amendment) Act

NORTH EASTERN COUNCIL :

— Act

P**PARLIAMENT :**

Salaries and Allowances of Officers of —— (Amendment) Act

PATENTS :

— Act

PETROLEUM :

— (Amendment) Act

PORT :

Calcutta —— (Amendment) Act

POST OFFICE :

Indian —— (Amendment) Act

PRESS COUNCIL :

— (Amendment) Act

PUNJAB :

Haryana and —— Agricultural Universities Act

R**RAILWAYS :**

Appropriation (—) Act

Appropriation (—) No. 2 Act

Appropriation (—) No. 3 Act

Appropriation (—) No. 4 Act

Appropriation (—) No. 5 Act

REQUISITIONING :

— and Acquisition of Immoveable Property (Amendment) Act

S**SALARIES AND ALLOWANCES :**

— of Officers of Parliament (Amendment) Act

SHIPPING :

Merchant —— (Amendment) Act

SHOPS AND ESTABLISHMENTS :

Delhi —— (Amendment) Act

SILK BOARD :

Central —— (Amendment) Act

SOLDIERS :

Indian —— (Litigation) Amendment Act

SPECIAL MARRIAGE :

— (Amendment) Act

STATE LEGISLATURE :

West Bengal—(Delegation of Powers) Act

SUPREME COURT :

— (Enlargement of Criminal Appellate Jurisdiction) Act

T**TAXATION LAWS :**

—(Amendment) Act

TEA:

—(Amendment) Act

TEA DISTRICTS EMIGRANT LABOUR :

—(Repeal) Act

U**UNDERTAKINGS :**

Banking Companies (Acquisition and Transfer of—) Act

UNIVERSITIES

Delhi—(Amendment) Act

Haryana and Punjab Agricultural—Act

UNIVERSITY GRANTS COMMISSION:

—(Amendment) Act

V**VOTE ON ACCOUNT :**

Appropriation (—) Act

West Bengal Appropriation (—) Act.

W**WEST BENGAL :**

—Appropriation Act

—Appropriation (No. 2) Act

—Appropriation (Vote on Account) Act

—State Legislature (Delegation of Powers) Act