INDUSTRIES DEPARTMENT

NOTIFICATION

Delhi, the 30th April, 1983

No. KVI-1(3)/79-DDI(R)/Vol. II—In exercise of the powers conferred by sub-section (3) of section 1 of the Himachal Pradesh Khadi and Village Industries Board Act, 1966 (Himachal Pradesh Act No. 8 of 1966), as extended to the Union territory of Delhi, the Administrator of Union territory of Delhi, hereby, appoints 1st May, 1983 as the date from which the aforesaid Act shall come into force in the said Union territory.

By order and in the name of
the Administrator of the
Union territory of Delhi.
A.S. AWASTHI, Dy. Secy. (Industries)

MINISTRY OF HOME AFFAIRS

NOTIFICATION

New Delhi, the 28th February, 1983

G.S.R. —In exercise of the powers conferred by section 2 of the Union Territories (Laws) Act, 1950 (30 of 1950) the Central Government hereby extends to the Union territory of Delhi, the Himachal Pradesh Khadi and Village Industries Board Act, 1966 (H.P. Act 8 of 1966), as in force in the State of Himachal Pradesh on the date of this notification, subject to the following modifications, namely :-

MODIFICATIONS

1. Throughout the Act, unless otherwise directed :—

(a) for the words, figures and abbreviation "the areas comprised in Himachal Pradesh immediately before 1st November, 1966", the words "the Union territory of Delhi" shall be substituted;

(b) for the words "State Government" the word "Administrator" shall be substituted and there shall also be made in any sentence in which these words occur, such consequential amendments as the rules of grammer may require;

(c) for the words "Official Gazette", the words "Delhi Gazette" shall be subst ituted.

2. In section 1, for sub-section (2), the following sub-section shall be substituted, namely :-

"(2) It extends to the whole of the Union territory of Delhi".

3. In section 2, before clause (b), the following clause shall be inserted, namely :-

(a) "Administrator" means the Administrator of the Union territory of Delhi appointed by the President under article 239 of the Constitution".

4. In section 3, for the words "Himachal Pradesh Khadi and Village Industries Board", the words "Delhi Khadi and Village Industries Board" shall be substituted.

5. In section 9, in sub-section (3), for the words "officers of the Government", the words "officers serving in connection with the administration of the Union territory of Delhi" shall be substituted.

6. In section 22, in sub-section (4), for the words "State Government", the words "Central Government" shall be substituted.

7. In section 27, in sub-section (3) for the words "on the table of the Legislative Assembly", the words "before the Metropolitan Council of Delhi" shall be substituted.

8. In section 28, in sub-section (2) for the words "on the Table of the Legislative Assembly," the words "before the Metropolitan Council of Delhi" shall be substituted.

9. In section 32, in sub-section (5), in clause (ii), for the words "State Government", the words "Central Government" shall be substituted.

10. In section 35, sub-section (3) shall be omitted.

ANNEXURE

The Himachal Pradesh Khadi and Village Industries Board Act, 1966 (Himachal Pradesh Act No. 8 of 1966) as extended to the Union Territory of Delhi.

AN

ACT

To provide for the establishment of a Board for the development of Khadi and Village Industries in the areas as comprised in Himachal Pradesh immediately before 1st November, 1966 and for matters connected therewith.

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Seventeenth Year of the Republic of India as follows :-

CHAPTER 1

PRELIMINARY

1. Short title, extent and commencement—(1) This Act may be called the Himachal Pradesh Khadi and Village Industries Board Act, 1966.

(2) It extends to the whole of the Union territory of Delhi.

(3) It shall come into force on such date as the Administrator may, by notification in the Delhi Gazette, appoint in this behalf.

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

(a) "Administrator" means the Administrator of the Union territory of Delhi appointed by the President under article 239 of the Constitution;

(b) "Board" means the Delhi Khadi and Village Industries Board established under section 3;

(c) "Chairman" means the chairman of the Board;

(d) "Commission" means the Khadi and Village Industries Commission established under section 4 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956).

(e) "Khadi" means any cloth woven on handlooms in India from cotton, silk or woollen yarn, hand-spun in India or from a mixture of any two or all of such yarn;

(f) "Member" means a member of the Board;

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

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

(i) "Vice-Chairman" means the vice-chairman of the Board;

(j) "village industries" means :-

(i) all or any of the industries specified in the Schedule to the Khadi and Village Industries Commission Act, 1956 (61 of 1956), and includes any other industry deemed to be specified in the said Schedule by virtue of section 3 of the said Act; and

(ii) any other industry notified as a village industry by the Administrator after consultation with the Commission and the Board.

CHAPTER II

THE DELHI KHADI AND VILLAGE INDUSTRIES BOARD

3. Establishment of the Board - (1) With effect from such date as the Administrator may by notification in the Delhi Gazette fix in this behalf, there shall be establishment for the purposes of this Act a Board to be called the Delhi Khadi and Village Industries Board.

2. The Board shall be a body corporate by the name aforesaid having perpetual succession and a common seal, with power to acquire, hold and dispose of property and to contract and may, by the said name sue and to be sued :

Provided that any lease, sale or the transfer to any person or authority other than the Commission of any immovable property belonging to the Board shall be null and void unless it is sanctioned by the Administrator.

4. Constitution of the Board - (1) The Board shall consist of not less than three and not more than nine members appointed by the Administrator after consultation with the Commission from among -

(a) non-officials, who in the opinion of the Administrator have shown active interest in the production and development of Khadi and Village Industries; and

(b) officials.

(2) The Administrator shall, after consultation with the Commission nominate one of the members of the Board to be Chairman thereof.

(3) The Chairman shall exercise such powers and perform such duties as may be prescribed.

5. Vice-chairman - The Administrator may, after consultation with the Commission, appoint from among the other members not being officials, a Vice-chairman who shall exercise such of the powers and discharge such of the duties of the Chairman as may be prescribed or as may be delegated to him by the Chairman.

6. Secretary - The Administrator shall appoint after consultation with the Commission, a member other than the Chairman or the Vice-chairman to be the Secretary of the Board who shall exercise such powers and discharge such duties as may be prescribed or as may be delegated to him by the Chairman.

7. Resignation of office by members - Any member may resign his office by giving notice in writing to the Administrator and on such resignation being notified in the Delhi Gazette by the Administrator shall be deemed to have vacated his office.

8. Vacancies etc. not to invalidate acts and proceedings of the Board or any of its committees - No act or proceeding of the Board or any of its committees shall be invalid by reason only of the existence of any vacancy in its membership or by reason of any defect in the constitution thereof

9. Temporary association of persons with the Board for particular purposes - (1) The Board may associate with itself in such manner and for such purposes as may be determined by regulations made under this act, any person whose assistance or advice it may desire in complying with any of the provisions of this Act.

(2) A person associated with the Board under sub-section (1) for any purpose shall have the right to take part in the discussions of the Board relevant to that purpose, but shall not have the right to vote and shall not be a member for any other purpose.

(3) The Administrator may, by order, depute one or more officers serving in connection with the administration of the Union territory of Delhi to attend any meeting of the Board and to take part in any discussion of the Board, but such officer or officers shall not have the right to vote.

10. Meetings of the Board - (1) The Board shall meet at such times and places and shall, subject to the provisions of sub-sections (2) to (4) observe such rules of procedure in regard to the transaction of business at its meeting, including the quorum at meetings, as may be provided by regulations made by the Board under this Act :

Provided that the Board shall meet at least once in every two months.

(2) The Chairman may, whenever he thinks fit, call a special meeting of the Board.

(3) The Chairman or in his absence, the Vice-Chairman or, in the absence of both the Chairman and the Vice-Chairman, any member chosen by the members present from among themselves, shall preside at a meeting of the Board.

(4) All questions at a meeting of the Board shall be decided by a majority of votes of the members present and voting and in the case of an equality of votes, the Chairman, or, in his absence the person presiding shall have a second or casting vote.

(5) Minutes of the proceedings of each meeting of the Board shall be drawn up and recorded in a register to be kept for that purpose, and shall be laid before the next ensuing meeting of the Board and signed at such meeting by the presiding officer thereof and copies of such minutes shall be forwarded to the Admistrator and the Commission within fifteen days from the date on which they are signed as aforesaid.

11. Terms of the office and conditions of service of the Chairman, Vice-chairman, Secretary and other members - the term of office and terms and

conditions of service of the Chairman, Vice-chairman, Secretary and other members shall be such as may be prescribed.

12. Standing Committees - (1) There shall be constituted from among the members in the prescribed manner a Standing Finance Committee which shall exercise such of the powers relating to the finances of the Board as may be specified by regulations made by the Board under this Act.

(2) The Board may constitute such other standing committees consisting of such numbers of members and in such manner as may be prescribed for exercising any power or discharging any dutyof the Board, or for enquiring into, or reporting and advising on, any matter which the Board may refer to them.

(3) The Standing Finance Committee or any other standing committee constituted under this section shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its business at its meetings, including the quorum at meetings, as may be provided by regulation made by the Board under this Act.

13. Officers and servants of the Board - (1) The Administrator shall appoint a person not being a member, to be the Financial Advisor and Chief Accounts Officer who shall excercise such power and perform such duties as may be prescribed.

(2) The Administrator shall appoint a person, not being a member, to the Executive Officer of the Board and the Executive Officer shall exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Chairman.

(3) Subject to such rules as may be made by the Administrator in this behalf, the Board may appoint such other officers and servants as it considers necessary for the efficient performance of its functions :

Provided that no person whose honorarium or the maximum salary exceeds three hundred rupees per month shall be appointed by the Board except with the previous approval of the Administrator.

CHAPTER III

FUNCTIONS AND POWERS OF THE BOARD

14. Functions of the Board - (1) Subject to the provisions of this Act, the function of the Board shall generally be to plan, organise and implement programmes for the development of Khadi and Village Industries.

(2) In particular and without prejudice to the generality of the foregoing provisions, the Board may take such steps as it thinks fit —

(a) to promote, encourage and assist in the development of khadi and village industries and to carry on trade or business in the products of such industries;

(b) to provide work to persons who have been professionally engaged in khadi and village industries;

(c) to grant loans to individuals, societies or institutions engaged in khadi and village industries on such terms as may be prescribed;

(d) to encourage establishment of co-operative societies in khadi and village industries;

(e) to conduct training centres with a view to impart the necessary skill and knowledge for carrying on khadi and village industries;

(f) to manufacture tools and implements and to arrange supply of such tools and implements and raw materials in order to secure development of khadi and village industries;

(g) to conduct publicity and propaganda and organise marketing of finished products of khadi and village industries by opening stores, shops, emporia and exhibitions;

(h) to undertake and encourage research with a view to improve the quality and marketability of khadi and the products of village industries;

(i) to collect statistics relating to khadi and village industries from such person or persons as may be prescribed and to publish the statistics so collected;

(j) to carry out any other matter which may be prescribed.

15. Power of the Commission to give directions - In the performance of its functions under this Act, the Board shall be bound by such directions as the Commission may give from time to time.

CHAPTER IV

PREPARATION AND SUBMISSION OF PROGRAMME

16. Preparation and submission of programme - Every year, on such date as may be fixed by the Administrator, the Board shall prepare and forward in advance to the Administrator a programme of work for the ensuring year showing :—

(a) the particulars of the schemes which the board proposes to execute, whether in part or whole, during such years;

(b) the particulars of any work or undertaking which the Board proposes to execute during that year for the proposes of carrying out its functions under this Act; and

(c) such other particulars as may be prescribed.

17. Sanction of programme - The Administrator may after consultation with the Commission, approve and sanction the programme refered to in section 16 in whole or with such modification as he considers fit.

18 Supplementary programme - The Board may, prepare and forward a supplementary programme for the sanction of the Administrator in such form and before such date as the Administrator may precsribe and the provisions of section 17 shall apply in relation to such supplementary programme.

19 Power of the Board to alter scheme - The Board may with the previous approval of the Commission, make any alteration in any scheme so long as the aggregate amount sanctioned for such scheme is not exceeded and a report of the alteration shall be sent to the Administrator in such form and within such time as may be prescribed.

CHAPTER V

FINANCE, ACCOUNTS, AUDIT AND REPORTS

20. Payment to the Board - The Administrator may pay to the Board, in each financial year, such sums by way of grants or advances as he may consider necessary for the performance of the functions of the Board under this Act.

21. Borrowing power of the Board - The Board may, from time to time, with the previous sanction of the Administrator and subject to the provisions of this Act and such conditions as he may determine, borrow any sum required for the purposes of this Act;

Provided that the previous sanction of the Administrator shall not be necessary to borrow any sum from the Commission.

22. Funds of the Board :- (1) The Board shall have two separate funds known as the khadi fund and the village industries fund and all the receipts obtained by the Board from time to time by way of grants, donations, gifts, advances or loans for the purpose of khadi or village industries shall be credited to the khadi fund or, as the case may be, the village industries fund and all payments by the Board for or in respect of khadi or village industries shall be made from the appropriate fund.

(2) The Board may accept grants, donations and gifts from the Central Government or the Government of State or Union territory or any local authority or any body or association whether incorporated or not or any individual for all or any of the purposes of this Act.

(3) If at any time the amount available in either of the two funds referred to in sub-section (1) is in excess of the requirement of that fund and the amount available in the other fund is insufficient to meet the requirements of that fund, the Board, with the previous approval of the Administrator, transfer from the first mentioned fund the excess amount or such part thereof as may be necessary to the other fund.

Explanation - For the purpose of computing the amount available in either of the two funds, the amounts accepted under sub-section (2) shall not be taken into account.

(4) All moneys belonging to the Board shall be deposited with the State Bank of India or a subsidiary bank or where there is no office of the State Bank of India or subsidiary bank, in a Government treasury or be invested in such securities as may be approved by the Central Government.

(5) The accounts of the Board shall be operated upon by such officers jointly or individually as may be authorised by the Board.

23. Power of the Board to spend - Subject to the provisions of section 25, the Board shall have power to spend such sums as it thinks fit on purposes authorised by this Act :

Provided that nothing in this section shall be deemed to prevent the Board from spending, with the previous approval of the Administrator, such moneys as it thinks fit on any such purpose outside the Union territory of Delhi.

24. Application of funds and properties : All properties, funds and other assets of the Board shall be held and applied by it subject to the provisions, and for the purposes, of this Act.

25. Budget : (1) The Board shall by such date in each year as may be prescribed, prepare and submit to the Administrator for approval two separate budget in the prescribed form for the next financial year, to be called the khadi budget and the village industries budget, showing the estimated receipts and expenditure in respect of khadi and village industries respectively during the financial year and the Board shall forward copies of the budget to the Commission for information and remarks, if any.

(2) Subject to the provisions of sub-sections (3) and (4), no sums shall be expended by or on behalf of the Board unless such expenditure is covered by a specific provision in the budget approved by the Administrator.

(3) The Board may, within the respective limits of the khadi budget and the village industries budget, sanction any re-appropriation from one head of expenditure to another or from a provision made for one scheme to that in respect of another but, subject to the provisions of sub-section (3) of section 22, in no case shall a re-appropriation of funds be made from

the khadi budget to the village industries budget or from the village industries budget to the khadi budget :

Provided that no re-appropriation from the head "Loan" to any other head of expenditure and vise verse in either budget shall be sanctioned by the Board except with the previous approval of the Administrator.

(4) The Board may, within such limits and subject to such conditions as may be prescribed incur expenditure in excess of the limit provided in the budget approved by the Administrator under any head of expenditure or in connection with any particular scheme so long as the aggregate amount in either budget approved by the Administrator is not exceeded.

26. Supplementary Budget - The Board may, in any year, submit a supplementary budget for the approval of the Administrator in such form and before such date as the Administrator may prescribe and the provisions of section 25 shall apply in relation to such supplementary budget.

27. Annual Report - (1) The Board shall prepare and forward to the Administrator in such manner as may be prescribed, an annual report within three months from the end of each financial year giving a complete account of its activities, policy and programme during the previous financial year along with a copy of the annual statement of accounts referred to in section 29.

(2) The Board shall prepare and forward to the Commission an annual report within three months from the end of each financial year giving a complete account of the funds received by the Board from the Commission and the activities carried on by the Board with respect to those funds during the previous financial year.

(3) The report referred to in sub-section (1) together with a copy of the said annual statement of account shall be laid before the Metropolitan Council of Delhi as soon as may be, after it is received by the Administrator.

28. Returns and statements (1) The Board shall furnish to the Administrator and the Commission at such time and in such form and manner as

may be prescribed or as the Administrator or the Commission may direct, such returns and statements and such particulars in regard to any proposed or existing programme for the promotion and development of khadi existing programme for the promotion and development of khadi and village industries as the Administrator or as the case may be, the Commission may from time to time require.

(2) All returns, statements and particulars furnished by the Board to the Administrator under sub-section (1) shall, as soon as possible after they are so furnished, be laid before the Metropolitan Council of Delhi.

29. Accounts and Audit - (1) The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance sheet in such form and in such manner as may be prescribed.

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(2) The accounts of the Board shall be audited by such person as the Administrator may appoint in this behalf.

(3) The auditor or auditors appointed by the Commission shall have the right to audit and inspect the accounts of the Board pertaining to the funds advanced by the Commission

(4) The auditors appointed under sub-sections (2) and (3) shall, in relation to such audit, generally have such rights, privileges and authority as may be prescribed and shall, in particular, have the right to demand the production of books, accounts vouchers and other documents in connection with the audit and to inspect any of the offices of the Board.

(5) The accounts of the Board as certified by such auditors together with the audit report thereon shall be forwarded annually to the Administrator and the Commission before such date as the Administrator may specify in this behalf.

(6) The Board shall comply with such directions as the Administrator may, after perusal of the reports of the auditors, think fit to issue.

CHAPTER VI
MISCELLANEOUS

30. Members and Servants of Board to be Public Servants - Members and officers and other employees of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of this Act to be public servants within the meaning of section 21 of the Indian Penal Code (45 of 1860).

31. Protection of Action Taken Under This Act - No suit prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or purported to be done by or under this Act.

32. Dissolution of the Board - (1) If, at any time the Administrator is satisfied that -

(a) the Board has without reasonable cause or excuse, made default in the discharge of its duties or in the performance of its functions imposed or entrusted by or under this Act, or exceeded or abused its powers; or

(b) circumstances have so arisen that the Board is rendered unable to discharge its duties or perform its functions under this Act; or

(c) It is otherwise expedient or necessary to dissolve the Board;

the Administrator may, by notification in Delhi Gazette, dissolve the Board from such date and for such period as may be specified in the notification and declare that the duties, powers and functions of the Board shall, during the period of its dissolution be discharged, excercised and performed by such person or authority as may be specified in the notification :

Provided that Administrator shall, before dissolving the Board give a reasonable opportunity to it to show cause against the proposed action,

(2) The Administrator shall, before the expiration of the period of dissolution, reconstitute the Board in accordance with the provisions of this Act.

(3) The Administrator may make such incidental and consequential provisions as may appear to him to be necessary for giving effect to the provisions of this section.

(4) Any notification issued or order made by the Administrator under this section shall be final and shall not be questioned in any civil court.

(5) When the Board is dissolved under sub-section (1) -

(i) all members shall, from the date of dissolution, vacate their offices as such members;

(ii) all properties, funds and dues, which are vested in, or realisable by, the Board shall, during the period of dissolution vest in or be realisable by the Central Government;

(iii) all claims and liabilities legally subsisting and enforceable by or against the Board shall be enforceable as if those claims and liabilities had been entertained or incurred, as the case may be, in connection with the administration of the Union territory of Delhi.

33. Recovery of Arrears - If any amount due to the Board in accordance with the terms of a contract or otherwise or any sum payable in connection therewith, has not been paid, the Board may, without prejudice to any other remedy provided by law, recover such amount or sum as if it were an arrear of land revenue.

34. Power to Write off Irrecoverable Sums - The Board shall be competent to write off any sum due to if such sum is, in its opinion, irrecoverable :

Provided that—

(i) where the sum written off in favour of any one person exceeds five hundred rupees; or

(ii) where the aggregate of the sums written off in a financial year exceeds five thousand rupees,

the previous sanction of the Administrator shall first be obtained.

35. Power to Make Rules - (1) The Administrator may, by notification in the Delhi Gazette, make rules to give effect to the provisions of this Act.

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

(a) the place at which the office of the Board shall be located;

(b) the terms of office of and the manner of filling casual vacancies among the members and the terms and conditions of service of the Chairman, Vice-chairman the Secretary and the other members, including the pay and allowances to be paid to them and the travelling and daily allowances to be drawn by them;

(c) the disqualifications for membership of the Board and the procedure to be followed for removing a member who is or who becomes subject to any disqualification;

(d) the powers and duties to be exercised and discharged by the Chairman and the Vice-Chairman;

(e) the procedure to be followed in the performance of functions by members;

(f) the power and duties to be exercised and discharged by the Secretary, the Fnancial Advisor and Executive Officer of the Board;

(g) the conditions subject to which, and the mode in which contracts may be entered into by or on behalf of the Board;

(h) the constitution of the Standing Finance Committee and other standing comittees.

(i) the date by which and the form in which the budgets and the supplementary budgets shall be prepared and submitted each year under sections 25 and 26;

(j) the procedure to be followed for placing the Board in possession of funds;

(k) the procedure to be followed and the conditions to be observed in borrowing moneys and in granting loans;

(l) the form and the manner in which the reports, returns or statements shall be submitted under sections 27 and 28;

(m) the form and the manner in which the accounts and records of the Board shall be maintained and the annual statement of accounts shall be prepared under section 29; and

(n) any other matter which has to be, or may be, prescribed.

36. Power to Make Regulations - (1) The Board may, with the previous sanction of the Administrator, by notification in the Delhi Gazette, make regulations not inconsistent with this Act and the rules made thereunder, for enabling it to perform its functions under this Act.

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

(a) the terms and conditions of appointment and service and the scales of pay of officers and other employees of the Board other than the Secretary, including the payment of travelling and daily allowances in respect of journeys undertaken by such officers and employees for the purpose of this Act.

(b) the time and place of meetings of the Board, the procedure to be followed in regard to the transaction of business at such meetings and the quorum necessary for such meetings;

(c) the functions of standing committees and the procedure to be followed by the standing committees in the performance of their functions;

(d) the delegation of powers and duties to the Chairman, Vice-chairman, any standing committee, the Secretary or any other officer or employee of the Board;

(e) the maintenance of minutes of meetings of the Board;

(f) the persons by whom and the manner in which payments deposits and investments may be made on behalf of the Board;

(g) the custody of moneys required for the current expenditure of the Board and the investments of moneys not so required; and

(h) the maintenance of accounts.

(3) The Administrator may, by notifica.ion in the Delhi Gazette, rescind or modify any regulation made under this section and thereupon, the regulation shall cease to have effect or be modified accordingly.

[U-11015/182-UTL(151)]
H.V. GOSWAMI
Joint Secretary to the Govt. of India