

⊗ REPEALED

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Not Corrected: See India Code

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Abolished
Not Corrected: See India Code
Abolished

TABLE SHOWING EFFECT OF PARLIAMENTARY LEGISLATION OF 1967

Part I.—Central Acts amended, repealed or otherwise affected.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 1967 Act by which affected
1	2	3	4	5
1870	7	Court-fees Act, 1870 (as in force in the Union Territory of Delhi)	S. 4 and Schedule II amended.	28; ss. 2 and 3.
1894	1	Land Acquisition Act, 1894	Ss. 5A and 6 amended.	13; ss. 2 and 3.
1898	6	Indian Post Office Act, 1898	First Schedule amended.	20; s. 43.
1920	34	Indian Passport Act, 1920	S. 1 amended.	15; s. 25.
1923	19	Indian Official Secrets Act, 1923.	Ss. 1, 12 and 15 substituted. Ss. 2, 3, 5, 6, 7, 8, 10 and 13 amended.	24; ss. 2, 10 and 12. <i>Ibid.</i> , ss. 3, 4, 5, 6, 7, 8, 9 and 11.
1934	32	Indian Tariff Act, 1934	First Schedule amended First Schedule amended (w.e.f. 1-1-1968).	20; s. 37. 31; s. 2. *
1944	1	Central Excises and Salt Act, 1944.	First Schedule amended.	20; s. 40.
1949	1	Indian Tariff (Amendment) Act, 1949.	Ss. 4 and 5 amended.	12; s. 4.
1951	43	Representation of the People Act, 1951.	S. 73 amended.	10; s. 2.
1953	29	Tea Act, 1953	Long title and s. 3 amended. S. 25 substituted.	21; ss. 2 and 3. <i>Ibid.</i> , s. 4.
1955	10	Essential Commodities Act, 1955.	S. 3 amended (up to 31-3-1968). Ss. 2, 3, 6A, 6B, 6C, 7 and 9 amended. S. 10A inserted.	14; s. 2. 36; ss. 2, 3, 4, 5, 6, 7 and 8. <i>Ibid.</i> s. 9.
1956	1	Companies Act, 1956	Ss. 2, III, 156, 234A, 240A, Chapter IVA of Part VI, ss. 388B, 388C, 388D, 388E and 635 B amended (w.e.f. 1-7-1967). Ss. 10A, 10B, 10C and 10D omitted (w.e.f. 1-7-1967)	17; s. 4 and Schedule. <i>Ibid.</i> , s. 4 and Schedule.

1	2	3	4	5
1957	27	Wealth-tax Act, 1957	Ss. 2, 8, 10 and 11 amended. Ss. 8A and 11A substituted. S. 11B inserted. Ss. 31 and 34A amended (w.e.f. 1-10-1967).	20; s. 34. <i>Ibid.</i> , s. 34. <i>Ibid.</i> , s. 34. 27; s. 2.
1957	33	Cotton Fabrics (Additional Excise Duty) Act, 1957.	Repealed	26; s. 2.
1958	18	Gift-tax Act, 1958	Ss. 7, 9, 10, 11A and 45 amended (w.e.f. 1-4-1967). Ss. 7A and 11 substituted (w.e.f. 1-4-1967). S. 11A inserted (w.e.f. 1-4-1967). Ss. 32 and 33A amended.	20; s. 35. <i>Ibid.</i> , s. 35. <i>Ibid.</i> , s. 35. 27; s. 3.
1958	27	Mineral Products (Additional Duties of Excise and Customs) Act, 1958.	S. 3 amended.	11; s. 2.
1959	29	Public Wakfs (Extension of Limitation) Act, 1959.	S. 3 amended.	22; s. 2.
1961	43	Income-tax Act, 1961	Ss. 2, 10, 23, 29, 32, 33, 33A, 34, 35, 35A, 36, 43, 44, 47, 49, 55, 72, 84, 88, 121, 124, 138, 172, 193, 197, 198, 199, 200, 202, 204, 205, 209, 215 and First Schedule amended (w.e.f. 1-4-1967). Ss. 33B, 43A, 130A, 194A and 206-A inserted (w.e.f. 1-4-1967). S. 80F inserted (w.e.f. 1-4-1966). S. 84 amended (retrospectively) S. 85 substituted (retrospectively) Ss. 123, 125, 127, 128, 196 and 203 substituted (w.e.f. 1-4-1967). Ss. 10, 32, 33, 33A, 35, 36, 41, 43, 66, 71, 72, 74, Chapter VIII (Heading), ss. 104, 109, 112A, 197, 236, 280B, 280X, 295, Fourth Schedule and Fifth Schedule amended (w.e.f. 1-4-1968). Ss. 81, 82, 83, 84, 85, 85A, 85B, 85C, Heading of Part A and Part B of Chapter VIII, ss. 87, 87A, 88, 112 and 114 omitted (w.e.f. 1-4-1968). Chapter VIA substituted (w.e.f. 1-4-1968). Ss. 37, 132A, 139, 201, 213 to 217, 220, 243, 244 and 280 X amended (w.e.f. 1-10-1967).	20; ss. 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 24, 26, 27, 28, 29, 30, 31 and 32. <i>Ibid.</i> , ss. 11, 17, 27 and 30. <i>Ibid.</i> , s. 23. <i>Ibid.</i> , s. 24. <i>Ibid.</i> , s. 25. <i>Ibid.</i> , ss. 27 and 30. <i>Ibid.</i> , s. 33 and Third Schedule. <i>Ibid.</i> , s. 33 and Third Schedule. <i>Ibid.</i> , s. 33 and Third Schedule. 27; s. 4.

Table showing effect of Parliamentary Legislation of 1967

V

I	2	3	4	5
1961	47	Deposit Insurance Corporation Act, 1961.	S. 30 substituted (w.e.f. 1-4-1967).	20; s. 44.
1962	51	Defence of India Act, 1962.	S. 6 amended.	24; s. 13.
1964	7	Companies (Profits) Surtax Act, 1964.	Ss. 3, 18 and First Schedule amended (w.e.f. 1-4-1967).	20; s. 36.
1964	47	Essential Commodities (Amendment) Act, 1964.	S. 1 modified (retrospectively).	14; s. 4.
1967	12	Finance Act, 1967	S. 1 modified.	36; s. 10.
1967	20	Finance (No. 2) Act, 1967	Ss. 2 and 3 repealed (retrospectively).	20; s. 47.
			S. 3 amended.	27; s. 5.
			Second Schedule substituted (w.e.f. 14-9-1967).	<i>Ibid.</i> , s. 5.

Part II.—Central Ordinances repealed

Year	No.	Short title of the Ordinance	No. and section of 1967 Act by which repealed
1966	12	Mineral Products (Additional Duties of Excise and Customs) Ordinance, 1966.	11; s.3.
1966	13	Essential Commodities (Second Amendment) Ordinance, 1966.	14; s.5.
1967	1	Land Acquisition (Amendment and Validation) Ordinance, 1967.	13; s.5.
1967	2	Representation of the People (Amendment) Ordinance, 1967.	10; s.3.
1967	3	Anti-Corruption Laws (Amendment) Ordinance, 1967.	16; s.3.
1967	4	Passports Ordinance, 1967.	15; s.27.
1967	5	Taxation Laws (Amendment) Ordinance, 1967.	27; s.6.
1967	6	Essential Commodities (Amendment) Ordinance, 1967.	36; s. 11.
1967	7	Court-fees (Delhi Amendment) Ordinance, 1967.	28; s.5.
1967	8	Essential Commodities (Second Amendment) Ordinance, 1967.	36; s.11.

Part III.—Central Regulation amended

Year	No.	Short title of Regulation	How affected	No. and section of 1967 Act by which affected
1958	2	Armed Forces (Special Powers) Regulation, 1958.	S. 1 amended. S. 8 omitted.	9; s.2. <i>Ibid.</i> , s. 3.

Part IV.—Constitution of India amended

How affected	No. and section of 1967 Act by which affected
Schedule VIII amended.	Constitution (Twenty-first Amendment) Act, 1967, s. 2.

THE APPROPRIATION ACT, 1967

NO. I OF 1967

[31st March, 1967]

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 1966-67.

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

1. This Act may be called the Appropriation Act, 1967.

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, five hundred and ninety-two crores, eighty-five lakhs and sixty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1966-67, in respect of the services specified in column 2 of the Schedule.

Issue of
Rs.
15,92,85,65,000
out
of the
Consoli-
dated
Fund of
India for
the year
1966-67.

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

Appro-
priation.

Appropriation
THE SCHEDULE

(See sections 2 and 3)

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce .	4,50,000	..	4,50,000
5	Defence Services, Effective—Army . . .	23,23,64,000	..	23,23,64,000
6	Defence Services, Effective—Navy . . .	3,97,61,000	..	3,97,61,000
7	Defence Services, Effective—Air Force . . .	6,42,85,000	..	6,42,85,000
8	Defence Services—Non-Effective . . .	57,40,000	..	57,40,000
9	Ministry of Education .	4,49,000	..	4,49,000
13	Botanical Survey .	1,48,000	..	1,48,000
15	Other Revenue Expenditure of the Ministry of Education . . .	35,95,000	..	35,95,000
16	External Affairs . . .	75,00,000	..	75,00,000
18	Ministry of Finance . . .	12,39,000	..	12,39,000
19	Customs . . .	12,50,000	..	12,50,000
20	Union Excise Duties . . .	57,90,000	..	57,90,000
21	Taxes on Income including Corporation Tax, etc.	79,15,000	..	79,15,000
22	Stamps	32,52,000	..	32,52,000
23	Audit	90,00,000	..	90,00,000
24	Currency and Coinage	2,78,26,000	..	2,78,26,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
25	Mint	24,74,000	..	24,74,000
26	Kolar Gold Mines	15,77,000	..	15,77,000
27	Pensions and Other Retirement Benefits	29,61,000	1,26,000	30,87,000
29	Opium	11,45,000	..	11,45,000
30	Other Revenue Expenditure of the Ministry of Finance	1,000	..	1,000
31	Grants-in-aid to State and Union Territory Governments	16,50,00,000	..	16,50,00,000
	<i>CHARGED.—Interest on Debt and Other Obligations and Reduction or Avoidance of Debt</i>	..	48,00,00,000	48,00,00,000
	<i>CHARGED.—Payments of States' Share of Union Excise Duties</i>	..	18,16,55,000	18,16,55,000
34	Ministry of Food, Agriculture, Community Development and Co-operation	12,34,000	..	12,34,000
35	Agriculture	4,00,00,000	..	4,00,00,000
36	Agricultural Research	1,000	..	1,000
37	Animal Husbandry	2,000	..	2,000
39	Forest	1,000	..	1,000
40	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation	40,01,000	1,85,000	41,86,000
41	Ministry of Health and Family Planning	2,25,000	..	2,25,000
44	Ministry of Home Affairs	68,41,000	..	68,41,000
45	Cabinet	2,20,000	..	2,20,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
46	Zonal Councils . . .	11,000	..	11,000
47	Administration of Justice	13,000	40,000	53,000
48	Police	1,86,85,000	..	1,86,85,000
50	Statistics	7,35,000	..	7,35,000
51	Privy Purses and Allowances of Indian Rulers	17,000	3,70,000	3,87,000
52	Delhi	2,72,01,000	3,35,000	2,75,36,000
52-A	Chandigarh	7,94,000	8,44,000	16,38,000
53	Andaman and Nicobar Islands	51,89,000	..	51,89,000
54	Tribal Areas	2,33,91,000	..	2,33,91,000
55	Dadra and Nagar Haveli Area	4,84,000	..	4,84,000
57	Other Revenue Expenditure of the Ministry of Home Affairs	1,000	..	1,000
58	Ministry of Industry	3,55,000	..	3,55,000
61	Other Revenue Expenditure of the Ministry of Industry	3,83,000	..	3,83,000
62	Ministry of Information and Broadcasting	1,87,000	..	1,87,000
63	Broadcasting	1,20,67,000	..	1,20,67,000
67	Ministry of Irrigation and Power	4,72,000	..	4,72,000
68	Multi-purpose River Schemes	26,32,000	..	26,32,000
69	Other Revenue Expenditure of the Ministry of Irrigation and Power	1,41,78,000	..	1,41,78,000
70	Ministry of Labour, Employment and Rehabilitation	6,25,000	..	6,25,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
73	Expenditure on Displaced Persons	98,55,000	29,000	98,84,000
75	Ministry of Law	59,000	..	59,000
77	Other Revenue Expenditure of the Ministry of Law	1,44,000	..	1,44,000
78	Ministry of Mines and Metals	1,69,000	..	1,69,000
80	Other Revenue Expenditure of the Ministry of Mines and Metals	2,88,00,000	..	2,88,00,000
81	Ministry of Petroleum and Chemicals	3,09,000	..	3,09,000
83	Ministry of Supply and Technical Development	2,19,000	..	2,19,000
84	Supplies and Disposals	19,36,000	..	19,36,000
85	Other Revenue Expenditure of the Ministry of Supplies and Technical Development	3,90,000	..	3,90,000
86	Ministry of Transport and Aviation	2,25,000	..	2,25,000
87	Meteorology	16,90,000	..	16,90,000
89	Communications (including National Highways) . . . . .	..	82,000	82,000
92	Aviation	2,12,04,000	..	2,12,04,000
93	Other Revenue Expenditure of the Ministry of Transport and Aviation	1,78,89,000	..	1,78,89,000
94	Ministry of Works, Housing and Urban Development	1,94,000	..	1,94,000
95	Public Works	9,00,41,000	..	9,00,41,000
102	Posts and Telegraphs Working Expenses	6,39,35,000	..	6,39,35,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
105	Department of Parliamentary Affairs	1,44,000	..	1,44,000
	CHARGED.— <i>Union Public Service Commission</i>	..	4,93,000	4,93,000
113	Capital Outlay of the Ministry of Commerce	1,95,92,000	..	1,95,92,000
116	Capital Outlay of the India Security Press	13,21,000	..	13,21,000
120	Commuted Value of Pensions	64,31,000	2,90,000	67,21,000
121	Other Capital Outlay of the Ministry of Finance	25,50,00,000	..	25,50,00,000
122	Capital Outlay on Grants to State and Union Territory Governments for Development	8,93,46,000	..	8,93,46,000
123	Loans and Advances by the Central Government	40,50,00,000	1,48,00,00,000	1,88,50,00,000
	<i>Repayment of Debt</i>	..	11,78,87,20,000	11,78,87,20,000
128	Capital Outlay of the Ministry of Home Affairs	1,72,04,000	..	1,72,04,000
129	Capital Outlay of the Ministry of Industry	1,000	..	1,000
130	Capital Outlay of the Ministry of Information and Broadcasting	36,65,000	13,000	36,78,000
132	Capital Outlay on Multi-purpose River Schemes	3,60,98,000	..	3,60,98,000
136	Capital Outlay of the Ministry of Petroleum and Chemicals	5,86,44,000	..	5,86,44,000
137	Capital Outlay on Roads	..	8,000	8,000
139	Capital Outlay on Aviation	..	94,000	94,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
140	Other Capital Outlay of the Ministry of Transport and Avia- tion	5,60,000	..	5,60,000
141	Capital Outlay on Public Works	..	7,27,000	7,27,000
142	Delhi Capital Outlay	..	26,22,000	26,22,000
145	Capital Outlay on Posts and Telegraphs (Not met from Revenue)	11,82,00,000	..	11,82,00,000
	TOTAL	1,99,19,32,000	13,93,66,33,000	15,92,85,65,000

THE APPROPRIATION (VOTE ON ACCOUNT) ACT, 1967

No. 2 OF 1967

[31st March, 1967]

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 1967-68.

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

- Short title. 1. This Act may be called the Appropriation (Vote on Account) Act, 1967.
- With-
drawal of
his Rs
51,914291000
from and
out of the
Consoli-
dated Fund
of India
for the
financial
year
1967-68.
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 five thousand one hundred and ninety-one crores, forty-two lakhs and ninety-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68.
- Appro-
priation.
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 Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce . . .	14,72,000	..	14,72,000
2	Foreign Trade	13,14,12,000	2,000	13,14,14,000
3	Other Revenue Expenditure of the Ministry of Commerce . .	6,35,66,000	..	6,35,66,000
4	Ministry of Defence . . .	27,07,000	..	27,07,000
5	Defence Services—Effective— Army	2,25,63,67,000	3,33,000	2,25,67,00,000
6	Defence Services—Effective— Navy	12,98,67,000	17,000	12,98,84,000
7	Defence Services—Effective— Air Force	53,51,00,000	33,000	53,51,33,000
8	Defence Services—Non-effec- tive	8,50,00,000	..	8,50,00,000
9	Ministry of Education . . .	31,38,000	..	31,38,000
10	Education	17,26,91,000	..	17,26,91,000
11	Archaeology	39,57,000	..	39,57,000
12	Survey of India	1,68,10,000	..	1,68,10,000
13	Grants to Council of Scientific and Industrial Research . .	5,91,26,000	..	5,91,26,000
14	Other Revenue Expenditure of the Ministry of Education	1,08,50,000	..	1,08,50,000
15	External Affairs	5,52,96,000	..	5,52,96,000
16	Other Revenue Expenditure of the Ministry of External Affairs	5,47,35,000	..	5,47,35,000
17	Ministry of Finance	89,15,000	..	89,15,000
18	Customs	1,98,62,000	12,000	1,98,74,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
19	Union Excise Duties	4,95,18,000	17,000	4,95,35,000
20	Taxes on Income including Corporation Tax, etc.	3,68,52,000	45,000	3,68,97,000
21	Stamps	1,42,53,000	..	1,42,53,000
22	Audit	6,81,59,000	10,72,000	6,92,31,000
23	Currcncy and Coinage	4,39,77,000	..	4,39,77,000
24	Mint	1,15,05,000	..	1,15,05,000
25	Kolar Gold Mines	1,66,90,000	..	1,66,90,000
26	Pensions and other Retirement benefits	3,07,60,000	9,13,000	3,16,73,000
27	Opium	2,21,29,000	..	2,21,29,000
28	Other Revenue Expenditure of the Ministry of Finance	13,10,24,000	67,000	13,10,91,000
29	Grants-in-aid to State and Union Territory Governments	1,11,40,44,000	74,40,50,000	1,85,80,94,000
30	Miscellaneous Adjustments bet- ween the Central, State and Union Territory Govern- ments	11,57,000	..	11,57,000
31	Pre-partition Payments	62,000	3,80,000	4,42,000
	Interest on Debt and other obligations and Reduction or Avoidance of Debt . . . . .	..	1,75,00,58,000	1,75,00,58,000
	Payments of States' Share of Union Excise Duties . . . . .	..	77,19,11,000	77,19,11,000
32	Ministry of Food, Agriculture, Community Development and Co-operation	49,64,000	..	49,64,000
33	Agriculture	7,75,44,000	..	7,75,44,000
34	Payments to Indian Council of Agricultural Research	5,50,19,000	..	5,50,19,000
35	Community Development Pro- jects and National Extension Service	6,31,000	..	6,31,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
36	Forest	53,81,000	..	53,81,000
37	Other Revenue Expenditure of the Ministry of Food, Agri- culture, Community Deve- lopment and Co-operation .	16,30,02,000	9,50,000	16,39,52,000
38	Ministry of Health and Family Planning	11,47,000	..	11,47,000
39	Medical and Public Health .	6,46,61,000	..	6,46,61,000
40	Other Revenue Expenditure of the Ministry of Health and Family Planning	24,37,000	..	24,37,000
41	Ministry of Home Affairs .	2,07,60,000	..	2,07,60,000
42	Cabinet	19,85,000	..	19,85,000
43	Administration of Justice .	1,10,000	8,35,000	9,45,000
44	Police	12,48,47,000	..	12,48,47,000
45	Census	35,09,000	..	35,09,000
46	Statistics	1,17,61,000	..	1,17,61,000
47	Privy Purses and Allowances of Indian Rulers	88,000	2,51,99,000	2,52,87,000
48	Territorial and Political Pensions	6,32,000	..	6,32,000
49	Delhi	11,27,44,000	3,19,000	11,30,63,000
50	Chandigarh	1,33,55,000	6,27,000	1,39,82,000
51	Andaman and Nicobar Islands	2,10,83,000	..	2,10,83,000
52	Tribal Areas	7,24,41,000	..	7,24,41,000
53	Dadra and Nagar Haveli Area .	15,21,000	..	15,21,000
54	Laccadive, Minicoy and Amin- divi Islands	32,91,000	..	32,91,000
55	Other Revenue Expenditure of the Ministry of Home Affairs	1,32,93,000	..	1,32,93,000
56	Department of Industrial Deve- lopment	16,46,000	..	16,46,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
57	Industries	1,39,39,000	3,33,000	1,42,72,000
58	Salt	18,61,000	..	18,61,000
59	Other Revenue Expenditure of the Department of Industrial Development	18,74,000	..	18,74,000
60	Ministry of Information and Broadcasting	6,07,000	..	6,07,000
61	Broadcasting	2,76,84,000	..	2,76,84,000
62	Other Revenue Expenditure of the Ministry of Information and Broadcasting	2,07,17,000	..	2,07,17,000
63	Ministry of Irrigation and Power	10,94,000	..	10,94,000
64	Multi-purpose River Schemes	72,53,000	..	72,53,000
65	Other Revenue Expenditure of the Ministry of Irrigation and Power	3,00,58,000	..	3,00,58,000
66	Ministry of Labour, Employment and Rehabilitation	26,27,000	..	26,27,000
67	Chief Inspector of Mines	16,12,000	..	16,12,000
68	Labour and Employment	4,80,23,000	2,000	4,80,25,000
69	Expenditure on Displaced Persons	3,99,16,000	20,000	3,99,36,000
70	Other Revenue Expenditure of the Ministry of Labour, Employment and Rehabilitation	11,27,000	..	11,27,000
71	Ministry of Law	20,78,000	..	20,78,000
72	Other Revenue Expenditure of the Ministry of Law	72,07,000	..	72,07,000
73	Ministry of Petroleum and Chemicals	8,72,000	..	8,72,000
	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals	1,02,37,000	..	1,02,37,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
75	Ministry of Steel, Mines and Metals	13,46,000	..	13,46,000
76	Geological Survey	3,40,92,000	..	3,40,92,000
77	Other Revenue Expenditure of the Ministry of Steel, Mines and Metals	6,33,36,000	..	6,33,36,000
78	Ministry of Tourism and Civil Aviation	5,64,000	..	5,64,000
79	Meteorology	1,11,67,000	..	1,11,67,000
80	Aviation	3,82,42,000	..	3,82,42,000
81	Other Revenue Expenditure of the Ministry of Tourism and Civil Aviation	63,06,000	..	63,06,000
82	Ministry of Transport and Shipping	42,51,000	..	42,51,000
83	Roads	4,86,84,000	..	4,86,84,000
84	Mercantile Marine	57,12,000	..	57,12,000
85	Lighthouses and Lightships	44,60,000	..	44,60,000
86	Other Revenue Expenditure of the Ministry of Transport and Shipping	1,19,21,000	..	1,19,21,000
87	Department of Works and Housing	8,03,000	..	8,03,000
88	Public Works	12,90,94,000	10,35,000	13,01,29,000
89	Stationery and Printing	4,61,78,000	..	4,61,78,000
90	Other Revenue Expenditure of the Department of Works and Housing	53,83,000	83,000	54,66,000
91	Department of Atomic Energy	8,90,000	..	8,90,000
92	Other Revenue Expenditure of the Department of Atomic Energy	5,36,33,000	..	5,36,33,000
93	Department of Communications	4,16,000	..	4,16,000

1	2	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
94	Overseas Communications Service	77,84,000	..	77,84,000
95	Posts and Telegraphs (Working Expenses)	58,54,84,000	7,000	58,54,91,000
96	Posts and Telegraphs Dividend to General Revenue and Appropriations to Reserve Funds	6,19,02,000	..	6,19,02,000
97	Other Revenue Expenditure of the Department of Communications	10,80,000	..	10,80,000
98	Department of Company Affairs	8,07,000	..	8,07,000
99	Other Revenue Expenditure of the Department of Company Affairs	16,06,000	..	16,06,000
100	Department of Parliamentary Affairs	2,00,000	..	2,00,000
101	Department of Social Welfare	5,26,000	..	5,26,000
102	Other Revenue Expenditure of the Department of Social Welfare	1,14,22,000	..	1,14,22,000
103	Department of Supply	24,26,000	..	24,26,000
104	Supplies and Disposals	1,38,49,000	..	1,38,49,000
105	Other Revenue Expenditure of the Department of Supply	11,71,000	1,000	11,72,000
106	Planning Commission	58,13,000	..	58,13,000
107	Lok Sabha	51,14,000	23,000	51,37,000
108	Rajya Sabha	18,70,000	24,000	18,94,000
	Staff, Household and Allowances of the President	..	10,79,000	10,79,000
109	Secretariat of the Vice-President	87,000	..	87,000
	Union Public Service Commission	..	26,61,000	26,61,000
110	Capital Outlay of the Ministry of Commerce	8,18,000	..	8,18,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
111	Defence Capital Outlay	43,34,19,000	3,34,000	43,37,53,000
112	Capital Outlay of the Ministry of Education	23,85,000	..	23,85,000
113	Capital Outlay on the India Security Press	7,66,000	..	7,66,000
114	Capital Outlay on Currency and Coinage	7,54,49,000	..	7,54,49,000
115	Capital Outlay on Mints	14,21,000	..	14,21,000
116	Capital Outlay on Kolar Gold Mines	29,84,000	..	29,84,000
117	Commuted Value of Pensions	1,19,33,000	50,000	1,19,83,000
118	Other Capital Outlay of the Ministry of Finance	50,86,50,000	..	50,86,50,000
119	Capital Outlay on Grants to State and Union Territory Governments for Development	15,40,60,000	..	15,40,60,000
120	Loans and Advances by the Central Government	1,43,71,30,000	2,67,92,50,000	4,11,63,80,000
	Repayment of Debt . . . . .	..	32,11,00,00,000	32,11,00,00,000
121	Purchase of Foodgrains and Fertilizers	2,38,30,88,000	34,000	2,38,31,22,000
122	Other Capital Outlay of the Ministry of Food, Agriculture, Community Development and Co-operation	10,55,29,000	37,000	10,55,66,000
123	Capital Outlay of the Ministry of Health and Family Planning	4,81,97,000	..	4,81,97,000
124	Capital Outlay in Union Territories and Tribal Areas	6,39,98,000	37,36,000	6,77,34,000
125	Other Capital Outlay of the Ministry of Home Affairs	12,20,000	..	12,20,000
126	Capital Outlay of the Ministry of Industrial Development and Company Affairs	4,96,96,000	..	4,96,96,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
127	Capital Outlay of the Ministry of Information and Broadcasting	1,69,18,000	..	1,69,18,000
128	Capital Outlay on Multi-purpose River Schemes	8,16,73,000	..	8,16,73,000
129	Other Capital Outlay of the Ministry of Irrigation and Power	5,70,44,000	..	5,70,44,000
130	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation	2,62,27,000	3,000	2,62,30,000
131	Capital Outlay of the Ministry of Petroleum and Chemicals	10,79,02,000	..	10,79,02,000
132	Capital Outlay of the Ministry of Steel, Mines and Metals	34,90,92,000	..	34,90,92,000
133	Capital Outlay on Aviation	1,65,81,000	8,000	1,65,89,000
134	Other Capital Outlay of the Ministry of Tourism and Civil Aviation	24,00,000	..	24,00,000
135	Capital Outlay on Roads	11,35,59,000	..	11,35,59,000
136	Capital Outlay on Ports	1,89,53,000	..	1,89,53,000
137	Other Capital Outlay of the Ministry of Transport and Shipping	1,46,72,000	..	1,46,72,000
138	Delhi Capital Outlay	1,68,80,000	2,53,000	1,71,33,000
139	Capital Outlay on Public Works	3,00,00,000	5,00,000	3,05,00,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply	35,48,000	..	35,48,000
141	Capital Outlay of the Department of Atomic Energy	18,18,50,000	..	18,18,50,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
142	Capital Outlay on Posts and Telegraphs (Not met from Revenue)	17,71,00,000	..	17,71,00,000
143	Other Capital Outlay of the Department of Communications	75,78,000	..	75,78,000
	TOTAL	13,81,79,78,000	38,09,63,13,000	51,91,42,91,000

THE APPROPRIATION (RAILWAYS) ACT, 1967

NO. 3 OF 1967

[31st March, 1967]

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 1966-67 for the purposes of Railways.

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

Short title 1. This Act may be called the Appropriation (Railways) Act, 1967.

Issue of Rs. 42,87,84,000 out of the Consolidated Fund of India for the financial year 1966-67. 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 forty-two crores, eighty-seven lakhs and eighty-four thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1966-67, in respect of the services relating to railways specified in column 2 of the Schedule.

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

THE SCHEDULE
(See sections 2 and 3)

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
2	Miscellaneous Expenditure	1,000	..	1,000
4	Working Expenses—Administration	3,01,36,000	..	3,01,36,000
5	Working Expenses—Repairs and Maintenance	9,61,24,000	..	9,61,24,000
6	Working Expenses—Operating Staff	4,19,29,000	9,000	4,19,38,000
7	Working Expenses—Operation (Fuel)	7,08,91,000	..	7,08,91,000
8	Working Expenses—Operation other than Staff and Fuel	2,32,71,000	..	2,32,71,000
9	Working Expenses—Miscellaneous Expenses	67,78,000	16,40,000	84,18,000
10	Working Expenses—Staff Welfare . . . . .	..	7,000	7,000
13	Open Line Works (Revenue) . . . . .	..	4,000	4,000
14	Construction of New Lines . . . . .	..	6,24,000	6,24,000
15	Open Line Works—Capital, Depreciation Reserve Fund and Development Fund . . . . .	..	10,15,000	10,15,000
16	Pensionary Charges—Pension Fund	36,62,000	..	36,62,000
20	Withdrawal from Revenue Reserve Fund	15,26,93,000	..	15,26,93,000
	TOTAL	42,54,85,000	32,99,000	42,87,84,000

THE APPROPRIATION (RAILWAYS) VOTE ON
ACCOUNT ACT, 1967

No. 4 OF 1967

[31st March, 1967]

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 1967-68 for the purposes of Railways.

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

Short title. 1. This Act may be called the Appropriation (Railways) Vote on Account Act, 1967.

With-
drawal of
Rs. 448,19,
92,000
from
and out of
the Con-
solidated
Fund of
India for
the
financial
year
1967-68.

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 four hundred and forty-eight crores, nineteen lakhs and ninety-two thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68, in respect of the services relating to railways specified in column 2 of the Schedule.

Appro-
priation.

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)

I No. of Vote	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	42,99,000	..	42,99,000
2	Miscellaneous Expenditure	1,53,13,000	1,00,000	1,54,13,000
3	Payments to Worked Lines and Others	12,49,000	..	12,49,000
4	Working Expenses—Adminis- tration	21,18,38,000	17,000	21,18,55,000
5	Working Expenses—Repairs and Maintenance	67,79,32,000	8,000	67,79,40,000
6	Working Expenses—Operating Staff	43,25,66,000	7,000	43,25,73,000
7	Working Expenses—Operation (Fuel)	42,75,82,000	..	42,75,82,000
8	Working Expenses—Operation other than Staff and Fuel	12,52,79,000	18,89,000	12,71,68,000
9	Working Expenses—Miscella- neous Expenses	10,64,74,000	4,16,000	10,68,90,000
10	Working Expenses—Staff Wel- fare	7,39,36,000	..	7,39,36,000
11	Working Expenses—Appropri- ation to Depreciation Reserve Fund	33,00,02,000	..	33,00,02,000
11-A	Working Expenses—Appropri- ation to Pension Fund	5,01,67,000	..	5,01,67,000
12	Dividend to General Revenues	6,00,00,000	..	6,00,00,000
13	Open Line Works (Revenue)	3,75,00,000	..	3,75,00,000
14	Construction of New Lines	12,70,90,000	40,000	12,71,30,000
15	Open Line Works—Capital, Depreciation Reserve Fund and Development Fund	1,78,44,75,000	44,000	1,78,45,19,000
16	Pensionary Charges—Pension Fund	1,37,69,000	..	1,37,69,000
	TOTAL	4,47,94,71,000	25,21,000	4,48,19,92,000

THE GOA, DAMAN AND DIU APPROPRIATION
ACT, 1967

No. 5 OF 1967

[31st March, 1967]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu for the services of the financial year 1966-67.

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

Short
title

1. This Act may be called the Goa, Daman and Diu Appropriation Act, 1967.

Issue
of Rs.
1,32,59,
400
from and
out of
the Con-
solidated
Fund of
the Union
territory
of Goa,
Daman
and Diu
for the
financial
year
1966-67
Appro-
priation.

2. From and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu 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 crore, thirty-two lakhs, fifty-nine thousand and four hundred rupees towards defraying the several charges which will come in course of payment during the financial year 1966-67, 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 Union territory of Goa, Daman and Diu 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 Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Land Revenue	90,200	..	90,200
2	State Excise Duties	52,000	..	52,000
4	Sales Tax	100	..	100
5	Other Taxes and Duties	45,000	..	45,000
7	Registration Fees	10,800	..	10,800
9	General Administration	57,000	..	57,000
11	Jails	6,200	..	6,200
12	Police	7,64,500	..	7,64,500
13	Miscellaneous Departments	47,400	..	47,400
14	Scientific Departments	35,700	..	35,700
15	Education	29,49,900	..	29,49,900
16	Medical	51,100	..	51,100
18	Agriculture	100	..	100
19	Animal Husbandry	63,200	..	63,200
20	Co-operation	65,100	..	65,100
22	Community Development Projects, National Extension Service and Local Development Works	34,000	..	34,000
24	Miscellaneous Social and Develop- mental Organisations	4,29,200	..	4,29,200
25	Irrigation, Navigation, Embankment and Drainage Works	3,89,500	..	3,89,500
27	Public Works	1,30,900	..	1,30,900
28	Capital Outlay on Public Works	33,70,000	..	33,70,000
29	Ports and Pilotage	56,000	..	56,000
30	Road and Water Transport Schemes	3,55,900	..	3,55,900
31	Pensions and Other Retirement Bene- fits	1,500	..	1,500

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.
32	Stationery and Printin}	2,70,100	..	2,70,100
33	Forest	1,17,800	..	1,17,800
36	Capital Outlay on Improvement of Public Health	17,50,000	..	17,50,000
38	Capital Outlay on Industrial and Economic Development	4,30,000	..	4,30,000
43	Capital Outlay on Ports	6,86,000	..	6,86,000
44	Capital Outlay on Road and Water Transport Schemes	1,00,000	..	1,00,000
45	Capital Outlay on Forests	9,00,000	..	9,00,000
47	Loans and Advances	200	..	200
	TOTAL	1,32,59,400	..	1,32,59,400

THE GOA, DAMAN AND DIU APPROPRIATION
(VOTE ON ACCOUNT) ACT, 1967

No. 6 OF 1967

[31st March, 1967]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu for the services of a part of the financial year 1967-68.

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

1. This Act may be called the Goa, Daman and Diu Appropriation (Vote on Account) Act, 1967.

Short
title.

2. From and out of the Consolidated Fund of the Union territory of Goa, Daman and Diu there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of six crores, sixty-three lakhs and ninety-six thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68.

With-
drawal
of Rs. 6, 6
96,000
from
and out
of the
Consoli-
dated
Fund of
the Union
territory
of Goa,
Daman
and Diu
for the
financial
year 1967
68.

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

Appro-
priation.

THE SCHEDULE

(See sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding 91		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
	I.—EXPENDITURE MET FROM REVENUE			
1	Land Revenue	1,70,000	..	1,70,000
2	State Excise Duties	2,78,100	..	2,78,100
3	Taxes on Vehicles	92,300	..	92,300
4	Sales Tax	57,000	..	57,000
5	Other Taxes and Duties	2,10,000	..	2,10,000
6	Stamps	3,300	..	3,300
7	Registration Fees	80,100	..	80,100
	<i>Interest on Debt and Other Obligations</i> . . . . .	..	20,44,400	20,44,400
8	Union Territory Legislature	1,57,500	10,300	1,67,800
9	General Administration	13,34,600	50,900	13,85,500
10	Administration of Justice	4,53,600	31,700	4,85,300
11	Jails	1,20,300	..	1,20,300
12	Police	18,72,600	..	18,72,600
13	Miscellaneous Departments	2,33,200	..	2,33,200
14	Scientific Departments	66,900	..	66,900
15	Education	59,20,000	..	59,20,000
16	Medical	26,20,200	..	26,20,200
17	Public Health	19,04,400	..	19,04,400
18	Agriculture	15,83,100	..	15,83,100

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
19	Animal Husbandry	6,08,300	..	6,08,300
20	Co-operation	2,16,700	..	2,16,700
21	Industries	4,20,200	..	4,20,200
22	Community Development Projects, National Extension Service and Local Development Works	6,06,000	..	6,06,000
23	Labour and Employment	29,500	..	29,500
24	Miscellaneous, Social and Developmental Organisations	8,40,600	..	8,40,600
25	Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	2,49,700	..	2,49,700
26	Electricity Schemes	21,41,000	..	21,41,000
27	Public Works	32,82,300	..	32,82,300
28	Capital Outlay on Public Works	13,76,700	..	13,76,700
29	Ports and Pilotage	1,88,000	..	1,88,000
30	Road and Water Transport Schemes	5,37,200	..	5,37,200
31	Pensions and Other Retirement Benefits	11,75,900	..	11,75,900
32	Stationery and Printing	3,31,300	..	3,31,300
33	Forest	3,29,000	..	3,29,000
34	Miscellaneous	26,72,000	..	26,72,000
35	Other Miscellaneous Compensations and Assignments	38,000	..	38,000
	TOTAL—I	3,21,99,600	21,37,300	3,43,36,900
	II.—EXPENDITURE MET FROM CAPITAL, ETC.			
36	Capital Outlay on Improvement of Public Health	16,66,700	..	16,66,700
37	Capital Outlay on Schemes of Agricultural Improvement and Research	8,66,700	..	8,66,700

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolida- ted Fund	Total
		Rs.	Rs.	Rs.
38	Capital Outlay on Industrial and Economic Development	9,27,900	..	9,27,900
39	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	1,66,700	..	1,66,700
40	Capital Outlay on Electricity Schemes	50,00,000	..	50,00,000
41	Capital Outlay on Public Works	51,57,800	..	51,57,800
42	Capital Outlay on Other Works	10,83,300	..	10,83,300
43	Capital Outlay on Ports	5,00,000	..	5,00,000
44	Capital Outlay on Road and Water Transport Schemes	2,00,000	..	2,00,000
45	Capital Outlay on Forests	5,00,000	..	5,00,000
46	Capital Outlay on Schemes of Govern- ment Trading	1,42,90,000	..	1,42,90,000
47	Loans and Advances by Union Territory Government	17,00,000	..	17,00,000
	TOTAL—II	3,20,59,100	..	3,20,59,100
	GRAND TOTAL	6,42,58,700	21,37,300	6,63,96,000

THE RAJASTHAN APPROPRIATION ACT, 1967

No. 7 OF 1967

[31st March, 1967]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Rajasthan for the services of the financial year 1966-67.

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

1. This Act may be called the Rajasthan Appropriation Act, 1967. Short title.

2. From and out of the Consolidated Fund of the State of Rajasthan there may be paid and applied sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of one hundred and thirty-eight crores, four lakhs and ^{20.5} twenty-five thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1966-67, in respect of the services specified in column 2 of the Schedule.

Issue of Rs. 1,38,04,75,000 from and out of the Consolidated Fund of the State of Rajasthan for the financial year 1966-67.

3. The sums authorised to be paid and applied from and out of the Consolidated Fund of the State of Rajasthan 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 Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
I	Land Revenue	27,23,000	1,000	27,24,000
II	State Excise Duties	3,56,000	..	3,56,000
III	Taxes on Vehicles	1,21,000	..	1,21,000
IV	Sales Tax	5,40,000	..	5,40,000
V	Other Taxes and Duties	1,53,000	..	1,53,000
VI	Stamps	63,000	..	63,000
VII	Registration Fees	35,000	..	35,000
	Interest on Debt and Other Obligations . . . . .	..	4,03,70,000	4,03,70,000
VIII	State Legislature	1,49,000	1,000	1,50,000
IX	General Administration	30,33,000	1,00,000	31,33,000
X	Administration of Justice	3,68,000	80,000	4,48,000
XI	Jails	3,00,000	..	3,00,000
XII	Police . . . . .	..	6,000	6,000
XIII	Miscellaneous Departments	19,52,000	1,000	19,53,000
XIV	Scientific Departments	8,50,000	76,000	9,26,000
XV	Education	2,27,11,000	25,000	2,27,36,000
XVI	Medical	37,89,000	10,000	37,99,000
XVII	Public Health	55,70,000	32,000	56,02,000
XVIII	Agriculture	1,000	20,000	21,000
XIX	Animal Husbandry	30,94,000	..	30,94,000
XX	Co-operation	7,77,000	..	7,77,000
XXI	Industries	1,000	2,000	3,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
XXII	Community Development Projects, National Extension Service and Local Development Works	11,41,000	..	11,41,000
XXIII	Labour and Employment	1,000	..	1,000
XXIV	Miscellaneous, Social and Developmental Organisations	5,78,000	1,000	5,79,000
XXV	Multi-purpose River Schemes	15,00,000	..	15,00,000
XXVI	Irrigation, Navigation, Embankment and Drainage Works (Commercial)	16,15,000	..	16,15,000
	Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	4,19,000	..	4,19,000
	Charges on Irrigation (Combined) Establishment and Tools and Plant	6,19,000	..	6,19,000
XXVII	Public Works	2,21,00,000	..	2,21,00,000
	Public Works—Charges on Buildings and Roads (Combined) Establishment and Tools and Plant	4,23,000	40,000	4,63,000
XXVIII	Famine Relief	7,70,00,000	..	7,70,00,000
XXIX	Pensions and Other Retirement Benefits	7,02,000	..	7,02,000
XXXI	Privy Purses and Allowances of Indian Rulers	10,74,000	..	10,74,000
XXXII	Stationery and Printing	1,000	..	1,000
XXXIII	Forest	6,03,000	7,000	6,10,000
XXXIV	Miscellaneous	32,75,000	..	32,75,000
XXXV	Other Miscellaneous Compensations and Assignments	5,46,000	..	5,46,000

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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.
XXXIX	Capital Outlay on Schemes of Agricultural Improvement and Research	44,62,000	..	44,62,000
XL	Capital Outlay on Industrial and Economic Development	88,06,000	..	88,06,000
	{ Capital Outlay on Multi-purpose River Schemes]	2,70,00,000	..	2,70,00,000
XLI	{ Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Commercial)	8,34,84,000	1,000	8,34,85,000
	{ Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	62,80,000	..	62,80,000
XLII	Capital Outlay on Public Works	1,03,15,000	2,02,000	1,05,17,000
XLVI	Capital Outlay on Schemes of Government Trading	3,41,00,000	2,000	3,41,02,000
	Public Debt . . . . .	..	96,13,38,000	96,13,38,000
XLVII	Loans and Advances by the State Government	4,55,30,000	..	4,55,30,000
	TOTAL	37,81,60,000	1,00,23,15,000	1,38,04,75,000

THE RAJASTHAN APPROPRIATION (VOTE ON
ACCOUNT) ACT, 1967

No. 8 OF 1967

[31st March, 1967]

An Act to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Rajasthan for the services of a part of the financial year 1967-68.

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

1. This Act may be called the Rajasthan Appropriation (Vote on Account) Act, 1967.

2. From and out of the Consolidated Fund of the State of Rajasthan there may be withdrawn sums not exceeding those specified in column 3 of the Schedule amounting in the aggregate to the sum of ninety crores, forty-eight lakhs and ninety-eight thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68.

With-
drawal of
Rs.
90,48,98,000
from and
out of
the Conso-
lidated
Fund of
the State
of Rajas-
-the finan-
-the finan-
cial year
1967-68.

3. The sums authorised to be withdrawn from and out of the Consolidated Fund of the State of Rajasthan 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	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
I	Land Revenue	1,00,86,000	1,000	1,00,87,000
II	State Excise Duties	41,24,000	2,000	41,26,000
III	Taxes on Vehicles	3,20,000	1,000	3,21,000
IV	Sales Tax	21,70,000	3,000	21,73,000
V	Other Taxes and Duties	4,84,000	..	4,84,000
VI	Stamps	1,67,000	..	1,67,000
VII	Registration Fees	98,000	..	98,000
	Interest on Debt and Other Obligations . . . . .	..	6,69,90,000	6,69,90,000
	Appropriation for Reduction or Avoidance of Debt . . . . .	..	2,86,26,000	2,86,26,000
VIII	State Legislature	14,58,000	25,000	14,83,000
IX	General Administration	1,13,78,000	3,70,000	1,17,48,000
X	Administration of Justice	25,22,000	4,57,000	29,79,000
XI	Jails	16,70,000	..	16,70,000
XII	Police	2,97,24,000	1,000	2,97,25,000
XIII	Miscellaneous Departments	35,42,000	3,000	35,45,000
XIV	Scientific Departments	16,70,000	3,000	16,73,000
XV	Education	8,44,51,000	3,000	8,44,54,000
XVI	Medical	2,34,12,000	2,000	2,34,14,000
XVII	Public Health	1,89,13,000	..	1,89,13,000
XVIII	Agriculture	1,57,81,000	..	1,57,81,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
XIX	Animal Husbandry	61,74,000	..	61,74,000
XX	Co-operation	45,45,000	..	45,45,000
XXI	Industries	19,21,000	1,000	19,22,000
XXII	Community Development Projects, National Extension Service and Local Development Works	99,92,000	..	99,92,000
XXIII	Labour and Employment . .	19,85,000	..	19,85,000
XXIV	Miscellaneous Social and Developmental Organisa- tions	68,13,000	..	68,13,000
XXV	Multipurpose River Schemes	1,09,32,000	..	1,09,32,000
XXVI	Irrigation, Navigation, Embankment and Drain- age Works (Commercial)	28,88,000	..	28,88,000
	Irrigation, Navigation, Embankment and Drain- age Works (Non-Com- mercial)	24,62,000	1,000	24,63,000
	Charges on Irrigation (Combined) Establish- ment and Tools and Plant	9,41,000	..	9,41,000
XXVII	Public Works	3,27,83,000	1,000	3,27,84,000
	Public Works—Charges on Buildings and Roads, (Combined) Establish- ment and Tools and Plant	30,99,000	..	30,99,000
	Capital Outlay on Public Works	21,30,000	..	21,30,000
XXVIII	Famine Relief	3,22,67,000	..	3,22,67,000
XXIX	Pensions and Other Retirement Benefits	51,14,000	20,000	51,34,000
	Commutation of Pensions	93,000	..	93,000
XXX	Territorial and Political Pen- sions	1,000	..	1,000
XXXI	Privy Purses and Allowances of Indian Rulers	4,17,000	..	4,17,000

1	2	3		
		Sums not exceeding		
No. of Vote	Services and purposes	Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
XXXII	Stationery and Printing	29,34,000	..	29,34,000
XXXIII	Forest	38,03,000	1,000	38,04,000
XXXIV	Miscellaneous	57,24,000	4,000	57,28,000
XXXV	Other Miscellaneous Compensations and Assignments	22,92,000	..	22,92,000
XXXVI	Expenditure connected with the National Emergency	5,00,000	..	5,00,000
XXXVII	Payment of Compensation to Land Holders, etc., on the abolition of the Zamindari System	1,16,67,000	..	1,16,67,000
XXXVIII	Capital Outlay on Improvement of Public Health	36,17,000	..	36,17,000
XXXIX	Capital Outlay on Schemes of Agricultural Improvement and Research	3,97,000	..	3,97,000
XL	Capital Outlay on Industrial and Economic Development	38,72,000	..	38,72,000
	Capital Outlay on Multipurpose River Schemes	2,78,28,000	..	2,78,28,000
XLI	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Commercial)	2,53,80,000	..	2,53,80,000
	Capital Outlay on Irrigation, Navigation, Embankment and Drainage Works (Non-Commercial)	57,46,000	..	57,46,000
XLII	Capital Outlay on Public Works	1,08,92,000	..	1,08,92,000
XLIII	Capital Outlay on Other Works	4,000	..	4,000
XLIV	Capital Outlay on Road and Water Transport Schemes	70,000	..	70,000
XLV	Payments of Commuted Value of Pensions	93,000	..	93,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
XLVI	Capital Outlay on Schemes of Government Trading	9,97,88,000	..	9,97,88,000
	<i>Public Debt</i>	..	17,70,66,000	17,70,66,000
XLVII	Loans and Advances by the State Government	9,01,83,000	..	9,01,83,000
	TOTAL	63,13,17,000	27,35,81,000	90,48,98,000

Rep. by Act... 5.6... of 1974, S. 2⁸/Sch. I.

THE ARMED FORCES (SPECIAL POWERS)
CONTINUANCE ACT, 1967

No. 9 OF 1967

[4th April, 1967]

An Act to continue the Armed Forces (Special Powers) Regulation, 1958 for a further period.

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

Short
title.

1. This Act may be called the Armed Forces (Special Powers) Continuanace Act, 1967.

Amend-
ment of
section 1.

2. In section 1 of the Armed Forces (Special Powers) Regulation, 1958 (hereinafter referred to as the principal Regulation), for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) It shall cease to have effect on the 5th day of April, 1968, and upon such cesser section 6 of the General Clauses Act, 1897, shall apply in relation thereto as if it had then been repealed by a Central Act.”

3. Commission
of section 8.

3. Section 8 of the principal Regulation shall be omitted.

Rep. by Act....56....of 1974, S. 28 Sch. I.

THE REPRESENTATION OF THE PEOPLE
(AMENDMENT) ACT, 1967

No. 10 OF 1967

[11th April, 1967]

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

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

1. This Act may be called the Representation of the People Short
(Amendment) Act, 1967. title.

43 of 1951.

2. In section 73 of the Representation of the People Act, 1951 Amend-
(hereinafter referred to as the principal Act),— ment of
section 73.

(a) for the words, brackets, letter and figures “the date
originally fixed for the completion of the election under
clause (e) of section 30, the names of the members elected for
the various constituencies by that date”, the following shall be
substituted, namely:—

“the results of the elections in all the constituencies
[other than those in which the poll could not be taken for
any reason on the date originally fixed under clause (d) of
section 30 or for which the time for completion of the elec-
tion has been extended under the provisions of section 153]
have been declared by the returning officer under the provi-
sions of section 53 or, as the case may be, section 66, the
names of the members elected for those constituencies”;

(b) for clause (a) of the proviso, the following clause shall be substituted, namely:—

“(a) to preclude—

(i) the taking of the poll and the completion of the election in any Parliamentary or Assembly constituency or constituencies in which the poll could not be taken for any reason on the date originally fixed under clause (d) of section 30; or

(ii) the completion of the election in any Parliamentary or Assembly constituency or constituencies for which time has been extended under the provisions of section 153; or”.

Repeal
and
saving.

3. (1) The Representation of the People (Amendment) Ordinance, 1967, is hereby repealed.

2 of 1967.

(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 28th day of February, 1967.

Rep. by Act... 56... of 1979, S. 2 & S. L. I.

THE MINERAL PRODUCTS (ADDITIONAL DUTIES OF EXCISE AND CUSTOMS) AMENDMENT ACT, 1967

No. 11 OF 1967

[12th April, 1967]

An Act further to amend the Mineral Products (Additional Duties of Excise and Customs) Act, 1958.

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

1. This Act may be called the Mineral Products (Additional Duties of Excise and Customs) Amendment Act, 1967. Short title.

2. In section 3 of the Mineral Products (Additional Duties of Excise and Customs) Act, 1958 (hereinafter referred to as the principal Act), in sub-section (1), in the Table,— Amendment of section 3

(a) for items 2, 3 and 4 and the entries relating thereto, the following shall be substituted, namely:—

“2. Kerosene	One hundred and sixty rupees per kilolitre at fifteen degrees of Centigrade thermometer.
3. Refined diesel oils and vaporizing oil.	Two hundred and fifty rupees per kilolitre at fifteen degrees of Centigrade thermometer.
4. Diesel oil, not otherwise specified.	One hundred and fifty rupees per metric tonne.”;

(b) for item 6 and the entries relating to it, the following shall be substituted, namely:—

“6. Asphalt and Bitumen as described in item No. 11 (1) of the First Schedule to the Central Excises and Salt Act, 1944.	One hundred rupees per metric tonne.”
--	---------------------------------------

1 of 1944.

REPEALED

42 *Mineral Products (Additional Duties of Excise and Customs) Amendment* [ACT II OF 1967]

Repeal
and
saving.

3. (1) The Mineral Products (Additional Duties of Excise and Customs) Amendment Ordinance, 1966, is hereby repealed.

12 of 1966.

(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 15th day of December, 1966.

THE FINANCE ACT, 1967

No. 12 OF 1967

[12th April, 1967]

An Act to continue for the financial year 1967-68 the existing rates of income-tax with certain modifications and the existing rates of annuity deposits and to provide for the continuance of certain commitments under the General Agreement on Tariffs and Trade and the discontinuance of the duty on salt for the said year.

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

1. (1) This Act may be called the Finance Act, 1967.

Short title,
and com-
mencement

(2) It shall be deemed to have come into force on the 1st day of April, 1967.

~~1~~ ~~X~~ ~~X~~ ~~X~~ ~~X~~ ~~X~~ ~~X~~
19 of 1966. 2. The provisions of section 2 of, and the First Schedule to, the Finance Act, 1966, shall apply in relation to income-tax for the assessment year commencing on the 1st day of April, 1967 as they apply in relation to income-tax for the assessment year commencing on the 1st day of April, 1966, with the following modifications, namely:—

(a) in section 2,—

(i) for the figures "1966", wherever they occur, the figures "1967" shall be substituted;

(ii) in sub-section (1), the brackets and figure "(2)," shall be omitted;

4 Ss. 2 and 3 rep by Act 20 of 1967, s 47 (and shall be deemed never to have been inserted)

~~(iii) sub-section (2) shall be omitted;~~

(iv) in sub-section (5), in clause (a),—

(A) in sub-clause (i), after the words “derived from the export”, the brackets, words and figures “(made before the sixth day of June, 1966)” shall be inserted;

(B) in sub-clause (ii),—

d) (i) after the words “during the previous year, exported”, the words and figures “before the sixth day of June, 1966” shall be inserted;

(ii) after the words “receivable by him in respect of such export”, the words “made before the date aforesaid” shall be inserted;

(C) in sub-clause (iii),—

(i) after the words “during the previous year, sold”, the words and figures “before the sixth day of June, 1966” shall be inserted;

(ii) for the words “sale proceeds receivable by him in respect of such articles from the exporter”, the words “sale proceeds receivable by him from the exporter in respect of such articles sold to the exporter before the date aforesaid” shall be substituted;

(b) in the First Schedule, in Paragraph F of Part I, for *Explanation 1* to item I, the following *Explanation* shall be substituted, namely:—

Explanation 1.—In clause (B), the expression “the relevant amount of distributions of dividends” means the aggregate of the following amounts, namely:—

(a) the amount, if any, by which “the relevant amount of distributions of dividends” by the company as computed in accordance with *Explanation 1* to item I of Paragraph F of Part I of the First Schedule to the Finance Act, 1966 exceeds its total income (reduced by ^{19 of 1966.} the amount of capital gains, if any, relating to capital assets other than short-term capital assets included therein) assessable for the assessment year commencing ~~on the 1st day of April, 1966; and~~

(b) so much of the amount of the dividends, other than dividends on preference shares, declared or distributed by the company during the previous year as exceeds ten per cent. of its paid-up equity share capital as on the 1st day of the previous year.

43 of 1961. 3. (1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, 1961, annuity deposit for the assessment year commencing on the 1st day of April, 1967 and annuity deposit to be made during the financial year commencing on the 1st day of April, 1967, shall be made by every person to whom the provisions of that Chapter apply, at the rate or rates specified in the Second Schedule to the Finance Act, 1966. Annuity deposit.

43 of 1961. (2) For the purposes of this section and the Second Schedule as aforesaid, the expressions "adjusted total income", "annuity deposit" and "depositor" have the meanings respectively assigned to them under clauses (1), (5) and (6) of section 280B of the Income-tax Act, 1961.

4. In the Indian Tariff (Amendment) Act, 1949, in sections 4 and 5, for the figures "1967", the figures "1968" shall be substituted. Amendment of Act 1 of 1949.

1 of 1944 5. For the year beginning on the 1st day of April, 1967, no duty under the Central Excises and Salt Act, 1944, or the Indian Tariff Act, 1934, shall be levied in respect of salt manufactured in, or imported into, India. Discontinuance of salt duty.

THE LAND ACQUISITION (AMENDMENT AND
VALIDATION) ACT, 1967

No. 13 OF 1967

[12th April, 1967]

An Act further to amend the Land Acquisition Act, 1894, and to
validate certain acquisitions of land under the said Act.

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

Short title. 1. This Act may be called the Land Acquisition (Amendment and
Validation) Act, 1967.

Amend-
ment of
section 5 A ^{xxx2} 2. In section 5A of the Land Acquisition Act, 1894 (hereinafter
referred to as the principal Act), in sub-section (2), for the words
“submit the case for the decision of the appropriate Government,
together with the record of the proceedings held by him and a report
containing his recommendations on the objections”, the words,
figures and brackets “either make a report in respect of the land
which has been notified under section 4, sub-section (1), or make
different reports in respect of different parcels of such land, to the
appropriate Government, containing his recommendations on the
objections, together with the record of the proceedings held by him,
for the decision of that Government” shall be substituted.

Amend-
ment of
section 6. 3. In section 6 of the principal Act,—
(a) in sub-section (1),—

(i) after the words “certify its orders”, the following
shall be inserted, namely:—

“, and different declarations may be made from time
to time in respect of different parcels of any land covered
by the same notification under section 4, sub-section (1),
irrespective of whether one report or different reports
has or have been made (wherever required) under sec-
tion 5A, sub-section (2)”;

1
2 Omitted by Act 56 of 1974, S. 2 of Sch. I.

(ii) for the words "Provided that", the following shall be substituted, namely:—

1 of 1967.

"Provided that no declaration in respect of any particular land covered by a notification under section 4, sub-section (1), published after the commencement of the Land Acquisition (Amendment and Validation) Ordinance, 1967, shall be made after the expiry of three years from the date of such publication:

Provided further that";

(b) in sub-section (2), for the words "The declaration", the words "~~Every declaration~~" shall be substituted.

4 (1) Notwithstanding any judgment, decree or order of any court to the contrary,—

Validation of certain acquisitions.

1 of 1967.

(a) no acquisition of land made or purporting to have been made under the principal Act before the commencement of the Land Acquisition (Amendment and Validation) Ordinance, 1967, and no action taken or thing done (including any order made, agreement entered into, or notification published) in connection with such acquisition shall be deemed to be invalid or ever to have become invalid merely on the ground—

(i) that one or more Collectors have performed the functions of Collector under the principal Act in respect of the land covered by the same notification under sub-section (1) of section 4 of the principal Act;

(ii) that one or more reports have been made under sub-section (2) of section 5A of the principal Act, whether in respect of the entire land, or different parcels thereof, covered by the same notification under sub-section (1) of section 4 of the principal Act;

(iii) that one or more declarations have been made under section 6 of the principal Act in respect of different parcels of the land covered by the same notification under sub-section (1) of section 4 of the principal Act;

1 of 1967.

(b) any acquisition in pursuance of any notification published under sub-section (1) of section 4 of the principal Act before the commencement of the Land Acquisition (Amendment and Validation) Ordinance, 1967, may be made after such commencement and no such acquisition and no action taken or thing done (including any order made, agreement entered into,

or notification published), whether before or after such commencement, in connection with such acquisition shall be deemed to be invalid merely on the grounds referred to in clause (a) or any of them.

(2) Notwithstanding anything contained in clause (b) of sub-section (1), no declaration under section 6 of the principal Act in respect of any land which has been notified before the commencement of the Land Acquisition (Amendment and Validation) Ordinance, 1967, under sub-section (1) of section 4 of the principal Act, shall be made after the expiry of two years from the commencement of the said Ordinance. 1 of 1967.

(3) Where acquisition of any particular land covered by a notification under sub-section (1) of section 4 of the principal Act, published before the commencement of the Land Acquisition (Amendment and Validation) Ordinance, 1967, is or has been made in pursuance of any declaration under section 6 of the principal Act, whether made before or after such commencement, and such declaration is or has been made after the expiry of three years from the date of publication of such notification, there shall be paid simple interest, calculated at the rate of six per centum per annum on the market value of such land, as determined under section 23 of the principal Act, from the date of expiry of the said period of three years to the date of tender of payment of compensation awarded by the Collector for the acquisition of such land. 1 of 1967.

Provided that no such interest shall be payable for any period during which the proceedings for the acquisition of any land were held up on account of stay or injunction by order of a court:

Provided further that nothing in this sub-section shall apply to the acquisition of any land where the amount of compensation has been paid to the persons interested before the commencement of this Act.

Repeal
and
saving.

5. (1) The Land Acquisition (Amendment and Validation) Ordinance, 1967, is hereby repealed. 1 of 1967.

(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 January, 1967.

THE ESSENTIAL COMMODITIES (AMENDMENT)
ACT, 1967

No. 14 OF 1967

[16th April, 1967]

An Act further to amend the Essential Commodities Act, 1955 and to continue for a further period the Essential Commodities (Amendment) Act, 1964.

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

1. (1) This Act may be called the Essential Commodities (Amendment) Act, 1967. Short title and duration.

(2) Section 2 shall cease to have effect on the 31st day of March, 1968, save 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 section 2 had then been repealed by a Central Act.

~~10 of 1955. 2. In section 3 of the Essential Commodities Act, 1955 (herein after referred to as the principal Act), after sub-section (4), the following sub-sections shall be inserted, namely:— Amendment of section 3.~~

“(4A) Where, for any reason, supplies of any article or thing required for the production or manufacture of an essential commodity are not adequate to meet the full requirements of all the undertakings engaged in the production or manufacture of such commodity and the Central Government is of opinion that with the available supplies of such article or thing all the undertakings engaged in the production or manufacture of such commodity

Amended by Act 56 of 1974, S.O & S.L.I.

should, as far as practicable, be kept as going concerns for the production or manufacture of such commodity to the fullest extent possible and also for the prevention of unemployment, as far as practicable, amongst persons employed in such undertakings, it may, by order, direct that—

(a) no employer shall close his undertaking, whether partially or wholly, except with the previous permission in writing of such officer as may be specified in this behalf in the order;

(b) no employer shall keep his undertaking working for more than such number of days in a week and such number of hours each day, as may be specified in the order.

(4B) Where in pursuance of an order under clause (b) of sub-section (4A) an undertaking is closed, whether partially or wholly for any day or number of days in a week, the employer of the undertaking shall pay for such closure to each of the persons employed in the undertaking or any part thereof which is closed, compensation which shall be equal to fifty per cent. of the total of the basic wages and dearness allowance that would have been payable to such person had there been no such closure.

(4C) For removal of doubt, it is hereby declared that different orders may be made under sub-section (4A) in respect of—

- D; | (i) different classes of undertaking; or
(ii) undertakings in different areas.

Validation of closure of cotton textile mills on certain days.

3. Notwithstanding anything to the contrary contained in any law for the time being in force, where an employer in respect of an undertaking engaged in the production or manufacture of cotton textiles has closed such undertaking either wholly or partially on any day in a week during the period between the 12th day of December, 1966 and the 23rd day of December, 1966, being the date of commencement of the Essential Commodities (Second Amendment) Ordinance, 1966 (both days inclusive) in pursuance of the 13 of 1966. decision taken by the Government of India in that behalf and specified by the Textile Commissioner to the Government of India, Bombay, in his circular dated the 3rd December, 1966,—

(a) such undertaking shall be deemed to have been closed on each such day in accordance with law; and

(b) the employer shall pay compensation for such closure to the persons employed (including *badli* workmen) in the undertaking at the rate provided for in section 25C of the Industrial Disputes Act, 1947.

14 of 1947.

~~1 xxx) 4. The duration of the Essential Commodities (Amendment) Act, 1964, is extended for the period up to and including the 31st day of December, 1967, 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, 1966" the words, figures and letters "the 31st day of December, 1967" shall be, and shall be deemed always to have been, substituted~~

13 of 1966. 5. (1) The Essential Commodities (Second Amendment) Ordinance, 1966, is hereby repealed. Repeal and saving.

46 of 1952. (2) Notwithstanding such repeal, anything done or any action taken under the said Ordinance or under the principal Act as amended by the said Ordinance or under section 12A of the principal Act or section 8A of the Criminal Law Amendment Act, 1952, as continued by virtue of section 5 of the said Ordinance, shall be deemed to have been done or taken under this Act or under the principal Act as amended by this Act or under the said sections as continued by virtue of section 4 of this Act as if this Act had come into force on the 23rd day of December, 1966.

2 Omitted by Act 56 of 1974, S. 2 & Sch. I.

NOT CORRECTED. SEE INDIA CODE
Vol. ~~IV~~ ~~Part IX~~ No. 25.

THE PASSPORTS ACT, 1967

ARRANGEMENT OF SECTIONS

Sections:

1. Short title and extent.
2. Definitions.
3. Passport or travel document for departure from India.
4. Classes of passports and travel documents.
5. Applications for passports, travel documents, etc., and orders thereon.
6. Refusal of passports, travel documents, etc.
7. Duration of passports and travel documents.
8. Renewal of passports.
9. Conditions and forms of passports and travel documents.
10. Variation, impounding and revocation of passports and travel documents.
11. Appeals.
12. Offences and penalties.
13. Power to arrest.
14. Power of search and seizure.
15. Previous sanction of Central Government necessary.
16. Protection of action taken in good faith.
17. Passports and travel documents to be property of Central Government.
18. Passports, etc., not to be issued to persons who cannot emigrate under Act 7 of 1922.
19. Passports and travel documents to be invalid for travel to certain countries.
20. Issue of passports and travel documents to persons who are not citizens of India.
21. Power to delegate.

NOT CORRECTED: SEE INDIA CODE

[ACT 15 OF 1967]

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Passports

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SECTIONS

22. Power to exempt.
 23. Act to be in addition to certain enactments.
 24. Power to make rules.
 25. Change of short title of Act 34 of 1920.
 26. Saving as to certain passports and applications.
 27. Repeal and saving.
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THE PASSPORTS ACT, 1967

No. 15 OF 1967

[24th June, 1967]

An Act to provide for the issue of passports and travel documents to regulate the departure from India of citizens of India and other persons and for matters incidental or ancillary thereto.

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

Short
title and
extent.

1. (1) This Act may be called the Passports Act, 1967.

(2) It extends to the whole of India and applies also to citizens of India who are outside India.

Defini-
tions.

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

(a) “departure”, with its grammatical variations and cognate expressions, means departure from India by water, land or air;

(b) “passport” means a passport issued or deemed to have been issued under this Act;

(c) “passport authority” means an officer or authority empowered under rules made under this Act to issue passports or travel documents and includes the Central Government;

(d) “prescribed” means prescribed by rules made under this Act;

(e) “travel document” means a travel document issued or deemed to have been issued under this Act.

3. No person shall depart from, or attempt to depart from India unless he holds in this behalf a valid passport or travel document.

Passport or travel document for departure from India.

Explanation.—For the purposes of this section,—

(a) “passport” includes a passport which having been issued by or under the authority of the Government of a foreign country satisfies the conditions prescribed under the Passport (Entry into India) Act, 1920, in respect of the class of passports to which it belongs;

34 of 1920.

(b) “travel document” includes a travel document which having been issued by or under the authority of the Government of a foreign country satisfies the conditions prescribed.

4. (1) The following classes of passports may be issued under this Act, namely:—

Classes of passports and travel documents.

- (a) ordinary passport;
- (b) official passport;
- (c) diplomatic passport.

(2) The following classes of travel documents may be issued under this Act, namely:—

- (a) emergency certificate authorising a person to enter India;
- (b) certificate of identity for the purpose of establishing the identity of a person;
- (c) such other certificate or document as may be prescribed.

(3) The Central Government shall, in consonance with the usage and practice followed by it in this behalf, prescribe the classes of persons to whom the classes of passports and travel documents referred to respectively in sub-section (1) and sub-section (2) may be issued under this Act.

5. (1) An application for the issue of a passport or travel document under this Act, or for an endorsement on such passport or travel document, for visiting such foreign country or countries as may be specified in the application may be made to the passport authority and shall be in such form, contain such particulars and be accompanied by such fee (if any) not exceeding rupees twenty-five as may be prescribed.

Applications for passports, travel documents, etc., and orders thereon.

(2) On receipt of an application, the passport authority, after making such inquiry, if any, as it may consider necessary, shall, subject to the other provisions of this Act, by order in writing,—

(a) issue the passport or travel document with endorsement, or, as the case may be, make on the passport or travel document the endorsement, in respect of the foreign country or countries specified in the application; or

(b) issue the passport or travel document with endorsement, or, as the case may be, make on the passport or travel document the endorsement, in respect of one or more of the foreign countries specified in the application and refuse to make an endorsement in respect of the other country or countries; or

(c) refuse to issue the passport or travel document or, as the case may be, refuse to make on the passport or travel document any endorsement.

(3) Where the passport authority makes an order under clause (b) or clause (c) of sub-section (2) on the application of any person, it shall record in writing a brief statement of its reasons for making such order and furnish to that person on demand a copy of the same unless in any case the passport authority is of the opinion that it will not be in the interests of the sovereignty and integrity of India, the security of India, friendly relations of India with any foreign country or in the interests of the general public to furnish such copy.

Refusal of
passports,
travel
documents,
etc.

6. (1) Subject to the other provisions of this Act, the passport authority shall refuse to make an endorsement for visiting any foreign country under clause (b) or clause (c) of sub-section (2) of section 5 on any one or more of the following grounds, and on no other ground, namely:—

(a) that the applicant may, or is likely to, engage in such country in activities prejudicial to the sovereignty and integrity of India;

(b) that the presence of the applicant in such country may, or is likely to, be detrimental to the security of India;

(c) that the presence of the applicant in such country may, or is likely to, prejudice the friendly relations of India with that or any other country;

(d) that in the opinion of the Central Government the presence of the applicant in such country is not in the public interest.

(2) Subject to the other provisions of this Act, the passport authority shall refuse to issue a passport or travel document for visiting any foreign country under clause (c) of sub-section (2) of section 5 on any one or more of the following grounds, and on no other ground, namely:—

(a) that the applicant is not a citizen of India;

(b) that the applicant may, or is likely to, engage outside India in activities prejudicial to the sovereignty and integrity of India;

(c) that the departure of the applicant from India may, or is likely to, be detrimental to the security of India;

(d) that the presence of the applicant outside India may, or is likely to, prejudice the friendly relations of India with any foreign country;

(e) that the applicant has, at any time during the period of five years immediately preceding the date of his application, been convicted by a court in India for any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than two years;

(f) that proceedings in respect of an offence alleged to have been committed by the applicant are pending before a criminal court in India;

(g) that a warrant or summons for the appearance, or a warrant for the arrest, of the applicant has been issued by a court under any law for the time being in force or that an order prohibiting the departure from India of the applicant has been made by any such court;

(h) that the applicant has been repatriated and has not reimbursed the expenditure incurred in connection with such repatriation;

(i) that in the opinion of the Central Government the issue of a passport or travel document to the applicant will not be in the public interest.

7. A passport or travel document shall, unless revoked earlier, continue in force for such period as may be prescribed and different periods may be prescribed for different classes of passports or travel documents or for different categories of passports or travel documents under each such class: **Duration of passports and travel documents.**

Provided that a passport or travel document may be issued for a shorter period than the prescribed period—

(a) if the person by whom it is required so desires; or

(b) if the passport authority, for reasons to be communicated in writing to the applicant, considers in any case that the passport or travel document should be issued for a shorter period.

Renewal
of pass-
ports.

8. Every passport shall, unless the passport authority for reasons to be recorded in writing otherwise determines in any case, be renewable for the same period for which the passport was originally issued and the provisions of this Act (including the provisions as to fees) shall apply to the renewal of a passport as they apply to the issue thereof.

Conditions
and forms
of pass-
ports and
travel
documents

9. The conditions subject to which, and the form in which, a passport or travel document shall be issued or renewed shall be such as may be prescribed:

Provided that different conditions and different forms may be prescribed for different classes of passports or travel documents or for different categories of passports or travel documents under each such class:

Provided further that a passport or travel document may contain in addition to the prescribed conditions such other conditions as the passport authority may, with the previous approval of the Central Government, impose in any particular case.

Variation,
im-
pounding
and revo-
cation of
passports
and travel
docu-
ments.

10. (1) The passport authority may, having regard to the provisions of sub-section (1) of section 6 or any notification under section 19, vary or cancel the endorsements on a passport or travel document or may, with the previous approval of the Central Government, vary or cancel the conditions (other than the prescribed conditions) subject to which a passport or travel document has been issued and may, for that purpose, require the holder of a passport or a travel document, by notice in writing, to deliver up the passport or travel document to it within such time as may be specified in the notice and the holder shall comply with such notice.

(2) The passport authority may, on the application of the holder of a passport or a travel document, and with the previous approval of the Central Government also vary or cancel the conditions (other than the prescribed conditions) of the passport or travel document.

(3) The passport authority may impound or cause to be impounded or revoke a passport or travel document,—

(a) if the passport authority is satisfied that the holder of the passport or travel document is in wrongful possession thereof;

(b) if the passport or travel document was obtained by the suppression of material information or on the basis of wrong information provided by the holder of the passport or travel document or any other person on his behalf;

(c) if the passport authority deems it necessary so to do in the interests of the sovereignty and integrity of India, the security of India, friendly relations of India with any foreign country, or in the interests of the general public;

(d) if the holder of the passport or travel document has, at any time after the issue of the passport or travel document, been convicted by a court in India for any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than two years;

(e) if proceedings in respect of an offence alleged to have been committed by the holder of the passport or travel document are pending before a criminal court in India;

(f) if any of the conditions of the passport or travel document has been contravened;

(g) if the holder of the passport or travel document has failed to comply with a notice under sub-section (1) requiring him to deliver up the same;

(h) if it is brought to the notice of the passport authority that a warrant or summons for the appearance, or a warrant for the arrest, of the holder of the passport or travel document has been issued by a court under any law for the time being in force or if an order prohibiting the departure from India of the holder of the passport or other travel document has been made by any such court and the passport authority is satisfied that a warrant or summons has been so issued or an order has been so made.

(4) The passport authority may also revoke a passport or travel document on the application of the holder thereof.

(5) Where the passport authority makes an order varying or cancelling the endorsements on, or varying the conditions of, a passport or travel document under sub-section (1) or an order impounding or revoking a passport or travel document under sub-section (3), it shall record in writing a brief statement of the reasons for making such order and furnish to be the holder of the passport or travel document on demand a copy of the same unless in any case, the pass-

port authority is of the opinion that it will not be in the interests of the sovereignty and integrity of India, the security of India, friendly relations of India with any foreign country or in the interests of the general public to furnish such a copy.

(6) The authority to whom the passport authority is subordinate may, by order in writing, impound or cause to be impounded or revoke a passport or travel document on any ground on which it may be impounded or revoked by the passport authority and the foregoing provisions of this section shall, as far as may be, apply in relation to the impounding or revocation of a passport or travel document by such authority.

(7) A court convicting the holder of a passport or travel document of any offence under this Act or the rules made thereunder may also revoke the passport or travel document:

Provided that if the conviction is set aside on appeal or otherwise the revocation shall become void.

(8) An order of revocation under sub-section (7) may also be made by an appellate court or by the High Court when exercising its powers of revision.

(9) On the revocation of a passport or travel document under this section the holder thereof shall, without delay, surrender the passport or travel document, if the same has not already been impounded, to the authority by whom it has been revoked or to such other authority as may be specified in this behalf in the order of revocation.

Appeals.

11. (1) Any person aggrieved by an order of the passport authority under clause (b) or clause (c) of sub-section (2) of section 5 or clause (b) of the proviso to section 7 or sub-section (1), or sub-section (3) of section 10 or by an order under sub-section (6) of section 10 of the authority to whom the passport authority is subordinate, may prefer an appeal against that order to such authority (hereinafter referred to as the appellate authority) and within such period as may be prescribed:

Provided that no appeal shall lie against any order made by the Central Government.

(2) No appeal shall be admitted if it is preferred after the expiry of the period prescribed therefor:

Provided that an appeal may be admitted after the expiry of the period prescribed therefor if the appellant satisfies the appellate authority that he had sufficient cause for not preferring the appeal within that period.

36 of 1963. (3) The period prescribed for an appeal shall be computed in accordance with the provisions of the Limitation Act, 1963, with respect to the computation of the periods of limitation thereunder.

(4) Every appeal under this section shall be made by a petition in writing and shall be accompanied by a copy of the statement of the reasons for the order appealed against where such copy has been furnished to the appellant and by such fee (if any) not exceeding rupees twenty-five as may be prescribed.

(5) In disposing of an appeal, the appellate authority shall follow such procedure as may be prescribed:

Provided that no appeal shall be disposed of unless the appellant has been given a reasonable opportunity of representing his case.

(6) Every order of the appellate authority confirming, modifying or reversing the order appealed against shall be final.

12. (1) Whoever—

(a) contravenes the provisions of section 3; or

(b) knowingly furnishes any false information or suppresses any material information with a view to obtaining a passport or travel document under this Act or without lawful authority alters or attempts to alter or causes to alter the entries made in a passport or travel document; or

(c) fails to produce for inspection his passport or travel document (whether issued under this Act or not) when called upon to do so by the prescribed authority; or

(d) knowingly uses a passport or travel document issued to another person; or

(e) knowingly allows another person to use a passport or travel document issued to him,

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.

(2) Whoever abets any offence punishable under sub-section (1) shall, if the act abetted is committed in consequence of the abetment, be punishable with the punishment provided in that sub-section for that offence.

Offences
and penal-
ties.

(3) Whoever contravenes any condition of a passport or travel document or any provision of this Act or any rule made thereunder for which no punishment is provided elsewhere in 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.

(4) Whoever, having been convicted of an offence under this Act, is again convicted of an offence under this Act shall be punishable with double the penalty provided for the latter offence.

Power to
arrest.

13. (1) Any officer of customs empowered by a general or special order of the Central Government in this behalf and any officer of police not below the rank of a sub-inspector may arrest without warrant any person against whom a reasonable suspicion exists that he has committed any offence punishable under section 12 and shall, as soon as may be, inform him of the grounds for such arrest.

(2) Every officer making an arrest under this section shall, without unnecessary delay, take or send the person arrested before a magistrate having jurisdiction in the case or to the officer in charge of the nearest police station and the provisions of section 61 of the Code of Criminal Procedure, 1898, shall, so far as may be, apply in the case of any such arrest. 5 of 1896.

Power of
search and
seizure.

14. (1) Any officer of customs empowered by a general or special order of the Central Government in this behalf and any officer of police not below the rank of a sub-inspector may search any place and seize any passport or travel document from any person against whom a reasonable suspicion exists that he has committed any offence punishable under section 12.

(2) The provisions of the Code of Criminal Procedure, 1898, 5 of 1898, relating to searches and seizures shall, so far as may be, apply to searches and seizures under this section.

Previous
sanction
of Central
Govern-
ment
neces-
sary.

15. No prosecution shall be instituted against any person in respect of any offence under this Act without the previous sanction of the Central Government or such officer or authority as may be authorized by that Government by order in writing in this behalf.

NOT CORRECTED. SEE INDIA CODE
Vol. IV B, Pt. IX, Sec. 25.

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Passports

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16. No suit, prosecution or other legal proceeding shall lie against the Government or any officer or authority for anything which is in good faith done or intended to be done under this Act.

Protection of action taken in good faith.

17. A passport or travel document issued under this Act shall at all times remain the property of the Central Government.

Passports and travel documents to be property of Central Government.

18. Notwithstanding anything contained in this Act, where a person has applied for a passport, or an endorsement on his passport, for visiting a foreign country for the purpose of emigrating to such country, the passport shall not be issued to such person or, as the case may be, the endorsement shall not be made on his passport, for visiting such country if he is not permitted to emigrate, or is prohibited from emigrating, to such country by or under the provisions of the Emigration Act, 1922.

Passports, etc., not to be issued to persons who cannot emigrate under Act 7 of 1922.

Explanation.—For the purposes of this section, “emigrate” and “emigration” shall have the meanings assigned to those expressions under clause (c) of sub-section (1) of section 2 of the Emigration Act, 1922.

7 of 1922.

19. Upon the issue of a notification by the Central Government that a foreign country is—

Passports and travel documents to be invalid for travel to certain countries.

(a) a country which is committing external aggression against India; or

(b) a country assisting the country committing external aggression against India; or

(c) a country where armed hostilities are in progress; or

(d) a country to which travel must be restricted in the public interest because such travel would seriously impair the conduct of foreign affairs of the Government of India,

a passport or travel document for travel through or visiting such country shall cease to be valid for such travel or visit unless in any case a special endorsement in that behalf is made in the prescribed form by the prescribed authority.

Issue of passports and travel documents to persons who are not citizens of India. 20. Notwithstanding anything contained in the foregoing provisions relating to issue of a passport or travel document, the Central Government may issue, or cause to be issued, a passport or travel document to a person who is not a citizen of India if that Government is of the opinion that it is necessary so to do in the public interest.

Power to delegate. 21. The Central Government may, by notification in the Official Gazette, direct that any power or function which may be exercised or performed by it under this Act other than the power under clause (d) of sub-section (1) of section 6 or the power under clause (i) of sub-section (2) of that section or the power under section 24, may, in relation to such matters and subject to such conditions, if any, as it may specify in the notification, be exercised or performed—

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

(b) by any State Government or by any officer or authority subordinate to such Government; or

(c) in any foreign country in which there is no diplomatic mission of India, by such foreign Consular Officer;

as may be specified in the notification.

Power to exempt. 22. Where the Central Government is of the opinion that it is necessary or expedient in the public interest so to do, it may, by notification in the Official Gazette and subject to such conditions, if any, as it may specify in the notification,—

(a) exempt any person or class of persons from the operation of all or any of the provisions of this Act or the rules made thereunder; and

(b) as often as may be, cancel any such notification and again subject, by a like notification, the person or class of persons to the operation of such provisions.

Act to be in addition to certain enactments. 23. The provisions of this Act shall be in addition to and not in derogation of the provisions of the Passport (Entry into India) Act, 34 of 1920. 1920, the Emigration Act, 1922, the Registration of Foreigners Act, 7 of 1922. 1939, the Foreigners Act, 1946, the Foreign Exchange Regulation Act, 16 of 1939. 1947, the Trading with the Enemy (Continuance of Emergency) Act, 1947, the Foreign Exchange Regulation Act, 31 of 1946. 7 of 1947.

18 of 1947. Provisions) Act, 1947, the Foreigners Law (Application and Amendment) Act, 1962, and other enactments relating to foreigners and foreign exchange.

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

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

(a) the appointment, jurisdiction, control and functions of passport authorities;

(b) the classes of persons to whom passports and travel documents referred to respectively in sub-section (1) and sub-section (2) of section 4 may be issued;

(c) the form and particulars of application for the issue or renewal of a passport or travel document or for endorsement on a passport or travel document and where the application is for the renewal, the time within which it shall be made;

(d) the period for which passports and travel documents shall continue in force;

(e) the form in which and the conditions subject to which the different classes of passports and travel documents may be issued, renewed or varied;

(f) the fees payable in respect of any application for the issue or renewal of a passport or travel document or for varying any endorsement or making a fresh endorsement on a passport or a travel document and the fees payable in respect of any appeal under this Act;

(g) the appointment of appellate authorities under sub-section (1) of section 11, the jurisdiction of, and the procedure which may be followed by, such appellate authorities;

(h) the services (including the issue of a duplicate passport or travel document in lieu of a passport or travel document lost, damaged or destroyed) which may be rendered in relation to a passport or travel document and the fees therefor;

(i) any other matter which is to be or may be prescribed or in respect of which this Act makes no provision or makes insufficient provision and provision is, in the opinion of the Central Government, necessary for the proper implementation of the Act.

(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.

Charge of
short title
of Act 34
of 1920.

25. In the Indian Passport Act, 1920, in sub-section (1) of section 1, for the words and figures "the Indian Passport Act, 1920", the words, brackets and figures "the Passport (Entry into India) Act, 1920" shall be substituted.

Saving as
to certain
passports
and appli-
cations.

26. (1) Every passport and every travel document issued by or under the authority of the Central Government before the commencement of the Passports Ordinance, 1967 and in force immediately before such commencement shall be deemed to have been issued under this Act and shall, subject to the provisions of this Act, continue in force— 4 of 1967

(a) for the unexpired portion of the period for which such passport or travel document had been issued; or

(b) for a period of five years from such commencement; whichever is shorter.

(2) All applications for the issue or renewal of, the making of an endorsement on, or the performance of any service in relation to, a passport or travel document made to the Central Government or to any officer or authority appointed by that Government in that behalf before the 5th May, 1967 and pending before the commencement of this Act shall, after such commencement, be disposed of in accordance with the provisions of this Act.

NOT CORRECTED: SEE INDIA CODE

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27. (1) The Passports Ordinance, 1967 is hereby repealed.

Repeal and
Saving.

(2) Notwithstanding such repeal, anything done or any action taken or purporting to have been done or taken under the said Ordinance shall be deemed to have been done or taken under this Act as if this Act had commenced on the 5th day of May, 1967.

NOT CORRECTED: SEE INDIA CODE
Vol. III B, Pt. IV p. 759.

THE ANTI-CORRUPTION LAWS (AMENDMENT) ACT, 1967

No. 16 of 1967

[25th June, 1967]

An Act further to amend the anti-corruption laws.

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

Short
title and
com-
mence-
ment.

1. (1) This Act may be called the Anti-Corruption Laws (Amendment) Act, 1967.

(2) It shall be deemed to have come into force on the 5th day of May, 1967.

Amend-
ment of
anti-cor-
ruption
law in
relation
to certain
pending
trials.

2. (1) Notwithstanding—

(a) the substitution of new provisions for sub-section (3) of section 5 of the Prevention of Corruption Act, 1947 (hereinafter referred to as the 1947-Act) by section 6(2) (c) of the Anti-Corruption Laws (Amendment) Act, 1964 (hereinafter referred to as the 1964-Act); and

(b) any judgment or order of any court,

the said sub-section (3) as it stood immediately before the commencement of the 1964-Act, shall apply and shall be deemed always to have applied to and in relation to trials of offences punishable under sub-section (2) of section 5 of the 1947-Act pending before any court immediately before such commencement as if no such new provisions had been substituted for the said sub-section (3).

(2) The accused person in any trial to and in relation to which sub-section (1) applies may, at the earliest opportunity available to him after the commencement of this Act, demand that the trial of the offence should proceed from the stage at which it was immediately before the commencement of the 1964-Act and on any such demand being made the court shall proceed with the trial from that stage.

(3) For the removal of doubt it is hereby provided that any court—

(i) before which an appeal or application for revision against any judgment, order or sentence passed or made in any trial to which sub-section (1) applies is pending immediately before the commencement of this Act, or

(ii) before which an appeal or application for revision against any judgment, order or sentence passed or made before the commencement of this Act in any such trial, is filed after such commencement,

shall remand the case for trial in conformity with the provisions of this section.

3 of 1967. 3. (1) The Anti-Corruption Laws (Amendment) Ordinance, 1967 is hereby repealed. Repeal and saving

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

NOT CORRECTED: SEE INDIA CODE
Vol. *IV*, Pt. *III*, p. 565

THE COMPANIES TRIBUNAL (ABOLITION) ACT, 1967

No. 17 OF 1967

[27th June, 1967]

An Act to provide for the abolition of the Companies Tribunal and for matters connected therewith.

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

Short
title and
com-
mence-
ment.

1. (1) This Act may be called the Companies Tribunal (Abolition) Act, 1967.

(2) It shall come into force on the 1st day of July, 1967.

Abolition
of the
Com-
panies
Tribunal.

2. On the commencement of this Act, the Companies Tribunal constituted under section 10A of the Companies Act, 1956¹ of 1956. (hereinafter referred to as the "Tribunal"), shall stand abolished.

Transi-
tional
pro-
visions.

3. (1) Every appeal under sub-section (3) of section 111 of the Companies Act, 1956 (hereafter in this section referred to as the said Act), pending before the Tribunal immediately before its abolition, shall, on such abolition, stand transferred to the Central Government and that Government may deal with the appeal from the stage at which such appeal was pending before the Tribunal immediately before its abolition as if it were an appeal originally filed before that Government.

(2) (a) Every application made under section 234A or, as the case may be, section 240A, of the said Act, to the Tribunal and pending before the Tribunal immediately before its abolition, shall, on such abolition, stand transferred to the Magistrate of the First Class or, as the case may be, the Presidency Magistrate, having jurisdiction to make an order under that section, and the Magistrate may deal with such application as if it were an application originally made to him.

(b) Every information required to be given under sub-section (3) of section 234A or, as the case may be, sub-section (3) of section 240A, of the said Act shall, on the abolition of the Tribunal, be given to the Magistrate of the First Class, or, as the case may be, the Presidency Magistrate.

(3) Save as otherwise provided in sub-section (1) and sub-section (2), every proceeding under the said Act, pending before the Tribunal immediately before its abolition, shall, on such abolition, stand transferred to the Court having jurisdiction, in relation to such proceeding, under section 10 of the said Act, and every such Court shall deal with such proceeding as if it were a proceeding instituted before itself and where the Tribunal has taken down, or made memorandum of, any evidence in the proceeding, the Court may proceed with the proceeding from the stage at which it was left by the Tribunal on its abolition:

Provided that if the Court is of opinion that further examination of any of the witnesses whose evidence has already been taken down by the Tribunal is necessary in the interests of justice, it may re-summon any such witness and after such further examination, cross-examination and re-examination, if any, as it may permit, the witness shall be discharged.

(4) Every decision, finding, order or other action made or taken by the Tribunal under any provision of the said Act shall, on the commencement of this Act, be deemed to be the decision, finding, order or other action of the Court or other authority which has, on such commencement, the power to make or take such decision, finding, order or other action under that provision:

Provided that nothing herein contained shall take away or otherwise affect the right of appeal conferred by any provisions of the said Act against any decision, finding, or order of the Tribunal.

1 of 1956.

4. The Companies Act, 1956, shall be subject to the amendments specified in the Schedule, being amendments consequential on the provisions of this Act.

Conse-
quential
amend-
ments of
the Com-
panies
Act, 1956.

THE SCHEDULE

(See section 4)

CONSEQUENTIAL AMENDMENTS IN THE COMPANIES ACT, 1956

Section 2.—Omit clause (49A).

Omit sections 10A, 10B, 10C and 10D.

Section 111.—(i) In sub-section (5A), for “disclose such reasons, the Tribunal may”, substitute “disclose such reasons, that Government may”;

(ii) in sub-section (9), for “direction of the Tribunal given under the proviso”, substitute “direction of that Government given under the proviso”;

(iii) save as otherwise provided in items (i) and (ii), in sub-sections (3), (4), (5), (5A), (6), (8) and (9), for “Tribunal”, wherever it occurs, substitute “Central Government”.

Section 156.—For “Tribunal”, wherever it occurs, substitute “Court”.

Section 234A.—(i) In sub-section (1), omit “to the Tribunal or”;

(ii) in sub-sections (2) and (3), for the words “Tribunal or Magistrate, as the case may be,” wherever they occur, substitute “Magistrate”.

Section 240A.—(i) In sub-section (1), omit “to the Tribunal or”;

(ii) in sub-sections (2) and (3), for the words “Tribunal or Magistrate, as the case may be,” wherever they occur, substitute “Magistrate”.

Chapter IVA of Part VI.—In the heading, for “TRIBUNAL”, substitute “HIGH COURT”.

Section 388B.—(a) in sub-section (1),

(i) for “Tribunal”, wherever it occurs, substitute “High Court”.

(ii) for “record a finding”, substitute “record a decision”;

(b) in sub-sections (2), (3) and (5), for “Tribunal”, wherever it occurs, substitute “High Court”.

Section 388C.—For “Tribunal”, wherever it occurs, substitute “High Court”.

Section 388D.—For “Tribunal shall record its findings”, substitute “High Court shall record its decision”.

Section 388E.—(a) In sub-section (1),—

(i) for “Central Government may,” substitute “Central Government shall,”;

(ii) for “finding of the Tribunal under this Chapter or a decision of a High Court thereon”, substitute “decision of the High Court under this Chapter”;

(iii) in the proviso, for “finding of the Tribunal or the decision of a High Court”, substitute “decision of the High Court”;

(b) for sub-section (2), substitute—

“(2) No order removing a firm or body corporate from the office of managing agent or secretaries and treasurers shall be made in pursuance of the proviso to sub-section (1) unless such firm or body corporate has been given a reasonable opportunity of showing cause against the same:

Provided that no matter shall be raised by such firm or body corporate before the Central Government if such matter has been decided by the High Court.”;

(c) in the proviso to sub-section (3), for “Tribunal”, substitute “High Court”.

Section 635B.—In sub-sections (3) and (4), for “Tribunal”, substitute “Court”.

THE APPROPRIATION (RAILWAYS) No. 2 ACT, 1967

No. 18 OF 1967

[3rd July, 1967]

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 1967-68 for the purposes of Railways.

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

Short title.

1. This Act may be called the Appropriation (Railways) No. 2 Act, 1967.

Issue of
Rs. 14,95,
73,51,000
out of the
Consolidated
Fund of India
for the
financial year
1967-68.

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 (Railways) Vote on Account Act, 1967] to the sum of one thousand four hundred and ninety-five crores, seventy-three lakhs and fifty-one thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68, in respect of the services relating to railways specified in column 2 of the Schedule. 4 of 1967.

Appropriation.

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

THE SCHEDULE

(See sections 2 and 3)

I No. of Vote	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
1	Railway Board	1,28,97,000	..	1,28,97,000
2	Miscellaneous Expenditure	4,59,39,000	3,00,000	4,62,39,000
3	Payments to Worked Lines and Others	37,45,000	..	37,45,000
4	Working Expenses—Administration	65,72,05,000	51,000	65,72,56,000
5	Working Expenses—Repairs and Maintenance	2,09,31,07,000	22,000	2,09,31,29,000
6	Working Expenses—Operating Staff	1,34,71,82,000	21,000	1,34,72,03,000
7	Working Expenses—Operation (Fuel)	1,31,20,91,000	..	1,31,20,91,000
8	Working Expenses—Operation other than Staff and Fuel	37,77,20,000	56,65,000	38,33,85,000
9	Working Expenses—Miscellaneous Expenses	32,03,79,000	12,47,000	32,16,26,000
10	Working Expenses—Staff Welfare	22,77,12,000	..	22,77,12,000
11	Working Expenses—Appropriation to Depreciation Reserve Fund	1,05,00,00,000	..	1,05,00,00,000
11-A	Working Expenses—Appropriation to Pension Fund	15,05,00,000	..	15,05,00,000
12	Dividend to General Revenues	1,41,55,86,000	..	1,41,55,86,000
13	Open Line Works (Revenue)	11,25,00,000	..	11,25,00,000
14	Construction of New Lines	38,05,08,000	8,82,000	38,13,90,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
15	Open Line Works— Capital, Depreciation Reserve Fund and Development Fund	5,36,24,14,000	9,32,000	5,36,33,46,000
16	Pensionary Charges— Pension Fund	4,13,07,000	..	4,13,07,000
17	Repayment of Loans from General Re- venues and interest thereon—Development Fund	41,15,000	..	41,15,000
18	Appropriation to Deve- lopment Fund	1,27,75,000	..	1,27,75,000
20	Withdrawal from Revenue Reserve Fund	2,05,49,000	..	2,05,49,000
	TOTAL	14,94,82,31,000	9,20,000	14,95,73,51,000

THE APPROPRIATION (No. 2) ACT, 1967

No. 19 OF 1967

[29th July, 1967]

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 1967-68.

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

1. This Act may be called the Appropriation (No. 2) Act, 1967. **Short title.**

2 of 1967.

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, 1967] to the sum of fourteen thousand, four hundred and three crores, ninety-nine lakhs and twelve thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68 in respect of the services specified in column 2 of the Schedule. **Issue of Rs. 14,403,99,12,000 out of the Consolidated Fund of India for the year 1967-68.**

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 Consolida- ted Fund	Total
		Rs.	Rs.	Rs.
1	Ministry of Commerce	44,15,000	..	44,15,000
2	Foreign Trade	39,42,37,000	5,000	39,42,42,000
3	Other Revenue Expenditure of the Ministry of Commerce	19,10,98,000	..	19,10,98,000
4	Ministry of Defence	81,21,000	..	81,21,000
5	Defence Services—Effective— Army	6,73,91,00,000	10,00,000	6,74,01,00,000
6	Defence Services—Effective— Navy	38,96,00,000	50,000	38,96,50,000
7	Defence Services—Effective— Air Force	1,60,53,00,000	1,00,000	1,60,54,00,000
8	Defence Services—Non-effective	25,50,00,000	..	25,50,00,000
9	Ministry of Education	94,14,000	..	94,14,000
10	Education	53,11,73,000	..	53,11,73,000
11	Archaeology	1,18,70,000	..	1,18,70,000
12	Survey of India	5,04,30,000	..	5,04,30,000
13	Grants to Council of Scientific and Industrial Research	17,73,77,000	..	17,73,77,000
14	Other Revenue Expenditure of the Ministry of Education	3,25,51,000	..	3,25,51,000
15	External Affairs	16,58,89,000	..	16,58,89,000
16	Other Revenue Expenditure of the Ministry of External Affairs	16,42,05,000	..	16,42,05,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consolida- ted Fund	Total
		Rs.	Rs.	Rs.
17	Ministry of Finance	2,67,45,000	..	2,67,45,000
18	Customs	5,95,88,000	37,000	5,96,25,000
19	Union Excise Duties	14,85,53,000	50,000	14,86,03,000
20	Taxes on Income including Corporation tax, etc.	11,05,55,000	1,34,000	11,06,89,000
21	Stamps	4,27,58,000	..	4,27,58,000
22	Audit	20,44,79,000	32,16,000	20,76,95,000
23	Currency and Coinage	13,19,32,000	..	13,19,32,000
24	Mint	3,45,15,000	..	3,45,15,000
25	Kolar Gold Mines	5,00,71,000	..	5,00,71,000
26	Pensions and Other Retirement Benefits	6,15,20,000	18,26,000	6,33,46,000
27	Opium	2,63,86,000	..	2,63,86,000
28	Other Revenue Expenditure of the Ministry of Finance	39,30,73,000	2,00,000	39,32,73,000
29	Grants-in-aid to State and Union Territory Governments	3,22,47,71,000	1,48,81,00,000	4,71,28,71,000
30	Miscellaneous Adjustments between the Central, State and Union Territory Govern- ments	34,72,000	..	34,72,000
31	Pre-partition Payments	1,87,000	11,40,000	13,27,000
	CHARGED.—Interest on Debt and other Obligations and Reduction or Avoidance of Debt	..	5,10,01,75,000	5,10,01,75,000
	CHARGED.—Payments of States share of Union Excise Duties	..	2,31,57,33,000	2,31,57,33,000
32	Ministry of Food, Agriculture, Community Development and Co-operation	1,48,93,000	..	1,48,93,000
33	Agriculture	13,93,33,000	..	13,93,33,000
34	Payments to the Indian Council of Agricultural Research	16,50,58,000	..	16,50,58,000
35	Community Development Projects and National Ex- tension Service	13,91,000	..	13,91,000
36	Forest	1,61,44,000	..	1,61,44,000

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
37	Other Revenue Expenditure of the Ministry of Food, Agriculture, Community Development and Co-operation	41,90,06,000	28,52,000	42,18,58,000
38	Ministry of Health and Family Planning	34,41,000	..	34,41,000
39	Medical and Public Health	19,39,84,000	..	19,39,84,000
40	Other Revenue Expenditure of the Ministry of Health and Family Planning	73,12,000	..	73,12,000
41	Ministry of Home Affairs	6,22,80,000	..	6,22,80,000
42	Cabinet	59,55,000	..	59,55,000
43	Administration of Justice	3,30,000	25,06,000	28,36,000
44	Police	37,45,41,000	..	37,45,41,000
45	Census	1,05,27,000	..	1,05,27,000
46	Statistics	3,52,84,000	..	3,52,84,000
47	Privy Purses and Allowances of Indian Rulers	1,76,000	5,03,99,000	5,05,75,000
48	Territorial and Political Pensions	18,96,000	..	18,96,000
49	Delhi	34,28,32,000	9,56,000	34,37,88,000
50	Chandigarh	4,00,66,000	18,81,000	4,19,47,000
51	Andaman and Nicobar Islands	6,32,49,000	..	6,32,49,000
52	Tribal Areas	21,73,23,000	..	21,73,23,000
53	Dadra and Nagar Haveli Area	45,62,000	..	45,62,000
54	Laccadive, Minicoy and Amindivi Islands	98,72,000	..	98,72,000
55	Other Revenue Expenditure of the Ministry of Home Affairs.	4,00,78,000	..	4,00,78,000
56	Department of Industrial Development	49,37,000	..	49,37,000
57	Industries	4,18,17,000	10,00,000	4,28,17,000

1	2	3				
		No. of Vote	Services and purposes	Sums not exceeding		
				Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.		
58	Salt	55,82,000	..	55,82,000		
59	Other Revenue Expenditure of the Department of Industrial Development	56,22,000	..	56,22,000		
60	Ministry of Information and Broadcasting	18,22,000	..	18,22,000		
61	Broadcasting	8,30,53,000	..	8,30,53,000		
62	Other Revenue Expenditure of the Ministry of Information and Broadcasting	6,21,51,000	..	6,21,51,000		
63	Ministry of Irrigation and Power	32,82,000	..	32,82,000		
64	Multi-purpose River Schemes	2,17,59,000	..	2,17,59,000		
65	Other Revenue Expenditure of the Ministry of Irrigation and Power	9,01,75,000	..	9,01,75,000		
66	Ministry of Labour, Employment and Rehabilitation	78,80,000	..	78,80,000		
67	Chief Inspector of Mines	48,35,000	..	48,35,000		
68	Labour and Employment	14,40,69,000	5,000	14,40,74,000		
69	Expenditure on Displaced Persons	11,97,48,000	40,000	11,97,88,000		
70	Other Revenue Expenditure of the Ministry of Labour, Employment and Rehabilitation	33,80,000	..	33,80,000		
71	Ministry of Law	62,34,000	..	62,34,000		
72	Other Revenue Expenditure of the Ministry of Law	2,16,23,000	..	2,16,23,000		
73	Ministry of Petroleum and Chemicals	26,15,000	..	26,15,000		
74	Other Revenue Expenditure of the Ministry of Petroleum and Chemicals	3,07,10,000	..	3,07,10,000		
75	Ministry of Steel, Mines and Metals	40,38,000	..	40,38,000		
76	Geological Survey	10,22,76,000	..	10,22,76,000		

1 No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
77	Other Revenue Expenditure of the Ministry of Steel, Mines and Metals	19,00,07,000	..	19,00,07,000
78	Ministry of Tourism and Civil Aviation	16,92,000	..	16,92,000
79	Meteorology	3,35,00,000	..	3,35,00,000
80	Aviation	11,47,25,000	..	11,47,25,000
81	Other Revenue Expenditure of the Ministry of Tourism and Civil Aviation	1,89,19,000	..	1,89,19,000
82	Ministry of Transport and Shipping	1,27,52,000	..	1,27,52,000
83	Roads	14,60,51,000	..	14,60,51,000
84	Mercantile Marine	1,84,35,000	..	1,84,35,000
85	Lighthouses and Lightships	1,33,79,000	..	1,33,79,000
86	Other Revenue Expenditure of the Ministry of Transport and Shipping	3,35,50,000	..	3,35,50,000
87	Department of Works and Housing	24,10,000	..	24,10,000
88	Public Works }	38,72,81,000	1,31,05,000	39,03,86,000
89	Stationery and Printing	13,85,33,000	..	13,85,33,000
90	Other Revenue Expenditure of the Department of Works and Housing	1,61,50,000	2,50,000	1,64,00,000
91	Department of Atomic Energy	26,69,000	..	26,69,000
92	Other Revenue Expenditure of the Department of Atomic Energy	16,09,00,000	..	16,09,00,000
93	Department of Communications	12,50,000	..	12,50,000
94	Overseas Communications Service	2,33,52,000	..	2,33,52,000
95	Posts and Telegraphs (Working Expenses)	1,75,64,51,000	20,000	1,75,64,71,000

I No. of Vote	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
96	Posts and Telegraphs Dividend to General Revenues and Appropriations to Reserve Funds	19,80,88,000	..	19,80,88,000
97	Other Revenue Expenditure of the Department of Communications	32,40,000	..	32,40,000
98	Department of Company Affairs	24,22,000	..	24,22,000
99	Other Revenue Expenditure of the Department of Company Affairs	48,17,000	..	48,17,000
100	Department of Parliamentary Affairs	6,00,000	..	6,00,000
101	Department of Social Welfare	15,78,000	..	15,78,000
102	Other Revenue Expenditure of the Department of Social Welfare	3,42,66,000	..	3,42,66,000
103	Department of Supply	72,79,000	..	72,79,000
104	Supplies and Disposals	4,15,46,000	..	4,15,46,000
105	Other Revenue Expenditure of the Department of Supply	35,12,000	4,000	35,16,000
106	Planning Commission	1,74,38,000	..	1,74,38,000
107	Lok Sabha	1,52,06,000	68,000	1,52,74,000
108	Rajya Sabha	56,11,000	72,000	56,83,000
	CHARGED.—Staff, Household and Allowances of the President	..	32,37,000	32,37,000
109	Secretariat of the Vice-President	2,62,000	..	2,62,000
	CHARGED.—Union Public Service Commission	..	79,85,000	79,85,000
110	Capital Outlay of the Ministry of Commerce	24,55,000	..	24,55,000
111	Defence Capital Outlay	1,27,02,55,000	10,00,000	1,27,12,55,000
112	Capital Outlay of the Ministry of Education	71,56,000	..	71,56,000

1	2	3		
No. of Vote	Services and purposes	Sums not exceeding		
		Voted by Parliament	Charged on the Consolidated Fund	Total
		Rs.	Rs.	Rs.
113	Capital Outlay on the India Security Press	22,99,000	..	22,99,000
114	Capital Outlay on Currency and Coinage	22,63,46,000	..	22,63,46,000
115	Capital Outlay on Mints	42,63,000	..	42,63,000
116	Capital Outlay on Kolar Gold Mines	89,53,000	..	89,53,000
117	Commuted Value of Pensions	3,57,98,000	1,50,000	3,59,48,000
118	Other Capital Outlay of the Ministry of Finance	1,52,59,50,000	..	1,52,59,50,000
119	Capital Outlay on Grants to State and Union Territory Governments for Development	50,51,81,000	..	50,51,81,000
120	Loans and Advances by the Central Government	4,17,30,39,000	8,27,50,50,000	12,44,80,89,000
	CHARGED.— <i>Repayment of Debt</i>	..	85,74,98,19,000	85,74,98,19,000
121	Purchase of Foodgrains and Fertilizers	7,14,92,64,000	1,01,000	7,14,93,65,000
122	Other Capital Outlay of the Ministry of Food, Agriculture, Community Development and Cooperation	31,65,88,000	1,10,000	31,66,98,000
123	Capital Outlay of the Ministry of Health and Family Planning	14,45,90,000	..	14,45,90,000
124	Capital Outlay in Union Territories and Tribal Areas	19,69,93,000	1,12,09,000	20,82,02,000
125	Other Capital Outlay of the Ministry of Home Affairs	36,61,000	..	36,61,000
126	Capital Outlay of the Ministry of Industrial Development and Company Affairs	15,71,92,000	..	15,71,92,000
127	Capital Outlay of the Ministry of Information and Broadcasting	5,07,55,000	..	5,07,55,000
128	Capital Outlay on Multi-purpose River Schemes	24,50,18,000	.	24,50,18,000

I No. of Vote	2 Services and purposes	3		
		Sums not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
129	Other Capital Outlay of the Ministry of Irrigation and Power	17,11,31,000	..	17,11,31,000
130	Capital Outlay of the Ministry of Labour, Employment and Rehabilitation	7,86,80,000	10,000	7,86,90,000
131	Capital Outlay of the Ministry of Petroleum and Chemicals	24,48,32,000	..	24,48,32,000
132	Capital Outlay of the Ministry of Steel, Mines and Metals	1,09,72,76,000	..	1,09,72,76,000
133	Capital Outlay on Aviation	4,97,42,000	25,000	4,97,67,000
134	Other Capital Outlay of the Ministry of Tourism and Civil Aviation	1,72,00,000	..	1,72,00,000
135	Capital Outlay on Roads	36,36,27,000	50,000	36,36,77,000
136	Capital Outlay on Ports	3,70,00,000	..	3,70,00,000
137	Other Capital Outlay of the Ministry of Transport and Shipping	2,80,71,000	..	2,80,71,000
138	Delhi Capital Outlay	5,06,41,000	7,60,000	5,14,01,000
139	Capital Outlay on Public Works	9,00,00,000	15,00,000	9,15,00,000
140	Other Capital Outlay of the Ministry of Works, Housing and Supply	1,06,44,000	..	1,06,44,000
141	Capital Outlay of the Department of Atomic Energy	57,55,50,000	..	57,55,50,000
142	Capital Outlay on Posts and Telegraphs (Not met from Revenue)	56,13,00,000	..	56,13,00,000
143	Other Capital Outlay of the Department of Communications	1,91,35,000	..	1,91,35,000
	TOTAL	41,01,39,82,000	1,03,02,59,30,000	1,44,03,99,12,000

THE FINANCE (No. 2) ACT, 1967

ARRANGEMENT OF SECTIONS

SECTIONS

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THE FINANCE (No. 2) ACT, 1967

No. 20 OF 1967

[5th August, 1967]

An Act to give effect to the financial proposals of the Central Government for the financial year 1967-68.

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance (No. 2) Act, 1967.

(2) Save as otherwise provided in this Act, sections 2 to 36 and 44 to 46 shall be deemed to have come into force on the 1st day of April, 1967.

Short
title and
commence-
ment.

CHAPTER II

INCOME-TAX AND ANNUITY DEPOSITS FOR THE FINANCIAL YEAR 1967-68

2. (1) Subject to the provisions of sub-sections (2), (3) and (4), for the assessment year commencing on the 1st day of April, 1967, 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 a special surcharge for purposes of the Union calculated in either case in the manner provided therein.

Income-
tax.

(2) In making any assessment for the assessment year commencing on the 1st day of April, 1967, 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 ^{from} 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

(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 ^{43 of 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) (a) In respect of any assessment for the assessment year commencing on the 1st day of April, 1967, in the case of an assessee being a domestic company or an assessee other than a company,—

(i) where his total income includes any profits and gains derived from the export (made before the sixth day of June, 1966) of any goods or merchandise out of India, he shall be entitled to a deduction, from the amount of income-tax with which he is chargeable, of an amount equal to the income-tax calculated at one-tenth of the average rate of income-tax on the amount of such profits and gains included in his total income;

(ii) where he is engaged in the manufacture of any articles in an industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951, and has, during the ^{65 of 1951}

previous year, exported before the sixth day of June, 1966 such articles out of India, he shall be entitled, in addition to the deduction of income-tax referred to in sub-clause (i), to a further deduction, from the amount of income-tax with which he is chargeable for the assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on an amount equal to two per cent. of the sale proceeds receivable by him in respect of such export made before the date aforesaid.

Explanation.—In this sub-clause the expression “sale proceeds” does not include freight or insurance attributable to the transport of the articles beyond the customs station as defined in the Customs Act, 1962;

52 of 1962.

(iii) where he is engaged in the manufacture of any articles in an industry specified in the said First Schedule and has, during the previous year, sold before the sixth day of June, 1966 such articles to any other person in India who himself has exported them out of India, and evidence is produced before the Income-tax Officer of such articles having been so exported, the assessee shall be entitled to a deduction, from the amount of income-tax with which he is chargeable for the assessment year, of an amount equal to the income-tax calculated at the average rate of income-tax on a sum equal to two per cent. of the sale proceeds receivable by him from the exporter in respect of such articles sold to the exporter before the date aforesaid.

(b) The aggregate amount of the deductions under this subsection shall in no case exceed the amount of income-tax otherwise payable by the assessee.

(c) Nothing contained in sub-clause (ii) or sub-clause (iii) of clause (a) shall apply in relation to—

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

(10) arms and ammunition, and

(11) cigarettes,

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

65 of 1951.

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

(5) 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.

(6) In cases in which income-tax has to be calculated under the first proviso to sub-section (5) of section 132 of the Income-tax Act or charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 or deducted under section 192 of the said Act from income chargeable under the head "Salaries" 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.

(7) 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, 1967, 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) "earned income" means any income of an assessee who is an individual, or a Hindu undivided family, or an unregistered firm [not being an unregistered firm assessed under clause (b) of section 183 of the Income-tax Act] or an association of persons or body of individuals, whether incorporated or not, not being—

(A) a company, or

(B) a local authority, or

(C) a registered firm, or

(D) an unregistered firm assessed under clause (b) of the said section 183—

(i) which is chargeable under the head "Salaries";
or

(ii) which is chargeable under the head "Profits and gains of business or profession" where the business or profession is carried on by the assessee or, in the case of a firm, where the assessee is a partner actively engaged in the conduct of the business or profession; or

(iii) which is chargeable under the head "Income from other sources" if it is immediately derived from personal exertion or represents a pension or superannuation or other allowance given to the assessee in respect of the past services of any deceased person, or which is chargeable under that head under clause (ia) of sub-section (2) of section 56 of the Income-tax Act, and

includes any such income which, though it is the income of another person, is included in the assessee's total income under the provisions of the Income-tax Act, but does not include any such income on which income-tax is not payable under clause (iii) or clause (v) of section 86 of that Act or which is exempted from tax under a notification issued under section 60 or section 60A of the Indian Income-tax Act, 1922, as continued in force by clause (l) of sub-section (2) of section 297 of the Income-tax Act;

11 of 1922.

(d) "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;

(e) "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;

(f) "unearned income" means income which is not "earned income";

(g) 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.

Annuity deposit.

3. ~~(1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, annuity deposit for the assessment year commencing on the 1st day of April, 1967 and annuity deposit to be made during the financial year commencing on the 1st day of April, 1967, shall be made by every person to whom the provisions of that Chapter apply, at the rate or rates specified in the Second Schedule.~~

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

CHAPTER III

AMENDMENTS IN THE INCOME-TAX ACT

Amendment of section 2.

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

(a) after clause (1), the following clause shall be inserted, namely:—

'(1A) "amalgamation", in relation to companies, means the merger of one or more companies with another company or the merger of two or more companies to form one company (the company or companies which so merge being referred to as the amalgamating company or companies and the company with which they merge or which is formed as a result of the merger, as the amalgamated company) in such a manner that—

(i) all the property of the amalgamating company or companies immediately before the amalgamation becomes the property of the amalgamated company by virtue of the amalgamation;

(ii) all the liabilities of the amalgamating company or companies immediately before the amalgamation

1/2 Subs by Act 27 of 1967, 55 (Wef 14.9.67)

become the liabilities of the amalgamated company by virtue of the amalgamation;

(iii) shareholders holding not less than nine-tenths in value of the shares in the amalgamating company or companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the amalgamated company or its subsidiary) become shareholders of the amalgamated company by virtue of the amalgamation,

otherwise than as a result of the acquisition of the property of one company by another company pursuant to the purchase of such property by the other company or as a result of the distribution of such property to the other company after the winding up of the first mentioned company;'

(b) after clause (37), the following clause shall be inserted, namely:—

'(37A) "rate or rates in force" or "rates in force", in relation to an assessment year or financial year, mean—

(i) for the purposes of calculating income-tax under the first proviso to sub-section (5) of section 132, or computing the income-tax chargeable under sub-section (4) of section 172 or sub-section (2) of section 174 or section 175 or sub-section (2) of section 176 or deducting income-tax under section 192 from income chargeable under the head "Salaries" or 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;

(ii) for the purposes of deduction of tax under sections 193, 194, 194A and 195, the rate or rates of income-tax specified in this behalf in the Finance Act of the relevant year;'

(c) in clause (42A), in clause (i) of the *Explanation*,—

(i) in sub-clause (b), for the words, brackets and figures "clauses (i) to (iii)", the words, brackets and figure "sub-section (1)" shall be substituted;

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

"(c) in the case of a capital asset being a share or shares in an Indian company, which becomes the pro-

perty of the assessee in consideration of a transfer referred to in clause (vii) of section 47, there shall be included the period for which the share or shares in the amalgamating company were held by the assessee."

Amendment of section 10.

5. In section 10 of the Income-tax Act, in clause (27), the words, figures and letters "which is assessable for the assessment year commencing on the 1st day of April, 1965, 1966 or 1967" shall be omitted.

Amendment of section 23.

6. In section 23 of the Income-tax Act, in the proviso to sub-section (2), for the words "total income of the owner," the following shall be substituted, namely:—

"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 or section 280O)".

Amendment of section 29.

7. In section 29 of the Income-tax Act, for the words and figures "sections 30 to 43", the words, figures and letter "sections 30 to 43A" shall be substituted.

Amendment of section 32.

8. In section 32 of the Income-tax Act, in clause (2) of the *Explanation* to clause (iii) of sub-section (1), after the words "for the time being in force", the following words shall be added, namely:—

"but does not include a transfer, in a scheme of amalgamation, of any asset by the amalgamating company to the amalgamated company where the amalgamated company is an Indian company".

Amendment of section 33.

9. In section 33 of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) Where, in a scheme of amalgamation, the amalgamating company sells or otherwise transfers to the amalgamated company any ship, machinery or plant in respect of which development rebate has been allowed to the amalgamating company under sub-section (1) or sub-section (1A),—

(a) the amalgamated company shall continue to fulfil the conditions mentioned in sub-section (3) of section 34 in respect of the reserve created by the amalgamating company and in respect of the period within which such ship, machinery or plant shall not be sold or otherwise transferred and in default of any of these conditions, the provisions of sub-section (5) of section 155 shall apply to the amalgamated

company as they would have applied to the amalgamating company had it committed the default; and

(b) the balance of development rebate, if any, still outstanding to the amalgamating company in respect of such ship, machinery or plant shall be allowed to the amalgamated company in accordance with the provisions of sub-section (2), so, however, that the total period for which the balance of development rebate shall be carried forward in the assessments of the amalgamating company and the amalgamated company shall not exceed the period of eight years specified in sub-section (2) and the amalgamated company shall be treated as the assessee in respect of such ship, machinery or plant for the purposes of this section and section 34."

10. In section 33A of the Income-tax Act, for sub-section (5), the following sub-section shall be substituted, namely:—

Amendment of section 33A.

"(5) Where, in a scheme of amalgamation, the amalgamating company sells or otherwise transfers to the amalgamated company any land in respect of which development allowance has been allowed to the amalgamating company under sub-section (1),—

(a) the amalgamated company shall continue to fulfil the conditions mentioned in sub-section (3) in respect of the reserve created by the amalgamating company and in respect of the period within which such land shall not be sold or otherwise transferred and in default of any of these conditions, the provisions of sub-section (5A) of section 155 shall apply to the amalgamated company as they would have applied to the amalgamating company had it committed the default; and

(b) the balance of development allowance, if any, still outstanding to the amalgamating company in respect of such land shall be allowed to the amalgamated company in accordance with the provisions of sub-section (2), so, however, that the total period for which the balance of development allowance shall be carried forward in the assessments of the amalgamating company and the amalgamated company shall not exceed the period of eight years specified in sub-section (2) and the amalgamated company shall be treated as the assessee in respect of such land for the purposes of this section."

Insertion
of new
section
33B.
Rehabili-
tation
allowance.

11. After section 33A of the Income-tax Act, the following section shall be inserted, namely:—

‘33B. Where the business of any industrial undertaking carried on in India is discontinued in any previous year by reason of extensive damage to, or destruction of, any building, machinery, plant or furniture owned by the assessee and used for the purposes of such business as a direct result of—

(i) flood, typhoon, hurricane, cyclone, earthquake or other convulsion of nature; or

(ii) riot or civil disturbance; or

(iii) accidental fire or explosion; or

(iv) action by an enemy or action taken in combating an enemy (whether with or without a declaration of war), and, thereafter, at any time before the expiry of three years from the end of such previous year, the business is re-established, reconstructed or revived by the assessee, he shall, in respect of the previous year in which the business is so re-established, reconstructed or revived, be allowed a deduction of a sum by way of rehabilitation allowance equivalent to sixty per cent. of the amount of the deduction allowable to him under clause (iii) of sub-section (1) of section 32 in respect of the building, machinery, plant or furniture so damaged or destroyed.

Explanation.—In this section, “industrial undertaking” means any undertaking 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.’

Amend-
ment of
section 34.

12. In section 34 of the Income-tax Act, for the *Explanation* to clause (i) of sub-section (2), the following *Explanation* shall be substituted, namely:—

“*Explanation.*—Where a capital asset is transferred—

(i) by a holding company to its subsidiary company or by a subsidiary company to its holding company, or

(ii) by a company to another company in a scheme of amalgamation,

and the conditions specified in clause (iv), or clause (v), or, as the case may be, clause (vi) of section 47 are satisfied, then, in determining the aggregate of all deductions in respect of depreciation under this clause, account shall also be taken of the deductions in respect of depreciation allowed in the case of the company from which the asset has been transferred;”

13. In section 35 of the Income-tax Act, after sub-section (4), the following sub-section shall be inserted, namely:—

Amendment of section 35.

“(5) Where, in a scheme of amalgamation, the amalgamating company sells or otherwise transfers to the amalgamated company (being an Indian company) any asset representing expenditure of a capital nature on scientific research,—

(i) the amalgamating company shall not be allowed the deduction under clause (ii) or clause (iii) of sub-section (2); 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 latter had not so sold or otherwise transferred the asset.”

14. In section 35A of the Income-tax Act, after sub-section (5), the following sub-section shall be inserted, namely:—

Amendment of section 35A.

“(6) Where, in a scheme of amalgamation, the amalgamating company sells or otherwise transfers the rights to the amalgamated company (being an Indian company),—

(i) the provisions of sub-sections (3) and (4) shall not apply in the case of the amalgamating company; 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 latter had not so sold or otherwise transferred the rights.”

15. In section 36 of the Income-tax Act, in clause (ix) of sub-section (1), in the third proviso, for the words, brackets and figures “sub-section (2) of section 35”, the words, brackets and figures “sub-section (2) and sub-section (5) of section 35” shall be substituted.

Amendment of section 36.

16. In section 43 of the Income-tax Act,—

(i) in clause (1), after *Explanation* 6, the following *Explanation* shall be inserted, namely:—

Amendment of section 43.

“*Explanation* 7.—Where, in a scheme of amalgamation, any capital asset is transferred by the amalgamating company to the amalgamated company and the amalgamated company is an Indian company, the actual cost of the transferred capital asset to the amalgamated company shall be taken to be the same as it would have been if the amalgamating company had continued to hold the capital asset for the purposes of its own business;”

(ii) in clause (6), after *Explanation 2*, the following *Explanation* shall be inserted, namely:—

“Explanation 2A.—Where, in a scheme of amalgamation, any capital asset is transferred by the amalgamating company to the amalgamated company and the amalgamated company is an Indian company, the written down value of the transferred capital asset to the amalgamated company shall be taken to be the same as it would have been if the amalgamating company had continued to hold the capital asset for the purposes of its business.”

Insertion
of new
section
43A.

17. After section 43 of the Income-tax Act, the following section shall be inserted, namely:—

Special
provisions
conse-
quential
to changes
in rate of
exchange
of cur-
rency.

‘43A. (1) Notwithstanding anything contained in any other provision of this Act, where an assessee has acquired any asset from a country outside India for the purposes of his business or profession and, in consequence of a change in the rate of exchange at any time after the acquisition of such asset, there is an increase or reduction in the liability of the assessee as expressed in Indian currency for making payment towards the whole or a part of the cost of the asset or for repayment of the whole or a part of the moneys borrowed by him from any person, directly or indirectly, in any foreign currency specifically for the purpose of acquiring the asset (being in either case the liability existing immediately before the date on which the change in the rate of exchange takes effect), the amount by which the liability aforesaid is so increased or reduced during the previous year shall be added to, or, as the case may be, deducted from, the actual cost of the asset as defined in clause (1) of section 43 or the amount of expenditure of a capital nature referred to in clause (iv) of sub-section (1) of section 35 or in section 35A or in clause (ix) of sub-section (1) of section 36 or, in the case of a capital asset (not being a capital asset referred to in section 50), the cost of acquisition thereof for the purposes of section 43, and the amount arrived at after such addition or deduction shall be taken to be the actual cost of the asset or the amount of expenditure of a capital nature or, as the case may be, the cost of acquisition of the capital asset as aforesaid.

Explanation 1.—In this sub-section, unless the context otherwise requires,—

(a) “rate of exchange” means the rate of exchange determined or recognised by the Central Government for the

conversion of Indian currency into foreign currency or foreign currency into Indian currency;

(b) "foreign currency" and "Indian currency" have the meanings respectively assigned to them in section 2 of the Foreign Exchange Regulation Act, 1947.

7 of 1947.

Explanation 2.—Where the whole or any part of the liability aforesaid is met, not by the assessee, but, directly or indirectly, by any other person or authority, the liability so met shall not be taken into account for the purposes of this sub-section.

Explanation 3.—Where the assessee has entered into a contract with an authorised dealer as defined in section 2 of the Foreign Exchange Regulation Act, 1947 for providing him with a specified sum in a foreign currency on or after a stipulated future date at the rate of exchange specified in the contract to enable him to meet the whole or any part of the liability aforesaid, the amount, if any, to be added to, or deducted from, the actual cost of the asset or the amount of expenditure of a capital nature or, as the case may be, the cost of acquisition of the capital asset under this sub-section shall, in respect of so much of the sum specified in the contract as is available for discharging the liability aforesaid, be computed with reference to the rate of exchange specified therein.

7 of 1947.

(2) The provisions of sub-section (1) shall not be taken into account in computing the actual cost of an asset for the purpose of the deduction on account of development rebate under section 33.

18. In section 44 of the Income-tax Act, for the words and figures "sections 28 to 43", the words, figures and letter "section 28 to 43A" shall be substituted.

Amendment of section 44. S

19. In section 47 of the Income-tax Act, after clause (v), the following clauses shall be added, namely:—

Amendment of section 47.

(vi) any transfer, in a scheme of amalgamation, of a capital asset by the amalgamating company to the amalgamated company if the amalgamated company is an Indian company;

(vii) any transfer by a shareholder, in a scheme of amalgamation, of a capital asset being a share or shares held by him in the amalgamating company if—

(a) the transfer is made in consideration of the allotment to him of any share or shares in the amalgamated company, and

(b) the amalgamated company is an Indian company.”

Amend-
ment of
section 49.

20. Section 49 of the Income-tax Act shall be re-numbered as sub-section (1) thereof, and—

(i) in sub-section (1) as so re-numbered,—

(a) in sub-clause (e) of clause (iii), after the word, brackets and figure “clause (v)”, the words, brackets and figures “or clause (vi)” shall be inserted;

(b) in the *Explanation*, for the word “section”, wherever it occurs, the word “sub-section” shall be substituted; and

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

“(2) Where the capital asset being a share or shares in an amalgamated company which is an Indian company became the property of the assessee in consideration of a transfer referred to in clause (vii) of section 47, the cost of acquisition of the asset shall be deemed to be the cost of acquisition to him of the share or shares in the amalgamating company.”

Amend-
ment of
section 55.

21. In section 55 of the Income-tax Act,—

(a) in clause (b) (ii) of sub-section (1), for the word and figures “section 49”, the words, brackets and figures “sub-section (1) of section 49” shall be substituted;

(b) in clause (ii) of sub-section (2), for the word and figures “section 49”, the words, brackets and figures “sub-section (1) of section 49” shall be substituted.

Amend-
ment of
section 72.

22. In section 72 of the Income-tax Act,—

(i) in sub-section (1), the following proviso shall be added at the end, namely:—

“Provided that where the whole or any part of such loss is sustained in any such business as is referred to in section 33B which is discontinued in the circumstances specified in that section, and, thereafter, at any time before the expiry of the period of three years referred to in that section, such business is re-established, reconstructed or revived by the assessee, so much of the loss as is attributable to such business shall be carried forward to the assessment year relevant

to the previous year in which the business is so re-established, reconstructed or revived, and—

(a) it shall be set off against the profits and gains, if any, of that business or any other business carried on by him and assessable for that assessment year; and

(b) if the loss cannot be wholly so set off, the amount if any, of that business or any other business carried on established, reconstructed or revived continues to be carried on by the assessee, be carried forward to the following assessment year and so on for seven assessment years immediately succeeding.”;

(ii) in sub-section (3), after the words “No loss”, the brackets, words and figure “[other than the loss referred to in the proviso to sub-section (1) of this section]” shall be inserted.

23. In Chapter VIA of the Income-tax Act, after section 80E, the following section shall be, and shall be deemed to have been, inserted with effect from the 1st day of April, 1966, namely:—

Insertion of new section 80F.

“80F. Where, in the case of an individual who is a citizen of India, the total income (as computed before making any deduction under this Chapter and before deduction of any amount of annuity deposit under section 280O) includes any remuneration received by him outside India from any University or other educational institution established outside India or such other association or body established outside India as may be notified in this behalf by the Central Government in the Official Gazette, for any service rendered by him during his stay outside India in his capacity as a professor, teacher, or research worker in such University, institution, association or body, there shall be allowed a deduction from such remuneration of an amount equal to fifty per cent. thereof, in computing the total income of the individual:

Deduction in respect of remuneration from certain foreign sources in the case of professors, teachers, etc.

Provided that where the individual renders continuous service outside India in such University, institution, association or body for a period exceeding thirty-six months, no deduction under this section shall be allowed in respect of the remuneration for such service relating to any period after the expiry of the thirty-six months aforesaid.”.

24. In section 84 of the Income-tax Act,—

(a) for sub-section (1), the following sub-section shall be, and shall be deemed always to have been, substituted, namely:—

Amendment of section 84.

“(1) Save as otherwise hereinafter provided, income-tax shall not be payable by an assessee on so much of the profits and gains derived from any industrial undertaking or business of a hotel or from any ship, to which this section

applies, as does not exceed six per cent. per annum on the capital employed in such undertaking or business or ship, computed in the prescribed manner.”;

(b) in sub-section (2),—

(i) for clause (iii), the following clause shall be, and shall be deemed always to have been, substituted, namely:—

“(iii) it manufactures or produces articles or operates one or more cold storage plants, in any part of India, and has begun or begins to manufacture or produce articles or to operate such plant or plants, at any time within the period of twenty-three years next following the 1st day of April, 1948, or such further period as the Central Government may, by notification in the Official Gazette, specify with reference to any particular industrial undertaking;”;

(ii) in clause (iv), before the words “it employs ten or more workers”, the words “in a case where the industrial undertaking manufactures or produces articles,” shall be, and shall be deemed always to have been, inserted;

(iii) the following proviso shall be inserted at the end, namely:—

“Provided that the condition in clause (i) shall not apply in respect of any industrial undertaking which is formed as a result of the re-establishment, reconstruction or revival by the assessee of the business of any such industrial undertaking as is referred to in section 33B, in the circumstances and within the period specified in that section.”;

(iv) the following further proviso shall be inserted at the end, namely:—

“Provided further that condition in clause (ii) shall be deemed not to have been contravened if the industrial undertaking is set up in rented premises.”;

(c) for sub-section (3) and the *Explanation* occurring at the end, the following sub-section and *Explanation* shall, respectively, be substituted, namely:—

“(3) This section applies to the business of any hotel where all the following conditions are fulfilled, namely:—

(a) the business of the hotel starts functioning on or after the -st day of April, 1961, and is not formed by the splitting up, or the reconstruction, of a business already in existence or by the transfer, to a new business, of a building previously used as a hotel, or of any machinery or plant previously used for any purpose;

(b) the business of the hotel is owned and carried on by a company registered in India with a paid-up capital of not less than five hundred thousand rupees;

(c) the hotel has such number and types of guest rooms and provides such amenities as may be prescribed, having regard to the population and the tourist importance of the place in which the hotel is located; and

(d) the hotel is, for the time being, approved for the purposes of this sub-section, by the Central Government

Explanation.—Where—

(a) in the case of an industrial undertaking, any building, machinery or plant, or any part thereof, previously used for any purpose, or

(b) in the case of the business of a hotel, any building, or any part thereof, previously used as a hotel, or any machinery or plant, or any part thereof, previously used for any purpose,

is, in either case, transferred to a new business, and the total value of the building, machinery or plant or part so transferred does not exceed twenty per cent. of the total value of the building, machinery or plant used in the business, then, for the purposes of clause (ii) of sub-section (2) and clause (a) of sub-section (3), the condition specified therein shall be deemed to have been complied with and the total value of the building, machinery or plant or part so transferred shall not be taken into account in computing the capital employed in the industrial undertaking or the business of the hotel.”;

(d) after sub-section (3), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

“(3A) This section applies to any ship where all the following conditions are fulfilled, namely:—

(i) it is owned by an Indian company and is wholly used for the purposes of the business carried on by it,

(ii) it was not, previous to the date of its acquisition by the Indian company, owned and used in Indian territorial waters by a person resident in India; and

(iii) it is brought into use by the Indian company at any time within a period of twenty-three years next following the 1st day of April, 1948.”;

(e) in sub-section (5) and sub-section (6), for the words “profits or gains of an industrial undertaking or hotel”, the

words "profits and gains derived from an industrial undertaking or business of a hotel or from a ship" shall be, and shall be deemed always to have been, substituted;

(f) in sub-section (7), in clause (i), after the words "manufacture or produce articles", the words "or, as the case may be, operate the cold storage plant or plants" shall be, and shall be deemed always to have been, inserted;

(g) in sub-section (8), for the words "a hotel" and "the hotel", the words "the business of a hotel" and "the business of the hotel" shall be, and shall be deemed always to have been, respectively, substituted;

(h) after sub-section (8), the following sub-section shall be, and shall be deemed always to have been, inserted, namely:—

"(9) The provisions of this section shall, in relation to a ship, apply to the assessment for the assessment year relevant to the previous year in which the ship is brought into use by the Indian company and for the four assessment years immediately succeeding."

Substitution of new section for section 85.

Dividend from new industrial undertaking or hotel business or ship.

25. For section 85 of the Income-tax Act, the following section shall be, and shall be deemed always to have been, substituted, namely:—

"85. Subject to any rules that may be made by the Board in this behalf, income-tax shall not be payable by a shareholder in respect of so much of any dividend paid or deemed to be paid to him out of the profits and gains derived by a company from an industrial undertaking or the business of a hotel or a ship to which section 84 applies as is attributable to that part of such profits and gains on which income-tax is not payable by the company under section 84."

Amendment of section 88.

26. In section 88 of the Income-tax Act,—

(a) in sub-section (1), after clause (ia), the following clause shall be inserted, namely:—

"(ib) as donations to the Prime Minister's Drought Relief Fund;";

(b) in sub-section (3), in the third proviso, after the word, brackets figure and letter "clause (ia)", the words, brackets figure and letter "or clause (ib)" shall be inserted.

27. In Chapter XIII of the Income-tax Act, under the sub-heading "B.—Jurisdiction",—

Amendment of Chapter XIII.

(1) in section 121, for sub-section (2), the following sub-section shall be substituted, namely:—

"(2) Where any directions issued under sub-section (1) have assigned to two or more Commissioners, the same area or the same persons or classes of persons or the same incomes or classes of income or the same cases or classes of cases, they shall have concurrent jurisdiction and shall perform such functions in relation to the said area or persons or classes of persons or incomes or classes of income or cases or classes of cases as the Board may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.";

(2) for section 123, the following section shall be substituted, namely:—

"123. (1) Inspecting Assistant Commissioners shall perform their functions in respect of such areas or of such persons or classes of persons or of such incomes or classes of income or of such cases or classes of cases as the Commissioner may direct.

Jurisdiction of Inspecting Assistant Commissioners.

(2) Where any directions issued under sub-section (1) have assigned to two or more Inspecting Assistant Commissioners, the same area or the same persons or classes of persons or the same incomes or classes of income or the same cases or classes of cases, they shall have concurrent jurisdiction and shall perform such functions in relation to the said area or persons or classes of persons or incomes or classes of income or cases or classes of cases as the Commissioner may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.";

(3) in section 124,—

(i) for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

"(1) Income-tax Officers shall perform their functions in respect of such areas or of such persons or classes of persons or of such incomes or classes of income or of such cases or classes of cases as the Commissioner may direct.

(2) Where any directions issued under sub-section (1) have assigned to two or more Income-tax Officers, the same area or the same persons or classes of persons or

the same incomes or classes of income or the same cases or classes of cases, they shall have concurrent jurisdiction and shall perform such functions in relation to the said area, or persons or classes of persons or incomes or classes of income or cases or classes of cases as the Commissioner, or the Inspecting Assistant Commissioner authorised by him in this behalf, may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.”;

(ii) in sub-section (7), after the words “this section”, the words, figures and letter “or in section 130A” shall be inserted;

(4) for section 125, the following section shall be substituted, namely:—

Powers of
Commissioner, res-
pecting
specified
areas,
cases,
persons,
etc.

“125. (1) The Commissioner may, by general or special order in writing, direct that—

(a) the powers conferred on the Income-tax Officer and the Appellate Assistant Commissioner by or under this Act shall, in respect of any specified case or class of cases or of any specified person or class of persons, be exercised by the Inspecting Assistant Commissioner and the Commissioner respectively;

(b) such of the functions assigned to the Income-tax Officer by or under this Act, as are specified in any such order may, in respect of any specified area, case or class of cases, person or class of persons or class of incomes, be performed by an Inspector of Income-tax or any member of the ministerial staff, subordinate to the Commissioner or any other Income-tax authority subordinate to him, and specified in such order, subject to such conditions, restrictions or limitations as may be specified therein.

Provided that the Commissioner shall not unless he is authorised in this behalf by the Board by general or special order in writing, make an order under clause (b) in relation to the functions of an Income-tax Officer mentioned in the following provisions of this Act, namely, sections 131, 132, 132A, 140A, 143, 144, 146, 147, 148, 162, 163, 171, 172, 174, 175, 176, 177, 178, 183, 184, 185, 189, 221, 222, 226, 228, 253, and 271 to 274. (both inclusive).

(2) For the purposes of any case or person or proceeding under this Act in respect of which or whom an order under sub-section (1) applies,—

(a) where such order is made under clause (a) of the said sub-section (1), references in this Act or in any rule made hereunder, to the Income-tax Officer and the Appellate Assistant Commissioner shall be deemed to be references to the Inspecting Assistant Commissioner and the Commissioner, respectively, and,—

(i) any provision of this Act requiring an approval or sanction of the Inspecting Assistant Commissioner shall not apply;

(ii) any appeal which would otherwise have lain to the Appellate Assistant Commissioner shall lie to the Commissioner;

(iii) any appeal which would have lain from an order of the Appellate Assistant Commissioner to the Appellate Tribunal shall lie from the order of the Commissioner;

(b) where such order is made under clause (b) of the said sub-section (1), references in this Act or in any rule made hereunder to the Income-tax Officer shall be deemed to include references to the Inspector of Income-tax or the member of the ministerial staff specified in such order.”;

(5) for section 127, the following section shall be substituted, namely:—

“127. (1) The Commissioner may, after giving the assessee a reasonable opportunity of being heard in the matter, wherever it is possible to do so, and after recording his reasons for doing so, transfer any case from any Income-tax Officer or Income-tax Officers subordinate to him to any other Income-tax Officer or Income-tax Officers also subordinate to him and the Board may similarly transfer any case from any Income-tax Officer or Income-tax Officers to any other Income-tax Officer or Income-tax Officers: Power to transfer cases.

Provided that nothing in this sub-section shall be deemed to require any such opportunity to be given where the transfer is from any Income-tax Officer or Income-tax Officers to any other Income-tax Officer or Income-tax Officers and the offices of all such Income-tax Officers are situated in the same city, locality or place:

Provided further that where any case has been transferred from any Income-tax Officer or Income-tax Officers to two or more Income-tax Officers, the Income-tax Officers to whom the case is so transferred shall have concurrent jurisdiction over the case and shall perform such functions in relation to the said case as the Board or the Commissioner (or any Inspecting Assistant Commissioner authorised by the Commissioner in this behalf) may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed. 9

(2) The transfer of a case under sub-section (1) may be made at any stage of the proceedings, and shall not render necessary the re-issue of any notice already issued by the Income-tax Officer or Income-tax Officers from whom the case is transferred.

Explanation.—In this section and in sections 121, 123, 124 and 125, the word “case”, in relation to any person whose name is specified in any order or direction issued thereunder, means all proceedings under this Act in respect of any year which may be pending on the date of such order or direction or which may have been completed on or before such date, and includes also all proceedings under this Act which may be commenced after the date of such order or direction in respect of any year.”; 9

(6) for section 128, the following section shall be substituted, namely:—

Functions
of Inspectors
of income-
tax.

“128. Inspectors of Income-tax shall perform such functions in the execution of this Act as are assigned to them by the Commissioner by an order, whether made under clause (b) of sub-section (1) of section 125 or otherwise, or by any other Income-tax authority under whom they are appointed to work.”;

(7) after section 130, the following section shall be inserted, namely:—

Income-
tax Officer
competent
to perform
any func-
tion or
functions.

“130A. In respect of any function to be performed by an Income-tax Officer under any provision of this Act in relation to an assessee, the Income-tax Officer referred to therein shall,—

(a) in a case where only one Income-tax Officer has jurisdiction over such assessee, be such Income-tax Officer;

(b) in a case where two or more Income-tax Officers have concurrent jurisdiction over such assessee, be the Income-tax Officer empowered to perform such function by the Board or, as the case may be, the Income-tax Officer to whom such function has been assigned by an order of the Commissioner or of the Inspecting Assistant Commissioner authorised by the Commissioner in this behalf."

28. In section 138 of the Income-tax Act, for sub-section (1), the following sub-section shall be substituted, namely:— Amendment of section 138.

"(1) (a) The Board or any other Income-tax authority specified by it by a general or special order in this behalf may furnish or cause to be furnished to—

(i) any officer, authority or body performing any functions under any law relating to the imposition of any tax, duty or cess, or to dealings in foreign exchange as defined in section 2(d) of the Foreign Exchange Regulation Act, 1947; or

7 of 1947.

(ii) such officer, authority or body performing functions under any other law as the Central Government may, if in its opinion it is necessary so to do in the public interest, specify by notification in the Official Gazette in this behalf,

11 of 1922.

any such information relating to any assessee in respect of any assessment made under this Act or the Indian Income-tax Act 1922 as may, in the opinion of the Board or other Income-tax authority, be necessary for the purpose of enabling the officer, authority or body to perform his or its functions under that law.

11 of 1922.

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

29. In section 172 of the Income-tax Act, in sub-section (4), for the words "rate or rates for the time being", the words "rate or rates in force" shall be substituted. Amendment of section 172.

Amend-
ment of
Chapter
XVII.

30. In Chapter XVII of the Income-tax Act, under the sub-heading "B.—Deduction at source",—

(1) in section 193, the *Explanation* shall be omitted;

(2) after section 194, the following section shall be inserted, namely:—

Interest
other
than
"Interest
on Securi-
ties".

194A. (1) Any person, not being an individual or a Hindu undivided family, who is responsible for paying to a resident any income by way of interest other than income chargeable under the head "Interest on Securities", shall, at the time of credit of such income to the account of the payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon at the rates in force:

Provided that no such deduction shall be made in a case where the person (not being a company or a registered firm) entitled to receive such income furnishes to the person responsible for making the payment—

(a) an affidavit, or

(b) a statement in writing,

declaring that his estimated total income assessable for the assessment year next following the financial year in which the income is credited or paid will be less than the minimum liable to income-tax.

(2) The statement in writing referred to in sub-section (1) shall also contain such other particulars as may be prescribed, be verified in the prescribed manner, be signed in the presence of a Gazetted Officer of the Central or a State Government and bear an attestation by such Officer to the effect that the person who has signed the statement is known to him.

(3) The provisions of sub-section (1) shall not apply—

(i) where the income credited or paid at any one time does not exceed four hundred rupees;

(ii) to such income credited or paid before the 1st day of October, 1967;

(iii) to such income credited or paid to—

(a) any banking company to which the Banking Regulation Act, 1949, applies, or any co-operative society engaged in carrying on the business of banking (including a co-operative land mortgage bank), or

(b) any financial corporation established by or under a Central, State or Provincial Act, or

(c) the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956, or

31 of 1956.

(d) the Unit Trust of India established under the Unit Trust of India Act, 1963, or

52 of 1963.

(e) any company or co-operative society carrying on the business of insurance, or

(f) such other institution, association or body which the Central Government may, for reasons to be recorded in writing, notify in this behalf in the Official Gazette.

Explanation.—In this section, “Gazetted Officer” includes a Tehsildar or a Mamlatdar of a Taluka or Tehsil or any other officer performing functions similar to those of a Tehsildar or Mamlatdar;’

(3) for section 196, the following section shall be substituted, namely:—

“196. Notwithstanding anything contained in the foregoing provisions of this Chapter, no deduction of tax shall be made by any person from any sums payable to—

(i) the Government, or

(ii) the Reserve Bank of India, or

(iii) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income;

Interest or dividend or other sums payable to Government, Reserve Bank or certain corporations

where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.”;

(4) in section 197, in sub-section (1), for clause (a), the following clause shall be substituted, namely:—

“(a) income-tax is required to be deducted at the time of credit or, as the case may be, at the time of payment at the rates in force under the provisions of sections 192, 193, 194A and 195.”;

(5) in sections 198, 199, 200, 202 and 205, for the words and figures “sections 192 to 195”, the words, figures and letter “sections 192 to 194, section 194A and section 195” shall be substituted:

(6) for section 203, the following section shall be substituted namely:—

Certificate
for tax
deducted.

“203. Every person deducting tax in accordance with the provisions of sections 192 to 194, section 194A and section 195 shall, at the time of credit or payment of the sum, or, as the case may be, at the time of issue of a cheque or warrant for payment of any dividend to a shareholder, furnish to the person to whose account such credit is given or to whom such payment is made or the cheque or warrant is issued, a certificate to the effect that tax has been deducted, and specifying the amount so deducted, the rate at which the tax has been deducted and such other particulars as may be prescribed.”;

(7) in section 204,—

(i) for the words and figures “sections 192 to 203 and section 285”, the words, figures and letter “sections 192 to 194, section 194A, sections 195 to 203 and section 285” shall be substituted;

(ii) in clause (iii), for the words “in the case of payment”, the words “in the case of credit, or, as the case may be, payment” shall be substituted;

(8) after section 206, the following section shall be inserted, namely:—

Person
paying
interest
to
residents
without
deduction
of tax, to
furnish
prescribed
return.

“206A. Any person responsible for paying any income referred to in section 194A shall prepare, and within thirty days from the 31st day of March in each year, deliver or cause to be delivered to the Income-tax Officer in the prescribed form and verified in the prescribed manner a return in writing showing—

(a) the name and address of every person who has furnished to him an affidavit or a statement under the proviso to sub-section (1) of section 194A;

(b) the amount of the income credited or paid during the financial year to each such person and the time or times at which the same was credited or paid, as the case may be; and

(c) such other particulars as may be prescribed.”.

Amend-
ment of
sections
209 and
215.

31. In sections 209 and 215 of the Income-tax Act, for the words and figures “sections 192 to 195”, the words, figures and letter “sections 192 to 194, section 194A and section 195” shall be substituted

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32. In the First Schedule to the Income-tax Act, for the words and figures "sections 30 to 43", wherever they occur, the words, figures and letter "sections 30 to 43A" shall be substituted.

Amendment of First Schedule.

33. The amendments directed in the Third Schedule shall be made in the Income-tax Act with effect from the 1st day of April, 1968.

Certain amendments to Income-tax Act to take effect from 1st April, 1968.

CHAPTER IV

OTHER DIRECT TAXES

34. In the Wealth-tax Act, 1957,—

Amendment of Act 27 of 1957.

(a) in section 2, in clause (h)—

(i) in sub-clause (i), the word "and" occurring at the end shall be omitted;

(ii) in sub-clause (ii), the word "and" shall be inserted at the end;

(iii) after sub-clause (ii), the following sub-clause shall be, and shall be deemed always to have been, inserted, namely:—

"(ia) a corporation established by or under a Central, Provincial or State Act, which is declared by the Central Government, by general or special order, to be a company for the purposes of this Act.";

(b) in section 3, for the *Explanation*, the following proviso and *Explanation* shall be substituted, namely:—

"Provided that where two or more Income-tax Officers have jurisdiction or exercise powers under the Income-tax Act in respect of any individual, Hindu undivided family or company, they shall have concurrent jurisdiction and perform such functions of a Wealth-tax Officer under this Act in respect of such individual, Hindu undivided family or company, as the case may be, as the Commissioner or the Inspecting Assistant Commissioner of Wealth-tax authorised by him in this behalf may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.

Explanation.—For the purposes of this section, the income-tax Officer or the Income-tax Officers having jurisdiction in relation to a person who is not an assessee within the

meaning of the Income-tax Act, shall be the Income-tax Officer or Income-tax Officers in respect of the area in which that person resides.”;

(c) for section 8A, the following sections shall be substituted, namely:—

Power of
Commissioner res-
pecting
specified
areas,
cases,
or
persons.

‘8A. (1) The Commissioner may, by general or special order in writing, direct that such of the functions assigned to the Wealth-tax Officer by or under this Act as are specified in any such order may, in respect of any specified area or specified cases or classes of cases or specified persons or classes of persons, be performed by an Inspector of Wealth-tax or any member of the ministerial staff, appointed to work under the Commissioner or any other Wealth-tax authority subordinate to him, and specified in such order, subject to such conditions, restrictions or limitations as may be specified therein:

Provided that the Commissioner shall not, unless he is authorised in this behalf by the Board by general or special order in writing, make an order under this sub-section in relation to the functions of a Wealth-tax Officer mentioned in the following provisions of this Act, namely, sections 15B, 16, 17, 18, 20, 22, 24, 32, 37 and 37A.

(2) For the purposes of any case or person or proceeding under this Act in respect of which or whom any order under sub-section (1) applies, references in this Act or in any rule made hereunder to the Wealth-tax Officer shall be deemed to include references to the Inspector of Wealth-tax or the member of the ministerial staff specified in such order.

Power to
transfer
cases

8B. (1) Notwithstanding anything contained in section 8, the Commissioner may, after giving the assessee a reasonable opportunity of being heard in the matter, wherever it is possible to do so, and after recording his reasons for doing so, transfer any case from any Wealth-tax Officer or Wealth-tax Officers subordinate to him to any other Wealth-tax Officer or Wealth-tax Officers also subordinate to him and the Board may similarly transfer any case from any Wealth-tax Officer or Wealth-tax Officers to any other Wealth-tax Officer or Wealth-tax Officers:

Provided that nothing in this sub-section shall be deemed to require any such opportunity to be given where the transfer is from any Wealth-tax Officer or Wealth-tax Officers to any other Wealth-tax Officer or Wealth-tax Officers and the offices of all such Wealth-tax Officers are situated in the same city, locality or place:

Provided further that where any case has been transferred from any Wealth-tax Officer or Wealth-tax Officers to two or more Wealth-tax Officers, the Wealth-tax Officers to whom the case is so transferred shall have concurrent jurisdiction over the case and shall perform such functions in relation to the said case as the Board or the Commissioner (or any Inspecting Assistant Commissioner of Wealth-tax authorised by the Commissioner in this behalf) may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.

(2) The transfer of a case under sub-section (1) may be made at any stage of the proceedings, and shall not render necessary the re-issue of any notice already issued by the Wealth-tax Officer or Wealth-tax Officers from whom the case is transferred.

Explanation.—In this section and in section 8A, the word “case”, in relation to any person whose name is specified in any order made thereunder, means all proceedings under this Act in respect of any year which may be pending on the date of such order, or which may have been completed on or before such date, and includes also all proceedings under this Act which may be commenced after the date of such order in respect of any year;’

(d) in section 10, for the words “subject to such orders, if any, as the Board may make for the distribution and allocation of the work to be performed”, the following words shall be substituted, namely:—

“and shall perform such functions in relation to the said area or persons or classes of persons as the Board may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed”;

(e) in section 11, for the words “they shall perform their functions in accordance with such orders as the Commissioner may make for the distribution and allocation of the work to be performed”, the following words shall be substituted, namely:—

“they shall have concurrent jurisdiction and shall perform such functions in respect of the said areas or persons or classes of persons as the Commissioner may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed”;

(f) for section 11A, the following section shall be substituted, namely:—

Inspector
of Wealth-
tax.

“11A. A Commissioner may empower any Inspector of Income-tax within the meaning of the Income-tax Act to work as an Inspector of Wealth-tax under any other Wealth-tax authority subordinate to him; and when he is so empowered, he shall perform such functions in the execution of this Act as are assigned to him by the Commissioner by an order, whether made under sub-section (1) of section 8A or otherwise, or by any other Wealth-tax authority under whom he is appointed to work.”;

(g) after section 11A, the following section shall be inserted, namely:—

Wealth-
tax Officer
competent
to perform
any func-
tion or
functions.

“11B. In respect of any function to be performed by a Wealth-tax Officer under any provision of this Act, in relation to any assessee, the Wealth-tax Officer referred to therein shall,—

(a) in a case where only one Wealth-tax Officer has jurisdiction over such assessee, be such Wealth-tax Officer;

(b) in a case where two or more Wealth-tax Officers have concurrent jurisdiction over such assessee, be the Wealth-tax Officer empowered to perform such function by the Board, or, as the case may be, the Wealth-tax Officer to whom such function has been assigned by an order of the Commissioner or of the Inspecting Assistant Commissioner of Wealth-tax authorised by the Commissioner in this behalf.”.

Amend-
ment of
Act 18 of
1958.

35. In the Gift-tax Act, 1958,—

(a) in section 7, for the *Explanation*, the following proviso and *Explanation* shall be substituted, namely:—

“Provided that where two or more Income-tax Officers have jurisdiction or exercise powers under the Income-tax Act in respect of any person, they shall have concurrent jurisdiction and perform such functions of a Gift-tax Officer under this Act in respect of such person, as the Commissioner or the Inspecting Assistant Commissioner of Gift-tax authorised by him in this behalf may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.

Explanation.—For the purposes of this section, the Income-tax Officer or Income-tax Officers having jurisdiction in relation to a person who has no income assessable to income-tax under the Income-tax Act, shall be the Income-tax Officer or Income-tax Officers in respect of the area in which that person resides.”;

(b) for section 7A, the following sections shall be substituted namely:—

‘7A. (1) The Commissioner may, by general or special order in writing, direct that such of the functions assigned to the Gift-tax Officer by or under this Act as are specified in any such order may, in respect of any specified area or specified cases or classes of cases or specified persons or classes of persons, be performed by an Inspector of Gift-tax or any member of the ministerial staff, appointed to work under the Commissioner or any other Gift-tax authority subordinate to him, and specified in such order, subject to such conditions, restrictions or limitations as may be specified therein:

Power of Commissioner respecting specified areas, cases or persons.

Provided that the Commissioner shall not, unless he is authorised in this behalf by the Board by general or special order in writing, make an order under this sub-section in relation to the functions of a Gift-tax Officer mentioned in the following provisions of this Act, namely, sections 15, 16, 17, 19A, 20, 21, 21A, 23, 32, 33 and 36.

(2) For the purposes of any case or person or proceeding under this Act, in respect of which or whom any order under sub-section (1) applies, references in this Act or in any rule made hereunder to the Gift-tax Officer shall be deemed to include references to the Inspector of Gift-tax or the member of the ministerial staff specified in such order.

7B. (1) Notwithstanding anything contained in section 7, the Commissioner may, after giving the assessee a reasonable opportunity of being heard in the matter, wherever it is possible to do so, and after recording his reasons for doing so, transfer any case from any Gift-tax Officer or Gift-tax Officers subordinate to him to any other Gift-tax Officer or Gift-tax Officers also subordinate to him and the Board may similarly transfer any case from any Gift-tax Officer or Gift-tax Officers to any other Gift-tax Officer or Gift-tax Officers:

Power to transfer cases.

Provided that nothing in this sub-section shall be deemed to require any such opportunity to be given where the transfer is from any Gift-tax Officer or Gift-tax Officers to any other Gift-tax Officer or Gift-tax Officers and the offices of all such Gift-tax Officers are situated in the same city, locality or place:

Provided further that where any case has been transferred from any Gift-tax Officer or Gift-tax Officers to two or more Gift-tax Officers, the Gift-tax Officers to whom the case is so transferred shall have concurrent jurisdiction over the case and shall perform such functions in relation to the said case as the Board or the Commissioner (or any Inspecting Assistant Commissioner of Gift-tax authorised by the Commissioner in this behalf) may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed.

(2) The transfer of a case under sub-section (1) may be made at any stage of the proceedings, and shall not render necessary the re-issue of any notice already issued by the Gift-tax Officer or Gift-tax Officers from whom the case is transferred.

Explanation.—In this section and in section 7A, the word “case”, in relation to any person whose name is specified in any order made thereunder, means all proceedings under this Act in respect of any year which may be pending on the date of such order, or which may have been completed on or before such date, and includes also all proceedings under this Act which may be commenced after the date of such order in respect of any year.;

(c) in section 9, for the words “subject to such orders, if any, as the Board may make for the distribution and allocation of the work to be performed”, the following words shall be substituted, namely:—

“and shall perform such functions in relation to the said area or persons or classes of persons as the Board may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed”;

(d) in section 10, for the words “they shall perform their functions in accordance with such orders as the Commissioner

may make for the distribution and allocation of the work to be performed", the following words shall be substituted, namely:—

"they shall have concurrent jurisdiction and shall perform such functions in respect of the said areas or persons or classes of persons as the Commissioner may, by general or special order in writing, specify, for the distribution and allocation of the work to be performed";

(e) for section 11, the following section shall be substituted, namely:—

"11. A Commissioner may empower any Inspector of Income-tax within the meaning of the Income-tax Act to work as an Inspector of Gift-tax under any other Gift-tax authority subordinate to him; and when he is so empowered, he shall perform such functions in the execution of this Act as are assigned to him by the Commissioner by an order, whether made under sub-section (1) of section 7A or otherwise, or by any other Gift-tax authority under whom he is appointed to work.";

Inspector
of Gift-
tax.

(f) section 11A shall be re-numbered as section 11B and before section 11B as so re-numbered, the following section shall be inserted, namely:—

"11A. In respect of any function to be performed by a Gift-tax Officer under any provision of this Act, in relation to any assessee, the Gift-tax Officer referred to therein shall,—

Gift-tax
Officer
competent
to perform
any func-
tion or
functions.

(a) in a case where only one Gift-tax Officer has jurisdiction over such assessee, be such Gift-tax Officer;

(b) in a case where two or more Gift-tax Officers have concurrent jurisdiction over such assessee, be the Gift-tax Officer empowered to perform such function by the Board, or, as the case may be, the Gift-tax Officer to whom such function has been assigned by an order of the Commissioner or of the Inspecting Assistant Commissioner of Gift-tax authorised by the Commissioner in this behalf.";

(g) in section 45,—

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

"(da) any company [other than a company to which clause (c) or clause (d) applies] to an Indian company in a scheme of amalgamation.";

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

Explanation 2.—For the purpose of clause (da), the term “amalgamation” shall have the meaning assigned to it in clause (1A) of section 2 of the Income-tax Act.’

Amend-
ment of
Act 7 of
1964.

36. In the Companies (Profits) Surtax Act, 1964,—

(a) in section 3, in sub-section (1),—

(i) for the words “and Income-tax Officer”, the words “Income-tax Officer and Inspector of Income-tax” shall be substituted;

(ii) for the words “same as that he has”, the words “same as he has” shall be substituted;

(b) in section 18,—

(i) for the figures, words and brackets “131 to 136 (both inclusive)”, the figures, letters, words and brackets “118, 125, 129, 130, 130A, 131, 132, 132A, 133 to 136 (both inclusive)” shall be substituted;

(ii) for the figures, words and brackets “287 to 293 (both inclusive)”, the figures, letters, words and brackets “287, 288, 288A, 288B, 289 to 293 (both inclusive)” shall be substituted;

(c) in the First Schedule, in rule 1,—

(i) clause (v) shall be omitted with effect from the 1st day of April, 1968;

(ii) for clause (vii), the following clause shall be substituted with effect from the 1st day of April, 1968, namely:—

“(vii), an amount equal to fifty per cent. of the sum with reference to which a deduction is allowable to the company under the provisions of section 80G of the Income-tax Act;”.

CHAPTER V

INDIRECT TAXES

Amend-
ment of
Act 32
of 1934.

37. In the First Schedule to the Indian Tariff Act, 1934 (hereinafter referred to as the Tariff Act), in column 3, against each of the items Nos. 1, 6, 6(1), 12(3), 13(5), 13(7), 15(3), 25(2), 25(6), 26, 26(1), 46(2), 53(1), 64(1), 64(2), 65(1), 67(3), 68(1), 68(3), 69, 69(1), 70(7), 70(8), 72(8), 72(9), 72(29), 72(31) (a), 72(31) (b), 72(32) (a), 72(32) (b), 76(2) and 84(a) (ii), the word “Revenue” shall be inserted.

Special
duties of
customs.

38. (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 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 10 per cent. of such amount:

Provided that in computing the total amount so chargeable, any duty chargeable under section 2A of the Tariff Act or section 39 of this Act shall not be included.

10 of 1897. (2) Sub-section (1) shall cease to have effect after the 31st day of March, 1968, 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.

39. (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 a subsequent Central Act, if any, a regulatory duty of customs not exceeding—

Regulatory
duties of
customs.

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

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

whichever is higher:

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

10 of 1897. (2) Sub-section (1) shall cease to have effect after the 15th day of May, 1968, except as respects things done or omitted to be done before such cesser; and section 6 of the General Clauses Act, 1897 shall apply upon such cesser as if the said sub-section had then been repealed by a Central Act.

52 of 1962. (3) The 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. (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.

Amend-
ment of
Act 1 of
1944.

40. In the Central Excises and Salt Act, 1944 (hereinafter referred to as the Central Excises Act), in the First Schedule,—

(a) in Item No. 2, for the entry in the third column, the entry "Eighty-five rupees per quintal." shall be substituted;

(b) in Item No. 4, under "II. Manufactured tobacco—", for the entries in the third column against sub-items (1) (i), (1) (ii), (1) (iii) and (1) (iv), the entries "Twenty-one rupees.", "Twelve rupees and seventy-five paise.", "Four rupees and fifty paise." and "One rupee and twenty paise." shall, respectively, be substituted;

(c) in Item No. 6, for the entry in the third column, the entry "Five hundred and fifty rupees per kilolitre at fifteen degrees of Centigrade thermometer." shall be substituted;

(d) in Item No. 11A, for the entry in the third column, the entry "Twenty per cent. *ad valorem*." shall be substituted;

(e) in Item No. 15A, for the entry in the third column, the entry "Thirty per cent. *ad valorem*." shall be substituted;

(f) for Item No. 16A, the following item shall be substituted, namely:—

UBBER PRODUCTS, THE FOLLOW-
ING, NAMELY :—

- | | |
|--|---------------------------------------|
| (1) Latex foam sponge | Twenty per cent. <i>ad valorem</i> . |
| (2) Plates, sheets and strips unhardened, whether vulcanised or not, and whether combined with any textile material or otherwise | Twenty per cent. <i>ad valorem</i> . |
| (3) Piping and tubing, of unhardened vulcanised rubber | Fifteen per cent. <i>ad valorem</i> |
| (4) Transmission, conveyor or elevator belts or belting, of vulcanised rubber | Fifteen per cent. <i>ad valorem</i> ; |

(g) in Item No. 18, for the entry in the third column, the entry "Forty-five rupees per kilogram" shall be substituted;

(h) in Item No. 18A, for the entries in the third column, against sub-items (1) and (2), the entries "Six rupees and fifty paise per kilogram." and "One rupee per kilogram." shall, respectively, be substituted;

(i) in Item No. 22A, for the entries in the third column, against sub-items (i) and (ii), the entries "Three hundred and seventy-five rupees per metric tonne." and "One hundred and seventy-five rupees per metric tonne." shall, respectively, be substituted;

(j) in Item No. 27, for the entries in the third column against sub-items (a), (b), (bb), (c) and (d), the entries "Nine hundred and fifty rupees per metric tonne.", "One thousand four hundred and fifty rupees per metric tonne.", "Two thousand rupees per metric tonne.", "Twenty per cent. *ad valorem*." and "Twenty per cent. *ad valorem*." shall, respectively, be substituted.

41. (1) When goods of the description mentioned in this section 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 10 per cent. of the total amount so chargeable on such goods;

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

(c) as respects goods comprised in Items Nos. 4 II(1), 18, 18A(1), 18B, 20, 29A, 33A, sub-items (2) and (3) of Item No. 34 and radiograms comprised in Item No. 37A of that Schedule, a special duty of excise equal to $33 \frac{1}{3}$ 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, 1968, 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 the duties of excise on such goods under that Act or those rules.

Regula-
tory duties
of excise.

42. (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 15 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, 1968, 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.

CHAPTER VI

MISCELLANEOUS

43. In the First Schedule to the Indian Post Office Act, 1898,— Amend-
ment of
Act 6 of
1898.
(a) for the sub-heading "*Registered Newspapers*" and entries thereunder, the following shall be substituted, namely:—

Registered Newspapers

For a weight not exceeding sixty grams	2 paise
For a weight exceeding sixty grams and not exceeding one hundred grams	5 paise
For a weight exceeding one hundred grams and not exceeding two hundred and fifty grams	10 paise
For every two hundred and fifty grams, or fraction thereof, exceeding two hundred and fifty grams	5 paise
In the case of more than one copy of the same issue of a registered newspaper being carried in the same packet—	
for a weight not exceeding one hundred grams	5 paise
for every additional one hundred and fifty grams, or fraction thereof, in excess of one hundred grams:	5 paise

Provided that such packet shall not be delivered at any addressee's residence but shall be given to a recognised agent at the Post Office.;

(b) for the sub-heading "*Parcels*" and entries thereunder, the following shall be substituted, namely:—

"Parcels

For a weight not exceeding four hundred grams 65 paise

For every four hundred grams, or fraction thereof, exceeding four hundred grams 65 paise."

Amend-
ment of
Act 47
of 1961.

44. In the Deposit Insurance Corporation Act, 1961, for section 30 the following section shall be substituted, namely:—

Income-
tax.

"30. Notwithstanding anything contained in the Income-tax Act, 1961, the Corporation shall not be liable to pay any tax ^{43 of 1961} under that Act on any of its income, profits or gains for the accounting year during which the Corporation is established and for nine accounting years following that year."

Certain
amend-
ments
made in
Act 52 of
1963 by
Act 17 of
1966 to be
given re-
trospec-
tive effect.

45. Notwithstanding anything contained in any law for the time being in force or any notification issued thereunder, the amendments made in section 32 of the Unit Trust of India Act, 1963 by section 10 of the Unit Trust of India (Amendment) Act, 1966 shall be deemed to have been made with effect from the 1st day of April, 1964.

Recovery
of tax on
income
voluntarily
disclosed.

46. Notwithstanding anything contained in section 68 of the Finance Act, 1965—

10 of 1965

(a) any income-tax which is payable by a person on the amount of income declared by him under the provisions of subsection (1) of that section but has not been paid within the period referred to therein (such tax being hereafter in this section referred to as the outstanding tax) shall be deemed to be tax due from the declarant on the date next following the expiry of the said period under a notice of demand issued under section 156 of the Income-tax Act, and the provisions of Chapter XV and Chapter XVII-D of, and the Second Schedule and the Third Schedule to, that Act shall, so far as may be, apply accordingly, subject to the modification that in section 231 of the said Act, references to one year shall be construed as references to two years; and

(b) the outstanding tax which is paid at any time after the expiry of the period referred to in sub-section (1) of the said section 68 or is recovered under the provisions of clause (a) shall, for the purposes of sub-section (6) of the said section 68, be deemed to be tax paid by the declarant under that section.

2 of 1967. 47. Section 2 and section 3 of the Finance Act, 1967 are hereby Repealed and shall be deemed never to have been enacted.

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 15 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. 1,000,000 Rs. 1,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 15,000;

- (5) where the total income exceeds Rs. 2,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000;
 Rs. 20,000 but does not exceed Rs. 25,000
- (6) where the total income exceeds Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000;
 Rs. 25,000 but does not exceed Rs. 30,000
- (7) where the total income exceeds Rs. 6,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000;
 Rs. 30,000 but does not exceed Rs. 50,000
- (8) where the total income exceeds Rs. 16,000 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000;
 Rs. 50,000 but does not exceed Rs. 70,000
- (9) where the total income exceeds Rs. 28,000 plus 65 per cent. of the amount by which the total income exceeds Rs. 70,000;
 Rs. 70,000 but does not exceed Rs. 70,000

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 as at the end of 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 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;

(iii) where the total income is twenty thousand rupees or less, the income-tax payable 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.

Surcharges on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by the aggregate of surcharges for purposes of the Union calculated as specified hereunder:—

(a) where—

(i) in the case of an individual or a Hindu undivided family, the amount of unearned income, not being income by way of interest on any security of the Central or State Government or income received in respect of units from the Unit Trust of India, established under the Unit Trust of India Act, 1963, included in the total income, or

52 of 1963.

(ii) in any other case, the amount of unearned income included in the total income,

exceeds Rs. 15,000,

a surcharge calculated on the difference between the amount of income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the amount of income-tax computed in respect of an income of Rs. 15,000 if it had been the total income, at the following rate, namely:—

- | | |
|---|--|
| (1) where the amount of the difference does not exceed Rs. 14,500 | 20 per cent. of the amount of such difference; |
| (2) where the amount of the difference exceeds Rs. 14,500 | Rs. 2,900 plus 25 per cent. of the amount by which the difference aforesaid exceeds Rs. 14,500 ; |

(b) where—

(i) in the case of an individual or a Hindu undivided family, the earned income and income by way of interest on any security of the Central or State Government and income received in respect of units from the Unit Trust of India, established under the Unit Trust of India Act, 1963, included in the total income, or

52 of 1963

(ii) in any other case, the earned income included in the total income,

exceeds Rs. 1 lakh,

a surcharge calculated on the amount of the difference between the income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the income-tax computed in respect of a total income of Rs. 1 lakh, at the following rate, namely:—

- | | |
|--|--|
| (1) where the amount of the difference does not exceed Rs. 65,000 | 5 per cent. of the amount of such difference ; |
| (2) where the amount of the difference exceeds Rs. 65,000 but does not exceed Rs. 1,30,000 | Rs. 3,250 plus 10 per cent. of the amount by which the difference aforesaid exceeds Rs. 65,000 ; |
| (3) where the amount of the difference exceeds Rs. 1,30,000 | Rs. 9,750 plus 15 per cent. of the amount by which the difference aforesaid exceeds Rs. 1,30,000 ; 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 in accordance with the preceding provisions of this Paragraph; and

(ii) the aggregate of the amounts of the surcharges calculated in accordance with clause (a) and clause (b) of this sub-paragraph.

Paragraph B

In the case of every co-operative society,—

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 15 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. 1,500 plus 20 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 25 per cent. of the amount by which the total income exceeds Rs. 20,000 ; |
| (6) where the total income exceeds Rs. 25,000 | Rs. 3,750 plus 41 per cent. of the amount by which the total income exceeds Rs. 25,000 ; |

Provided that—

(i) no income-tax shall be payable on a total income not exceeding Rs. 4,000; and

(ii) where the total income is twenty thousand rupees or less, the income-tax payable shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 4,000.

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) where the total income exceeds Rs. 25,000, a surcharge calculated at the rate of $6\frac{1}{4}$ per cent. of the amount of the difference between the income-tax computed at the rates hereinbefore specified and the income-tax computed in respect of a total income of Rs. 25,000; and

(b) 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) of this sub-paragraph.

Paragraph C

In the case of every registered firm,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 25,000 | <i>Nil</i> ; |
| (2) where the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000 | 6 per cent. of the amount by which the total income exceeds Rs. 25,000; |
| (3) where the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000 | Rs. 1,500 plus 8 per cent. of the amount by which the total income exceeds Rs. 50,000 ; |
| (4) where the total income exceeds Rs. 1,00,000 | Rs. 5,500 plus 12 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 pur-

poses 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 sub-paragraph.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income .. 45 per cent.

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) a surcharge calculated at the rate of ten per cent. of the amount of income-tax computed at the rate hereinbefore specified; and

(b) 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) of this sub-paragraph.

Paragraph E

In the case of the Life Insurance Corporation of India established
31 of 1956 under the Life Insurance Corporation Act, 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 Corpora-
tion of India established under the Life Insurance Corporation Act,
31 of 1956. 1956,—

Rates of income-tax

I. In the case of a domestic company—

- (A) (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. 25,000 45 per cent. of the total income;
 - (ii) in a case where the total income exceeds
Rs. 25,000 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 in-
dustrial company—
 - (1) on so much of the total income as
does not exceed
Rs. 10,00,000 55 per cent. ;
 - (2) on the balance, if
any, of the total
income 60 per cent. ;
 - (ii) in any other case 65 per cent. of the total income ; and
- (B) in addition, where the company
is—
 - (i) a company in which the
public are substantially
interested or,

(ii) a company as is referred to in clause (iii) of sub-section (2) or clause (a) or clause (b) of sub-section (4) of section 104 of the Income-tax Act, or

(iii) such a company as is exempt from the operation of section 104 of the said Act by a notification issued under the provisions of sub-section (3) of that section,

on so much of the total income as does not exceed the relevant amount of distributions of dividends by the company 7.5 per cent.

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

(b) 80 per cent. of the amount by which its total income exceeds Rs. 25,000.

Explanation 1.—In clause (B), the expression “the relevant amount of distributions of dividends” means the aggregate of the following amounts, namely:—

(a) the amount, if any, by which the “relevant amount of distributions of dividends” by the company as computed in accordance with *Explanation 1* to item I of Paragraph F of Part I of the First Schedule to the Finance Act, 1966 exceeds its total income (reduced by the amount of capital gains, if any, relating to capital assets other than short-term capital assets included therein) assessable for the assessment year commencing on the 1st day of April, 1966; and

(b) so much of the amount of the dividends, other than dividends on preference shares, declared or distributed by the company during the previous year as exceeds ten per cent. of its paid-up equity share capital as on the 1st day of the previous year.

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

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

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

Explanation 3.—For the removal of doubts, it is hereby declared that where any dividends were declared by the company before the commencement of the previous year and are distributed by it during that year, the amount of such dividends shall not be included in the amount of dividends referred to in clause (b) of *Explanation 1*.

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

(ii) on the balance, if any, of the total income

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
1. 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
(ii) on any other income (excluding interest payable on a tax free security)	18 per cent.	4 per cent.
(b) where the person is not resident in India—		
(i) on the whole income (excluding interest payable on a tax free security)	Income-tax at 25 per cent. and surcharge at 8 per cent. of the amount of the income	
	<i>or</i>	
	income-tax and surcharges 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,	
	whichever is higher;	
(ii) on the income by way of interest payable on a tax free security	12.5 per cent.	4 per cent.
2. In the case of a company—		
(a) where the company is a domestic company—		
(i) on income by way of interest other than "Interest on Securities"	20 per cent.	Nil
(ii) on any other income (excluding interest payable on a tax free security)	22 per cent.	Nil
(b) where the company is not a domestic company—		
(i) on the income by way of dividends payable by an Indian company as is referred to in the proviso to section 85A of the Income-tax Act	14 per cent.	Nil
(ii) on the income by way of dividends payable by any domestic company other than a company referred to in (i) hereinabove	24.5 per cent.	Nil
(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	50 per cent.	Nil

	Income-tax	
	Rate of income-tax	Rate of surcharge
(iv) on the income by way of fees payable by an Indian concern for 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.	Nil
(v) on the income by way of interest payable on a tax free security	44 per cent.	Nil
(vi) on any other income	70 per cent.	Nil.

PART III

Rates for calculating or charging income-tax in certain cases, deducting income-tax from income chargeable under the head "Salaries" 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 or deducted under section 192 of the said Act from income chargeable under the head "Salaries" 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 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. 750 plus 15 per cent. of the amount by which the total income exceeds Rs. 10,000; but does not exceed Rs. 15,000
- (4) where the total income exceeds Rs. 1,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 15,000; but does not exceed Rs. 20,000
- (5) where the total income exceeds Rs. 2,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000; but does not exceed Rs. 25,000
- (6) where the total income exceeds Rs. 4,000 plus 40 per cent. of the amount by which the total income exceeds Rs. 25,000; but does not exceed Rs. 30,000
- (7) where the total income exceeds Rs. 6,000 plus 50 per cent. of the amount by which the total income exceeds Rs. 30,000; but does not exceed Rs. 50,000
- (8) where the total income exceeds Rs. 16,000 plus 60 per cent. of the amount by which the total income exceeds Rs. 50,000; but does not exceed Rs. 70,000
- (9) where the total income exceeds Rs. 28,000 plus 65 per cent. of the amount by which the total income exceeds Rs. 70,000

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 as at the end of 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 ;

(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 ;

(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 grandparents 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) 40 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 40 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 relevant to the assessment year exceeds one thousand rupees.

Surcharges on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph shall be increased by the aggregate of surcharges for purposes of the Union calculated as specified hereunder:—

(a) where—

(i) in the case of an individual or a Hindu undivided family, the amount of unearned income, not being income by way of interest on any security of the Central or State Government or income received in respect of units from the Unit Trust of India, established under the Unit Trust of India Act, 1963, included in the total income, or

52 of 1963.

(ii) in any other case, the amount of unearned income included in the total income,

exceeds Rs. 30,000,

a surcharge calculated on the difference between the amount of income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the amount of income-tax computed in respect of an income of Rs. 30,000 if it had been the total income, at the following rate, namely:—

- (1) where the amount of the difference does not exceed Rs. 10,000 20 per cent. of the amount of such difference;
- (2) where the amount of the difference exceeds Rs. 10,000 Rs. 2,000 plus 25 per cent. of the amount by which the difference aforesaid exceeds Rs. 10,000;

(b) where—

(i) in the case of an individual or a Hindu undivided family, the earned income and income by way of interest on any security of the Central or State Government and income received in respect of units from the Unit Trust of India, established under the Unit Trust of India Act, 1963, included in the total income, or

52 of 1963.

(ii) in any other case, the earned income included in the total income,

exceeds Rs. 1 lakh,

a surcharge calculated on the amount of the difference between the income-tax computed in respect of the income referred to in sub-clause (i) or, as the case may be, sub-clause (ii), if such income had been the total income and the income-tax computed in respect of a total income of Rs. 1 lakh, at the following rate, namely:—

- (1) where the amount of the difference does not exceed Rs. 65,000 5 per cent. of the amount of such difference;
- (2) where the amount of the difference exceeds Rs. 65,000 but does not exceed Rs. 1,30,000 Rs. 3,250 plus 10 per cent. of the amount by which the difference aforesaid exceeds Rs. 65,000;
- (3) where the amount of the difference exceeds Rs. 1,30,000 Rs. 9,750 plus 15 per cent. of the amount by which the difference aforesaid exceeds Rs. 1,30,000; 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 in accordance with the preceding provisions of this Paragraph; and
- (ii) the aggregate of the amounts of the surcharges calculated in accordance with clause (a) and clause (b) of this sub-paragraph.

Paragraph B

In the case of every co-operative society,—

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 15 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. 1,500 plus 20 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 25 per cent. of the amount by which the total income exceeds Rs. 20,000;
- (6) where the total income exceeds Rs. 25,000 Rs. 3,750 plus 41 per cent. of the amount by which the total income exceeds Rs. 25,000;

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Provided that—

(i) no income-tax shall be payable on a total income not exceeding Rs. 4,000; and

(ii) where the total income is twenty thousand rupees or less, the income-tax payable shall not exceed forty per cent. of the amount by which the total income exceeds Rs. 4,000.

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) where the total income exceeds Rs. 25,000, a surcharge calculated at the rate of $6\frac{1}{4}$ per cent. of the amount of the difference between the income-tax computed at the rates hereinbefore specified and the income-tax computed in respect of a total income of Rs. 25,000; and

(b) 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) of this sub-paragraph.

Paragraph C

In the case of every registered firm,—

Rates of income-tax

(1) where the total income does not exceed Nil;
Rs. 25,000

(2) where the total income exceeds 6 per cent. of the amount by which the total income exceeds Rs. 25,000 but does not exceed Rs. 50,000

(3) where the total income exceeds Rs. 1,500 plus 8 per cent. of the amount by which the total income exceeds Rs. 50,000 but does not exceed Rs. 1,00,000

(4) where the total income exceeds Rs. 5,500 plus 12 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 sub-paragraph.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income .. 45 per cent.

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) a surcharge calculated at the rate of ten per cent. of the amount of income-tax computed at the rate hereinbefore specified; and

(b) 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) of this sub-paragraph.

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 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

1. In the case of a domestic company—

(A)(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;

(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—

(1) on so much of the total income as does not exceed Rs. 10,00,000 55 per cent.;

(2) on the balance, if any, of the total income 60 per cent.;

(ii) in any other case 65 per cent. of the total income and

(B) in addition, where the company is—

(i) a company in which the public are substantially interested, or

(ii) a company as is referred to in clause (iii) of sub-section (2) or clause (a) or clause (b) of sub-section (4) of section 104 of the Income-tax Act, or

(iii) such a company as is exempt from the operation of section 104 of the said Act by a notification issued under the provisions of sub-section (3) of that section,

on so much of the total income as does not exceed the relevant amount of distributions of dividends by the company 7.5 per cent. :

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) 80 per cent. of the amount by which its total income exceeds Rs. 50,000.

Explanation 1.—In clause (B), the expression “the relevant amount of distributions of dividends” means the aggregate of the following amounts, namely:—

(a) the amount, if any, by which the “relevant amount of distributions of dividends” by the company as computed in accordance with *Explanation 1* to item I of Paragraph F of Part I of the First Schedule to the Finance Act, 1966 exceeds its total income (reduced by the amount of capital gains, if any, relating to capital assets other than short-term capital assets included therein) assessable for the assessment year commencing on the 1st day of April, 1966; and

(b) so much of the amount of the dividends, other than dividends on preference shares, declared or distributed by the company during the previous year as exceeds ten per cent. of its

paid-up equity share capital as on the 1st day of the previous year.

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

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

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

Explanation 3.—For the removal of doubts, it is hereby declared that where any dividends were declared by the company before the commencement of the previous year and are distributed by it during that year, the amount of such dividends shall not be included in the amount of dividends referred to in clause (b) of *Explanation 1*.

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 3)

Rates of annuity deposits

- (i) In the case of any depositor *Nil.*
whose total income does not
exceed Rs. 15,000
- (ii) In the case of any depositor 5 per cent. of the adjusted total income :
whose total income exceeds
Rs. 15,000 but does not
exceed Rs. 20,000

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

- (iii) In the case of a depositor $7\frac{1}{2}$ per cent. of the adjusted total income :
whose total income exceeds
Rs. 20,000 but does not
exceed Rs. 40,000

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

- (a) an amount calculated at five per cent. on so much of the adjusted total income as does not exceed Rs. 20,000;
- (b) one-half of the amount by which the total income exceeds Rs. 20,000.
- (iv) In the case of a depositor 10 per cent. of the adjusted total income:
whose total income exceeds
Rs. 40,000 but does not
exceed Rs. 70,000

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

- (a) an amount calculated at seven and a half per cent. on so much of the adjusted total income as does not exceed Rs. 40,000;
- (b) one-half of the amount by which the total income exceeds Rs. 40,000.
- (v) In the case of a depositor $12\frac{1}{2}$ per cent. of the adjusted total income:
whose total income exceeds
Rs. 70,000

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

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

$\frac{1}{4}$ Subs by Act 27 of 1967, 5 (Wef 14. 9. 67)

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

THE THIRD SCHEDULE

(See section 33)

AMENDMENTS IN THE INCOME-TAX ACT

1. Section 10.—After clause (28), insert—

“(29) in the case of an authority constituted under any law for the time being in force for the marketing of commodities, any income derived from the letting of godowns or warehouses for storage, processing or facilitating the marketing of commodities.”.

2. Section 32.—

(a) in sub-section (1), after clause (iv), insert—

“(v) in the case of any new building, the erection of which is completed after the 31st day of March, 1967, where the building is owned by an Indian company and used by such company as a hotel and such hotel is for the time being approved in this behalf by the Central Government, a sum equal to twenty-five per cent. of the actual cost of erection of the building to the assessee, in respect of the previous year in which the erection of the building is completed or, if such building is first brought into use as a hotel in the immediately succeeding previous year, then in respect of that previous year; but any such sum shall not be deductible in determining the written down value for the purposes of clause (ii).”;

(b) in sub-section (2), after “clause (iv)”, insert “or clause (v)”.

3. Section 33.—

(a) for sub-section (1), substitute—

“(1) (a) In respect of a new ship or new machinery or plant (other than office appliances or road transport

vehicles) which is owned by the assessee and is wholly used for the purposes of the business carried on by him, there shall, in accordance with and subject to the provisions of this section and of section 34, be allowed a deduction, in respect of the previous year in which the ship was acquired or the machinery or plant was installed or, if the ship, machinery or plant is first put to use in the immediately succeeding previous year, then, in respect of that previous year, a sum by way of development rebate as specified in clause (b).

(b) The sum referred to in clause (a) shall be—

(A) in the case of a ship, forty per cent. of the actual cost thereof to the assessee;

(B) in the case of machinery or plant,—

(i) where the machinery or plant is installed for the purposes of business of construction, manufacture or production of any one or more of the articles or things specified in the list in the Fifth Schedule,—

(a) thirty-five per cent. of the actual cost of the machinery or plant to the assessee, where it is installed before the 1st day of April, 1970, and

(b) twenty-five per cent. of such cost where it is installed after the 31st day of March, 1970;

(ii) where the machinery or plant is installed after the 31st day of March, 1967, by an assessee being an Indian company in premises used by it as a hotel and such hotel is for the time being approved in this behalf by the Central Government—

(a) thirty-five per cent. of the actual cost of the machinery or plant to the assessee, where it is installed before the 1st day of April, 1970, and

(b) twenty-five per cent. of such cost where it is installed after the 31st day of March, 1970;

(iii) where the machinery or plant is installed after the 31st day of March, 1967, being an asset

representing expenditure of a capital nature on scientific research related to the business carried on by the assessee,—

(a) thirty-five per cent. of the actual cost of the machinery or plant to the assessee, where it is installed before the 1st day of April, 1970, and

(b) twenty-five per cent. of such cost, where it is installed after the 31st day of March, 1970;

(iv) in any other case,—

(a) twenty per cent. of the actual cost of the machinery or plant to the assessee, where it is installed before the 1st day of April, 1970, and

(b) fifteen per cent. of such cost where it is installed after the 31st day of March, 1970.”;

(b) in sub-section (2), for “[the total income for this purpose being computed without making any allowance under sub-section (1) or sub-section (1A) of this section or sub-section (1) of section 33A]”, in both places, substitute—

“[the total income for this purpose being computed without making any allowance under sub-section (1) or sub-section (1A) of this section or sub-section (1) of section 33A or any deduction under Chapter VIA or section 280O]”;

(c) in sub-section (6), add at the end—

“Provided that the provisions of this sub-section shall not apply in the case of an assessee being an Indian company, in respect of any machinery or plant installed by it in premises used by it as a hotel, where the hotel is for the time being approved in this behalf by the Central Government.”.

4. Section 33A.—In sub-section (2), for “[the total income for this purpose being computed after making the allowance under sub-section (1) or sub-section (1A) or clause (ii) of sub-section (2) of section 33 but without making any allowance under sub-section (1) of this section]”, in both places, substitute—

“[the total income for this purpose being computed after deduction of the allowance under sub-section (1) or sub-section

(1A) or clause (ii) of sub-section (2) of section 33, but without making any deduction under sub-section (1) of this section or any deduction under Chapter VIA or section 280O]”.

5. Section 35.—In sub-section (2),—

(i) for clause (i), substitute—

“(i) in a case where such capital expenditure is incurred before the 1st day of April, 1967, one-fifth of the capital expenditure incurred in any previous year shall be deducted for that previous year; and the balance of the expenditure shall be deducted in equal instalments for each of the four immediately succeeding previous years;

(ia) in a case where such capital expenditure is incurred after the 31st day of March, 1967, the whole of such capital expenditure incurred in any previous year shall be deducted for that previous year;”;

(ii) in clause (ii), after “an asset representing expenditure of a capital nature”, insert “incurred before the 1st day of April, 1967”;

(iii) in clause (v), for “where the asset is used”, substitute “where the asset mentioned in clause (ii) is used”.

6. Section 36.—In clause (viii) of sub-section (1), for “of the total income carried to such reserve account”, substitute “of the total income (computed before making any deduction under Chapter VIA) carried to such reserve account”.

7. Section 41.—In sub-section (3), after “the total amount of the deductions made under clause (i)”, insert “or, as the case may be, the amount of the deduction under clause (ia)”.

8. Section 43.—For the proviso to clause (1), substitute—

“Provided that where the actual cost of an asset, being a motor car which is acquired by the assessee after the 31st day of March, 1967 and is used otherwise than in a business of running it on hire for tourists, exceeds twenty-five thousand rupees, the excess of the actual cost over such amount shall be ignored, and the actual cost thereof shall be taken to be twenty-five thousand rupees.”.

9. Section 66.—Omit “and any amount in respect of which the assessee is entitled to a deduction from the amount of income-tax on his total income with which he is chargeable for any assessment year in accordance with, and to the extent provided in sections 37, 37A and 38”.

10. Section 71.—For sub-section (2), substitute—

'(2) Where in respect of any assessment year the net result of the computation under any head of income other than "Capital gains" is a loss and the assessee has income assessable under the head "Capital gains", such loss may, subject to the provisions of this Chapter, be set off—

(i) against the income, if any, of the assessee assessable for that assessment year under any head including income assessable under the head "Capital gains" (whether relating to short-term capital assets or any other capital assets), or

(ii) if the assessee so desires, only against his income, if any, under the head "Capital gains", in so far as such income relates to short-term capital assets, and income under any other head.

(3) Where in respect of any assessment year the net result of the computation under sections 48 to 55 in respect of capital gains relating to short-term capital assets is a loss and the assessee has income assessable under any head of income other than "Capital gains", the assessee shall, subject to the provisions of this Chapter, be entitled to have such loss set off against the income aforesaid.'

11. Section 72.—In sub-section (1), after "Capital gains", insert "relating to capital assets other than short-term capital assets".

12. Section 74.—In sub-clause (i) of clause (a) of sub-section (1), for "as relates to short-term capital assets", substitute "relating to short-term capital assets as cannot be or is not wholly set off against income under any head in accordance with the provisions of section 71".

13. For Chapter VIA, substitute—

'CHAPTER VIA

DEDUCTIONS TO BE MADE IN COMPUTING TOTAL INCOME

A.—General

Deductions
to be
made in
computing
total
income.

80A. (1) In computing the total income of an assessee, there shall be allowed from his gross total income, in accordance with and subject to the provisions of this Chapter, the deductions specified in sections 80C to 80T.

(2) The aggregate amount of the deductions under this Chapter shall not, in any case, exceed the gross total income of the assessee.

(3) Where, in computing the total income of a firm, association of persons or body of individuals, any deduction is admissible under section 80G or section 80H or section 80J or section 80K or section 80L or section 80S or section 80T, no deduction under the same section shall be made in computing the total income of a partner of the firm or, as the case may be, of a member of the association of persons or body of individuals in relation to the share of such partner in the income of the firm or the share of such member in the income of the association of persons or body of individuals.

80B. In this Chapter—

Definitions.

(1) "displaced person" means a person who, on account of the setting up of the Dominions of India and Pakistan, or on account of civil disturbances or the fear of such disturbances in any area now forming part of East Pakistan, has—

(a) in the case of a person having a place of residence in the district of Noakhali or of Comilla, on or after the 1st day of October, 1946, and

(b) in the case of a person having a place of residence in any other area now forming part of East Pakistan, on or after the 1st day of June, 1947,

left, or been displaced from, his place of residence in such area and who has been subsequently residing in India;

(2) "domestic company" means an Indian company, or any other company which, in respect of its income liable to tax under this Act, 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;

(3) "earned income" and "unearned income" shall have the meanings respectively assigned to them in the Finance Act of the relevant year;

(4) "foreign company" means a company which is not a domestic company as defined in clause (2);

(5) "gross total income" means the total income computed in accordance with the provisions of this Act,

before making any deduction under this Chapter or under section 280O and without applying the provisions of section 64;

(6) "income", in relation to a handicapped dependant, means the aggregate income of such person from all sources;

(7) "priority industry" means the business of generation or distribution of electricity or any other form of power or of construction, manufacture or production of any one or more of the articles or things specified in the list in the Fifth Schedule or the business of any hotel where such business is carried on by an Indian company and the hotel is for the time being approved in this behalf by the Central Government;

(8) "relative", in relation to an individual, means—

(a) the mother, father, husband or wife of the individual, or

(b) a son, daughter, brother, sister, nephew or niece of the individual, or

(c) a grand-son or grand-daughter of the individual, or

(d) the spouse of any person referred to in sub-clause (b);

(9) "repatriate" means a person of Indian origin who was ordinarily residing in a foreign country and who, on leaving, or being forced to leave, such country, has—

(a) in the case of a person leaving Mozambique, on or after the 25th day of June, 1962, or

(b) in the case of a person leaving Burma, on or after the 1st day of June, 1963, or

(c) in the case of a person leaving Ceylon, on or after the 1st day of November, 1964, or

(d) in the case of a person leaving any other country, on or after such date or dates as may be notified in this behalf by the Central Government in the Official Gazette,

returned to India with the intention of permanently residing therein.

Explanation—A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India.

B.—Deductions in respect of certain payments

80C. (1) In computing the total income of an assessee there shall be deducted, in accordance with and subject to the provisions of this section, an amount equal to sixty per cent. of the first five thousand rupees of the aggregate of the sums specified in sub-section (2) and fifty per cent. of the balance, if any, of such aggregate.

Deduction in respect of life insurance premia, contributions to Provident fund, etc.

(2) The sums referred to in sub-section (1) shall be the following, namely:—

(a) where the assessee is an individual, any sums paid in the previous year by the assessee out of his income chargeable to tax—

(i) to effect or to keep in force an insurance on the life of the assessee or on the life of the wife or husband of the assessee; or

(ii) to effect or to keep in force a contract for a deferred annuity on the life of the assessee or on the life of the wife or husband of the assessee 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

(iii) as a contribution to any provident fund to which the Provident Funds Act, 1925 applies;

(b) where the assessee is a Hindu undivided family, any sums paid in the previous year by the assessee out of its income chargeable to tax, to effect or to keep in force an insurance on the life of any male member of the family or of the wife of any such member.

Explanation.—For the purposes of sub-clause (i) of clause (a) and clause (b) of this sub-section, an insurance on the life of any person referred to therein shall include—

(i) a policy of insurance on the life of such person securing the payment of a specified sum on the stipulated date of maturity of the policy, if such person is alive on such date, notwithstanding that the policy of insurance provides only for the return of premiums paid (with or without any interest thereon) in the

event of such person dying before the said stipulated date;

(ii) a policy of insurance effected by a person for the benefit of a minor (being the assessee, or a male member of a Hindu undivided family where such family is the assessee) with the object of enabling the minor, after he has attained majority, to secure an insurance on his own life by adopting the policy and on his being alive on a date (after such adoption) specified in the policy in this behalf;

on | (c) any sum deducted in the previous year from the salary payable by ^{or} ~~for~~ in behalf of the Government to any individual being a sum deducted in accordance with the conditions of his service, for the purpose of securing to him a deferred annuity or making provision for his wife or children, in so far as the sum so deducted does not exceed one-fifth of the salary;

(d) if the assessee is an employee participating in a recognised provident fund, his own contributions to his individual account in the fund in the previous year, in so far as the aggregate of such contributions does not exceed one-fifth of his salary in that previous year or eight thousand rupees, whichever is less.

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

(e) if the assessee is an employee participating in an approved superannuation fund, any sum paid in the previous year by him by way of contribution towards the superannuation fund;

(f) where the assessee is an individual, any sums deposited, in the previous year by the assessee out of his income chargeable to tax, in a ten-year account or a fifteen-year account under the Post Office Savings Bank (Cumulative Time Deposits) Rules, 1959, as amended from time to time.

(3) The provisions of clauses (a) and (b) of sub-section (2), shall apply only to so much of any premium or other payment made on a policy other than a contract for a deferred annuity as is not in excess of ten per cent of the actual capital sum assured.

Explanation.—In calculating any such capital sum, no account shall be taken—

(i) of the value of any premiums agreed to be returned,
or

(ii) of any benefit by way of bonus or otherwise over and above the sum actually assured, which is to be or may be received under the policy by any person.

(4) The aggregate of the sums referred to in sub-section (2), which qualifies for the purposes of computing the deduction under sub-section (1), shall not exceed—

(i) in the case of an individual being an author, playwright, artist, musician or actor, such percentage of his gross total income, or such amount, as may be prescribed:

Provided that such individual has effected an insurance referred to in sub-clause (i) of clause (a) of sub-section (2) prior to the 1st day of March, 1964 and has paid any sum in the previous year to keep in force such insurance;

(ii) in the case of any other individual [including an author, playwright, artist, musician or actor, to whom the provisions of clause (i) do not apply], thirty per cent. of his gross total income, or fifteen thousand rupees, whichever is less;

(iii) in the case of a Hindu undivided family, thirty per cent. of its gross total income, or thirty thousand rupees, whichever is less.

(5) If the gross total income of the assessee includes earned income chargeable under any head, the deduction under sub-section (1) shall, to the extent possible, be made in computing such earned income and, as to the balance, if any, in computing any other income; and if there is no earned income, the deduction shall be made in computing any other income under any head.

80D. (1) Where an assessee who is resident in India, being an individual or Hindu undivided family, who has, during the previous year, incurred out of his or its income chargeable to income-tax, any expenditure for the medical treatment (including nursing) of a person who—

Deductions in respect of medical treatment, etc., of handi-capped dependants.

(a) is a relative of the individual, or, as the case may be, is a member of the Hindu undivided family and is not dependant on any person other than such individual or Hindu undivided family for his support or maintenance, and

(b) is suffering from a physical or mental disability which is certified by a registered medical practitioner to have the effect of reducing considerably such person's capacity for normal work or engaging in a gainful employment (hereafter in this section referred to as handicapped dependant),

the assessee shall, in accordance with and subject to the provisions of this section, be allowed a deduction of the amount specified in sub-section (2) in the computation of his total income in respect of the previous year.

(2) The deduction under sub-section (1) shall be—

(i) in a case where the handicapped dependant has, for a period of one hundred and eighty-two days or more during the previous year, been admitted in a hospital or a nursing home or a medical institution or in such other institution as may be notified by the Central Government in the Official Gazette to be an institution for the care of handicapped persons, and fees and charges for his medical treatment (including nursing) are payable to such hospital or nursing home or medical or other institution, as the case may be, a sum of two thousand four hundred rupees, or

(ii) in any other case, a sum of six hundred rupees,

as reduced, in either case, by an amount equal to the income, if any, of the handicapped dependant in respect of the previous year:

Provided that where the assessee has, during the previous year, incurred expenditure on more than one handicapped dependant, the deduction under sub-section (1) shall be allowed only with reference to one such handicapped dependant as may be chosen by the assessee.

(3) If the gross total income of the assessee includes earned income chargeable under any head, the deduction under sub-section (1) shall, to the extent possible, be made in computing such earned income and, as to the balance, if any, in computing any other income; and if there is no earned income, the deduction shall be made in computing any other income under any head.

Deduction in respect of payment for securing retirement annuities.

80E. (1) Where, in the case of an assessee, being an individual who is a citizen of India and is resident in India, his share in the income of a registered firm which renders professional service, as chartered accountant, solicitor, lawyer, architect, or such other professional service as may be notified in

this behalf by the Central Government in the Official Gazette, is chargeable to tax and he has paid out of his income chargeable to tax a premium (by whatever name called) in any previous year under an annuity contract for the time being approved by the Commissioner as having for its main object the provision for the individual of a life annuity in old age (hereafter in this section referred to as qualifying premium), then the assessee shall, in accordance with and subject to the provisions of this section, be allowed a deduction of the amount of the qualifying premium in the computation of his total income in respect of the previous year:

Provided that the amount which may be so deducted shall not exceed the sum of five thousand rupees, or one-tenth of his gross total income, whichever is less:

Provided further that any annuity payable to the individual shall be deemed to be his earned income to the extent to which it is attributable to the amount in respect of which deduction has been allowed under this section and chargeable to tax accordingly.

(2) Subject to sub-section (3) and any rules made by the Board in this behalf, the Commissioner shall not approve a contract unless he is satisfied that it does not—

(a) provide for the payment during the life of the individual of any sums except sums payable by way of annuity to the individual; or

(b) provide for the annuity payable to the individual to commence before he attains the age of fifty-eight or after he attains the age of sixty-eight; or

(c) provide for the payment of any other sums except sums payable by way of annuity to the individual's widow or widower and any sums which, in the event of no annuity becoming payable either to the individual or to a widow or widower of the individual, are payable to the individual's legal representative by way of return of premiums, by way of reasonable interest on premiums and by way of bonus out of profits; or

(d) provide for the payment of annuity, if any, payable to a widow or widower of the individual to be of a greater annual amount than that paid or payable to the individual; or

(e) provide for the payment of any annuity otherwise than for the life of the annuitant,

and that it does include a provision that no annuity payable under it shall be capable in whole or in part of surrender, commutation or assignment.

(3) The Commissioner may, if he thinks fit, and subject to any conditions the Board may, by rules, prescribe and subject to any conditions he thinks proper to impose, approve a contract, notwithstanding that the contract provides for one or more of the following matters, that is to say,—

(a) for the payment after the individual's death of an annuity to a dependant other than the widow or widower of the individual;

(b) for the payment to the individual of an annuity commencing before he attains the age of fifty-eight, if the annuity is payable on his becoming incapable through infirmity of mind or body of being actively engaged in his profession or any profession of a similar nature for which he is trained or fitted;

(c) for the annuity payable to any person to continue for a specified term (not exceeding ten years), notwithstanding his death within that term;

(d) in the case of an annuity which is to continue for such specified term, for the annuity to be assignable by will.

(4) The foregoing provisions of this section shall apply in relation to a contribution (by whatever name called) to a fund approved by the Commissioner as they apply in relation to any premium under an annuity contract so approved, provided the fund satisfies also the conditions set out below and any other conditions which the Board may, by rules, prescribe, namely:—

(a) the fund shall be a fund established in India under an irrevocable trust for the benefit of individuals engaged in any profession referred to in sub-section (1);

(b) the fund shall have for its sole purpose the provision of annuities for individuals engaged in such profession on attaining a specified age or on their becoming incapacitated prior to attaining such age, or for the widow, children or dependants of such persons on their death;

(c) all annuities, pensions and other benefits granted from the fund shall be payable only in India.

(5) The Commissioner may, at any time, after giving a reasonable opportunity of showing cause against the proposed withdrawal to the persons by and to whom premiums are payable under any contract for the time being approved under this section, or to the trustees of any fund so approved, withdraw the approval.

(6) Notwithstanding anything contained in sub-sections (1) and (4), no deduction under this section shall be allowed in the case of any individual—

(i) whose gross total income includes unearned income of more than ten thousand rupees; or

(ii) who is entitled to any pension or is participating in any pension or superannuation scheme.

(7) The deduction under this section shall be made in computing the earned income of the assessee included in his gross total income, so, however, that the amount of deduction shall not in any case exceed the amount of the income computed under the head "Profits and gains of business or profession", included in the gross total income.

(8) Any annuity payable under an approved contract referred to in sub-section (1) or from any fund referred to in sub-section (4), to a person other than the individual who pays the premium or makes the contribution and any interest on premiums or bonus out of profits payable to such person, shall be deemed to be his unearned income to the extent it is attributable to the amount of deduction allowed under sub-section (1) and chargeable to tax accordingly.

(9) Where any payment by way of annuity or otherwise is made by a person to whom premiums or contributions are payable under sub-section (1) or sub-section (4), such person shall, subject to any rules made by the Board in this behalf, deduct from the total amount so paid during any financial year, tax at such rate or rates in force in that year as would be applicable to such amount, if it were the total income and shall pay the amount so deducted to the credit of the Central Government within the prescribed time and in such manner as the Board may direct and the provisions of section 201 shall, so far as may be, apply to such person if he does not deduct, or after deducting fails to pay, such tax.

(10) Where a deduction under this section is claimed and allowed for any assessment year in respect of any payment

relief shall not be given in respect of it under any other provision of this Act for the same or a later assessment year nor (in the case of a payment under an annuity contract) in respect of any other premium or consideration for an annuity under the same contract.

(11) (a) The Board may, by notification in the Official Gazette, make rules for carrying out the purposes of this section.

(b) In particular and without prejudice to the generality of the foregoing power, such rules may—

(i) prescribe the statements and other information to be submitted along with an application for approval;

(ii) prescribe the returns, statements, particulars or information which the Income-tax Officer may require from a person by and to whom premiums or contributions are payable under this section;

(iii) provide for the assessment by way of penalty of any consideration received by an individual for an assignment of, or creation of a charge upon, any annuity or other sum receivable by him under any contract or from any fund approved for the time being under this section; and

(iv) provide for securing such further control over the approval granted under this section and administration of funds approved under this section as it may deem requisite.

Deduction in respect of educational expenses in certain cases

80F. (1) Where an individual, being a resident, who is not a citizen of India, has expended any sum in the previous year out of his income chargeable to tax for the full time education of his child wholly or mainly dependent on him and who is not more than twenty-one years of age, at any University, college, school or other educational institution situate in a country outside India, he shall, in accordance with and subject to the provisions of this section, be allowed a deduction of the amount specified in sub-section (2) in the computation of his total income.

(2) The amount referred to in sub-section (1) shall be—

(i) in the case of an individual who has one such child, one thousand five hundred rupees; and

(ii) in the case of an individual who has more than one such child, three thousand rupees.

(3) If the gross total income of the assessee includes earned income chargeable under any head, the deduction under sub-section (1) shall, to the extent possible, be made in computing such earned income and, as to the balance, if any, in computing any other income; and if there is no earned income, the deduction shall be made in computing any other income under any head.

80G. (1) In computing the total income of an assessee, there shall be deducted, in accordance with and subject to the provisions of this section, an amount equal to,—

- (a) where the assessee is a company, fifty per cent., and
 - (b) in the case of any other assessee, fifty-five per cent.,
- of the aggregate of the sums specified in sub-section (2).

Deduction in respect of donations to certain funds, charitable institutions, etc.

(2) The sums referred to in sub-section (1) shall be the following, namely:—

(a) any sums paid by the assessee in the previous year as donations to—

(i) the National Defence Fund set up by the Central Government; or

(ii) the Jawaharlal Nehru Memorial Fund referred to in the Deed of Declaration of Trust adopted by the National Committee at its meeting held on the 17th day of August, 1964; or

(iii) the Prime Minister's Drought Relief Fund; or

(iv) any other fund or any institution to which this section applies; or

(v) the Government or any local authority, to be utilised for any charitable purpose;

(b) any sums paid by the assessee in the previous year as donations for the renovation or repair of any such temple, mosque, gurdwara, church or other place as is notified by the Central Government in the Official Gazette to be of historic, archaeological or artistic importance or to be a place of public worship of renown throughout any State or States

(3) No deduction shall be allowed under sub-section (1) if the aggregate of the sums referred to in sub-section (2) is less than two hundred and fifty rupees.

(4) The deduction under sub-section (1) shall not be allowed in respect of such part of the aggregate of the sums referred to in sub-clauses (iv) and (v) of clause (a) and in clause (b) of sub-section (2) as exceeds ten per cent. of the

gross total income (as reduced by any portion thereof on which income-tax is not payable under any provision of this Act and by any amount in respect of which the assessee is entitled to a deduction under any other provision of this Chapter), or two hundred thousand rupees, whichever is less:

Provided that where such aggregate includes any sums 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 donation 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.

(5) This section applies to donations to any institution or fund referred to in sub-clause (iv) of clause (a) of sub-section (2), only if it is established in India for a charitable purpose and if it fulfils the following conditions, namely:--

(i) where the institution or fund derives any income, such income would not be liable to inclusion in its total income under the provisions of sections 11 and 12 or clause (22) of section 10;

(ii) the instrument under which the institution or fund is constituted does not, or the rules governing the institution or fund do not, contain any provision for the transfer or application at any time of the whole or any part of the income or assets of the institution or fund for any purpose other than a charitable purpose;

(iii) the institution or fund is not expressed to be for the benefit of any particular religious community or caste;

(iv) the institution or fund maintains regular accounts of its receipts and expenditure; and

(v) the institution or fund is either constituted as a public charitable trust or is registered under the Societies Registration Act, 1860, or under any law corresponding to that Act in force in any part of India or under section 25 of the Companies Act, 1956, or is a University established by law, or is any other educational institution recognised by the Government or by a University established by law or affiliated to any University established by law or is an institution financed wholly or in part by the Government or a local authority.

Explanation 1.—An institution or fund established for the benefit of Scheduled Castes, backward classes, Scheduled Tribes or of women and children shall not be deemed to be an institution or fund expressed to be for the benefit of a religious community or caste within the meaning of clause (iii) of sub-section (5).

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 affected merely by reason of the fact 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.

Explanation 3.—In this section, “charitable purpose” does not include any purpose the whole or substantially the whole of which is of a religious nature.

(6) If the gross total income of the assessee includes earned income chargeable under any head, the deduction under sub-section (1) shall, to the extent possible, be made in computing such earned income and, as to the balance, if any, in computing any other income; and if there is no earned income, the deduction shall be made in computing any other income under any head.

C.—Deductions in respect of certain incomes

80H. (1) Where the gross total income of any assessee includes any profits and gains derived from any industrial undertaking to which this section applies, there shall be allowed, in accordance with and subject to the provisions of this section, a deduction from such profits and gains of an amount equal to fifty per cent. thereof in computing the total income of the assessee, so, however, that the amount of the deduction under this section shall not, in any case, exceed one hundred thousand rupees.

Deduction in case of new industrial undertakings employing displaced persons, etc.

(2) This section applies to any industrial undertaking which fulfils all the following conditions, namely:—

(i) it is not formed by the splitting up, or reconstruction, of a business already in existence;

(ii) it is not formed by the transfer to a new business of a building, machinery or plant previously used for any purpose;

(iii) it has begun or begins to manufacture or produce articles in any part of India at any time within a period of three years next following the 1st day of April, 1967;

(iv) it employs, on every working day throughout the previous year, forty or more workers in a manufacturing process (whether carried on with or without the aid of power); and

(v) it employs displaced persons or repatriates or members of the families of displaced persons or repatriates (all such employees being, hereinafter, referred to as rehabilitated employees) and the daily average number of rehabilitated employees, as certified by the prescribed authority, is not less than sixty per cent. of the daily average number of all the persons employed in the undertaking, throughout the previous year.

Explanation 1.—"Member of the family", in relation to any person who is a displaced person or repatriate, means any member of the family of such person if such member was, before his employment in the undertaking, dependent on such person.

Explanation 2.—"Daily average number", in relation to rehabilitated employees or, as the case may be, all the persons employed in the undertaking, shall be taken to be the number arrived at by dividing the aggregate of the number of rehabilitated employees or, as the case may be, the total number of persons employed in the undertaking on each working day of a month by the total number of working days in that month.

(3) The provisions of this section shall, in relation to an industrial undertaking, apply to the assessment for the assessment year relevant to the previous year in which the undertaking begins to manufacture or produce articles, and the nine assessment years immediately succeeding.

Deduction in respect of profits and gains from priority industries in the case of certain companies.

80I. (1) In the case of a company to which this section applies, where the gross total income includes any profits and gains attributable to any priority industry, there shall be allowed, in accordance with and subject to the provisions of this section, a deduction from such profits and gains of an amount equal to eight per cent. thereof, in computing the total income of the company.

(2) This section applies to a domestic company, save in a case where such company is a company which is referred to in section 108 and has a gross total income of fifty thousand rupees or less.

(3) Where a company to which this section applies is entitled also to the deduction under section 80H, the deduction under sub-section (1) of this section shall be allowed with reference to the amount of the profits and gains attributable to the priority industry or industries as reduced by the deduction under section 80H in relation to such profits and gains.

80J. (1) Where the gross total income of an assessee includes any profits and gains derived from an industrial undertaking or a ship or the business of a hotel, to which this section applies, there shall, in accordance with and subject to the provisions of this section, be allowed, in computing the total income of the assessee, a deduction from such profits and gains (reduced by the aggregate of the deductions, if any, admissible to the assessee under section 80H and section 80I) of so much of the amount thereof as does not exceed the amount calculated at the rate of six per cent., per annum on the capital employed in the industrial undertaking or ship or business of the hotel, as the case may be, computed in the prescribed manner in respect of the previous year relevant to the assessment year (the amount calculated as aforesaid being hereafter, in this section, referred to as the relevant amount of capital employed during the previous year).

Deduction in respect of profits and gains from newly established industrial undertakings or ships or hotel business in certain cases.

(2) The deduction specified in sub-section (1) shall be allowed in computing the total income in respect of the assessment year relevant to the previous year in which the industrial undertaking begins to manufacture or produce articles or to operate its cold storage plant or plants or the ship is first brought into use or the business of the hotel starts functioning (such assessment year being hereafter, in this section, referred to as the initial assessment year) and each of the four assessment years immediately succeeding the initial assessment year:

Provided that in the case of an assessee, being a co-operative society, the provisions of this sub-section shall have effect as if for the words "four assessment years", the words "six assessment years" had been substituted.

(3) Where the amount of the profits and gains derived from the industrial undertaking or ship or business of the hotel, as the case may be, included in the total income (as computed without applying the provisions of section 64 and before making any deduction under Chapter VIA or section 280O) in respect of the previous year relevant to an assessment year commencing on or after the 1st day of April, 1967 (not being an assessment year prior to the initial assessment year or subsequent to the fourth assessment year as reckoned from the end of the initial assessment year) falls short of the relevant amount of capital employed during the previous year, the amount of such shortfall, or, where there are no such profits and gains, an amount equal to the relevant amount of capital employed during the previous year (such amount, in either case, being hereafter, in this section, referred to as deficiency) shall be carried forward and set off against the profits and gains referred to in sub-section (1) [as computed after allowing the deductions, if any, admissible under section 80H, section 80I and the said sub-section (1)] in respect of the previous year relevant to the next following assessment year and, if there are no such profits and gains for that assessment year, or where the deficiency exceeds such profits and gains, the whole or balance of the deficiency, as the case may be, shall be set off against such profits and gains for the next following assessment year and if and so far as such deficiency cannot be wholly so set off, it shall be set off against such profits and gains assessable for the next following assessment year and so on:

Provided that—

(i) in no case shall the deficiency or any part thereof be carried forward beyond the seventh assessment year as reckoned from the end of the initial assessment year;

(ii) where there is more than one deficiency and each such deficiency relates to a different assessment year, the deficiency which relates to an earlier assessment year shall be set off under this sub-section before setting off the deficiency in relation to a later assessment year:

Provided further that in the case of an assessee being a co-operative society, the provisions of this sub-section shall have effect as if for the words "fourth assessment year" the words "sixth assessment year" had been substituted.

(4) This section applies to any industrial undertaking which fulfils all the following conditions, namely:—

(i) it is not formed by the splitting up, or the reconstruction, of a business already in existence;

(ii) it is not formed by the transfer to a new business of a building (not being a building taken on rent or lease), machinery or plant previously used for any purpose;

(iii) it manufactures or produces articles, or operates one or more cold storage plant or plants, in any part of India, and has begun or begins to manufacture or produce articles or to operate such plant or plants, at any time within the period of twenty-three years next following the 1st day of April, 1948, or such further period as the Central Government may, by notification in the Official Gazette, specify with reference to any particular industrial undertaking;

(iv) in a case where the industrial undertaking manufactures or produces articles, the undertaking employs ten or more workers in a manufacturing process carried on with the aid of power, or employs twenty or more workers in a manufacturing process carried on without the aid of power:

Provided that the condition in clause (i) shall not apply in respect of any industrial undertaking which is formed as a result of the re-establishment, reconstruction or revival by the assessee of the business of any such industrial undertaking as is referred to in section 33B, in the circumstances and within the period specified in that section.

(5) This section applies to any ship, where all the following conditions are fulfilled, namely:—

(i) it is owned by an Indian company and is wholly used for the purposes of the business carried on by it;

(ii) it was not, previous to the date of its acquisition by the Indian company, owned and used in Indian territorial waters by a person resident in India; and

(iii) it is brought into use by the Indian company at any time within a period of twenty-three years next following the 1st day of April, 1948.

(6) This section applies to the business of any hotel, where all the following conditions are fulfilled, namely:—

(a) the business of the hotel starts functioning on or after the 1st day of April, 1961, and is not formed by the splitting up, or the reconstruction, of a business already in existence or by the transfer to a new business of a building previously used as a hotel or of any machinery or plant previously used for any purpose;

(b) the business of the hotel is owned and carried on by a company registered in India with a paid-up capital of not less than five hundred thousand rupees;

(c) the hotel has such number and types of guest rooms and provides such amenities as may be prescribed, having regard to the population and the tourist importance of the place in which the hotel is located; and

(d) the hotel is for the time being approved for the purposes of this sub-section by the Central Government.

Explanation.—Where—

(a) in the case of an industrial undertaking, any building, machinery or plant, or any part thereof previously used for any purpose, or

(b) in the case of the business of a hotel, any building, or any part thereof, previously used as a hotel, or any machinery or plant, or any part thereof, previously used for any purpose,

is, in either case, transferred to a new business, and the total value of the building, machinery or plant or part so transferred does not exceed twenty per cent. of the total value of the building, machinery or plant used in the business, then, for the purposes of clause (ii) of sub-section (4) and clause (a) of sub-section (6), the condition specified therein shall be deemed to have been complied with and the total value of the building, machinery or plant or part so transferred shall not be taken into account in computing the capital employed in the industrial undertaking or the business of the hotel.

(7) The Central Government may, after making such inquiry as it may think fit, direct, by notification in the Official Gazette, that the exemption conferred by this section shall not apply to any class of industrial undertakings with effect from such date as it may specify in the notification.

80K. Where the gross total income of an assessee, being the holder of any share or shares in a company, includes any income by way of dividends paid or deemed to have been paid to him 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.

Deduction in respect of dividends attributable to profits and gains from new industrial undertakings or ships or hotel business.

80L. (1) Where, in the case of any assessee, the amount of his income by way of dividends included in his gross total income does not exceed five hundred rupees, there shall, in accordance with and subject to the provisions of this section, be deducted, in computing the total income of the assessee, the whole of the income by way of dividends from an Indian company or Indian companies included in the gross total income.

Deduction in respect of dividends in certain cases.

(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 sub-section (1), the deduction under sub-section (1) shall be allowed in respect of such income as reduced by the deduction under section 80K.

80M. (1) Where the gross total income of an assessee being a company includes any income by way of dividends received by it from a domestic company, there shall, in accordance with and subject to the provisions of this section, be

Deduction in respect of certain inter-corporate dividends.

allowed, in computing the total income of the assessee, a deduction from such income by way of dividends of an amount equal to—

(a) where the assessee is a foreign company—

(i) in respect of such income by way of dividends received by it from an Indian company which is not such a company as is referred to in section 108 and which is mainly engaged in a priority industry, 80 per cent. of such income;

(ii) in respect of such income by way of dividends other than the dividends referred to in sub-clause (i) 65 per cent. of such income;

(b) where the assessee is a domestic company—

in respect of any such income by way of dividends] 60 per cent. of such income.

Explanation.—For the purposes of this section, a company shall be deemed to be mainly engaged in a priority industry if the income attributable to any such industry or industries included in its gross total income for the previous year is not less than fifty-one per cent. of such gross total income.

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

Deduction in respect of dividends received from certain foreign companies.

80N. Where shares in a foreign company have been allotted to an assessee being an Indian company in consideration of any patent, invention, model, design, secret formula or process, or similar property right, or information concerning industrial, commercial or scientific knowledge, experience or skill

made available or provided or agreed to be made available or provided to the foreign company by the assessee, or in consideration of technical services rendered or agreed to be rendered to the foreign company by the assessee, under an agreement approved by the Central Government in this behalf before the 1st day of October of the relevant assessment year, and any income by way of dividend on such shares is included in the gross total income of the assessee, there shall be allowed a deduction from such income of an amount equal to sixty per cent. thereof, in computing the total income of the assessee.

80O. Where the gross total income of an assessee being an Indian company includes any income by way of royalty, commission, fees or any similar payment received by it from a foreign company in consideration for the use of any patent, invention, model, design, secret formula or process, or similar property right, or information concerning industrial, commercial or scientific knowledge, experience or skill made available or provided or agreed to be made available or provided to the foreign company by the assessee, or in consideration of technical services rendered or agreed to be rendered to the foreign company by the assessee, under an agreement approved by the Central Government in this behalf before the 1st day of October of the relevant assessment year, there shall be allowed a deduction from such income of an amount equal to sixty per cent. thereof, in computing the total income of the assessee.

Deduction in respect of royalties, etc., received from certain foreign companies.

80P. (1) Where, in the case of an assessee being a co-operative society, the gross total income includes any income referred to in sub-section (2), there shall be deducted, in accordance with and subject to the provisions of this section, the sums specified in sub-section (2), in computing the total income of the assessee.

Deduction in respect of income of co-operative societies.

(2) The sums referred to in sub-section (1) shall be the following, namely:—

(a) in the case of a co-operative society engaged in—

(i) carrying on the business of banking or providing credit facilities to its members, or

(ii) a cottage industry, or

(iii) the marketing of the agricultural produce of its members, or

(iv) the purchase of agricultural implements, seeds, live-stock or other articles intended for agriculture for the purpose of supplying them to its members, or

(v) the processing, without the aid of power, of the agricultural produce of its members,

the whole of the amount of profits and gains of business attributable to any one or more of such activities;

(b) in the case of a co-operative society, being a primary society engaged in supplying milk raised by its members to a federal milk co-operative society, the whole of the amount of profits and gains of such business;

(c) in the case of a co-operative society engaged in activities other than those specified in clause (a) or clause (b) [either independently of, or in addition to, all or any of the activities so specified], so much of its profits and gains attributable to such activities as does not exceed fifteen thousand rupees;

(d) in respect of any income by way of interest or dividends derived by the co-operative society from its investments with any other co-operative society, the whole of such income;

(e) in respect of any income derived by the co-operative society from the letting of godowns or warehouses for storage, processing or facilitating the marketing of commodities, the whole of such income;

(f) in the case of a co-operative society, not being a housing society or an urban consumers' society or a society carrying on transport business or a society engaged in the performance of any manufacturing operations with the aid of power, where the gross total income does not exceed twenty thousand rupees, the amount of any income by way of interest on securities chargeable under section 18 or any income from house property chargeable under section 22.

Explanation.—For the purposes of this section, an “urban consumers’ co-operative society” means a society for the benefit of the consumers within the limits of a municipal corporation, municipality, municipal committee, notified area committee, town area or cantonment.

(3) In a case where the assessee is entitled also to the deduction under section 80H or section 80J, the deduction under sub-section (1) of this section, in relation to the sums

specified in clause (a) or clause (b) or clause (c) of sub-section (2), shall be allowed with reference to the income, if any, as referred to in those clauses included in the gross total income as reduced by the deductions under section 80H and section 80J.

(4) Nothing contained in this section shall apply to a co-operative society carrying on insurance business in respect of the profits and gains of that business computed in accordance with section 44.

80Q. Where the gross total income of an assessee who is a member of a co-operative society includes any income by way of dividends received by him from the society, the whole of such income shall be allowed as a deduction in computing his total income.

Deduction in respect of dividends from co-operative society.

80R. Where the gross total income of an individual who is a citizen of India includes any remuneration received by him outside India from any University or other educational institution established outside India or such other association or body established outside India as may be notified in this behalf by the Central Government in the Official Gazette, for any service rendered by him during his stay outside India in his capacity as a professor, teacher or research worker in such University, institution, association or body, there shall be allowed a deduction from such remuneration of an amount equal to fifty per cent. thereof, in computing the total income of the individual:

Deduction in respect of remuneration from certain foreign sources in the case of professors, teachers, etc.

Provided that where the individual renders continuous service outside India in such University, institution, association or body for a period exceeding thirty-six months, no deduction under this section shall be allowed in respect of the remuneration for such service relating to any period after the expiry of the thirty-six months aforesaid.

80S. Where the gross total income of an assessee not being a company includes any income by way of compensation or other payment which is chargeable as the profits and gains of business or profession in accordance with the provisions of clause (ii) of section 28, there shall be allowed, in computing the total income of the assessee, a deduction from such income of an amount equal to twenty-five per cent. thereof, so, however, that the amount of the deduction under this section shall not, in any case, exceed one hundred thousand rupees.

Deduction in respect of compensation for termination of managing agency, etc., in the case of assessee other than companies.

Deduction in respect of long-term capital gains in the case of assesses other than companies.

80T. Where the gross total income of an assessee not being a company includes any income chargeable under the head "Capital gains" relating to capital assets other than short-term capital assets (such income being, hereinafter, referred to as long-term capital gains), there shall be allowed, in computing the total income of the assessee, a deduction from such income of an amount equal to,—

(a) in a case where the gross total income does not exceed ten thousand rupees or where the long-term capital gains do not exceed five thousand rupees, the whole of such long-term capital gains;

(b) in any other case, five thousand rupees as increased by a sum equal to—

(i) forty-five per cent. of the amount by which the buildings or lands, or any rights in buildings or lands, long-term capital gains relating to capital assets, being exceed five thousand rupees;

(ii) sixty-five per cent. of the amount by which the long-term capital gains relating to any other capital assets exceed five thousand rupees:

Provided that in a case where the long-term capital gains relate to buildings or lands, or any rights in buildings or lands, as well as to other assets, the sum referred to in sub-clause (ii) of clause (b) shall be taken to be—

(A) where the amount of the long-term capital gains relating to the capital assets mentioned in sub-clause (i) is less than five thousand rupees, sixty-five per cent. of the amount by which the long-term capital gains relating to any other capital assets exceed the difference between five thousand rupees and the amount of the long-term capital gains relating to the capital assets mentioned in sub-clause (i); and

(B) where the amount of the long-term capital gains relating to the capital assets mentioned in sub-clause (i) is equal to or more than five thousand rupees, sixty-five per cent. of the long-term capital gains relating to any other capital assets.

14. Omit sections 81, 82, 83, 84, 85, 85A, 85B and 85C.

15. Chapter VIII.—

(a) For "REBATES AND RELIEFS", substitute "RELIEF IN RESPECT OF INCOME-TAX";

(b) Omit "A.—Rebate of income-tax", sections 87, 87A and 88, and "B.—Relief for income-tax".

16. *Section 104.*—In the *Explanation* to sub-section (4), for “included in its total income for the relevant previous year”, substitute “included in its gross total income for the relevant previous year”.

17. *Section 109.*—

(a) For “For the purposes of sections 104, 105 and 107A”, substitute “For the purposes of sections 104, 105 and 107A and this section”;

(b) in clause (i),—

(i) for “total income of a company”, substitute “gross total income of a company”;

(ii) for sub-clause (c), substitute—

“(c) any sum with reference to which a deduction is allowable to the company under the provisions of section 80G;”;

(iii) for sub-clause (d), substitute—

“(d) losses under the head “Capital gains” relating to capital assets other than short-term capital assets;”;

(iv) in sub-clause (h), for “included in the total income”, substitute “included in the gross total income”;

(c) in clause (ii), for “total income”, substitute “gross total income”;

(d) in clause (iia), for “total income”, in both places, substitute “gross total income”;

(e) in clause (iii), for “total income”, in all places, substitute “gross total income”;

(f) after clause (iii), insert—

“(iv) “gross total income” means the total income computed in accordance with the provisions of this Act before making any deduction under Chapter VIA.”

18. *Chapter XII.*—

(a) Omit section 112;

(b) in section 112A,—

(i) in clause (b), omit “plus”;

(ii) omit clause (c);

(iii) in *Explanation 2*, for “sections 112, 114 and 193” substitute “section 193”;

(c) omit section 114.

19. Section 197.—For sub-section (3), substitute—

“(3) Where the principal officer of a company considers that, by reason of the provisions of section 80K, the whole or any portion of the dividend referred to in section 194 will be deductible in computing the total income of the recipient, he may, before paying the dividend to the shareholder or issuing any cheque or warrant in respect thereof, make an application to the Income-tax Officer to determine the appropriate proportion of the dividend to be deducted under the provisions of section 80K; and on such determination by the Income-tax Officer no tax shall be deducted on such proportionate amount.”

20. Section 236.—In Explanation 2,—

(a) for “the total income assessed for that year”, substitute “the total income (as computed before making any deduction under Chapter VIA) assessed for that year”;

(b) in clause (i), for “the said total income”, substitute “its total income”;

(c) for clause (iii), substitute—

“(iii) any sum with reference to which a deduction is allowable to the company under the provisions of section 80G; and”;

(d) in clause (a), for “total income”, substitute “total income (as computed before making any deduction under Chapter VIA)”.

21. Section 280B.—In clause (1),—

(a) in sub-clause (b)(v), omit “and”;

(b) after sub-clause (b) (vi), insert—

“(vii) any income arising outside India in a country the laws of which prohibit or restrict the remittance of money to India;”.

22. Section 280X.—In the proviso to sub-section (1),—

(i) in clause (a), for “seventy years”, substitute “sixty years”;

(ii) in clause (b), for “rupees”, substitute “rupees; or”;

(iii) after clause (b), insert—

“(c) the annuity deposit required to be made does not exceed one hundred rupees; or

(d) the deficiency does not exceed an amount equal to ten per cent. of the annuity deposit required to be made or one hundred rupees, whichever is higher.”

23. *Section 295.*—In clause (a) of sub-section (2), for “under clause (i) of sub-section (3) of section 87 or clause (i) of sub-section (4) of section 80A, as the case may be”, substitute “under clause (i) of sub-section (4) of section 80C”.

24. *Fourth Schedule.*—In rule 7 of Part A, for “section 80A or as the case may be, to a deduction from the amount of income-tax with which he is chargeable on his total income of an amount of income-tax determined in accordance with section 87”, substitute “section 80C”.

25. *Fifth Schedule.*—For “[See sections 33(1) (iii) (c), 80B and 85]”, substitute “[See section 33(1) (b) (B)(i) and 80B (7)]”.

Rep. by Act No. 56 of 1967, S. 2 & Sch. I

THE TEA (AMENDMENT) ACT, 1967

No. 21 OF 1967

[13th August, 1967]

An Act further to amend the Tea Act, 1953.

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

Short title.

Amendment of long title.

Amendment of section 3.

Substitution of new section for section 25.

Imposition of cess on tea produced in India.

1. This Act may be called the Tea (Amendment) Act, 1967.

2. In the Tea Act, 1953 (hereinafter referred to as the principal Act), in the long title, for the words "levy a customs duty on tea exported from India", the words "levy a duty of excise on tea produced in India" shall be substituted.

3. In section 3 of the principal Act, in clause (c), for the words "the customs-duty", the words "the duty of excise" shall be substituted.

4. For section 25 of the principal Act, the following section shall be substituted, namely:—

"25. (1) There shall be levied and collected as a cess for the purposes of this Act a duty of excise on all tea produced in India at the rate of four paise per kilogram:

Provided that the Central Government may from time to time fix, by notification in the Official Gazette, a higher rate, not exceeding 8.8 paise per kilogram, at which the duty of excise shall be levied and collected.

(2) The duty of excise levied under sub-section (1) shall be in addition to the duty of excise leviable on tea under the Central Excises and Salt Act, 1944, or any other law for the time being in force.

(3) The provisions of the Central Excises and Salt Act, 1944, and the rules made thereunder, including those relating to refund and exemption from duty, shall, so far as may be, apply in relation to the levy and collection of the duty of excise under this section as they apply in relation to the levy and collection of the duty of excise on tea under the said Act."

Rep. by Act...56...of 1974, S. 2 & Sch. I.

**THE PUBLIC WAKFS (EXTENSION OF LIMITATION)
AMENDMENT ACT, 1967**

No. 22 OF 1967

[14th August, 1967]

An Act to amend the public Wakfs (Extension of Limitation) Act, 1959

Enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. This Act may be called the Public Wakfs (Extension of Limitation) Amendment Act, 1967. Short title.
2. In the Public Wakfs (Extension of Limitation) Act, 1959, in section 3, for the words, figures and letters "the 15th day of August, 1967", the words, figures and letters "the 31st day of December, 1968" shall be substituted. Amendment of section 3.

THE APPROPRIATION (RAILWAYS) No. 3 ACT, 1967

No. 23 OF 1967

[15th August, 1967.]

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, 1965, in excess of the amounts granted for those services and for that year.

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

Short
title.

1. This Act may be called the Appropriation (Railways) No. 3 Act, 1967.

Issue of
Rs. 4.15.
68,948
out of
the Con-
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Fund of
India
to meet
certain
expendi-
ture
for the
year
ended on
the 31st
March,
1965.

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 four crores, thirteen lakhs, sixty-eight thousand, nine hundred and forty-eight 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, 1965, in excess of the amounts granted for those services and for that year.

Appro-
priation.

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, 1965.

THE SCHEDULE
(See sections 2 and 3)

1	2	3		
No. of Vote	Services and purposes	Sums aggregating to		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
		Rs.	Rs.	Rs.
5	Working Expenses—Repairs and Maintenance	46,49,848	..	46,49,848
8	Working Expenses—Operation other than Staff and Fuel	24,30,157	..	24,30,157
12	Payments to General Revenues	40,49,900	..	40,49,900
15	Open Line Works—Additions and Replacements	3,02,39,043	..	3,02,39,043
	TOTAL	4,13,68,948	..	4,13,68,948

Act No. 56 of 1967, S. 2 & Sch. I.

THE INDIAN OFFICIAL SECRETS (AMENDMENT)
ACT, 1967

No. 24 OF 1967

[15th August, 1967]

An Act further to amend the Indian Official Secrets Act, 1923.

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

Short title and commencement.

1. (1) This Act may be called the Indian Official Secrets (Amendment) Act, 1967.

(2) Clause (b) of section 5 shall come into force on such ^A date as the Central Government may, by notification in the Official Gazette, appoint and different dates may be appointed for different areas; and the remaining provisions of this Act shall come into force at once.

Substitution of new section for section 1.

2. For section 1 of the Indian Official Secrets Act, 1923 (herein- 19 of 1923. after referred to as the principal Act), the following section shall be substituted, namely:—

Short title, extent and application.

"1. (1) This Act may be called the Official Secrets Act, 1923.

(2) It extends to the whole of India and applies also to servants of the Government and to citizens of India outside India."

Amendment of section 2.

3. In section 2 of the principal Act, in clause (6), the words "or of the Government of the United Kingdom or of any British possession" shall be omitted.

Amendment of section 3.

4. In section 3 of the principal Act,—

(a) in clause (c) of sub-section (1), after the words "useful to an enemy", the following shall be inserted, namely:—

^A/₄ 10.7.1968: Vide notification No. S.O 2300 dated 22.6.68, Gaz of India, Pt. II, Sec. 3(1) p 2181

“or which relates to a matter the disclosure of which is likely to affect the sovereignty and integrity of India, the security of the State or friendly relations with foreign States”;

(b) in sub-section (2),—

(i) the words “with imprisonment for a term which may extend to fourteen years” shall be omitted;

(ii) for the words “or information shall be presumed to have been made”, the words “information, code or pass word shall be presumed to have been made” shall be substituted.

5. In section 5 of the principal Act,—

Amend-
ment of
section 5.

(a) in sub-section (1), for the words “or which has been made or obtained in contravention of this Act,” the following shall be substituted, namely:—

“or which is likely to assist, directly or indirectly, an enemy or which relates to a matter the disclosure of which is likely to affect the sovereignty and integrity of India, the security of the State or friendly relations with foreign States or which has been made or obtained in contravention of this Act,”;

(b) for sub-section (4), the following sub-section shall be substituted, namely:—

“(4) A person guilty of an offence under this section shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both.”.

6. In section 6 of the principal Act,—

Amend-
ment of
section 6.

(a) in sub-section (3), for the words “two years”, the words “three years” shall be substituted;

(b) in sub-section (4), the words “with imprisonment for a term which may extend to fourteen years” shall be omitted.

7. In section 7 of the principal Act, in sub-section (2), for the words “two years”, the words “three years” shall be substituted.

Amend-
ment of
section 7.

8. In section 8 of the principal Act, in sub-section (2), for the words “two years”, the words “three years” shall be substituted.

Amend-
ment of
section 8.

Amend-
ment of
section 10.

9. In section 10 of the principal Act, in sub-section (3), for the words "one year", the words "three years" shall be substituted.

Substitu-
tion of
new sec-
tion for
section 12.

10. For section 12 of the principal Act, the following section shall be substituted, namely:—

Provi-
sions of
section
337 of Act
5 of 1898
to apply to
offences
under sec-
tions 3, 5
and 7.

"12. The provisions of section 337 of the Code of Criminal Procedure, 1898 shall apply in relation to an offence punishable under section 3 or under section 5 or under section 7 or under any of the said sections 3, 5 and 7 read with section 9, as they apply in relation to an offence punishable with imprisonment for a term which may extend to seven years."

Amend-
ment of
section 13.

11. In section 13 of the principal Act, in sub-section (3), the proviso shall be omitted.

Substitu-
tion of
new
section for
section 15.

12. For section 15 of the principal Act, the following section shall be substituted, namely:—

Offences
by com-
panies.

"15. (1) If the person committing an offence under this Act is a company, every person who, at the time the offence was committed, was in charge of, and was responsible to the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:

Provided that nothing contained in this sub-section shall render any such person liable to such punishment provided in this Act 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 is attributable to any negligence on the part of, any director, manager, secretary or other officer of the company, such director, manager, secretary or other

REVEALED

OF 1967]

Indian Official Secrets (Amendment)

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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 a 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.’

13. In section 6 of the Defence of India Act, 1962, sub-clause (c) of clause (1) shall be omitted.

Amend-
ment of
section 6
of Act 51
of 1962.

NOT CORRECTED: SEE INDIA CODE

Vol. VIII B., Pt. X., p. 19.

**THE STANDARDS OF WEIGHTS AND MEASURES
(EXTENSION TO KOHIMA AND MOKOKCHUNG
DISTRICTS) ACT, 1967**

No. 25 OF 1967

[26th August, 1967]

An Act to extend the Standards of Weights and Measures Act 1956, to the Kohima and Mokokchung Districts in the State of Nagaland.

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

Short title. 1. This Act may be called the Standards of Weights and Measures (Extension to Kohima and Mokokchung Districts) Act, 1967.

Extension of Act 89 of 1956 to Kohima and Mokokchung districts in Nagaland. 2. The Standards of Weights and Measures Act, 1956, shall, as from the commencement of this Act, extend to the Kohima and Mokokchung districts in the State of Nagaland and shall come into force therein on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

¹ 1-9-1967; *vide* Notification No. S.O. 3085, dated 31-8-1967, Gazette of India, Extraordinary, Pt. II, Sec. 3(ii), p. 1443.

Rep. by Act... 56... of 1974, S. 2 & Sch. I.

**THE COTTON FABRICS (ADDITIONAL EXCISE DUTY)
(REPEAL) ACT, 1967**

No. 26 OF 1967

[1st December, 1967]

An Act to provide for the repeal of the Cotton Fabrics
(Additional Excise Duty) Act, 1957.

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

1. This Act may be called the Cotton Fabrics (Additional Excise Short title.
Duty) (Repeal) Act, 1967.

2. The Cotton Fabrics (Additional Excise Duty) Act, 1957, is Repeal of
hereby repealed. Act 33, of
1957.

Rep. by Act No. 56 of 1974, S. 2 & Sch. I.

THE TAXATION LAWS (AMENDMENT) ACT, 1967

No. 27 OF 1967

[15th December, 1967.]

An Act further to amend the Wealth-tax Act, 1957, the Gift-tax Act, 1958, and the Income-tax Act, 1961, and to amend the Finance (No. 2) Act, 1967.

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

Short
title
and com-
mence-
ment.

1. (1) This Act may be called the Taxation Laws (Amendment) Act, 1967.

(2) It shall be deemed to have come into force on the 1st day of October, 1967, except that section 5 shall be deemed to have come into force on the 14th day of September, 1967.

Amend-
ment of
Act 27 of
1957.

2. In the Wealth-tax Act, 1957, in sections 31 and 34A, for the words "six per cent.", the words "nine per cent." shall be substituted.

Amend-
ment
of
Act 18 of
1958.

3. In the Gift-tax Act, 1958, in sections 32 and 33A, for the words "six per cent.", the words "nine per cent." shall be substituted.

Amend-
ment of
Act 43 of
1961.

4. In the Income-tax Act, 1961,—

(i) in section 37, after sub-section (2), the following sub-section shall be inserted, namely:—

"(2A) Notwithstanding anything contained in sub-section (1) or sub-section (2), no allowance shall be made in respect of so much of the expenditure in the nature of entertainment expenditure incurred by any assessee during any previous year which expires after the 30th day of

September, 1967, as is in excess of the aggregate amount computed as hereunder:—

- | | |
|---|---|
| (i) on the first Rs. 10,00,000 of the profits and gains of the business or profession (computed before making any allowance under section 33 or section 33A or in respect of entertainment expenditure) | at the rate of $\frac{1}{2}$ per cent. or Rs. 5,000, whichever is higher; |
| (ii) on the next Rs. 40,00,000 of the profits and gains of the business or profession (computed in the manner aforesaid) | at the rate of $\frac{1}{4}$ per cent.; |
| (iii) on the next Rs. 1,20,00,000 of the profits and gains of the business or profession (computed in the manner aforesaid) | at the rate of $\frac{1}{8}$ per cent.; |
| (iv) on the balance of the profits and gains of the business or profession (computed in the manner aforesaid) | nil: |

Provided that where the previous year of any assessee falls partly before and partly after the 30th day of September, 1967, the allowance in respect of such expenditure incurred during the previous year shall not exceed—

(a) in the case of a company—

- (i) in respect of such expenditure incurred before the 1st day of October, 1967, the sum which bears to the aggregate amount computed at the rate or rates specified in sub-section (2), the same proportion as the number of days comprised in the period commencing on the first day of such previous year and ending with the 30th day of September, 1967, bears to the total number of days in the previous year;

(ii) in respect of such expenditure incurred after the 30th day of September, 1967, the sum which bears to the aggregate amount computed at the rate or rates specified in this sub-section, the same proportion as the number of days comprised in the period commencing on the 1st day of October, 1967, and ending with the last day of the previous year bears to the total number of days in the previous year;

(b) in any other case—

(i) in respect of such expenditure incurred before the 1st day of October, 1967, the amount admissible under sub-section (1);

(ii) in respect of such expenditure incurred after the 30th day of September, 1967, the sum which bears to the aggregate amount computed at the rate or rates specified in this sub-section, the same proportion as the number of days comprised in the period commencing on the 1st day of October, 1967, and ending with the last day of the previous year bears to the total number of days in the previous year.”;

(ii) in sections 132A, 139, 201, 213 to 217, 220, 243 and 244, for the words “six per cent.”, the words “nine per cent.” shall be substituted;

(iii) in section 280X,—

(a) in sub-section (1), clause (b) of the proviso shall be omitted;

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

Explanation.—(i) In this section, the expression “annuity deposit required to be made” shall mean the amount of annuity deposit calculated on the adjusted total income of the depositor at the rate or rates specified in the Finance Act of the relevant year, but where the amount so calculated exceeds the amount computed in the manner specified in clause (ii) of this *Explanation* (the amount so computed being hereinafter referred to as the specified amount), then, the annuity deposit required to be made shall mean the specified amount.

REPEALED

of 1967]

Taxation Laws (Amendment)

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(ii) The specified amount referred to in clause (i) of this Explanation shall be—

(a) in a case where the total income (as computed without making any allowance under section 2800) exceeds fifteen thousand rupees but does not exceed twenty thousand rupees, an amount equal to one per cent. of the adjusted total income of the depositor;

(b) in a case where the total income (computed in the manner aforesaid) exceeds twenty thousand rupees but does not exceed twenty-five thousand rupees, an amount equal to—

(1) the aggregate of the sum calculated at one per cent. on so much of the adjusted total income as does not exceed twenty thousand rupees and the sum by which the total income (computed in the manner aforesaid) exceeds twenty thousand rupees, or

(2) one and a half per cent. of the adjusted total income of the depositor,

whichever is less;

(c) in a case where the total income (computed in the manner aforesaid) exceeds twenty-five thousand rupees, an amount equal to the aggregate of the sum calculated at one and a half per cent. on so much of the adjusted total income as does not exceed twenty-five thousand rupees and the sum by which the total income (computed in the manner aforesaid) exceeds twenty-five thousand rupees.

5. In the Finance (No. 2) Act, 1967,—

(i) in section 3, for sub-section (1), the following sub-section shall be, and shall be deemed always to have been, substituted, namely:—

“(1) Save as otherwise provided in Chapter XXIIA of the Income-tax Act, annuity deposit shall be made by every

Amend-
ment of
Act 20 of
1967.

person to whom the provisions of that Chapter apply—

(a) for the assessment year commencing on the 1st day of April, 1967, at the rate or rates specified in Part I of the Second Schedule; and

(b) during the financial year commencing on the 1st day of April, 1967 (in relation to the adjusted total income of the previous year relevant to the assessment year commencing on the 1st day of April, 1968), at the rate or rates specified in Part II of the Second Schedule.”;

(ii) for the Second Schedule, the following Schedule shall be, and shall be deemed always to have been, substituted, namely:—

“THE SECOND SCHEDULE

(See section 3)

PART I

RATES OF ANNUITY DEPOSIT FOR THE ASSESSMENT YEAR 1967-68

- | | |
|--|---|
| (i) In the case of any depositor whose total income does not exceed Rs. 15,000 | <i>Nil.</i> |
| (ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 | 5 per cent. of the adjusted total income: |

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

- | | |
|---|--|
| (iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000 | 7½ per cent. of the adjusted total income: |
|---|--|

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

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

- (iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000 10 per cent. of the adjusted total income:

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

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

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

- (v) In the case of a depositor whose total income exceeds Rs. 70,000 12½ per cent. of the adjusted total income:

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

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

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

PART II

RATES OF ANNUITY DEPOSIT TO BE MADE DURING THE FINANCIAL YEAR 1967-68

- (i) In the case of any depositor whose total income does not exceed Rs. 15,000 Nil.
- (ii) In the case of any depositor whose total income exceeds Rs. 15,000 but does not exceed Rs. 20,000 6 per cent. of the adjusted total income:

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

- (iii) In the case of a depositor whose total income exceeds Rs. 20,000 but does not exceed Rs. 40,000 9 per cent. of the adjusted total income:

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

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

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

(iv) In the case of a depositor whose total income exceeds Rs. 40,000 but does not exceed Rs. 70,000 12 per cent. of the adjusted total income:

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

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

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

(v) In the case of a depositor whose total income exceeds Rs. 70,000 15 per cent. of the adjusted total income:

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

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

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

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

Repeal
and
saving.

6. (1) The Taxation Laws (Amendment) Ordinance, 1967, is hereby repealed. 5 of 1967.

(2) Notwithstanding such repeal, anything done or any action taken under any provision of the said Ordinance shall be deemed to have been done or taken under the corresponding provision of this Act as if such provision was in force on the date on which such thing was done or action taken.

THE COURT-FEES (DELHI AMENDMENT) ACT, 1967

No. 28 OF 1967

[16th December, 1967]

An Act further to amend the Court-fees Act, 1870, as in force in the Union territory of Delhi.

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

1. (1) This Act may be called the Court-fees (Delhi Amendment) Act, 1967.

Short title and extent.

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

7 of 1870 2. In the Court-fees Act, 1870, as in force in the Union territory of Delhi (hereinafter referred to as the principal Act), in section 4,—

Amendment of Section 4

(a) in the marginal heading to the first paragraph, for the words “in High Courts in their extraordinary jurisdiction”, the words “in the High Court of Delhi in its ordinary or extraordinary jurisdiction” shall be substituted;

(b) in the first paragraph, for the words “any of the said High Courts in any case coming before such Court in the exercise of its extraordinary original civil jurisdiction”, the words “the High Court of Delhi in any case coming before that Court in the exercise of its ordinary or extraordinary original civil jurisdiction” shall be substituted;

(c) in the third paragraph, for the words “other than”, the word “including” shall be substituted;

(d) after the fifth paragraph “or in the exercise of its jurisdiction as a Court of reference or revision;”, the following paragraphs shall be inserted, namely:—

in the
exercise
of juris-
diction to
issue
writs, etc.

“or in the exercise of its jurisdiction to issue directions, orders or writs under the Constitution of India;

in the
exercise
of any
other
jurisdic-
tion.

or in the exercise of its jurisdiction in any other matter;”.

Amend-
ment of
Schedule
II.

3. In Schedule II to the principal Act, in clause (d) of article 1, after sub-clause (ii), the following sub-clause shall be inserted, namely:—

“(ii-A) under article 226 of the Constitution of India other than petitions for *habeas corpus* and petitions arising out of criminal proceedings.

fifty rupees.”.

Levy
of fees
in certain
suits, etc.,
instituted
before
com-
mence-
ment
of this
Act.

4. (1) Notwithstanding anything contained in the principal Act or in the principal Act as amended by this Act, fees shall be levied in suits or other proceedings instituted on or after the 31st day of October, 1966, and pending immediately before the 7th October, 1967, in the High Court of Delhi by virtue, and in the exercise, of its ordinary original civil jurisdiction as if the principal Act, as amended by this Act, had been in force on the respective dates on which such suits or proceedings were instituted.

(2) Any fees levied in respect of suits or other proceedings instituted before the High Court of Delhi by virtue, and in the exercise, of its ordinary original civil jurisdiction, on or after the 31st day of October, 1966, and disposed of before the 7th October, 1967, shall be deemed to have been levied in accordance with law.

Repeal
and
saving.

5. (1) The Court-fees (Delhi Amendment) Ordinance, 1967, is hereby repealed. 7 of 1967.

(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 corresponding provision of the principal Act as amended by this Act as if this Act had commenced on the 7th October, 1967.

REPEALED BY ACT... 72... OF 1971 *h.s. 11*

THE COTTON TEXTILE COMPANIES (MANAGEMENT
OF UNDERTAKINGS AND LIQUIDATION OR
RECONSTRUCTION) ACT, 1967

No. 29 OF 1967

[23rd December, 1967]

An Act to provide in the public interest for the liquidation of cotton textile companies while keeping the undertakings thereof as running concerns, or for the reconstruction of cotton textile companies, in certain cases and for matters connected therewith.

WHEREAS cotton textile industry is an important industry in the country;

AND WHEREAS adequate and improved production of cloth is not only essential for the life of the community but also contributes in the earning of foreign exchange substantially;

AND WHEREAS quite a large number of ancillary industries depend and flourish on the cotton textile industry;

AND WHEREAS conditions in the cotton textile industry have tended to deteriorate due to lack of modernisation and other reasons;

AND WHEREAS on account of mismanagement certain cotton textile mills are threatened with closure;

AND WHEREAS the closure of the cotton textile mills will affect prejudicially the production of cotton textiles and the interests of labour;

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

1. (1) This Act may be called the Cotton Textile Companies (Management of Undertakings and Liquidation or Reconstruction) Act, 1967.

19 Law—27.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

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

Defini-
tions.

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

(a) "cotton textiles" means yarn or fabrics made either wholly or partially of cotton;

(b) "Court" means the High Court having jurisdiction in relation to the place at which the registered office of a textile company is situate;

(c) "current assets" means bank balances and cash and includes such other assets or reserves as are expected to be realised in cash or sold or consumed within a short period of time in the ordinary course of business such as stock-in-trade, amounts due from sundry debtors for sale of goods and for services rendered, advance tax payments and bills receivable, but does not include sums credited to a provident fund, a pension fund, a gratuity fund or any other fund for the welfare of the employees, maintained by a textile company;

(d) "current liabilities" means liabilities which must be met on demand or within a period of twelve months from the date they are incurred;

(e) "Industries Act" means the Industries (Development and Regulation) Act, 1951; 65 of 1951.

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

(g) "textile company" means a company as defined in the Companies Act, 1956, engaged wholly or mainly in the manufacture of cotton textiles; 1 of 1956.

(h) words and expressions used but not defined in this Act and defined in the Companies Act, 1956, shall have the meanings respectively assigned to them in that Act. 1 of 1956.

¹ 8-1-1968 : Vide Notification No. S.O. 103, dated 6-1-1968, Gazette of India, Extraordinary, Part II, Sec. 3 (ii), p. 27.

REPEALED BY ACT... 72 OF 1971, S. 11

of 1967] *Cotton Textile Companies (Management of Undertakings and Liquidation or Reconstruction)*

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3. Where the management of the undertaking of a textile company has been taken over under section 18A of the Industries Act, the Central Government may, at any time during the continuance of such management, call for a report on the affairs and working of the undertaking from the person or body of persons authorised to take over the management of the undertaking (hereinafter referred to as the authorised person) and in submitting the report, the authorised person shall take into account the inventory and the lists of members and creditors prepared under section 7.

Power of Central Government to call for report on the affairs and Working of managed company.

4. (1) If the Central Government on receipt of the report from the authorised person is satisfied that the financial condition and other circumstances of the textile company are such that the textile company is not in a position to meet its current liabilities out of its current assets, that Government may, if it considers it necessary or expedient in the public interest, by order, decide that the undertaking of the textile company should be sold as a running concern as provided in section 5 and proceedings should simultaneously be started for the winding up of the textile company.

Decision of Central Government in relation to managed company.

(2) Notwithstanding anything contained in sub-section (1), if the Central Government on receipt of the report from the authorised person is satisfied that—

(a) in the public interest, or

(b) in the interests of the shareholders, or

(c) to secure the proper management of the textile company,

it is necessary so to do, the Central Government may, by order, decide to prepare a scheme for the reconstruction of the textile company.

(3) For the removal of doubt, it is hereby declared that nothing contained in this section shall be construed as preventing the Central Government from exercising the powers conferred on it by section 18F of the Industries Act in respect of a textile company the management of whose undertaking has been taken over under section 18A of that Act but such powers shall not be exercised after the making of an order under sub-section (1) or, as the case may be, under sub-section (2) of this section.

5. (1) The provisions hereinafter laid down shall apply where the Central Government decides that the course specified in sub-section (1) of section 4 should be followed, namely:—

Provisions where Government

decides
to follow
the
course
specified
in section
4(1).

(a) the decision of the Central Government that the course specified in sub-section (1) of section 4 should be followed in relation to any textile company shall be deemed to be a ground specified in section 433 of the Companies Act, 1956, for the presentation of an application for the winding up of the textile company;

1 of 1956.

(b) the authorised person shall, as soon as may be, after the decision specified in sub-section (1) of section 4 has been taken by the Central Government, present by petition an application to the Court for the winding up of the textile company on the ground that in the opinion of the Central Government it is necessary or expedient in the public interest that while the undertaking of the textile company should continue to be managed as a running concern, the company itself should be wound up;

(c) the authorised person shall, in addition to discharging his functions of management of the undertaking as a running concern under the Industries Act, function as Official Liquidator, until it is sold or purchased in pursuance of this section, in the winding up proceedings of the textile company as if he were an Official Liquidator appointed under section 448 of the Companies Act, 1956, and thereafter the Official Liquidator referred to in that section shall function as the Official Liquidator in the said proceedings;

1 of 1956.

(d) the authorised person shall make a report to the Central Government as to what should be the reserve price for the sale of the undertaking as a running concern, and in making such a report, he shall have regard to—

(i) the financial condition of the textile company on the date of the order under section 4—

(1) as disclosed in its books of account,

(2) as disclosed in its balance-sheets and profit and loss accounts during a period of five years immediately before the said date;

(ii) the condition and nature of the plant, machinery, instruments and other equipment from the point of view of their suitability for profitable use in the running of the undertaking;

(iii) the total amount of liability on account of secured and unsecured debts including overdrafts, if any, drawn

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on banks, liabilities on account of terminal benefits to the employees and other borrowings and liabilities of the textile company; and

(iv) other relevant factors including the factor that the undertaking will be sold free from all encumbrances, and notice of such price shall be given in such manner as may be prescribed to the members and creditors of the textile company requiring them to make representations within a specified time to the Central Government through the authorised person and the Central Government after considering the representations received and the report of the authorised person, determine the reserve price;

(e) the authorised person shall thereafter, with the permission of the Court, invite tenders from the public in such manner as may be determined by the Court for the sale of the undertaking as a running concern subject to the condition that it will be sold to the person offering the highest price which shall not be less than the reserve price determined under clause (d):

Provided that the Court shall not refuse permission if it is satisfied that the textile company is not in a position to meet its current liabilities out of its current assets;

(f) the undertaking shall be sold to the highest bidder as a running concern only if the price offered by him therefor is not less than the reserve price;

(g) where no offer of price is equal to or more than the reserve price, the undertaking shall be purchased by the Central Government at the reserve price;

(h) the amount realised from the sale of the undertaking as a running concern together with any other sum which may be realised from any contributory, purchaser or any other person from whom any money is due to the textile company shall be utilised in accordance with the provisions of the Companies Act, 1956, in discharging the liabilities of the textile company and distributing the balance, if any, amongst the members of the company;

1 of 1956.

(i) in other respects, the provisions of the Companies Act, 1956, relating to winding up by the Court shall, as far as may be, apply.

1 of 1956.

(2) When any undertaking is sold to any person under clause (f), or purchased by the Central Government under clause (g), of

sub-section (1), there shall be transferred to and vested in the purchaser, free from all encumbrances, all such assets relating to the undertaking as are referred to in sub-clause (i) of clause (a) of section 7 and existing at the time of the sale or purchase.

Provi-
sions
where
Govern-
ment
decides
to follow
the
course
specified
in sec-
tion
4(2).

6. (1) Where in any case the Central Government decides that the course specified in sub-section (2) of section 4 should be followed, it shall cause to be prepared by the authorised person a scheme for the reconstruction of the textile company in accordance with the provisions hereinafter contained and the authorised person shall submit the same for its approval.

(2) The scheme for the reconstruction of the textile company may contain provisions for all or any of the following matters, namely:—

(a) the constitution, name and registered office, the capital, assets, powers, rights, interests, authorities and privileges, the liabilities, duties and obligations of the company on its reconstruction;

(b) any change in the Board of directors, or the appointment of a new Board of directors of the company on its reconstruction and the authority by whom, the manner in which and the other terms and conditions on which, such change or appointment shall be made and in the case of appointment of a new Board of directors or of any director, the period for which such appointment shall be made;

(c) the vesting of controlling interest in the reconstructed textile company in the Central Government either by the appointment of additional directors or by the allotment of additional shares;

(d) the alteration of the memorandum and articles of association of the company on its reconstruction to give effect to such reconstruction;

(e) subject to the provisions of the scheme, the continuation by or against the company on its reconstruction of any action or proceedings pending against the company immediately before the date of its reconstruction;

(f) the reduction of the interest or rights which the members and creditors have in or against the company before its reconstruction to such extent as the Central Government may consider necessary in the public interest or in the interests of the members and creditors or for the maintenance of the business of the company;

Provided that nothing contained in this clause shall be deemed to authorise the reduction of the interest or rights of any creditor (including Government) in respect of any loan or advance made by that creditor to the company after the date on which the management of the undertaking of the company has been taken over under section 18A of the Industries Act;

(g) the payment in cash or otherwise to the creditors in full satisfaction of their claim—

(i) in respect of their interest or rights in or against the company before its reconstruction; or

(ii) where their interest or rights aforesaid in or against the company has or have been reduced under clause (f), in respect of such interest or rights as so reduced;

(h) the allotment to the members of the company for shares held by them therein before its reconstruction [whether their interest in such shares has been reduced under clause (f) or not], of shares in the company on its reconstruction and where it is not possible to allot shares to any members, the payment in cash to those members in full satisfaction of their claim—

(i) in respect of their interest in shares in the company before its reconstruction; or

(ii) where such interest has been reduced under clause (f), in respect of their interest in shares as so reduced;

(i) the offer by the Central Government to acquire by negotiations with the members of the company their respective shares on payment in cash to those members who may volunteer to sell their shares to the Central Government in full satisfaction of their claim—

(i) in respect of their interest in shares in the company before its reconstruction; or

(ii) where such interest has been reduced under clause (f), in respect of their interest in shares as so reduced;

(j) the conversion of any debentures issued by the company after the taking over of the company under section 18A of the Industries Act or of any loans obtained by the company after that date or of any part of such debentures or loans, into shares in the company and the allotment of those shares to such debenture-holders or creditors, as the case may be;

(k) the increase of the capital of the company by the issue of new shares and the allotment of such new shares to the Central Government;

(l) the continuance of the services of such of the employees of the company as the Central Government may specify in the scheme in the company itself on its reconstruction on such terms and conditions as the Central Government thinks fit;

(m) notwithstanding anything contained in clause (l), where any employees of the company whose services have been continued under clause (l) have, by notice in writing given to the company at any time before the expiry of one month next following the date on which the scheme is sanctioned by the Court, intimated their intention of not becoming employees of the company on its reconstruction, the payment to such employees and to other employees whose services have not been continued on the reconstruction of the company, of compensation, if any, to which they are entitled under the Industrial Disputes Act, 1947 and such pension, gratuity, provident fund and other retirement benefits ordinarily admissible to them under the rules or authorisations of the company immediately before the date of its reconstruction;

14 of 1947.

(n) any other terms and conditions for the reconstruction of the company;

(o) such incidental, consequential and supplemental matters as are necessary to secure that the reconstruction shall be fully and effectively carried out.

(3) (a) A copy of the scheme as approved by the Central Government shall be sent in draft to the company and to the creditors thereof for suggestions and objections, if any, within such period as the Central Government may specify for this purpose.

(b) The Central Government may make such modifications, if any, in the draft scheme as it may consider necessary in the light of the suggestions and objections received from the company and from any members or creditors of the company.

(4) The scheme shall thereafter be placed before the Court for its sanction and the Court if satisfied that the scheme is in the public interest or in the interests of the shareholders or for securing the proper management of the company and that the scheme is designed to be fair and reasonable to the members and creditors of the company, may, after giving an opportunity to the company and to its members and creditors of showing cause, sanction the scheme without any modification or with such modifications as it may consider necessary.

(5) The scheme as so sanctioned by the Court shall come into force on such date as the Court may specify in this behalf:

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Provided that different dates may be specified for different provisions of the scheme.

(6) The sanction accorded by the Court under sub-section (4) shall be conclusive evidence that all the requirements of this section relating to the reconstruction of the company have been complied with, and a copy of the sanctioned scheme certified by the Court to be a true copy thereof, shall, in all legal proceedings (whether original or in appeal or otherwise), be admitted as evidence to the same extent as the original scheme.

(7) On and from the date of the coming into operation of the scheme or any provision thereof, the scheme or such provision shall be binding on the company and also on all the members and other creditors and employees of the company and on any other person having any right or liability in relation to the company.

take

(8) On the coming into operation of the scheme or any provision thereof, the authorised person shall cease to function, and the management of the reconstructed company shall be assumed by the Board of directors as provided in the scheme.

(9) Copies of the scheme shall be laid before each House of Parliament, as soon as may be, after the scheme has been sanctioned by the Court.

(10) The provisions of this section and of any scheme made thereunder shall have effect notwithstanding anything contained in sections 391 to 394A (both inclusive) of the Companies Act, 1956.

1 of 1956

7. For the purposes of this Act, the authorised person shall, as soon as may be, after taking over the management of the undertaking of a textile company under section 18A of the Industries Act,—

(a) prepare a complete inventory of—

(i) all property, movable and immovable, including lands, buildings, works, workshops, stores, instruments, plant, machinery, automobiles and other vehicles, stocks of yarn, thread, cloth or fabric, in course of production, storage or transit, raw materials, chemicals, dyes, cotton, cash balances, cash in hand, deposits in bank or with any other person or body or on loan, reserve funds, investments and book debts and all other rights and interests arising out of such property as were immediately before the date of taking over of the undertaking in the ownership, possession, power or control of the textile company, whether within or without India; and all books of account, registers,

Preparation of inventory of assets and liabilities and list of members and creditors of a managed company.

Cotton Textile Companies (Management of Undertakings and Liquidation or Reconstruction) [ACT 29]

maps, plans, sections, drawings, records, documents or titles of ownership of property, and all other documents of whatever nature relating thereto; and

(ii) all borrowings, liabilities and obligations of whatever kind of the textile company including liability on account of terminal benefits to its employees subsisting immediately before the said date;

(b) prepare separately a list of members, and a list of creditors, of such textile company as on the date of taking over of the management of the undertaking showing separately in the list of creditors, the secured creditors and the unsecured creditors:

Provided that where the management of the undertaking of a ~~under section 4 has been made~~, no suit or other legal proceeding before the commencement of this Act, the aforesaid functions shall be performed by the authorised person within six months from such commencement.

Stay of suits and other proceedings.

8. In the case of a textile company in respect of which an order under section 4 has been made, no suit or other legal proceeding shall be instituted or continued against the textile company except with the previous permission of the Central Government or any officer or authority authorised by that Government in this behalf.

Protection of action taken in good faith.

9. (1) No suit, prosecution or other legal proceedings shall lie against the Central Government, the authorised person or any officer or authority for anything which is in good faith done or intended to be done in pursuance of this Act or any rule, order, notification or scheme made thereunder.

(2) No suit or other legal proceedings shall lie against the Central Government, the authorised person or any officer or authority for any damage, loss or injury 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, order, notification or scheme made thereunder.

Power to make rules.

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

(2) Every rule made by the Central Government under this Act shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which

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takings and Liquidation or Reconstruction)*

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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.

11. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order published in the Official Gazette, make such provisions, not inconsistent with the provisions of this Act, as appear to it to be necessary or expedient for the removal of the difficulty: Power to
remove
difficul-
ties.

Provided that no such order shall be made after the expiration of three years from the commencement of this Act.

(2) Every order made under sub-section (1) shall be laid, as soon as may be after it is made, before each House of Parliament.

NOT CORRECTED: SEE INDIA CODE
Vol. II, Pt. IV, p. 853.

THE HARYANA STATE LEGISLATURE (DELEGATION
OF POWERS) ACT, 1967

No. 30 OF 1967

[26th December, 1967]

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

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

Short title. 1. This Act may be called the Haryana State Legislature (Delegation of Powers) Act, 1967.

Definition. 2. In this Act, "Proclamation" means the Proclamation issued on the 21st day of November, 1967, 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. 1753 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 Haryana 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—

(a) thirty members of the House of the People nominated by the Speaker among whom shall be included all members who

~~Not Corrected: See India Code~~

[ACT 30 OF 1967] *Haryana State Legislature (Delegation of powers) 213*

for the time being fill the seats allotted to the State of Haryana in that House; and

(b) fifteen members of the Council of States nominated by the Chairman among whom shall be included all members who for the time being fill the seats allotted to the State of Haryana in that House.

(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.

Rep. by Act No. 56 of 1967, S. 2 & Sch. I.

THE INDIAN TARIFF (AMENDMENT) ACT, 1967

No. 31 OF 1967

[26th December, 1967]

An Act further to amend the Indian Tariff Act, 1934.

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

Short title
and com-
mence-
ment.

1. (1) This Act may be called the Indian Tariff (Amendment) Act, 1967.

(2) It shall come into force on the 1st day of January, 1968.

Amend-
ment of
First
Schedule.

2. In the First Schedule to the Indian Tariff Act, 1934, in Items 32 of 1934, Nos. 28(35), 28(36), 28(37), 30(1) (b) (i), 30(1) (b) (ii), 30(15), 30(16), 75(9), 75(10), 75(11), 75(12) and 75(14), in the last column headed "Duration of protective rates of duty", for the figures "1967", wherever they occur, the figures "1968" shall be substituted.

THE APPROPRIATION (No. 3) ACT, 1967

No. 32 OF 1967

[26th December, 1967]

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 1967-68.

Enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. This Act may be called the Appropriation (No. 3) Act, 1967. 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 thirty-one crores, seven lakhs and thirteen thousand rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68, in respect of the services specified in column 2 of the Schedule. Issue of Rs.
31,07,13,000
out of the
Consolidated
Fund of
India for the
year 1967-68.
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 Con- solidated Fund	Total
		Rs.	Rs.	Rs.
2	Foreign Trade	8,72,00,000	..	8,72,00,000
8	Defence Services—Non-effective . . . . .	..	2,000	2,000
10	Education	1,000	..	1,000
15	External Affairs	43,75,000	..	43,75,000
16	Other Revenue Expenditure of the Ministry of External Affairs	1,000	..	1,000
24	Mint . . . . .	..	14,000	14,000
50	Chandigarh	14,66,000	..	14,66,000
55	Other Revenue Expenditure of the Ministry of Home Affairs	10,28,000	..	10,28,000
61	Broadcasting	2,75,000	..	2,75,000
69	Expenditure on Displaced Persons . . . . .	..	46,000	46,000
83	Roads . . . . .	..	1,000	1,000
86	Other Revenue Expenditure of the Ministry of Transport and Shipping	1,000	..	1,000
109	Secretariat of the Vice-President	50,000	..	50,000
111	Defence Capital Outlay . . . . .	..	35,86,000	35,86,000
120	Loans and Advances by the Central Government	20,00,00,000	..	20,00,00,000
121	Purchase of Foodgrains and Fertilizers . . . . .	..	3,39,000	3,39,000
124	Capital Outlay in Union territories and Tribal Areas	15,97,000	..	15,97,000

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Con- solidated Fund	Total
		Rs.	Rs.	Rs.
125	Other Capital Outlay of the Ministry of Home Affairs	35,00,000	..	35,00,000
130	Capital Outlay of the Ministry of Labour Employment and Rehabilitation . . . . .	..	13,000	13,000
131	Capital Outlay of the Ministry of Petroleum and Chemicals	47,50,000	..	47,50,000
137	Other Capital Outlay of the Ministry of Transport and Shipping	24,68,000	..	24,68,000
	TOTAL	30,67,12,000	40,01,000	31,07,13,000

THE APPROPRIATION (No. 4) ACT, 1967

No. 33 OF 1967

[26th December, 1967]

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, 1965, in excess of the amounts granted for those services and for that year.

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

Short title.

Issue of Rs. 15,83,93,865 out of the Consolidated Fund of India to meet certain excess expenditure for the year ended on the 31st March, 1965.

Appropriation.

1. This Act may be called the Appropriation (No. 4) Act, 1967.

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 fifteen crores, eighty-three lakhs, ninety-three 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, 1965, 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, 1965.

THE SCHEDULE

(See section 2 and 3)

20

1 No. of Vote	2 Services and purposes	3		
		Excess		
		Voted portion	Charged portion	Total
		Rs.	Rs.	Rs.
1	Ministry of Community Development and Co-operation	9,578	..	9,578
5	Defence Services—Effective—Navy	79,09,518	..	79,09,518
6	Defence Services—Effective—Air Force	1,44,70,570	..	1,44,70,570
10	Archaeology	53,615	..	53,615
12	Botanical Survey	33,606	..	33,606
19	Ministry of Finance	1,09,447	..	1,09,447
24	Audit . . . . .	..	18,470	18,470
35	Pre-partition Payments	70,397	..	70,397
36	Ministry of Food and Agriculture	59,875	..	59,875
37	Agriculture	38,86,675	..	38,86,675
40	Forest . . . . .	..	5,283	5,283
42	Ministry of Health	78,701	..	78,701
45	Ministry of Home Affairs	7,60,798	..	7,60,798
55	Laccadive, Minicoy and Amindivi Islands	3,98,714	..	3,98,714
57	Ministry of Industry	14,371	..	14,371
62	Broadcasting	10,46,890	284	10,47,174
64	Ministry of International Trade	82,564	..	82,564
67	Ministry of Irrigation and Power	57,952	..	57,952
69	Other Revenue Expenditure of the Minis- try of Irrigation and Power	19,05,440	..	19,05,440
78	Other Revenue Expenditure of the Minis- try of Petroleum and Chemicals	13,98,387	..	13,98,387

No. of Vote	Services and purposes	Excess	
		Voted portion	Charged portion
1			3
2			
80	Geological Survey	Rs. 1,31,72,511	Rs. 1,31,72,511
85	Communications (including National Highways)	Rs. 38,26,621	Rs. 38,26,621
88	Aviation	Rs. 44,23,609	Rs. 44,23,609
91	Public Works	Rs. 1,13,41,023	Rs. 1,13,41,023
94	Other Revenue Expenditure of the Ministry of Works, Housing and Rehabilitation	Rs. 89,736	Rs. 89,736
104	Supplies and Disposals	Rs. 70	Rs. 70
106	Department of Technical Development	Rs. 15,356	Rs. 15,356
112	Capital Outlay of the Ministry of Co-operation and Community Development	Rs. 1,553	Rs. 1,553
114	Capital Outlay of the Ministry of Education	Rs. 2,10,033	Rs. 2,10,033
120	Commuted Value of Pensions	Rs. 1,13,686	Rs. 1,13,686
122	Capital Outlay on Grants to State and Union Territory Governments for Development	Rs. 55,10,536	Rs. 55,10,536
124	Capital Outlay on Forests	Rs. 7,543	Rs. 7,543
132	Capital Outlay on Multi-purpose River Schemes	Rs. 6,13,35,461	Rs. 6,13,35,461
134	Capital Outlay of the Ministry of Labour and Employment	Rs. 9,96,470	Rs. 9,96,470
135	Capital Outlay of the Ministry of Petroleum and Chemicals	Rs. 48,221	Rs. 48,221
Total			

1 No. of Vote	2 Services and purposes	3		
		Excess		
		Voted portion	Charged portion	Total
		Rs.	Rs.	Rs.
137	Capital Outlay on Roads	1,15,60,072	..	1,15,60,072
138	Capital Outlay on Ports	19,16,908	..	19,16,908
142	Delhi Capital Outlay . . . . .	..	10,75,121	10,75,121
145	Capital Outlay on Posts and Telegraphs (not met from Revenue)	1,03,67,921	..	1,03,67,921
	TOTAL	15,72,84,358	11,09,507	15,83,93,865

THE MANIPUR APPROPRIATION ACT, 1967

No. 34 OF 1967

[26th December, 1967]

An Act to authorise payment and appropriation of a further sum from and out of the Consolidated Fund of the Union territory of Manipur for the service of the financial year 1967-68.

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

Short
title.

1. This Act may be called the Manipur Appropriation Act, 1967.

Issue of
Rs.
3,00,000
from and
out of the
Consoli-
dated
Fund of
the Union
territory
of Mani-
pur
for the
financial
year
1967-68.

2. From and out of the Consolidated Fund of the Union territory of Manipur there may be paid and applied a sum not exceeding the amount specified in column 3 of the Schedule amounting in the aggregate to the sum of three lakh rupees towards defraying the charges which will come in course of payment during the financial year 1967-68, in respect of the service specified in column 2 of the Schedule.

Appro-
priation.

3. The sum 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 service and purpose expressed in the Schedule in relation to the said year.

THE SCHEDULE

(See sections 2 and 3)

1	2	3		
No. of Vote	Service and purpose	Sum not exceeding		
		Voted by Parliament	Charged on the Consoli- dated Fund	Total
38	Capital Outlay on Flood Control	Rs. 3,00,000	Rs. ..	Rs. 3,00,000
	TOTAL	3,00,000	..	3,00,000

THE HARYANA APPROPRIATION ACT, 1967

No. 35 OF 1967

[26th December, 1967]

An Act to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of the State of Haryana for the services of the financial year 1967-68.

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

Short title.

1. This Act may be called the Haryana Appropriation Act, 1967.

Issue of Rs.
1,07,66,960
from and
out of the
Consoli-
dated
Fund of the
State of
Haryana
for the
financial
year
1967-68.

2. From and out of the Consolidated Fund of the State of Haryana 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 crore, seven lakhs, sixty-six thousand, nine hundred and sixty rupees towards defraying the several charges which will come in course of payment during the financial year 1967-68, 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 State of Haryana by this Act shall be appropriated for the services and purposes expressed in the Schedule in relation to the said year.

THE SCHEDULE
(See sections 2 and 3)

I No. of Vote	2 Services and purposes	3 Sums not exceeding		
		Voted by Parliament	Charged on the Conso- lidated Fund	Total
		Rs.	Rs.	Rs.
9	General Administration . . . . .	..	3,970	3,970
16	Education	23,60,810	..	23,60,810
	Community Development Pro- jects, N. E. S. and Local Deve- lopment Works . . . . .	..	3,550	3,550
39	Miscellaneous . . . . .	..	310	310
42	Expenditure connected with National Emergency	1,03,800	..	1,03,800
44	Capital Outlay on Industrial and Economic Development	52,37,500	..	52,37,500
47	Capital Outlay on Public Works	10	..	10
49	Capital Outlay on Road and Water Transport Schemes	30,00,000	57,000	30,57,000
52	Loans and Advances by the State Government	10	..	10
	TOTAL	1,07,02,130	64,830	1,07,66,960

56 1974, S. 2. & Sch. I.

THE ESSENTIAL COMMODITIES (SECOND AMENDMENT) ACT, 1967

No. 36 OF 1967

[30th December, 1967]

An Act further to amend the Essential Commodities Act, 1955, and to continue the Essential Commodities (Amendment) Act, 1964, for a further period.

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

Short title.

1. This Act may be called the Essential Commodities (Second Amendment) Act, 1967.

Amendment of section 2

2. In section 2 of the Essential Commodities Act, 1955 (herein- 10 of 1955. after referred to as the principal Act),—

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

‘(cc) “order” includes a direction issued thereunder;’;

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

‘(e) “sugar” means—

(i) any form of sugar containing more than ninety per cent. of sucrose, including sugar candy;

(ii) khandsari sugar or bura sugar or crushed sugar or any sugar in crystalline or powdered form; or

(iii) sugar in process in vacuum pan sugar factory or raw sugar produced therein.’

3. In section 3 of the principal Act,—

(a) in sub-section (1), after the words "at fair prices", the words "or for securing any essential commodity for the defence of India or the efficient conduct of military operations" shall be inserted;

(b) in sub-section (2), in clause (j), the following shall be inserted at the end, namely:—

"and of any books of accounts and documents which in his opinion would be useful for, or relevant to, any proceedings under this Act and the return of such books of accounts and documents to the person from whom they were seized after copies thereof or extracts therefrom as certified by that person in the manner specified in the order have been taken.";

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

(3C) Where any producer is required by an order made with reference to clause (f) of sub-section (2) to sell any kind of sugar (whether to the Central Government or a State Government or to an officer or agent of such Government or to any other person or class of persons) and either no notification in respect of such sugar has been issued under sub-section (3A) or any such notification, having been issued, has ceased to remain in force by efflux of time, then, notwithstanding anything contained in sub-section (3), there shall be paid to that producer an amount therefor which shall be calculated with reference to such price of sugar as the Central Government may, by order, determine, having regard to—

(a) the minimum price, if any, fixed for sugarcane by the Central Government under this section;

(b) the manufacturing cost of sugar;

(c) the duty or tax, if any, paid or payable thereon;
and

(d) the securing of a reasonable return on the capital employed in the business of manufacturing sugar,

and different prices may be determined from time to time, for different areas or for different factories or for different kinds of sugar.

Explanation.—For the purposes of this sub-section, “producer” means a person carrying on the business of manufacturing sugar.’.

Amend-
ment of
section
6A.

4. In section 6A of the principal Act,—

(a) for the words “foodgrains, edible oilseeds or edible oils are seized”, in both the places where they occur, the words “essential commodity is seized” shall be substituted;

(b) for the words “they may”, the words “it may” shall be substituted;

(c) for the words “may order confiscation of the foodgrains, edible oilseeds or edible oils:”, the words “may order confiscation of the essential commodity so seized:” shall be substituted.

Amend-
ment of
section
6B.

5. In section 6B of the principal Act,—

(a) for the words “any foodgrains, edible oilseeds or edible oils”, the words “any essential commodity” shall be substituted;

(b) for the word “articles” in both the places where it occurs, the words “essential commodity” shall be substituted;

(c) for the words “they are seized”, the words “it is seized” shall be substituted.

Amend-
ment of
section
6C.

6. In section 6C of the principal Act, in sub-section (2),—

(a) for the words “return the foodgrains or edible oilseeds or edible oils seized”, the words “return the essential commodity seized” shall be substituted;

(b) for the words “as if the foodgrains, edible oilseeds or edible oils, as the case may be,” the words “as if the essential commodity” shall be substituted;

(c) for the word “articles”, the words “the essential commodity” shall be substituted;

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(d) for the words, brackets, figures and letter "and such price shall be determined in accordance with the provisions of sub-section (3B) of section 3", the following shall be substituted, namely:—

"and such price shall be determined—

(i) in the case of foodgrains, edible oilseeds or edible oils, in accordance with the provisions of sub-section (3B) of section 3;

(ii) in the case of sugar, in accordance with the provisions of sub-section (3C) of section 3; and

(iii) in the case of any other essential commodity, in accordance with the provisions of sub-section (3) of section 3."

7. In section 7 of the principal Act,—

(a) in sub-section (1) —

(i) for the words and figure "If any person contravenes any order made under section 3", the words and figure "If any person contravenes, whether knowingly, intentionally or otherwise, any order made under section 3" shall be substituted;

Amend-
ment of
section 7.

(ii) in sub-clause (ii) of clause (a), for the words "three years", the words "five years" shall be substituted;

(iii) for the proviso to clause (a), the following proviso shall be substituted, namely:—

"Provided that in the case of a first offence, if the Court is of opinion that a sentence of fine only will meet the ends of justice, it may, for reasons to be recorded refrain from imposing a sentence of imprisonment and in the case of a second or subsequent offence, the Court shall impose a sentence of imprisonment and such imprisonment shall not be less than one month; and";

(iv) for clause (b) (excluding the proviso), the following shall be substituted, namely:—

"(b) any property in respect of which the order has been contravened or such part thereof as to the Court may seem fit including any packages, coverings or receptacles in which the property is found and any animal,

vehicle, vessel or other conveyance used in carrying the property, shall be forfeited to the Government.”;

(b) in sub-section (2), for the words “three years”, the words “five years” shall be substituted;

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

“(3) Where a person having been convicted of an offence under sub-section (1) is again convicted of an offence under that sub-section for contravention of an order in respect of an essential commodity, the Court by which such person is convicted shall, in addition to any penalty which may be imposed on him under that sub-section, by order, direct that that person shall not carry on any business in that essential commodity for such period, not being less than six months, as may be specified by the Court in the order.”.

Amendment of section 9.

8. In section 9 of the principal Act, for the words “three years”, the words “five years” shall be substituted.

Insertion of new section 10A.

9. After section 10 of the principal Act, the following section shall be inserted, namely:—

Offences to be cognizable and bailable.

“10A. Notwithstanding anything contained in the Code of Criminal Procedure, 1898, every offence punishable under this 5 of 1898. Act shall be cognizable and bailable.”;

Continuance of Act 47 of 1964.

10. The duration of the Essential Commodities (Amendment) Act, 1964, is further extended for the period up to and including the 31st day of December, 1969, 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, 1967”, the words, figures and letters “the 31st day of December, 1969” shall be substituted.

Repeal and saving.

11. (1) The Essential Commodities (Amendment) Ordinance, 1967, 6 of 1967. and the Essential Commodities (Second Amendment) Ordinance, 1967, are hereby repealed.

(2) Notwithstanding such repeal, anything done or any action 8 of 1967. taken under the principal Act as amended by the said Ordinances shall be deemed to have been done or taken under the principal Act as amended by this Act as if—

(a) clause (b) of section 2 and clause (c) of section 3 of this Act had come into force on the 21st day of October, 1967; and

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(b) the rest of this Act [except clause (a) of section 3 and this section] had come into force on the 16th day of September, 1967:

Provided that during the period commencing on the 16th day of September, 1967, and ending with the 20th day of October, 1967, clause (d) of section 6 of this Act shall have effect subject to the modification that the brackets, figures and letter "(ii) in the case of sugar, in accordance with the provisions or sub-section (3C) of section 3;" had been omitted therefrom.

NOT CORRECTED: SEE INDIA CODE
Vol. III... Pt. IV... p. 761.

THE UNLAWFUL ACTIVITIES (PREVENTION)
ACT, 1967

No. 37 OF 1967

[30th December, 1967]

An Act to provide for the more effective prevention of certain unlawful activities of individuals and associations and for matters connected therewith.

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

CHAPTER I

PRELIMINARY

Short
title
and
extent.

1. (1) This Act may be called the Unlawful Activities (Prevention) Act, 1967.

(2) ~~It extends to the whole of India.~~

Defini-
tions.

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

(a) "association" means any combination or body of individuals;

(b) "cession of a part of the territory of India" includes admission of the claim of any foreign country to any such part;

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

(d) "secession of a part of the territory of India from the Union" includes the assertion of any claim to determine whether such part will remain a part of the territory of India;

(e) "Tribunal" means the Tribunal constituted under section 5;

(f) "unlawful activity", in relation to an individual or association, means any action taken by such individual or

²³²
4 subs by Act 24 of 1969, S2 (wef 13.8.1969).

association (whether by committing an act or by words, either spoken or written, or by signs or by visible representation or otherwise),—

(i) which is intended, or supports any claim, to bring about, on any ground whatsoever, the cession of a part of the territory of India or the secession of a part of the territory of India from the Union, or which incites any individual or group of individuals to bring about such cession or secession;

(ii) which disclaims, questions, disrupts or is intended to disrupt the sovereignty and territorial integrity of India;

(g) "unlawful association" means any association which has for its object any unlawful activity, or which encourages or aids persons to undertake any unlawful activity, or of which the members undertake such activity.

CHAPTER II

UNLAWFUL ASSOCIATIONS

3. (1) If the Central Government is of opinion that any association is, or has become, an unlawful association, it may, by notification in the Official Gazette, declare such association to be unlawful.

Declaration of an association as unlawful.

(2) Every such notification shall specify the grounds on which it is issued and such other particulars as the Central Government may consider necessary:

Provided that nothing in this sub-section shall require the Central Government to disclose any fact which it considers to be against the public interest to disclose.

(3) No such notification shall have effect until the Tribunal has, by an order made under section 4, confirmed the declaration made therein and the order is published in the Official Gazette:

Provided that if the Central Government is of opinion that circumstances exist which render it necessary for that Government to declare an association to be unlawful with immediate effect, it may, for reasons to be stated in writing, direct that the notification shall, subject to any order that may be made under section 4, have effect from the date of its publication in the Official Gazette.

(4) Every such notification shall, in addition to its publication in the Official Gazette, be published in not less than one daily newspaper having circulation in the State in which the principal office, if

19 Law-31.

1/4 Ins. by Act 24 of 1969, s. 3 (wef 13.8.1969).
2. Rules by Act 31 of 1972, v. 4 (wef 14.6.1972).

any, of the association affected is situated, and shall also be served on such association in such manner as the Central Government may think fit and all or any of the following modes may be followed in effecting such service, namely:—

(a) by affixing a copy of the notification to some conspicuous part of the office, if any, of the association; or

(b) by serving a copy of the notification, where possible, on the principal office-bearers, if any, of the association; or

(c) by proclaiming by beat of drum or by means of loud-speakers, the contents of the notification in the area in which the activities of the association are ordinarily carried on; or

(d) in such other manner as may be prescribed.

4. (1) Where any association has been declared unlawful by a notification issued under sub-section (1) of section 3, the Central Government shall, within thirty days from the date of the publication of the notification under the said sub-section, refer the notification to the Tribunal for the purpose of adjudicating whether or not there is sufficient cause for declaring the association unlawful.

Reference
to Tri-
bunal.

(2) On receipt of a reference under sub-section (1), the Tribunal shall call upon the association affected by notice in writing to show cause, within thirty days from the date of the service of such notice, why the association should not be declared unlawful.

(3) After considering the cause, if any, shown by the association or the office-bearers or members thereof, the Tribunal shall hold an inquiry in the manner specified in section 9 and after calling for such further information as it may consider necessary from the Central Government or from any office-bearer or member of the association, it shall decide whether or not there is sufficient cause for declaring the association to be unlawful and make, as expeditiously as possible and in any case within a period of six months from the date of the issue of the notification under sub-section (1) of section 3, such order as it may deem fit either confirming the declaration made in the notification or cancelling the same.

(4) The order of the Tribunal made under sub-section (3) shall be published in the Official Gazette.

Tribunal.

5. (1) The Central Government may, by notification in the Official Gazette, constitute, as and when necessary, a tribunal to be known as the "Unlawful Activities (Prevention) Tribunal" consisting of one person, to be appointed by the Central Government:

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Provided that no person shall be so appointed unless he is a Judge of a High Court.

(2) If, for any reason, a vacancy (other than a temporary absence) occurs in the office of the presiding officer of the Tribunal, then, the Central Government shall appoint another person in accordance with the provisions of this section to fill the vacancy and the proceedings may be continued before the Tribunal from the stage at which the vacancy is filled.

(3) The Central Government shall make available to the Tribunal such staff as may be necessary for the discharge of its functions under this Act.

(4) All expenses incurred in connection with the Tribunal shall be defrayed out of the Consolidated Fund of India.

(5) Subject to the provisions of section 9, the Tribunal shall have power to regulate its own procedure in all matters arising out of the discharge of its functions including the place or places at which it will hold its sittings.

5 of 1908. (6) The Tribunal shall, for the purpose of making an inquiry under this Act, have the same powers as are vested in a civil court under the Code of Civil Procedure, 1908, while trying a suit, in respect of the following matters; namely:—

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

(b) the discovery and production of any document or other material object producible as evidence;

(c) the reception of evidence on affidavits;

(d) the requisitioning of any public record from any court or office;

(e) the issuing of any commission for the examination of witnesses.

45 of 1860. (7) Any proceeding before the Tribunal shall be deemed to be a judicial proceeding within the meaning of sections 193 and 228 of the Indian Penal Code and the Tribunal shall be deemed to be a civil court for the purposes of section 195 and Chapter XXXV of the Code of Criminal Procedure, 1898.

5 of 1898.
Period
of opera-
tion and
cancellation
of notifi-
cation.

6. (1) Subject to the provisions of sub-section (2), a notification issued under section 3 shall, if the declaration made therein is confirmed by the Tribunal by an order made under section 4, remain in force for a period of two years from the date on which the notification becomes effective.

(2) Notwithstanding anything contained in sub-section (1), the Central Government may, either on its own motion or on the application of any person aggrieved, at any time, cancel the notification issued under section 3, whether or not the declaration made therein has been confirmed by the Tribunal.

Power to prohibit the use of funds of an unlawful association.

7. (1) Where an association has been declared unlawful by a notification issued under section 3 which has become effective under sub-section (3) of that section and the Central Government is satisfied, after such inquiry as it may think fit, that any person has custody of any moneys, securities or credits which are being used or are intended to be used for the purpose of the unlawful association, the Central Government may, by order in writing, prohibit such person from paying, delivering, transferring or otherwise dealing in any manner whatsoever with such moneys, securities or credits or with any other moneys, securities or credits which may come into his custody after the making of the order, save in accordance with the written orders of the Central Government and a copy of such order shall be served upon the person so prohibited in the manner specified in sub-section (3).

(2) The Central Government may endorse a copy of the prohibitory order made under sub-section (1) for investigation to any gazetted officer of the Government it may select, and such copy shall be a warrant whereunder such officer may enter in or upon any premises of the person to whom the order is directed, examine the books of such person, search for moneys, securities or credits, and make inquiries from such person or any officer, agent or servant of such person, touching the origin of any dealings in any moneys, securities or credits which the investigating officer may suspect are being used or are intended to be used for the purpose of the unlawful association.

(3) A copy of an order made under this section shall be served in the manner provided in the Code of Criminal Procedure, 1898, ⁵ of 1898. for the service of a summons, or, where the person to be served is a corporation, company, bank or other association, it shall be served on any secretary, director or other officer or person concerned with the management thereof, or by leaving it or sending it by post addressed to the corporation, company, bank or other association at its registered office, or where there is no registered office, at the place where it carries on business.

(4) Any person aggrieved by a prohibitory order made under sub-section (1) may, within fifteen days from the date of the service of such order, make an application to the Court of the District Judge

within the local limits of whose jurisdiction such person voluntarily resides or carries on business or personally works for gain, to establish that the moneys, securities or credits in respect of which the prohibitory order has been made are not being used or are not intended to be used for the purpose of the unlawful association and the Court of the District Judge shall decide the question.

(5) Except so far as is necessary for the purposes of any proceedings under this section, no information obtained in the course of any investigation made under sub-section (2) shall be divulged by any gazetted officer of the Government, without the consent of the Central Government.

(6) In this section, "security" includes a document whereby any person acknowledges that he is under a legal liability to pay money, or whereunder any person obtains a legal right to the payment of money.

8. (1) Where an association has been declared unlawful by a notification issued under section 3 which has become effective under sub-section (3) of that section, the Central Government may, by notification in the Official Gazette, notify any place which in its opinion is used for the purpose of such unlawful association.

Power to notify places used for the purpose of an unlawful association.

Explanation.—For the purposes of this sub-section, "place" includes a house or building, or part thereof, or a tent or vessel.

(2) On the issue of a notification under sub-section (1), the District Magistrate within the local limits of whose jurisdiction such notified place is situate or any officer authorised by him in writing in this behalf shall make a list of all movable properties (other than wearing-apparel, cooking vessels, beds and beddings, tools of artisans, implements of husbandry, cattle, grain and food-stuffs and such other articles as he considers to be of a trivial nature) found in the notified place in the presence of two respectable witnesses.

(3) If, in the opinion of the District Magistrate, any articles specified in the list are or may be used for the purpose of the unlawful association, he may make an order prohibiting any person from using the articles save in accordance with the written orders of the District Magistrate.

(4) The District Magistrate may thereupon make an order that no person who at the date of the notification was not a resident in the notified place shall, without the permission of the District Magistrate, enter, or be on or in, the notified place:

Provided that nothing in this sub-section shall apply to any near relative of any person who was a resident in the notified place at the date of the notification.

(5) Where in pursuance of sub-section (4), any person is granted permission to enter, or to be on or in, the notified place; that person shall, while acting under such permission, comply with such orders for regulating his conduct as may be given by the District Magistrate.

(6) Any police officer, not below the rank of a sub-inspector, or any other person authorised in this behalf by the Central Government may search any person entering, or seeking to enter, or being on or in, the notified place and may detain any such person for the purpose of searching him:

Provided that no female shall be searched in pursuance of this sub-section except by a female.

(7) If any person is in the notified place in contravention of an order made under sub-section (4), then, without prejudice to any other proceedings which may be taken against him, he may be removed therefrom by any officer or by any other person authorised in this behalf by the Central Government.

(8) Any person aggrieved by a notification issued in respect of a place under sub-section (1) or by an order made under sub-section (3) or sub-section (4) may, within thirty days from the date of the notification or order, as the case may be, make an application to the Court of the District Judge within the local limits of whose jurisdiction such notified place is situate—

(a) for declaration that the place has not been used for the purpose of the unlawful association; or

(b) for setting aside the order made under sub-section (3) or sub-section (4),

and on receipt of the application the Court of the District Judge shall, after giving the parties an opportunity of being heard, decide the question.

Proce-
dure to
be follow-
ed in the
disposal
of appli-
cations
under
this
Act.

9. Subject to any rules that may be made under this Act, the procedure to be followed by the Tribunal in holding any inquiry under sub-section (3) of section 4 or by a Court of the District Judge in disposing of any application under sub-section (4) of section 7 or sub-section (8) of section 8 shall, so far as may be, be the procedure laid down in the Code of Civil Procedure, 1908, for the investigation of claims and the decision of the Tribunal or the Court of the District Judge, as the case may be, shall be final. 5 of 1908.

CHAPTER III

OFFENCES AND PENALTIES

10. Whoever is and continues to be a member of an association declared unlawful by a notification issued under section 3 which has become effective under sub-section (3) of that section, or takes part in meetings of any such unlawful association, or contributes to, or receives or solicits any contribution for the purpose of, any such unlawful association, or in any way assists the operations of any such unlawful association, shall be punishable with imprisonment for a term which may extend to two years, and shall also be liable to fine.

Penalty for being members of an unlawful association.

5 of 1898.

11. If any person on whom a prohibitory order has been served under sub-section (1) of section 7 in respect of any moneys, securities or credits pays, delivers, transfers or otherwise deals in any manner whatsoever with the same in contravention of the prohibitory order, he shall be punishable with imprisonment for a term which may extend to three years, or with fine, or with both, and notwithstanding anything contained in the Code of Criminal Procedure, 1898, the court trying such contravention may also impose on the person convicted an additional fine to recover from him the amount of the moneys or credits or the market value of the securities in respect of which the prohibitory order has been contravened or such part thereof as the court may deem fit.

Penalty for dealing with funds of an unlawful association.

12. (1) Whoever uses any article in contravention of a prohibitory order in respect thereof made under sub-section (3) of section 8 shall be punishable with imprisonment for a term which may extend to one year, and shall also be liable to fine.

Penalty for contravention of an order made in respect of a notified place.

(2) Whoever knowingly and wilfully is in, or effects or attempts to effect entry into, a notified place in contravention of an order made under sub-section (4) of section 8 shall be punishable with imprisonment for a term which may extend to one year, and shall also be liable to fine.

13. (1) Whoever—

(a) takes part in or commits, or

(b) advocates, abets, advises or incites the commission of, any unlawful activity, shall be punishable with imprisonment for a term which may extend to seven years and shall also be liable to fine.

Punishment for unlawful activities.

(2) Whoever, in any way, assists any unlawful activity of any association, declared unlawful under section 3, after the notification

by which it has been so declared has become effective under subsection (3) of that section, shall be punishable with imprisonment for a term which may extend to five years, or with fine, or with both.

(3) Nothing in this section shall apply to any treaty, agreement or convention entered into between the Government of India and the Government of any other country or to any negotiations therefor carried on by any person authorised in this behalf by the Government of India.

Offences
to be cog-
nizable.

14. Notwithstanding anything contained in the Code of Criminal Procedure, 1898, an offence punishable under this Act shall be cognizable. 5 of 1898.

CHAPTER IV

MISCELLANEOUS

Continu-
ance of
association.

15. An association shall not be deemed to have ceased to exist by reason only of any formal act of its dissolution or change of name but shall be deemed to continue so long as any actual combination for the purposes of such association continues between any members thereof.

Bar of
jurisdic-
tion.

16. Save as otherwise expressly provided in this Act, no proceeding taken under this Act by the Central Government or the District Magistrate or any officer authorised in this behalf by the Central Government or the District Magistrate shall be called in question in any court in any suit or application or by way of appeal or revision, and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Prosecu-
tion for
offences
under
this Act.

17. No court shall take cognizance of any offence punishable under this Act except with the previous sanction of the Central Government or any officer authorised by the Central Government in this behalf.

Protec-
tion of
action
taken in
good
faith.

18. (1) No suit or other legal proceeding shall lie against the Government in respect of any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act or any rules or orders made thereunder.

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(2) No suit, prosecution or other legal proceeding shall lie against the District Magistrate or any officer authorised in this behalf by the Government or the District Magistrate in respect of anything which is in good faith done or intended to be done in pursuance of this Act or any rules or orders made thereunder.

19. The Central Government may, by notification in the Official Gazette, direct that all or any of the powers which may be exercised by it under section 7, or section 8, or both, shall, in such circumstances and under such conditions, if any, as may be specified in the notification, be exercised also by any State Government and the State Government may, with the previous approval of the Central Government, by order in writing direct that any power which has been directed to be exercised by it shall, in such circumstances and under such conditions, if any, as may be specified in the direction, be exercised by any person subordinate to the State Government as may be specified therein.

Power to delegate.

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

Effect of Act and rules, etc. inconsistent with other enactments.

21. (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) 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 service of notices or orders issued or made under this Act and the manner in which such notices or order may be served, where the person to be served is a corporation, company, bank or other association;

(b) the procedure to be followed by the Tribunal or a District Judge in holding any inquiry or disposing of any application under this Act;

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

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(3) Every rule made by the Central Government under this section shall be laid, as soon as may be after it is made, before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

THE CONSTITUTION (TWENTY-FIRST AMENDMENT)
ACT, 1967

[10th April, 1967]

An Act further to amend the Constitution of India.

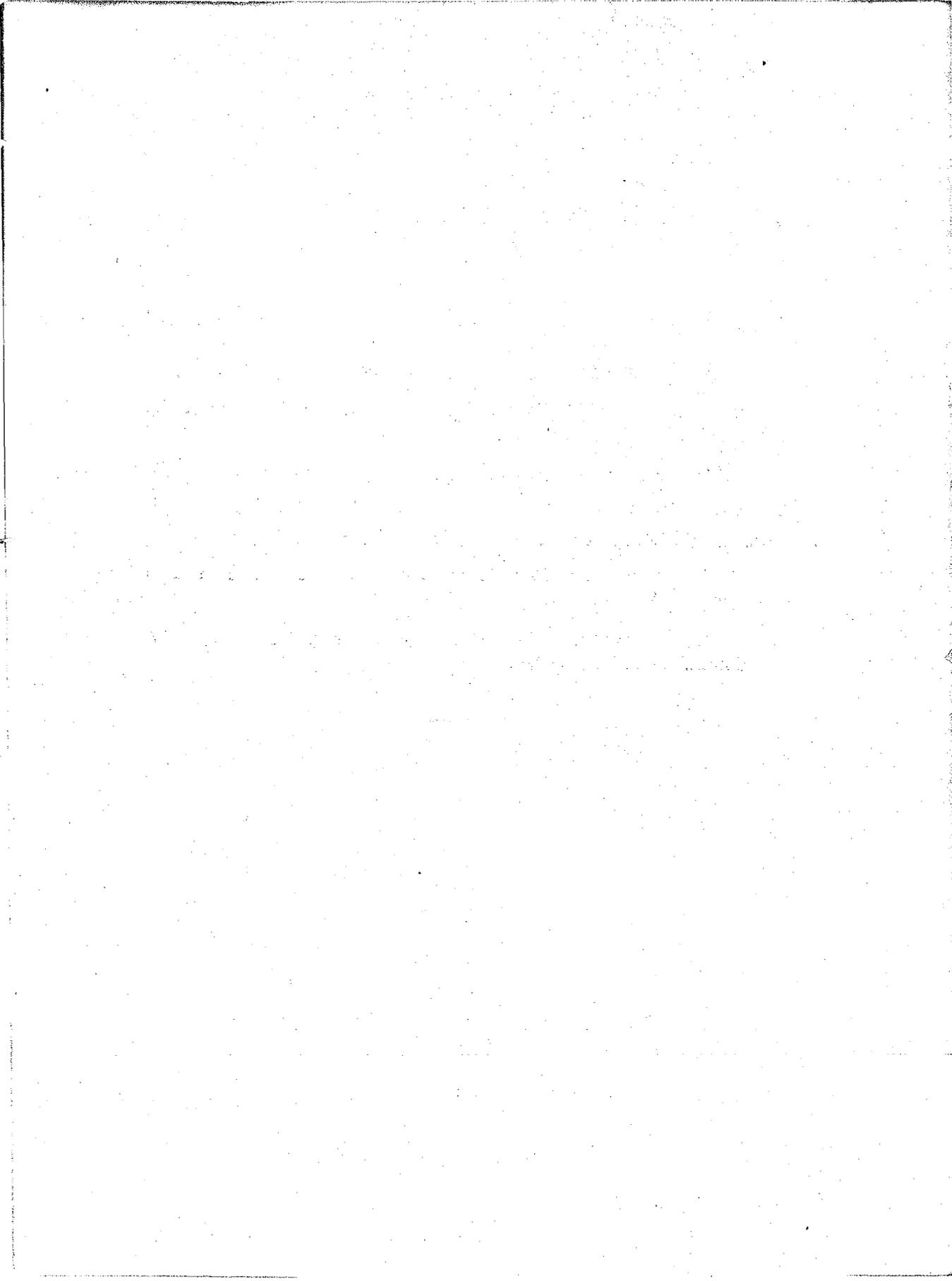
Enacted by Parliament in the Eighteenth Year of the Republic of India as follows:—

1. This Act may be called the Constitution (Twenty-first Amendment) Act, 1967. Short title.

2. In the Eighth Schedule to the Constitution,—

(a) entries 12 to 14 shall be re-numbered as entries 13 to 15 respectively, and Amendment of Eighth Schedule.

(b) before entry "13" as so re-numbered, the entry "12. Sindhi." shall be inserted.



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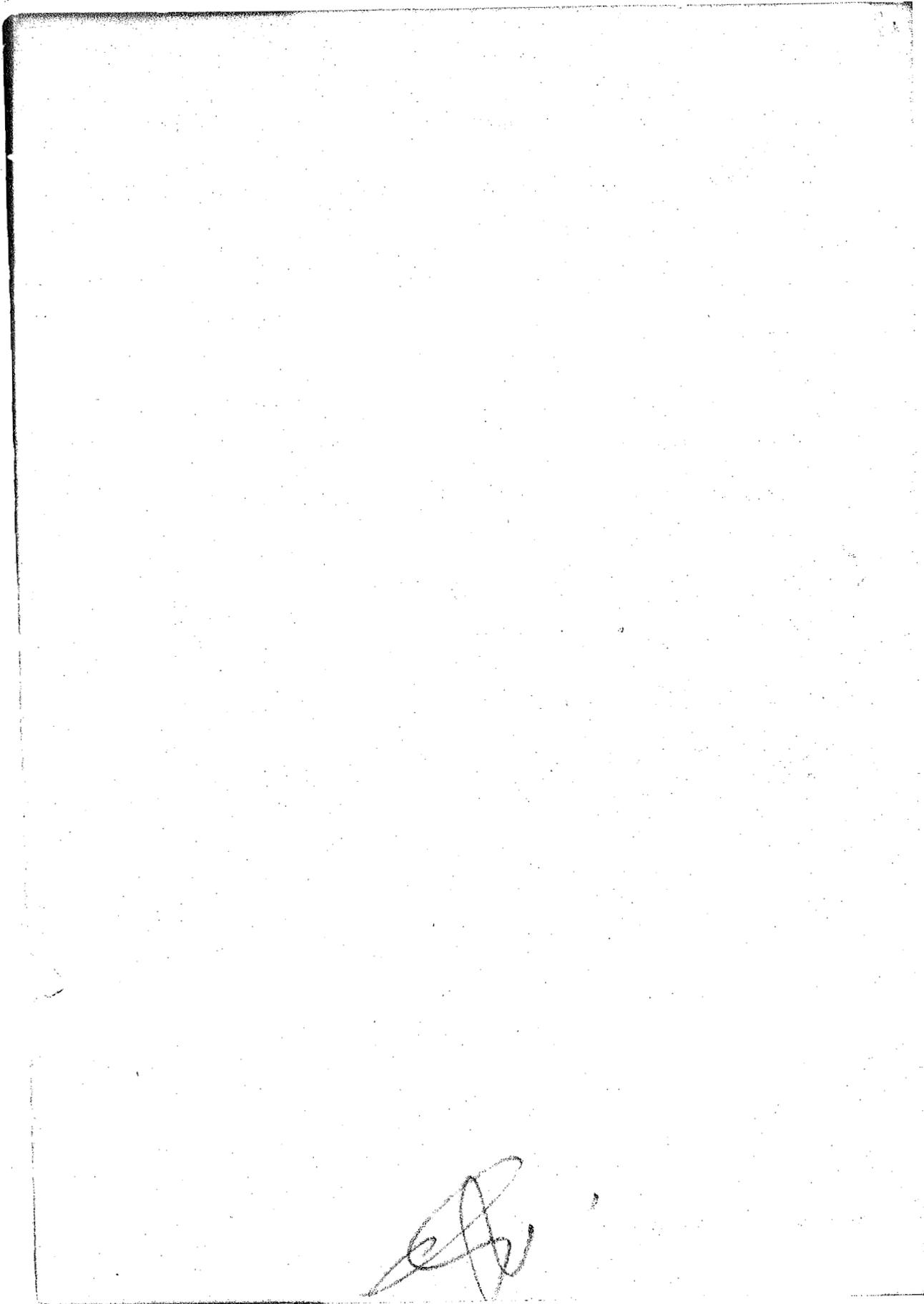
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