



## The Assam Khadi and Village Industries Board Act, 1955

Act 14 of 1995

**Keyword(s):**

**Board, The Khadi and Village Industries Commission, Khadi and Village Industries**

**DISCLAIMER:** This document is being furnished to you for your information by PRS Legislative Research (PRS). The contents of this document have been obtained from sources PRS believes to be reliable. These contents have not been independently verified, and PRS makes no representation or warranty as to the accuracy, completeness or correctness. In some cases the Principal Act and/or Amendment Act may not be available. Principal Acts may or may not include subsequent amendments. For authoritative text, please contact the relevant state department concerned or refer to the latest government publication or the gazette notification. Any person using this material should take their own professional and legal advice before acting on any information contained in this document. PRS or any persons connected with it do not accept any liability arising from the use of this document. PRS or any persons connected with it shall not be in any way responsible for any loss, damage, or distress to any person on account of any action taken or not taken on the basis of this document.

**ASSAM**

**KHADI**

**&**

**VILLAGE**

**INDUSTRIES**

**BOARD**

**ACT**

**1955**

# **ASSAM KHADI AND VILLAGE INDUSTRIES**

## **BOARD ACT, 1955\***

**(Assam Act No. XIV of 1995)**

### **CONTENTS**

#### **Preamble**

#### **Section**

#### **CHAPTER I**

##### **Preliminary**

1. Short title, extent and commencement
2. Definitions

#### **CHAPTER II**

##### **Establishment and constitution of the Board**

3. Incorporation of Board.
4. Constitution of Board.
- 4-A. Appointment of Chief Executive Officer
- 4-B. Appointment of Financial Adviser and Chief Accounts Officer.
- 4-C. Power to add to the Schedule.

\* Published in the Assam Gazette, dated the 27<sup>th</sup> July, 1955.

5. Vacancy of member.
6. Proceedings presumed to be valid and good.
7. Appointment of members of staff of Board and conditions of their service.
8. Appointment of Committees.
- 8-A. Appointment of an Executive Committee and a Standing Finance Committee of the Board.
9. Meeting of Board.
10. Power to make contract.
10. A. Powers and functions of the Chairman.
- 10-B. Powers and functions of the Vice-Chairman.
- 10-C. Powers and functions of the Secretary.
- 10-D. Powers and functions of the Chief Executive Officers of the Board.
- 10-E. Powers and functions of the Executive Committee.
- 10-F. Powers and functions of the Standing Finance Committee.
- 10-G. Powers and functions of the Financial Adviser and Chief Accounts Officer of the Board.
- 10-H. Dissolution of the Board.

### **CHAPTER III**

#### **Functions and Powers of the Board**

11. Functions of the Board.
12. General powers of the Board.

## **CHAPTER IV**

### **Preparation and submission of programmes**

13. Preparation and submission of annual programme.
14. Sanction of programme.
15. Supplementary programme.

## **CHAPTER V**

### **Finance, accounts, audit and debts**

16. Transfer of property.
17. Expenditures etc., till the Board is established.
18. Funds of the Board.
19. Application of land and property.
20. Budget
21. Sanction of budget.
22. Supplementary budget.
23. Annual report.
24. Further report, statistics and returns.
25. Accounts and audit.

## **CHAPTER VI**

### **Miscellaneous**

26. Direction of the State Government.
27. Members of Board and members of staff of Board and, to be public servants.
28. Protection of Action taken under this Act.
29. Rules
30. Regulations.
31. Savings.

[PASSED BY THE ASSEMBLY]  
*[Received the assent of the Governor of Assam  
on the 23 rd July, 1955]*

**An  
Act  
to provide  
for organising, developing and regulating village  
industries in the State of Assam  
and to constitute a Board  
to carry out the said object.**

Whereas it is necessary to organise, develop and regulate village industries in the State of Assam and to constitute a Board to carry out the said objects;

It is hereby enacted in the Sixth year of the Republic of India  
As follows:

**COMMENTS**

*Preamble.* In this Act wherever the words “All India Khadi and Village Industries Board”, occurred the words, “Khadi and Village Industries Commission” shall be substituted *vide* Assam Amendment Act No. III of 1964, published in the Assam Gazette, dated 17-10-1964 to come into force at once.

## **CHAPTER I**

### **Preliminary**

#### **1. Short title, extent and commencement.**

(1) This Act may be called the Assam Khadi and Village Industries Board Act, 1955.

1. It extends to the whole of the State of Assam.
2. It shall come into force on such date as the State Government may, by notification in the official Gazette, appoint in this behalf.

### **COMMENTS**

*Section 1.* This Act and also the Central Act namely, "The Khadi and Village Industries Commission Act, 1956" were enacted with a view to promote and develop Khadi and Village Industries and a Board was constituted with powers to prepare and organise programmes for the production and development of Khadi Industries and to deal with matters incidental thereto. The Central Act provided for setting up of a Commission called the All India Khadi and Village Industries Commission which were vested with powers, executive as well as administrative, for the proper

development of Khadi and Village Industries. A Board is also constituted to function as an advisory body. This Assam Act has been extended in its application to the whole of Assam.

## **2. Definitions.**

In this Act, unless there is anything repugnant in the subject or context-

- (1) **“Board”** means the Assam Khadi and Village Industries Board, constituted under S. 3;
- (2) **“The Khadi and Village Industries Commission”** means the Commission established under the Khadi and Village Industries Commission Act, 1956.
- (3) **“Prescribed”** means prescribed by rules made under this Act.
- (4)
  - (i) **“Khadi and Village Industries”** means the Industries specified in the Schedule.
  - (ii) All or any of the industries specified in the Schedule to the Khadi and Village Industries Commission Act, 1956 and includes any other industries by reason of notification or amendment issued by the Central Government under S. 3 of the said Act.

## **COMMENTS**

Sub-clause (2) was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated the 17<sup>th</sup> December, 1960 to come into force at once and the then existing Cls. (2) and (3) were re-numbered as the present Cls. (3) and (4).

Clause (4) of S.2 was substituted vide Assam Act no. XI of 1997 with effect from the 7<sup>th</sup> September, 1990.

## **CHAPTER II**

### **Establishment and constitution of the Board**

#### **3. Incorporation of Board.**

- (1) With effect from such date as the State Government may, by notification in the official Gazette, appoint in this behalf there shall established for the purposes of this Act, a Board by name of Assam Khadi and Village Industries Board.
  
- (2) The Board shall be a body corporate having perpetual succession and a common seal and may use and be used in its corporate name and shall be competent to acquire and hold property both movable and immovable and to contract and do all things for the purposes of the Act.

#### **COMMENTS**

*Section 3.* This section deals with the establishment and the constitution of the Board, whereas S. 4 of the Central Act deals with the establishment and constituted of the Commission.

#### **4. Constitution of Board.**

- (1) The Board shall consist of such numbers of members as the State Government may appoint. One of such members shall be appointed by the State Government as the Chairman and another as Secretary. In addition to the Chairman and the Secretary, the State Government may appoint another member of the Board as the Vice-Chairman. The Vice-Chairman, if any appointed, the Chairman, the Secretary and other members of the Board shall hold office for such period as the State Government may, by general or special order, direct.
- (2) The Vice Chairman, if any appointed, the Chairman, the Secretary, or any other member of the Board may, at any time resign his office by submitting his resignation in writing to the State Government; Provided that resignation shall not effect until it is accepted.
- (3) The Vice Chairman, if any appointed, the Chairman, the Secretary or any other member of the Board shall receive such allowances, if any, as may be prescribed.
- (4) The allowances to the members shall be paid from the fund of the Board.

## COMMENTS

*Section 4.* This Section was substituted *vide* Assam Act No. XXXI of 1960, published in the Assam Gazette on the 17<sup>th</sup> December, 1960 to come into force at once.

### **4-A. Appointment of Chief Executive Officer.**

The State Government may appoint an officer of its own to act as the Chief Executive Officer of the Board. He shall hold office for such period as the State Government may, by general or special order, direct and unless otherwise directed by the State Government, he shall receive his salary and allowances from the funds of the Board.

## COMMENTS

*Section 4-A.* This section was inserted by Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

### **4-B. Appointment of Financial Adviser and Chief Accounts Officer.**

The State Government may appoint a person, not being a member of the Board as the Financial Adviser and Chief Accounts Officer of the Board. He shall hold office for such

period as the State Government may, by general or special order direct and unless otherwise directed by the State Government, he shall receive his salary and allowances from the Funds of the Board.

#### **COMMENTS**

*Section 4-B.* This section was inserted by Assam Act No. III of 1964, published in the Assam Gazette, dated 17-1-1967, to come into force at once.

#### **4-C. Power to add to the Schedule.**

The State Government may, on its own motion or in consultation with the Khadi and Village Industries Commission and the Board, by notification in the official Gazette, add to, or omits from the Schedule any khadi and village industry or alter the description of any khadi and village industry and thereupon the Schedule shall be amended accordingly.

#### **COMMENTS**

Section 4-C was inserted **vide** Assam Act no. XI of 1997 with effect from the 7<sup>th</sup> September.

**5. Vacancy of member.**

If the Vice Chairman, appointed if any, or the Chairman or the Secretary or any other member tenders his resignation, the State Government may fill up the consequent vacancy by fresh appointment.

**COMMENTS**

*Section 5.* In this Section, the words, "Vice Chairman, appointed if any, or the" were inserted vide Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

**6. Proceedings presumed to be valid and good.**

No act or proceedings of the Board shall be invalidated merely by reason of any vacancy in its membership on account of resignation, death or removal.

**7. Appointment of members of staff of board and conditions of their service.**

(1) The Board may appoint such members of the staff, as it may consider necessary, subject to prior approval of Government in the Finance Department.

- (2) The remuneration, allowances and other conditions of service of the members of the staff of the Board shall be such as may be determined by the Board.

### **COMMENTS**

*Section 7.* In sub-S. (1) if this Section, the words, “subject to prior approval of Government in the Finance Department” were inserted vide Assam Act No. XXVII of 1971, published in the Assam Gazette, dated 17<sup>th</sup> December 1971, to come into force at once.

### **8. Appointment of Committees.**

Subject to any made under S.29, the Board may from time to time appoint one or more committees for the purposes of securing efficient discharge of its functions and in particular for the purpose of securing that the said functions are exercised with due regard to the circumstances and requirements to khadi or any particular village industry. Such Committees may be appointed for any particular area.

**8-A. Appointment of an Executive committee and a Standing Finance Committee of the Board.**

Notwithstanding anything contained in S. 8, there shall be appointed by the board —

- (a) An Executive Committee consisting of seven members of whom five members shall be appointed by the Board and the remaining two shall be nominated by the State Government from amongst the members of the Board; and
- (b) Standing Finance Committee consisting of five members of whom three members shall be appointed by the Board from amongst the members of the Board, and the remaining two shall be filled in by the State Government by making nomination from person who by their wide financial experience are fitted to serve on the Standing Finance Committee.

**COMMENTS**

*Section 8-A.* This section was inserted vide Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

**9. Meeting of Board.**

The board shall meet and shall, from time to time, make arrangements with respect to the date, time, notice, management and adjournment of its meetings as it thinks fit. Such meeting shall be held at least once in every three months.

**10. Power to make contracts.**

- (1) The Board may enter into and perform all such contracts, as it may consider necessary or expedient for carrying out any of the purposes of this Act.
- (2) Every contract made by the Secretary on behalf of the Board shall, subject to the provisions of this section, be entered into in such manner and from as may be prescribed.
- (3) A contract not executed in the manner provided in this section and the rules made there under shall not be binding on the Board.

**COMMENTS**

*Section 10.* The earlier sub-section reading as “Every contracts shall be made on behalf of the Board by the Secretary” was deleted by Assam Act XXXI of 1960 and then

sub-Ss. (3) and (4) were re-numbered as present sub-Ss. (2) and (3).

The present sub-S. (2) Was earlier amended vide Assam Act No. XXII of 1956, published in the Assam Gazette, dated 29-11-1956, to come into force at once, whereby the word “Secretary” in this sub-section was substituted for the word “Chairman”.

**10-A. Powers and Functions of the chairman.**

The Chairman of the Board shall preside over the meeting of the Board and shall take decision when the Board or the Executive Committee is not in session.

**COMMENTS**

*Section 10-A.* This section was inserted vide Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

**10-B. Powers and functions of Vice Chairman.**

The Vice Chairman, if any appointed shall, in the absence of the Chairman, exercise all the powers of the Chairman or such powers as may be delegated to him by the Chairman.

## **COMMENTS**

*Section 10-B.* This section was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

### **10-C. Powers and functions of the Secretary.**

Subject to the powers and responsibilities entrusted to the Chief Executive Officer, the Secretary, shall —

- (i) Enter into every contract on behalf of the Board under S. 10 of the Act;
- (ii) Be responsibly for all matters of the Board including general supervision for the implementation of the Board's plan and programmed;
- (iii) Carry on correspondence of the Board with the State Government and the Khadi and Village Industries Commission.

## **COMMENTS**

*Section 10-C.* This section was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

**10-D. Powers and functions of the Chief Executive Officer of the Board.**

Subject to the general control of the Board, the Chief executive Officers of the board shall —

- (i) Be responsible for the implementation of the plan and programmed of the Board;
- (ii) Be responsible administration of the Board's funds and maintenance of accounts including preparation of the budget of the Board;
- (iii) Submit periodical progress reports, receipt and expenditure statements and balance sheets to the Board and the Government;
- (iv) Be the controlling officer of the members of the Staff of the Board; and
- (v) Have the right to attend every meeting of the Board and its Committees but shall not have the right to vote thereof.

**COMMENTS**

*Section 10-D.* This section was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once and further amended by

Assam Act No. III of 1964, published in the Assam Gazette, dated 13-1-1964 to come into force at once.

**10. E. Powers and Functions of the Executive Committee.**

- (1) The functions of the Executive Committee shall be able to execute the decision of the Board and to take such urgent and emergency decision as may be necessary in anticipation of approval of the Board.
- (2) The Board may entrust the responsibility for successful furtherance of different industries to the members of the Executive Committee individually, who in turn shall formulate schemes and make suitable recommendations for development of industries in their respective charges, for consideration by the Executive Committee.

**COMMENTS**

*Section 10-E.* This section was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

#### **10-F. Powers and functions of Standing Finance Committee.**

Without prejudice to anything contained in Ss. 11 and 12 of this Act, the functions of the Standing Finance Committee shall be —

- (i) To render except financial advice including its proper administration of the Board's funds including its proper utilization;
- (ii) To scrutinize and to give its comments and expert advice on the following matters, namely:
  - (a) all annual and supplementary budgets of the Board;
  - (b) all new schemes of the Board;
  - (c) any proposal for entertainment of the members of the Staff of the Board that may be necessary after the commencement of the Assam Khadi and Village Industries Board (Amendment) Act, 1960; and,
  - (d) any other financial matter which the Board may, by general or special order, direct to be referred to the Standing Finance Committee for its scrutiny, comment and expert advice.

## COMMENTS

*Section 10-F.* This section was inserted by Assam Act XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

### **10-G. Powers and functions of the Financial Adviser and Chief Accounts Officer of the Board.**

Subject to the general control of the Board, the Financial Adviser and Chief Accounts Officer of the Board shall —

- (i) advise the Board and its Committees on all matters relating to receipts and expenditure of the Board;
- (ii) assist the Chief Executive Officer in the maintenance of accounts of the Board and in the preparation of its budget and other financial statements and returns. He shall also assist the Chief Executive Officer in the proper audit on accounts of the Board;
- (iii) have the right to record his views on every proposal involving expenditure from the funds of the Board and shall have the authority to advise the Board and its Committees that a particular

decision or proposal affecting the financial policy and directions of the State Government and/ or the Khadi and Village Industries Commission should be referred to the State Government and/ or the Khadi and Village Industries Commission, as the case may be, and

- (iv) have the right to attend every meeting of the Board and its Committees, but shall not have the right to vote thereof. He shall also have the right to refer to the Board and its Committees any matter having financial implication, which in his opinion ought to be brought to their notice.

### **COMMENTS**

*Section 10-G.* This section was inserted by Assam Act III of 1964, published in the Assam Gazette, dated 13-1-1964 to come into force at once.

#### **10-H. Dissolution of the Board.**

- (1) The State government may, by notification in the official Gazette, direct that the Board shall be dissolved from the date specified in the notification; and thereupon the Board shall be deemed to be dissolved accordingly and the Executive Committee, Standing

Finance Committee and any other Committee appointed under this Act shall cease to function.

- (2) On and from the said dates —
- (a) all properties and funds, which immediately before the said date in the possession of the Board for the purpose of this Act shall vest in the State Government;
  - (b) all members shall vacate office as members of the Board; and
  - (c) All rights, obligations and liabilities (including any liability under any contract) shall be rights, obligations and liabilities of the State government.

#### **COMMENTS**

*Section 10-H.* This section was inserted *vide* Notification No. LLE 36/74/1868/ LA dated 17-2-1975 to come into force at once with the object that the Act does not contain any provision relating to dissolution of the Board and consequence arising therefrom.

## **CHAPTER III**

### **Functions and powers of the Board**

#### **11. Functions of the Board.**

- (1) It shall be the duty of the Board to organise, develop and regulate khadi and village industries and perform such functions as may be prescribed from time to time.
  
- (2) Without prejudice to the generality of the provisions of sub-S. (1), the Board shall also in particular discharge and perform all or any of the following duties and functions, namely:
  - (a) To start, encourage, assist and carry on Khadi and Village Industries and to carry on trade or business in such industries and to deal with matters incidental to such trade or business;
  
  - (b) To help the people by providing them with work in their homes and to give them monetary help;
  
  - (c) To encourage establishment of co-operative societies for Khadi and Village Industries;

- (d) To conduct training centers and to train people  
threat with a view to equipping them with the  
necessary knowledge for starting or carrying on  
Khadi and Village Industries;
- (e) (i) To manufacture tools and implements  
required for carrying on Khadi and Village  
Industries;
- (iii) to arrange for the supply of raw materials  
and tools required for the Khadi and  
Village Industries;
- (iv) to sell and to arrange for the sale of the  
products of the said industries.
- (f) To arrange for publicity and popularizing of  
finished products of Khadi and Village Industries  
by opening stores, shops, emporium or  
exhibitions or other similar measures;
- (g) To endeavour public opinion and to impress  
upon the public the advantage of patronizing the  
products of Khadi and Village Industries;
- (h) to seek and obtain advice and guidance of  
experts in Khadi and Village Industries;

- (i) To undertake obtain advice and guidance of experts in Khadi and Village Industries;
- (j) To undertake and encourage research work in connection with Khadi and Village Industries and to carry on such activities as are incidental and conducive to the objects of this Act;
- (k) To sanction loans to individuals and institutions not exceeding such limits as may be prescribed in order to develop, encourage and assist Khadi and Village Industries. The loan shall be secured and repaid in the prescribed manner and upon such terms and conditions as may be specified by the order granting it. In default of payment within the specified date, the loan together with the interest due shall be recoverable from the loan as an arrear of loan revenue;
- (l) To discharge such duties and to perform such other functions as the State Government may direct for the purpose of carrying out the objects of this Act.

## COMMENTS

*Section 11.* Clause (j) at present was inserted *vide* Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once and the original Cl. (j) was re-numbered as present Cl.(k).

### **12. General Powers of the Board.**

The Board shall for the purposes of carrying out its function under this Act have the following powers;

- (i) to acquire and holds such movable and immovable property as it deems necessary and to lease, sell or otherwise transfer any such property;
- (ii) to incur expenditure and undertake work in any area in the State for the framing and execution of such scheme as it may consider necessary for the purpose of carrying out the provisions of this Act or as may be entrusted to it by the State Government subject to the provisions of this Act and the rules made there under;
- (iii) to borrow money from the Khadi and Village Industries Commission and also to hypothecate or mortgage properties as securities gains the loans;

- (iv) to write off minor irrecoverable losses such as those caused by theft, fraud, etc.

### **COMMENTS**

*Section 12.* Clauses (iii) and (iv) of this section were inserted vide Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

## **CHAPTER IV**

### **Preparation and submission of programmes**

#### **13. Preparation and submission of annual programme.**

- (1) In each year, on such date as may be fixed by the Khadi and Village Industries Commission, the Board shall prepare and forward to the Khadi and Village Industries Commission, a programme of works as approved by the State Government.
- (2) The programme shall contain-
  - (a) Such particulars of the scheme which the Board proposes to execute whether in part or in whole during the next year;
  - (b) Particular of any works undertaken which the Board proposes to organise during the next year for the purposes of carrying out its functions under this Act; and
  - (c) Such other particulars as may be prescribed.

**14. Sanction of programme.**

The Khadi and Village Industries Commission, may approve and sanction the programme in whole or with such modifications as it deems fit;

Provided that the Board shall be competent to make minor alteration in the pattern of the schemes with the prior approval of the Khadi and Village Industries Commission.

**COMMENTS**

*Section 14.* The proviso of this section were inserted *vide* Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

**15. Supplementary programme.**

The Board may prepare and forward a supplementary programme as approved by the State Government for the sanction of the Khadi and Village Industries Commission, in such form and before such date as the Khadi and Village Industries Commission may prescribe and the provisions of S. 13 shall apply to such supplementary programme.

## **CHAPTER V**

### **Finance, accounts, audit and debts**

#### **16. Transfer of property.**

The State Government may transfer to the Board, building, lands or any other property whether movable or immovable for use and management by the Board on such condition and limitations as the State Government may deem fit for the purposes of this Act.

#### **17. Expenditure etc. till the Board is established.**

(1) All debts or expenditures incurred, all contracts entered into and all matters and things engaged to be done by, with or for the Assam Khadi and Village Industries Board, established by Government Notification No. SG 162/52/19, dated 21<sup>st</sup> July 1953, before and up to date of the establishment of the Board under this Act shall be deemed to have incurred, entered into, or engaged to be done by, with or for the Board; and all suits and legal proceedings instituted or which may be instituted by or against the Assam Khadi and Village Industries Board shall be continued or instituted by or against the Board.

- (2) All assets of the Assam Khadi and Village Industries Board referred to in sub-S. (1) Shall upon the establishment of the Board vest in the Board for the purposes of this Act.

**18. Funds of Board.**

- (1) The Board shall have its own fund and all receipts of the Board shall be credited thereto and all payments by the Board shall be met therefrom.
- (2) The Board may accept grants, subventions, donations and gift and receive loans from Government or Khadi and Village Industries Commission or local authority or any body or association whether incorporated or not, or an individual for all or any of the purposes of this Act.
- (3) All money belonging to the fund of the Board shall be deposited in such manner as the State Government may by a special or general order direct.
- (4) The accounts of the Board shall be operated upon by such officers jointly or individually as may be authorised by the Board.

**19. Application of land and property.**

All property, fund and other assets of the Board shall be held and applied by its subject to the provisions and for the purposes of this Act.

**20. Budget.**

The Board shall, on such date as may be fixed by the Khadi and Village Industries Commission prepare and submit to the Khadi and Village Industries Commission the budget as approved by the State Government for the next financial year showing estimated receipts and expenditure on capital and revenue accounts according to the programme and the schedule of the stock.

**21. Sanction of budget.**

The Khadi and Village Industries Commission may sanction the budget submitted to it with such modifications, as it deems proper:

Provided that the Board shall also be competent to make minor re-appropriations from one head to another after the annual budget and the programmes are approved by the State Government and sanctioned by the Khadi and

Village Industries Commission subject to the overall amounts of grant and loans remaining unaltered.

### **COMMENTS**

*Section 21.* The proviso of this section were inserted vide Assam Act No. XXXI of 1960, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

#### **22. Supplementary budget.**

The Board may submit a supplementary budget as approved by the State Government for the sanction of the Khadi and Village Industries Commission may prescribe, and the provisions of S. 21 shall apply to such supplementary budget.

#### **23. Annual Report.**

The Board shall prepare and forward to the Khadi and Village Industries Commission and the State Government in such manner as may be prescribed, an annual report within three months from the end of a financial year. Every such report shall be laid before the State Legislature as soon as may be after it is received by the State Government.

**24. Further reports, statistics and returns.**

The Board shall before such date and at such intervals and in such manner as the Khadi and Village Industries Commission may, from time to time, direct to submit to the Khadi and Village Industries Commission a report on such matters and such statistics and also such return as the Khadi and Village Industries Commission, may direct.

**25. Accounts and audit.**

- (1) The Board shall maintain proper accounts and other relevant records prepare an annual statement of accounts, including the profit and loss account and the balance sheet in such form as may be prescribed by the State Government in consultation with the Accountant General of Assam and Nagaland.
- (2) The Board shall maintain a proper system for the internal audit of its accounts.
- (3) The accounts of the Board shall be audited by the Accountant General of Assam and Nagaland, at such intervals as may be prescribed by him and expenditure incurred by him in connection with such audit shall be payable by the Board to the Accountant General of Assam and Nagaland.

- (4) The Accountant General of Assam and Nagaland shall have the rights, privileges and authority in connection with such audit as he has in connection with the audit of Government accounts and in particulars shall have the rights to demand production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Board.
- (5) The accounts of the Board as duly certified by the Accountant General, Assam and Nagaland together with the audit report thereon shall be forwarded annually to the State Government and the Government may issue such instructions to the Board in respect thereof as it deems fit and the Board shall comply with such instructions.
- (6) The State Government shall —
  - (a) Cause the accounts of the Board together with the audit report thereon forward to it under sub-S. (5) To be laid annually before the State Legislature; and
  - (b) Cause the accounts of the Board to be published in the manner as may be prescribed by the State Government and place copies thereof on sale at a reasonable price.

## **COMMENTS**

*Section 25.* The section was substituted vide Assam Act No. III of 1964, published in the Assam Gazette, dated 17-12-1960 to come into force at once.

## **CHAPTER VI**

### **Miscellaneous**

#### **26. Direction of the State Government.**

- (1) In the discharge of its functions, the Board shall be guided by such instructions on questions of policy as may be given to it by the State Government.
- (2) If any dispute arises between the State Government and the Board as to whether a question is or is not a question of policy the decision of the State Government shall be final.

#### **27. Members of Board and members of staff of Board to be public servants.**

Members of the Board and members of the staff shall be deemed when acting or purporting to act in pursuance of any of the provisions of this Act to be public servants within the meaning of S. 21 of the Indian Penal Code.

**28. Protection of action taken under this Act.**

No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or purported to be done under this Act.

**29. Rules.**

The Assam Khadi and Village Industries Board may, by notification in the official Gazette, make rules subject to approval of the State Government for carrying out the purposes of this Act.

**30. Regulations.**

- (1) The Board may make regulations for its internal administration consistent with the Act and the rules made thereunder and notify them in the official Gazette.
- (2) In particular and without prejudice to the generality of the foregoing power, the Board may make regulations providing for —
  - (a) the procedure and disposal of its business;

- (b) remuneration, allowances and other conditions of service of members of the staff of the Board;
- (c) functions and duties of the members of the staff of the Board.
- (d) functions of the committees and the procedure to be followed by such committees in the discharge of their functions.

### **COMMENTS**

*Section 30.* Regulations. 1 to 11 of the Assam Khadi and Village Industries Board Regulations, 1961 as made under the section deal with the procedure and disposal of the business of the Board.

Regulations 12 to 16 deal with the duties and functions of Chairman, Vice-Chairman, Secretary and Chief Executive Officer.

Regulation 17 to 19 prescribe the general procedure regarding schemes, loans, grants and subsidies, acquisition and transfer of properties.

Regulations 20 to 22 deal with the custody of money required for current expenditure of the Board and investment on money not so required.

Regulations 23 to 30 deal with budget, accounts and audit.

Regulations 31 to 32 prescribe the procedure for inspection and periodical returns etc.

Regulation 33 to 36 deals with members of the staff of the Board, creation of posts, confirmation, probation, termination of services promotion and advanced increment, traveling allowances, recruitment, department proceedings etc.

Regulations 37 to 43 deal with the Committees of the Board.

**31. Saving.**

Nothing in this Act shall be deemed to apply in any industry declared to be a schedule under the industries under Industries (Development and Regulations) Act, 1951, or to affect any of the provisions of the said Act.

## **SCHEDULE**

### **Name of Industries**

1. Khadi.
2. Village Oil Industries.
3. Soap making with non-edible oil.
4. Paddy husking.
5. Palm Gur Industry.
6. Gur and Khandeshri
7. Leather Industry.
8. Woolen Blankets.
9. High grade handmade paper.
10. Bee-keeping.
11. Cottage Match Industry.
12. Carpentry and Blacksmithy Industry.
13. Village Pottery Industry.
14. Limestone Industry.
15. Gas Plant Industry.
16. Fibre Industry.
17. Bamboo and Cane Crafts Industry.
18. Agarbati.
19. Ceramic Industry.
20. Textile Industry.

## COMMENTS

After item No. 17, item No. 18,19 and 20 were inserted vide Assam Act No. XI of 1997 with effect from the 7<sup>th</sup> September, 1990.

*Schedule.* Items Nos 12 to 17 were inserted *vide* Assam Act No. III of 1964, published in the Assam Gazette, dated 17-1-1964 to come into force at once.