

BOMBAY KHADI AND VILLAGE INDUSTRIES ACT, 1960

19 of 1960

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SCHEDULE 1 :- SCHEDULE

BOMBAY KHADI AND VILLAGE INDUSTRIES ACT, 1960

19 of 1960

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An Act to provide for the encouragement, organisation, development and regulation of Khadi and Village Industries in the State of Bombay and to constitute one or more Boards to carry out the said objects. Whereas it is expedient to provide for the encouragement, organisation, development and regulation of Khadi and the Village Industries in the State of Bombay and to constitute one or more Boards to carry out the said objects; it is hereby enacted in the Eleventh Year of the Republic of India as follows:-

CHAPTER 1

Preliminary

1. Short title, extent and commencement :-

This Act may be called the Bombay Khadi and Village Industries Act, 1960.

(2) It extends to the whole of the ¹ [State of Gujarat].

(3) It shall come into force at once.

1. Subs, by Gujarat A.O. 1960.

2. Definitions :-

In this Act, unless the context otherwise requires,

(a) 'Board' means a Board constituted or deemed to be constituted under this Act;

(b) 'Khadi' means any cloth woven on handlooms in India from cotton silk or wollen yarn handspun in India or from a mixture of any two or all of such yarns and certified as Khadi by the Khadi and Village Industries Commission established under the Khadi and Village Commissioner Act, 1956 (LXI of 1956).

(c) 'member' means a member of the Board, whether an official or a non-official and includes the Chairman, the Vice-Chairman and a Member Secretary of the Board:

(d) 'prescribed' means prescribed by rules made or deemed to be made under this Act:

(e) 'regulations' means regulations made or deemed to be made under this Act:

1 [(f) Village industry' means,

(i) any industry located in a rural area which produces any goods or renders any service with or without the use of power and in which the fixed capital investment per head of an artisan or a worker does not exceed fifteen thousand rupees or such other sum as may, by notification in the Official Gazette, be specified from time to time by the State Government:

Provided that any industry specified in the Schedule and located in an area other than a rural area and recognised as a village industry at any time before the commencement of the Bombay Khadi and Village Industries (Gujarat Amendment) Act, 1990 (Gujarat 15 of 1990) shall, notwithstanding anything contained in this sub- clause, continue to be a village industry under this Act.

(ii) any other non-manufacturing unit established for the sole purpose of promoting, maintaining, assisting, servicing (including mother units) or managing any village industry; Explanation.-For the purpose of this clause,

(a) 'fixed capital investment' includes investment in plant and

machinery and land and building of an industry:

(b) 'rural area' means the area comprised in any village, and includes the area comprised in any town, the population of which does not exceed ten thousand or such other figure as the Government may, by notification in the Official Gazette, specify from time to time].

1. Subs, by Gujarat 15 of 1990 w.e.f. 13-8-1990].

CHAPTER 2

Establishment Incorporation and Constitution of the Board or Boards

3. Establishment and incorporation of Board :-

(1) The State Government may, by notification in the Official Gazette establish a Board for the whole or any part of the State under such name as may be specified in the said notification.

(2) Every Board shall be a corporate having perpetual succession and a common seal and may sue and be sued in its corporate name and shall be competent to acquire, hold and dispose of property both moveable and immoveable and to contract and do all things necessary for the purposes of this Act.

4. Constitution of Board :-

(1) A Board shall consist of such numbers as the State Government may appoint. The non-official members may be chosen from among persons, who in the opinion of the State Government, are qualified as having experience and had shown capacity in matters relating to the development of khadi and village industries. One of the members of the Board shall be appointed by the State Government as the Chairman of the Board. The State Government may appoint one of the other members as the Vice-chairman and shall also appoint one or two of the remaining members as it thinks fit as the Member Secretary or Member Secretaries, as the case may be. of the Board. The Chairman and other members of the Board shall¹[hold office during the pleasure of the State Government].

(2) The Chairman, or any other member of the Board may at any time resign his office by submitting his resignation to the State Government: Provided that, the resignation shall not take effect until it is accepted by the State Government.

(3) The Chairman and other members shall receive such²[emoluments] as may be prescribed.

(4) The [emoluments] to the members shall be paid from the fund of the Board.

(5) The Board shall have its office at such place or places in the ³ [State of Gujarat], as the State Government may notify, to which all communication and notices shall be addressed.

1. Subs, by Gujarat 1 of 1999, with retrospective effect from the beginning for the words "hold office for such period as the State Government may, by general or special order, direct".

2. Subs, by Gujarat 17 of 1965.

3. Subs, by Gujarat A.O. 1960.

4A. Disqualification for membership of Board :-

¹ A person shall be disqualified for being appointed as, or for being, a member of the Board, if

(a) he is or is found to be a lunatic or a person of unsound mind: or

(b) he is adjudged insolvent; or

(c) he has been convicted of an offence involving moral turpitude; or

(d) he has any financial interest in any subsisting contract made with or in any work being done by the Board, except as a shareholder (other than a Director) in a company as defined in section 3 of the Companies Act, 1956 (1 of 1956): Provided that where he is a share-holder, he shall disclose to the State Government the nature and extent of shares held by him in such a company; or

(e) he has any financial interest in any business dealing of the Board with any village industry; or

(f) he being an office bearer of a village industry is held responsible by the Board for any default in payment of its dues by village industry to the Board; or

(g) he holds any office of profit under the Board: or

(h) he has directly or indirectly, by himself or his partner or by a member of his family any share or interest in any transaction of loan of money borrowed by any village industry from the Board: or

(i) he has directly or indirectly by himself or his partner or by a member of his family any share or interest in any work done by the order of the Board.

1. Inserted by Gujarat 15 of 1990 w.e.f. [3-8-1990].

4B. Removal of member of the Board :-

The State Government may, by notification in the Official Gazette, remove from office any member of the Board, who

(a) is or becomes subject to any of the disqualifications mentioned in section 4-A; or

(b) in the opinion of the State Government has failed or is unable to carryout his duties as such member: or

(c) absents himself from three consecutive meetings of the Board without the leave of the Board:

Provided that before issuing any such notification, the State Government shall give an opportunity to the member concerned to show cause against such removal.]

5. Vacancy to be filled as early as practicable :-

¹ When a member of a Board resigns as provided in section 4 or is removed by a notification issued under section 4-B or dies, he shall cease to be a member of the Board from the date of acceptance of resignation or the date of the notification issued under section 4-B or, as the case may be. the date of death and the vacancy occurring on such ceaser shall be filled by the State Government as early as may be practicable: Provided that during any such vacancy the continuing members may act as if no vacancy had occurred).

1. Subs, by Gujarat 15 of 1990 w.e.f. [3-8-1990].

6. Proceedings presumed to be good and valid :-

No act or proceeding of a Board shall be questioned or invalidated merely by reason of any vacancy in its membership on account of resignation, death or otherwise, or by reason of any defect in the constitution thereof.

7. Officers and servants of Board and conditions of their service :-

(1)

(a) Every Board shall appoint an Executive Officer to manage the affairs of the Board.

(b) The functions, duties and powers of the Executive Officer shall be such as may be fixed by the Board, with the prior approval of

the State Government.

(c) The Executive Officer may be a Government servant whose services are placed at the disposal of the Board by the State Government and if he is a Government servant his remuneration, allowances and other conditions of service shall be such as may be fixed by the State Government.

(2) A Board may appoint such other officers and servants as it may consider necessary for the efficient discharge of its functions: Provided that, the Board may delegate its powers in this behalf to the Chairman or other members or officers of the Board.

(3) Subject to the provisions of clause (c) of sub-section (1). the remuneration, allowances and other conditions of service of the officers and servants of a Board shall be such as may be determined by regulations.

8. Appointment of Committees :-

(1) Subject to any rules made in this behalf, a Board may from time to time constitute one or more committees for the purpose of securing the efficient discharge of its functions, and in particular for the purpose of securing that the functions are discharged with due regard to the circumstances and requirements of any particular khadi or village industry. Such committees may be constituted for any specified local areas:

Provided that, a Board may constitute a divisional committee for each Revenue Division under its jurisdiction. Every such committee shall have a Chairman and may have a Member-Secretary. The Chairman and the Member-Secretary, if any, shall be appointed by the Board with the prior approval of the State Government. The remaining members of such committee may be appointed by the Board. The appointment of the Chairman and other members may be made from amongst the members of the Board or otherwise.

(2) The State Government may make rules for delegation of any of the powers and functions of a Board to the divisional committees.

9. Meetings of Board :-

Every 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 meetings shall be held at least once in every three months.

10. Power to make contracts :-

(1) A 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.

1 [(2) Every contract shall be made on behalf of a Board by the Chairman, the Vice-Chairman, the Secretary, or the Chairman of the Divisional Committee or an officer of the Board empowered in that behalf by a Board].

(3) Every contract made on behalf of a Board shall, subject to the provisions of this section, be entered into in such manner and form as may be prescribed.

(4) A contract not executed in the manner provided in this Section and the rules made thereunder, shall not be binding on a Board.

1. Subs, by Gujarat 15 of 1990 w.e.f. [3-8-1990].

CHAPTER 3

Functions and Powers of the Board

11. Functions of Board :-

(1) It shall be the duty of every Board to encourage, organise, develop and regulate khadi and village industries and perform such functions as the State Government may prescribe, from time to time.

(2) Without prejudice to the generality of the provisions of subsection (1) every 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 in the matters incidental to such trade or business:

(b) to help the people by providing them with work in their homes and to give loans and other form of monetary help to individuals or societies or institutions on such terms as may be prescribed:

(c) to encourage establishment of co-operative societies for khadi and village industries:

(d) to conduct training centres and to train people there at 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 and to manufacture the products of such industries: (ii) to arrange for the supply of raw materials and tools and implements required for the said purpose, and (iii) to sell and to arrange for the sale of the products of the said industries:

(f) to arrange for publicity and popularising of finished products of khadi and village industries by opening stores, shops, emporiums or exhibitions and to take similar measures for the purpose:

(g) to endeavour to educate public opinion and to impress upon the public the advantages of patronising 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 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:

(j) to discharge such other duties and to perform such other functions as the State Government may direct for the purpose of carrying out the objects of this Act.

12. General powers of Board :-

A Board shall, for the purposes of carrying out its functions under this Act, have the following powers, namely:

(i) to acquire and hold such moveable and immoveable property as it deems necessary and to lease, sell or otherwise transfer any such property: Provided that in the case of immoveable property the aforesaid powers shall be exercised with the previous sanction of the State Government;

(ii) to incur expenditure and undertake works in any area within its jurisdiction for carrying out the provisions of this Act for the framing and execution of such schemes as may be entrusted to it By the State Government, subject to the provisions of this Act and the rules made thereunder.

CHAPTER 4

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 State

Government every Board shall prepare and forward to the State Government a programme of work.

(2) The programme shall contain

(a) particulars of the scheme which the Board proposes to execute whether in part or whole during the next year: (b) particulars of any work or undertaking which the Board propose to execute during the next year for the purposes of carrying out its functions under this Act; (c) such other particulars as may be prescribed.

14. Sanction of programme :-

The State Government may approve and sanction the programme in whole or with such modifications as it deems fit.

15. Supplementary programme :-

A Board may prepare and forward a supplementary programme for the sanction of the State Government in such form and before such date as the State Government may prescribe and the provisions of section 14 shall apply to such supplementary programme.

CHAPTER 5

Finances, Accounts, Audit and Debts

16. Transfer of property :-

The State Government may transfer to a Board buildings, land or any other property, whether moveable or immovable, for use and management by the Board on such conditions and limitations as the State Government may deem fit for the purposes of this Act.

17. Funds of Board :-

(1) Every 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) A Board may accept grants, subventions, donations and gifts and receive loans from Government or a 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 a Board shall be deposited in such manner as the State Government may by a special or general order, direct.

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

18. Application of fund and property :-

All property fund and other assets of a Board shall be held and applied by it subject to the provisions and for the purpose of this Act.

19. Subventions and loans to Board :-

(1) The State Government may, from time to time, make subventions and grants to a Board for the purposes of this Act on such terms and conditions as the State Government may determine in each case.

(2) A Board may, from time to time, with the previous sanction of the State Government and subject to the provisions of this Act and such conditions as the State Government may determine, borrow any sum required for the purposes of this Act.

20. Budget :-

Every Board shall, on such date as may be fixed by the State Government, prepare and submit to the State Government the budget 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 :-

(1) The State Government may sanction the budget submitted to it with such modifications as it deems proper.

(2) A Board shall be competent to re-appropriate such amounts as

(3) A Board shall be competent to write off losses upto ¹[Rs. 5000] in individual cases and not exceeding Rs ² [50,000] in the aggregate in any financial year in cases falling under any or all of the following categories: (a) loss of irrecoverable value of stores or of public money due to theft, fraud or such other cause: (b) loss of irrecoverable advance other than loans: and (c) deficiency and depreciation in the value of stores,

1. Subs, by Gujarat 15 of 1990 w.e.f. [3-8-1990].

2. Inserted by Gujarat 27 of 1964.

22. Supplementary Budget :-

A Board may submit a supplementary budget for the sanction of the State Government in such form and before such date as the State Government may prescribe and the provisions of section 21 shall apply to such supplementary budget.

23. Annual report :-

Every Board shall prepare and forward to the State Government in such manner as may be prescribed, an annual report within six months from the end of the financial year giving a complete account of its activities during the previous financial year along with a copy of the annual statement of accounts referred to in section 25. Every such report shall be laid before ¹ [x x x] the State Legislature as soon as may be after it is received by the State Government

1. 26-AA and 26-AB ins. by Gujarat 15 of 1990 w.e.f. [3-8-1990].

24. Further report, statistics and returns :-

Every Board shall, before such date, and at such intervals, and in such manner, as the State Government may from time to time direct, submit to the State Government a report on such matters and such statistics and such returns as the State Government may direct.

25. Accounts and Audit :-

The accounts of every Board shall be maintained and an annual statement of accounts shall be prepared in such manner as may be prescribed. Such accounts shall be audited by an auditor approved by the State Government.

CHAPTER 6

Miscellaneous

26. Direction by State Government :-

¹ (1) In discharge of its functions, the Board shall be guided by such directions as may be given to it by the State Government from time to time.

(2) Where the Board makes persistent default in complying with or in giving effect to any directions given to it by the State Government under sub section (1), it shall be lawful for the State Government to dissolve the Board under section 31].

1. Subs, by Gujarat 15 of 1990 w.e.f. [3-8-1990].

26A. Recovery of arrears :-

¹ If any amount due to the Board in accordance with the terms of a contract or otherwise or any sum payable in connection therewith, has not been paid, the amount or, as the case may be, the sum shall, without prejudice to any other remedy provided by law, be

recoverable as an arrear of land revenue on a certificate in the prescribed form being issued by the Board to the Collector.]

1. Inserted by Gujarat 27 of 1964.

26AA. Liability of members for loss, waste or misapplication

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(1) Every member of the Board or its Committee shall be personally liable for the loss, waste, or misapplication of any money or other property of the Board to which he has been party, or which has been caused or facilitated by his misconduct or gross neglect of his duty as a member.

(2) If after giving the member concerned a reasonable opportunity for showing cause to the contrary, an officer authorised by the State Government is satisfied that the loss, waste or misapplication of any money or other property of the Board is a direct consequence of misconduct or gross negligence on his part, the officer so authorised shall, by an order in writing, direct such member to pay to the Board before a fixed date, the amount required to be reimbursed to it for such loss, waste or misapplication.

(3) If the amount is not so paid, it shall be recovered as an arrear of land revenue and credited to the fund of the Board.

(4) Any person aggrieved by the decision or action of the officer so authorised may apply to the District Court within one month of the decision or action for redress of his grievance and that court may, after taking such evidence as it thinks necessary, confirm, modify or remit the payment to the Board.

1. 26-AA and 26-AB ins. by Gujarat 15 of 1990 w.e.f. [3-8-1990].

26AB. Power of authorised officer to recover record and money :-

(1) Where the officer authorised in this behalf by the State Government is of the opinion that any person, who in his capacity as a member, officer, servant, or secretary of the Board had, in his custody, any record, money or other property belonging to the Board, is after his retirement, removal or suspension from office, as the case may be, not likely to deliver such record or property or pay such money, the officer so authorised may, by a written order,

require that the record, property or money so detained be delivered or paid to the Board forthwith.

(2) If any such person as aforesaid shall not deliver the record or property or pay the money as directed, the officer so authorised may cause him to be apprehended and may send him with a warrant in such form as may be prescribed to be confined in a civil jail till he delivers the record or property or pays the money:

Provided that no such person shall be so detained in confinement for a period longer than one calendar month.

(3) It shall be lawful for the officer so authorised (a) for recovering any such money to direct that such money be recovered as an arrear of land revenue and on such direction being given, such money shall be recoverable as an arrear of land revenue from such person; (b) for recovering any such record or property to issue a search warrant and to exercise all such powers with respect thereto as may lawfully be exercised by Magistrate under the provisions of Chapter 7 of the Code of Criminal Procedure, 1973.

(4) No action under sub-section (1), (2) or (3) shall be taken unless reasonable opportunity has been given to the person concerned to show cause why such action should not be taken against him.)

27. Members of Board and officers and servants of Board to be public servants :-

Members of a Board and officers and servants of a Board shall be deemed when acting or purporting to act in pursuance of any of the provisions of this Act to be public servants within the meaning of section 21 of the Indian Penal Code, (XLV of 1860).

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 by or under this Act.

29. Rules :-

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

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

- (a) the ¹[emoluments] of members of a Board under section 4:
 - (b) the manner and form in which contracts shall be entered into under section 10;
 - (c) the functions of a Board under section 11:
 - (d) the other particulars of the programme under section 13:
 - (e) the form in which and the date before which the supplementary programme shall be submitted under section 15:
 - (f) the form in which and the date before which the supplementary budget shall be submitted under section 22;
 - (g) the manner in which the annual report shall be prepared and forwarded to the State Government under section 23:
 - (h) the manner of maintenance of accounts and preparation of annual statement of accounts under section 25:
 - (i) any other matter which is or may be prescribed under this Act.
- (3) All rules made under this section shall be laid for not less than thirty days before ² [x x x] the State Legislature as soon as possible after they are made, and shall be subject to such modifications as the State Legislature may make during the session in which they are so laid, or the session immediately following, and publish in the Official Gazette.

1. Subs, by Gujarat 17 of 1965.

2. Deleted by Gujarat A.O. 1980.

30. Regulations :-

- (1) A Board may, with the previous sanction of the State Government, make regulations consistent with this 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, a Board may make regulations providing for
- (a) the procedure and disposal of its business:
 - (b) remuneration, allowances and other conditions of service of officers and servants of the Board:
 - (c) functions and duties of the officers and servants of the Board:
 - (d) functions of committees and the procedure to be followed by

such committees in the discharge of their functions.

31. Power of reorganisation of Boards :-

(1) If it appears to the State Government necessary or expedient that a Board or Boards should be reconstituted or reorganised in any manner whatsoever or that a Board or Boards may be dissolved the State Government may, after consulting the Boards concerned, by an order published in the Official Gazette, provide for the reconstitution, reorganisation or dissolution of the Board or Boards, as the case may be.

(2) Any order made under sub-section (1) may in particular provide for all or any of the following matters, namely:

(a) the dissolution of a Board:

(b) the reconstitution or reorganisation, in any manner whatsoever, of a Board including the establishment, where necessary of new Boards:

(c) the amalgamation of two or more Boards:

(d) the area in respect of which the reconstituted Board or new Board or amalgamated Board shall function or operate:

(e) the transfer, in whole or in part, of the assets, rights and liabilities of the Board (including the rights and liabilities under any contract made by it) to any other Board or State Government and the terms and conditions of such transfer:

(f) the transfer or re-employment of any employees of the Board to, or by, any such transfer and the terms and conditions of service applicable to such employees after such transfer or re-employment:

(g) such incidental, consequential and supplementary matters as may be necessary for the reconstitution, reorganisation or dissolution of the Board or Boards, as the case may be.

(3) Where an order is made under this section transferring the assets rights and liabilities of any Board, then, by virtue of that order, such assets rights and liabilities of the Board shall vest in, and be the assets, rights and liabilities, of the transferee.

(4) Every order made under this section shall be laid before ¹[x x x] the State Legislature, as soon as may be, after it is made.

2 [Explanation.-For the purposes of this section, mere appointment of additional members in a Board shall not be deemed to be reconstitution or reorganisation of that Board.]

1. Deleted by Gujarat A.O. 1960.

2. Inserted by Guj- 15 of 1990 w.e.f. [3-8-1990].

32. Repeal and saving :-

(1) On the date of commencement of the Bombay Khadi and Village Industries Ordinance, 1960 (Bom. Ord. No. III of 1960), (hereinafter in this section 33 referred to as "the appointed day")

(i) the Saurashtra Khadi and Village Industries Board Act, 1953 (Sau. XL of 1953):

(ii) the Bombay Village Industries Act, 1954 (Bom. XLI 1954);

(iii) the Hyderabad Khadi and Village Industries Board Act, 1955 (Hyd. XII of 1955), in its application to the Hyderabad area of the State of Bombay; and

(iv) the Madhya Pradesh Khadi and Village Industries Board Act, 1956 (MP IX of 1956) in its application to the Vidarbha region of the State of Bombay, shall be repealed.

(2) Notwithstanding the repeal of the Bombay Village Industries Act, 1954, (Bom. XLI of 1954) the rules and regulations made under that Act and in force immediately before the appointed day shall subject to anything done or any action taken under the Bombay Khadi and Village Industries Ordinance, 1960 (Bom. Ord No. III of 1960), and in so far as they are not inconsistent with the provisions of this Act, be deemed to be made under this Act in relation to the whole of the State and shall continue to be in force accordingly unless and until superseded by anything done or any action taken under this Act.

33. Dissolution of existing Boards and transfer of their assets and liabilities to new Board or Boards :-

(1) As from the appointed day, Saurashtra Khadi and Village Industries Board constituted under the Saurashtra Khadi and Village Industries Board Act. 1953 (Sau. XL of 1953) (hereinafter in this section referred to as "the Saurashtra Board") and the Bombay Village Industries Board constituted under the Bombay Village Industries Act, 1954 (Bom. XLI of 1954) (hereinafter in this section

referred to as "the Pre-Reorganisation Bombay Board") shall stand dissolved.

(2) The assets, rights and liabilities of the Saurashtra Board and the pre-Reorganisation Bombay Board shall, as from the appointed day, pass to the State Government: Provided that, the State Government shall, upon the establishment of a new Board or Boards, by an order published in the Official Gazette, transfer, either in whole or in part and subject to such terms and conditions as it deems fit, the assets, rights and liabilities of each of the Board aforesaid (including the rights and liabilities under any contract made by it) to a new Board or Boards established by it.

(3) Where an order is made under sub-section (2) transferring the assets, rights and liabilities of the Saurashtra or the pre-Reorganisation Bombay Board, then by virtue of that order, such assets, rights and liabilities of the Board concerned shall vest in.; and be the assets, rights and liabilities of. the transferee.

(4) Where, immediately before the appointed day, an existing Board is a party to any legal proceedings with respect to any property, right or liabilities transferred to the State Government under sub-section (2), the State Government shall be deemed to be substituted for the existing Board as a party to those proceedings and the proceedings may continue accordingly: Provided that, where an order is made under sub-section (2), the State Government may by that order also provide for the substitution or addition of any transferee as a party to any such proceedings and the proceedings if still pending may then be continued after substitution or addition, as the case may be. of the transferee as a party thereto.

(5) Every person who, immediately before the appointed day. is an employee of the Saurashtra Board or the pre-Reorganisation Bombay Board shall, as from the appointed day, provisionally continue to serve in connection with the affairs of the State Government and the State Government shall, by general or special order, determine the new Board to which any such person shall be allotted for service and the date with effect from which such allotment shall take effect.

(6) Nothing in sub-section (5) shall be deemed to affect the right of the State Government or the new Board to determine, after the appointed day, the conditions for service of any such person

serving under or allotted to it:

Provided that the conditions of service applicable immediately before the appointed day to the case of any such person shall not be varied to his disadvantage by the new Board except with the previous approval of the State Government.

34. Power to remove difficulties :-

If any difficulty arises in giving effect to the provisions of section 33, the State Government may by order do anything not inconsistent with the provisions of this Act which appears to it to be necessary or expedient for the purpose of removing the difficulty.

35. Removal of doubt :-

For the avoidance of doubt, it is hereby declared that nothing in this Act shall apply to or be deemed to apply to any industry, the control of which by the Union is declared by Parliament by law to be expedient in the public interest.

36. Repeal of Bombay Ord. No. III of 1960 :-

The Bombay Khadi and Village Industries Ordinance, 1960 (Bom. Ord. No. III of 1960), is hereby repealed and the provisions of sections 7 and 25 of the Bombay General Clauses Act, 1904, (Bom. I of 1904) shall apply to such repeal as if that Ordinance were in enactment.

SCHEDULE 1

SCHEDULE

[See section 2(f)]
Group I-Village Industries
(1) Bee-keeping
(2) Cottage Pottery Industry
(3) Cottage Match Industry, Manufacture of Fire works and Agarbattis (Cottage Match Industry).
(4) Cottage Soap Industry
(5) Flaying, curring, Tanning of hides and skins and ancillary Industries connected with same and Cottage Leather Industry
(6) Ghani Oil Industry
(7) Hand Made Paper Industry
(8) Manufacture of Cane Gur and Khandsari

- (9) Palmgurmaking and other Palm Products Industry
- (10) Processing, packing and marketing of Cereals, Pulses, Spices, Condiments, Masalas etc. (Processing of Cereals and Pulses).
- (11) Fibre (Other than coir) Industry.
- (12) Blacksmithy and Carpentry (Manufacturing and serving not involving the use of power, but in the case of Manufacture of Ambar Charkhas and their accessories power may be used).
- (13) Gobar Gas Plant, Manufacture of and use of manure and methane gas from cow-dung and other waste products (such as flesh of dead animals, night soil, etc).
- (14) Lime stone, lime shell and other lime products Industry (Lime stone and its products).
- (15) Manufacture of shellac
- (16) Collection of forest and fruits for medicinal purposes.
- (17) Fruits and vegetable processing, preservation and canning including pickles (Fruit processing and fruit preservation).
- (18) Manufacture of House hold utensils from Aluminium.
- (19) Bamboo and Cane work.
- (20) 'Poly Vastra' means any cloth woven on handloom in India, from yarn hand spun in India from a mixture of man made fibre with either cotton, silk or wool or with two or all of them or from a mixture of man made fibre yarn hand spun in India with either cotton, silk or woollen yarn and spun in India or with any two or all of such yarns.

Village Industries

Group II-Mineral Based Industry:

- (1) Stone cutting. Crushing, Carving and engraving for Temples and Building.
- (2) Utility articles.

- (3) State and slate pencil making.
- (4) Manufacture of Plaster of Paris.
- (5) Utensil Washing Powder.
- (6) Fuel briquetting.
- (7) Jewellery out of Gold, Silver, Stone, Shell and Synthetic materials.
- (8) Manufacture of Gulal-Rangoli.
- (9) Manufacture of Bangles.
- (10) Manufacture of Paints, Pigments, Varnishes and Distemper.

Group III-Forest Based Industry

- (1) Khus tattis and broom making.
- (2) Collection, Processing and packing of Forest products.
- (3) Photo Framing.
- (4) Manufacturing of Jute Products (under Fibre Industry).

Group IV-Agro Based and Food Industry.

- (1) Pithwork manufacture of pith Mats and Garlands etc.
- (2) Cashew Processing.
- (3) Leaf Cup Making.

Group V-Polymer and Chemical Based Industry

- (1) Products out of rexins, PVC, etc.
- (2) Horn and Bone including ivory products.
- (3) Candle, Camphor and sealing wax making.
- (4) Manufacture of packaging items of plastics.
- (5) Manufacture of Bindi.
- (6) Manufacture of Mehendi.
- (7) Manufacture of Essential Oils.
- (8) Manufacture of Shampoos.
- (9) Manufacture of Hair Oils.
- (10) Detergents and Washing Powder Making (Non Toxic).

Group VI-Engineering and Non Conventional Energy

- (1) Manufacture of Paper Pins, Clips, Safety Pins, Stove Pins,

etc.

- (2) Manufacture of decorative bulbs, Bottles, Glass etc.
- (3) Umbrella assembling.
- (4) Solar Wind Energy implements.
- (5) Manufacture of hand-made utensils out of Brass.
- (6) Manufacture of hand-made utensils out of Copper.
- (7) Manufacture of hand-made utensils out of Bell Metal.
- (8) Other articles made out of Brass, Copper and Bell Metal.
- (9) Production of Radios.
- (10) Production of Cassette Player whether or not fitted with radio.
- (11) Production of Cassette recorder whether or not fitted with radio.
- (12) Production of Voltage stabilizer.
- (13) Carved Wood and Artistic Furniture making.
- (14) Tin Smithy.
- (15) Motor Winding.
- (16) Wire Net Making.
- (17) Iron Grills Making.
- (18) Manufacture of Rural Transport-Vehicle such as: Hand Carts, Bullock Carts, Small Boats, Assembly of Bi-cycles, Cycle Riksha, Motorised Carts, etc.
- (19) Manufacture of Musical Instruments.

Group VII-Textile Industry (Excluding Khadi)

- (1) Hosiery (Excluding Khadi).
- (2) Tailoring and preparation of Ready made Garments.
- (3) Batick work
- (4) Toys and Doll Making.
- (5) Thread Balls and Wollen Balling Lacchi Making
- (6) Embroidery.
- (7) Manufacture of Surgical Bandages

(8) Stove Wicks

Use of Hand Spun yarn and Khadi only.

Group VIII-Service Industry

1. Laundry
2. Barber
3. Plumbing
4. Servicing of Electrical Wiring and Electronics domestic appliances and equipments.
5. Repairs of diesel engines, Pump sets, etc.
6. Tyre Vulcanising Unit.
7. Agriculture servicing for sprayers, insecticide, pump sets, etc.
8. Hiring of sound systems like loud speakers, amplifier, mike, etc.
9. Battery Charging.
10. Art Board painting.
11. Cycle repair shops.
12. Masonry.